Depository Information Required by the Maryland Homeowners Association Act

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CLERK, CIRCUIT COURT
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QUEEN ANNE'S COUNTY

ANCHORAGE ON KENT ISLAND

HOMEOWNERS ASSOCIATION DEPOSITORY INFORMATION

1. (a) The name, principal address and telephone number of the Declarant are:

WATERMAN REALTY COMPANY
109 Country Day Road, Suite 1
Chester, Maryland 21619
Tel. (410) 643-5005
Fax.(410) 643-5213

(b) If the Declarant is a corporation or partnership, list the names and addresses of the principal officers of the corporation, or the general partners of the partnership (as the case may be):

Mareen D. Waterman, President
1 Waterman Way
Queenstown, MD 21658

Barry P. Waterman, Vice President
2820 Bennett Point Road
Queenstown, MD 21658

Marian R. Waterman, Secretary
1 Waterman Way
Queenstown, MD 21658

RECORDING FEE 30.00
TOTAL 30.00
Reg# QA01 Rcpt # 32288
SM JCG Blk # 997
Feb 13, 2001 02:26 PM

2. The name of the Homeowners Association is: **Anchorage on Kent Island Homeowners Association, Inc.**. If incorporated, the Homeowners Association was incorporated in the State of **Maryland**. The name of the Maryland resident agent for the Homeowners Association is: **Mareen D. Waterman**.

3. The Development is located at: **Thompson Creek Rd., Stevensville, MD**. The Development consists of **45** lots. The minimum number of lots which may be contained within the Development are **45**. The maximum number of lots which may be contained within the Development are **45**.

4. The Declarant owns the following property which is contiguous to the Development and is to be dedicated to public use: **N/A**

5. State whether the Development is, or will be, within, or a part of, another development: **No.**. If the answer is yes, give a general description of that other development: **N/A**.

6. State whether the Declarant has reserved the right to annex additional property to the Development: **No.** If the answer is yes, give a description of the size and location of the additional property and the approximate number of lots currently planned to be contained in the Development, as well as any time limits within which the Declarant may annex such property: **N/A**.

7. Attach a copy of the Bylaws and Rules of the Development. If the Development is, or will be, within, or a part of, another development, also attach a copy of the Bylaws and Rules of the other development. The obligations set forth in the Bylaws and Rules of the Development (and, if the Development is, or will be, within, or a part of, another development, the obligations set forth in the Bylaws and Rules of the other development) will become the obligations of, and will be enforceable against, the owner of a lot in the Development. State whether these obligations are also intended to become the obligations of, and enforceable against, the tenants of any owner of a lot in the Development: **Yes.**

8. (a) The Homeowners Association is now, or is expected to be, the owner of the common area described in the Declaration. In addition, the Homeowners Association is now, or is expected to be, the owner of the following property: **N/A**.

(b) The Homeowners Association leases now, or is expected to be the lessee of, the following property: **N/A**.

(c) The following property is not now owned or leased by the Homeowners Association, nor is the Homeowners Association expected to own or lease the following property, but it is maintained by the Homeowners Association: **Common Areas and Community Dock**.

9. Information regarding the zoning and other land use requirements affecting the Development is available at the Office of Planning and Zoning for **Queen Anne's County**, Maryland, whose address is: **107 N. Liberty Street, Centreville, Maryland 21617**.

10. (a) If mandatory Homeowners Association fees or assessments are not now being levied, state when they will first be levied against owners of lots: upon occupancy on a pro-rata basis.

(b) Provide a description of the procedure for increasing or decreasing such fees or assessments: **As set forth in Declaration and By-Laws**.

(c) Provide a description of how fees or assessments and delinquent charges will be collected: **Fees and assessments will be collected on an annual basis.**

(d) State whether unpaid fees or assessments are personal obligations of owners of lots: **Yes.**

(e) State whether unpaid fees or assessments bear interest: **Yes.**. If they do, state the rate of interest: **1% per month (12% per annum)**.

(f) State whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act (§14-201, *et seq.* of the Real Property Article of the Annotated Code of Maryland): **Yes.**

(g) State whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and describe any other consequences for the non-payment of fees or assessments: **Yes.**

11. The following is a description of special rights or exemptions reserved by, or for, the Declarant, including (a) the right to conduct construction activities within the Development, (b) the right to pay a reduced Homeowners Association fee or assessment, (c) exemptions from use restrictions, and (d) architectural control provisions contained in

the Declaration or provisions by which the Declarant intends to maintain control over the Homeowners Association: **See Declaration**.

12. Provide the name, address, and telephone number of the management agent of the Homeowners Association (or other officer or agent authorized by the Homeowners Association to provide members of the public the information regarding the Homeowners Association, or state that no such agent (or officer) is presently so authorized: **No such agent is presently so authorizied**.

13. Attachments (check if attached)
    Bylaws: ✔.
    Regulations: **N/A**.
    Bylaws and Regulations of any other development of which the Development is or will be a part: **N/A.**

BYLAWS

OF

ANCHORAGE ON KENT ISLAND HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Anchorage on Kent Island Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 109 Country Day Road, Suite 1, Chester, Queen Anne's County, Maryland 21619, but meetings of Members and directors may be held at such places within the State of Maryland, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The terms "Architectural and Environmental Review Committee," "Association," "Board of Directors," "Common Area," "Declarant," "Dwelling," "Improvements" "Lot," "Member," "Mortgagee," "Open Space," "Owner" and "Property" as used in these Bylaws shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for Anchorage on Kent Island dated July 11, 2000, and recorded among the Land Records of Queen Anne's County on July 13, 2000 in Liber S.M. No. 743, folio 705 (the "Declaration").

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within the State of Maryland selected by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Members of the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than fifteen (15) nor more than sixty (60) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the

Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to cast one-tenth (1/10) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

ARTICLE IV

BOARD OF DIRECTORS SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who shall be Members of the Association.

Section 2. Term of Office. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members at which their successors are elected. The terms of each director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal. Any director, other than a Charter Director, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal, pursuant to these Bylaws, of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination of Directors for election to the Board of Directors shall be made by the Members of the Association from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At the election the Members of the Association or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Open Space and Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

(d) employ a manager, independent contractors, or other employees or contractors as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the membership, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Members of the Association.

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) Fix the amount of the annual assessment against each Lot not later than January 31st of each year;

(2) send written notice of each annual assessment to every Lot Owner subject thereto not later than February 15th of each year, and of each special assessment, at least forty-five (45) days in advance of its due date; and

(3) foreclose the lien against a Lot if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates; (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Open Space and Common Areas to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Not more than two offices may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his

absence, inability, or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds, and other written instruments.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

ARTICLE IX

DIRECTOR AND OFFICER LIABILITY

No Director of Officer shall be liable to the Association or to its Members for money damages except (1) to the extent that it is proved that such Director or Officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (2) to the extent that a judgment or other final adjudication adverse to such Director or Officer is entered in a proceeding based on a finding in the proceeding that such Director's or Officer's action, or failure to act, was (a) the result of active and deliberate dishonesty, or (b) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding.

ARTICLE X

COMMITTEES

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lot against which the assessment is made. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 1% percent per month (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Open Space or Common Area or abandonment of his Lot.

ARTICLE XII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken, except that the Federal Housing Administration shall have the right to veto amendments as long as Declarant, Waterman Realty Company, controls the voting rights of the Association,

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st

day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, we, being all of the Directors of Anchorage on Kent Island Homeowners Association, Inc., have hereunto set our hands this 2nd day of Feb, 2001.

MAREEN D. WATERMAN

MARIAN R. WATERMAN

BARRY P. WATERMAN

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of Anchorage on Kent Island Homeowners Association, Inc., a Maryland corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 2nd day of Feb, 2001.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 2nd day of Feb, 2001.

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CLERK, CIRCUIT COURT

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QUEEN ANNE'S COUNTY

Amended Depository Information Required by the Maryland Homeowners Association Act

ANCHORAGE ON KENT ISLAND

HOMEOWNERS ASSOCIATION DEPOSITORY INFORMATION

1. (a) The name, principal address and telephone number of the Declarant are:

WATERMAN REALTY COMPANY
109 Country Day Road, Suite 1
Chester, Maryland 21619
Tel. (410) 643-5005
Fax.(410) 643-5213

(b) If the Declarant is a corporation or partnership, list the names and addresses of the principal officers of the corporation or the general partners of the partnership (as the case may be):

Mareen D. Waterman, President
1 Waterman Way
Queenstown, MD 21658

Barry P. Waterman, Vice President
2820 Bennett Point Road
Queenstown, MD 21658

Marian R. Waterman, Secretary
1 Waterman Way
Queenstown, MD 21658

RECORDING FEE 15.00
TOTAL 15.00
Rcpt # 0401 Rcpt # 478
SM JGG Blk # 1075
Jul 12, 2001 04:17 PM

2. The name of the Homeowners Association is: **Anchorage on Kent Island Homeowners Association, Inc.**. If incorporated, the Homeowners Association was incorporated in the State of **Maryland**. The name of the Maryland resident agent for the Homeowners Association is: **Mareen D. Waterman**.

3. The Development is located at: **Thompson Creek Rd., Stevensville, MD**. The Development consists of **45** lots. The minimum number of lots which may be contained within the Development are **45**. The maximum number of lots which may be contained within the Development are **45**.

4. The Declarant owns the following property which is contiguous to the Development and is to be dedicated to public use: **N/A**

5. State whether the Development is, or will be, within, or a part of, another development: **No.**. If the answer is yes, give a general description of that other development: **N/A**.

6. State whether the Declarant has reserved the right to annex additional property to the Development: **No.** If the answer is yes, give a description of the size and location of the additional property and the approximate number of lots currently planned to be contained in the Development, as well as any time limits within which the Declarant may annex such property: **N/A**.

7. Attach a copy of the Bylaws and Rules of the Development. If the Development is, or will be, within, or a part of, another development, also attach a copy of the Bylaws and Rules of the other development. The obligations set forth in the Bylaws and Rules of the Development (and, if the Development is, or will be, within, or a part of, another development, the obligations set forth in the Bylaws and Rules of the other development) will become the obligations of, and will be enforceable against, the owner of a lot in the Development. State whether these obligations are also intended to become the obligations of, and enforceable against, the tenants of any owner of a lot in the Development: **Yes.**

8. (a) The Homeowners Association is now, or is expected to be, the owner of the common area described in the Declaration. In addition, the Homeowners Association is now, or is expected to be, the owner of the following property: **N/A**.

(b) The Homeowners Association leases now, or is expected to be the lessee of, the following property: **N/A**.

(c) The following property is not now owned or leased by the Homeowners Association, nor is the Homeowners Association expected to own or lease the following property, but it is maintained by the Homeowners Association: **N/A.**

9. Information regarding the zoning and other land use requirements affecting the Development is available at the Office of Planning and Zoning for **Queen Anne's County**, Maryland, whose address is: **107 N. Liberty Street, Centreville, Maryland 21617**.

10. (a) If mandatory Homeowners Association fees or assessments are not now being levied, state when they will first be levied against owners of lots: **upon occupancy on a pro-rata basis.**

(b) Provide a description of the procedure for increasing or decreasing such fees or assessments: **As set forth in Declaration and By-Laws**.

(c) Provide a description of how fees or assessments and delinquent charges will be collected: **Fees and assessments will be collected on an annual basis.**

(d) State whether unpaid fees or assessments are personal obligations of owners of lots: **Yes.**

(e) State whether unpaid fees or assessments bear interest: **Yes.**. If they do, state the rate of interest: **1% per month (12% per annum)**.

(f) State whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act (§14-201, *et seq.* of the Real Property Article of the Annotated Code of Maryland): **Yes.**

(g) State whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and describe any other consequences for the non-payment of fees or assessments: **Yes.**

11. The following is a description of special rights or exemptions reserved by, or for, the Declarant, including (a) the right to conduct construction activities within the Development, (b) the right to pay a reduced Homeowners Association fee or assessment, (c) exemptions from use restrictions, and (d) architectural control provisions contained in the Declaration or provisions by which the Declarant intends to maintain control over the

Homeowners Association: **See Declaration**.

12. Provide the name, address, and telephone number of the management agent of the Homeowners Association (or other officer or agent authorized by the Homeowners Association to provide members of the public the information regarding the Homeowners Association, or state that no such agent (or officer) is presently so authorized: **No such agent is presently so authorizied**.

13. Attachments (check if attached)
    Bylaws: ✔.
    Regulations: **N/A**.
    Bylaws and Regulations of any other development of which the Development is or will be a part: **N/A.**

RECEIVED
CLERK. CIRCUIT COURT
03 JUN 18 AM 10:51
QUEEN ANNE'S COUNTY

June 18, 2003

Clerk, Circuit Court for Queen Anne's County
100 Courthouse Square
Centreville, Maryland 21617

HOME OWNER ASSOCIATION DISCLOSURE FILING

1. Name: Batts Neck Farm Owners Association, Inc.
200 Neptune Lane
Stevensville, Maryland 21666

2. Resident agent: Chris Coile, President
200 Neptune Lane
Stevensville, Maryland 21666

3. Amended Declaration of Covenants, Conditions and Restrictions attached.

RECORDING FEE 50.00
TOTAL 50.00
Rcpt # 39939
Blk # 2039
Jun 18, 2003 10:52 am

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DOC. NO. 287619

CLERK, CIRCUIT COURT

02 OCT 30 PM 4:16

QUEEN ANNE'S COUNTY

BATTS NECK FARMS

AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS BATTS NECK FARMS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made this 29 day of Oct, 02, by BATTS NECK FARM OWNER'S ASSOCIATION, INC. ("Declarant").

WHEREAS, a "Declaration of Covenants, Conditions and Restrictions," affecting the use of land more particularly described in Exhibit A attached thereto, was filed in the Land Records for Queen Anne's County, Maryland on January 22, 1988; and,

WHEREAS, Declarant is a Maryland corporation operating as a Homeowners Association ("Association") for the benefit of the individual owners of the real property described in Exhibit "A" of the January 22, 1988 Declaration as well as certain property contiguous thereto, and provided for the preservation and enhancement of the property values, amenities, and opportunities contributing to the personal and general health, safety, and welfare of residents thereon and for the maintenance of the land and improvements thereon, and to such ends subjected the real property described in Exhibit "A," together with such additions as may hereafter be made thereto (as provided in Article II), to covenants, conditions, restrictions, easements, charges, and liens as hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and,

WHEREAS, to provide a means for meeting certain of the purposes and intents herein as set forth, Declarant incorporated under the laws of Maryland, the Batts Neck Farm Owner's Association, Inc.; and,

WHEREAS, the real property described in Exhibit "A," and such additions thereto as may hereafter be made pursuant to Article II hereof, is and are and shall be held, transferred, sold, conveyed and occupied subject to covenants, conditions, restrictions, easements, charges, and liens as hereinafter set forth; and,

WHEREAS, the Batts Neck Farm Owner's Association, Inc. has received by delegation the power of owning, the power and obligation of maintaining, and administering the Common Area, administering and enforcing the covenants and restrictions, collecting and disbursing the assessments and charges hereinafter created, and promoting the welfare of the residents, specifically reserving unto itself, nevertheless, and its successors as to the contiguous property referenced above, the rights to enforce these restrictions and covenants by injunction and other lawful procedure, and to recover damages resulting from any violation thereof; and

TMP FD SURE $	5.00
RECORDING FEE	75.00
TOTAL	80.00
Rec# 0A01	Rcpt # 24138
SM RCB	Blk # 3557
Oct 30, 2002	04:18 pm

WHEREAS, the Batts Neck Farm Owner's Association, Inc., acting through its Class A membership and their respective ownership interests in parcels of real property described in Exhibit "A," including any subsequent subdivisions, desires to amend the covenants, conditions and restrictions in accordance with the written consent of a Quorum of Owners.

NOW, THERFORE, the provisions contained herein shall constitute the Amended Declaration of Covenants, Conditions and Restrictions.

ARTICLE I

Definitions

1. "Assessable Parcel(s)." Each of those parcels referenced as Lots 1, 2, 3, 4, 5, 6 as more fully described on Exhibit "A" shall constitute respectively and each shall be one "Assessable Parcel." That remaining property containing 100 acres, more or less, as described on Exhibit "A" shall constitute and shall be one "Assessable Parcel" and shall hereinafter sometimes be referred to as "Parcel 100." The Batts Neck Farms, as of the date hereof, therefore, are comprised of seven "Assessable Parcels," subject to the provisions herein permitting Parcel 100 to be further divided into up to five separate "Assessable Parcels."

2. "Association" shall mean and refer to the Batts Neck Farm Owner's Association, Inc., and its successors and assigns.

3. "Batts Neck Farms" shall mean and refer to all real property which is hereby subjected to the Declaration, together with such other real property as may from time to time be annexed thereto under the provisions of Article II hereof.

4. "Common Area" shall mean and refer to all real property and improvements thereon owned or leased by the Association or over which the Association has an easement for maintenance (excepting those lots and dwelling units thereon) for the use and enjoyment of the members. The Common Area is described in Exhibit "B" attached hereto.

5. "Declaration" shall mean and refer to the covenants, conditions and restrictions and other provisions herein set forth in this entire document, as they may from time to time be amended.

6. "Member(s)" shall mean and refer to the owners in their capacity as members and participants of the Batts Neck Farm Owner's Association, Inc.

7. "Owner" and "Lot Owner" shall mean and refer to the record holder of the fee simple title to any Assessable Parcel, whether one or more persons or entities; the term shall specifically exclude those having such an interest merely as security for the performance of an obligation. In the event of multiple holders of title to one Assessable

Parcel, they shall all be deemed and defined to be one Owner for purposes hereof and for voting in the affairs of the Association.

8. "Quorum of Members" shall mean and refer to the representation by presence or proxy of Members who hold fifty percent of the outstanding votes of all classes of the Association, rounded down to the nearest whole number.

9. "Quorum of Owners" shall mean and refer to the representation by presence or proxy of Owners of seventy-five percent of the Class A votes rounded down to the nearest whole number.

10. The words "street", "road", or "roadway" as hereinafter used shall be those streets or roads as providing access to the parcels shown on the plat of Batts Neck Farms, and not public streets or rights of way.

ARTICLE II

Additions to Property Subject to This Declaration

1. The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Queen Anne's County, Maryland, and is more particularly described in Exhibit "A."

2. Additional land may be annexed to the properties upon approval of a Quorum of Owners.

ARTICLE III

Protective Covenants, Conditions and Restrictions

Subject to the provisions of Article IV which provides for certain specific exceptions, exclusions and reservations in use, the following covenants, conditions, reservations, and restrictions are imposed upon Batts Neck Farms, all of which are to be construed as covenants running with the land and shall pass with title and shall bind the respective successors in interest of the present owner:

1. Batts Neck Farms shall be used solely and exclusively for residential purposes. Use or occupancy of each Assessable Parcel shall be limited to a single-family and family servants; and, improvements constructed thereon shall be limited to a single-family residence and customary outbuildings, garage, carport, patio walls, swimming pool, servants' quarters, and guest house. No building or structure intended for or adapted to business purpose, and no apartment house, double house, lodging house, rooming house or other multi-family dwelling shall be erected, placed, permitted, or maintained on any portion of Batts Neck Farms. No portion of Batts Neck Farms shall be used for purposes of any trade or business whatsoever, including without limitation, any

commercial fishing activity having any base of operation or connection with any part of the land in Batts Neck Farms, unless specifically approved in writing by the Association.

2. No sale, transfer, conveyance, or assignment in whole or in part of any Assessable Parcel, nor any recordation nor subdivision law or ordinance, nor any purported subdivision thereof shall operate to permit any additional dwelling houses on or use of Assessable Parcels for greater than one family per Assessable Parcel.

3. The minimum floor area of any dwelling house erected upon any Assessable Parcel, exclusive of basement and attached porches and garages, shall be approximately two thousand (2,000) square feet (plus or minus 10%), for a one story dwelling, approximately two thousand five hundred (2,500) square feet (plus or minus 10%) for a one and one-half story dwelling, and approximately three thousand (3,000) square feet (plus or minus 10%) for a two story dwelling. No dwelling, garage, porch, or guest house shall be more than thirty-six (36) feet in elevation from ground level, provided, however, that the right is reserved unto the Association from time to time to amend or modify such requirements in its sole discretion, if it deems best so to do.

4. (a) No building or dwelling shall be constructed, erected or maintained on any Assessable Parcel within 75 feet of the right of way line of the road providing access to the parcels, nor shall any building or dwelling be constructed, erected or maintained within 50 feet of any side boundary or within 250 feet of any waterfront boundary of any Assessable Parcel; provided, however, that when two or more contiguous Assessable Parcels are in single ownership, the owner thereof may disregard the provisions of this restriction with respect to the internal boundaries between two or more Assessable Parcels reduced to single ownership.

(b) Rights are reserved unto the Association in its sole discretion to alter, amend, change or waive such setback provisions as to any Assessable Parcel or group of lots, provided that no such waiver, annulment or change in the aforesaid setback provisions shall permit the construction of any improvements in violation of the zoning laws of Queen Anne's County. The right is also hereby expressly reserved unto the Association to determine or approve the precise location and height of all structures and fences of all kinds to be constructed on Batts Neck Farms so as to preserve all available water views on the property.

5. No dwelling unit, or building, or dock, including additions or accessories thereto, or fences, walls, signs, bulkheads, jetties, seawalls, private roads, or driveways, or any other structure of any kind or nature whatsoever, shall be commenced, erected or maintained, nor shall any addition to, or change or alteration (including change of color of any exterior part) therein be made until the written or printed plans and specifications showing the nature, kind, shape, heights, materials, floor plans, color scheme, location of the improvements with respect to plat plan, topography and ground elevation shall have been submitted to and approved in writing by the Association and copies of all building plans, specifications, alterations, plans, plat plans, etc., as above required, permanently lodged with the Association.

The Association shall have the right to refuse to approve any building plan and/or specification grading plat, or material contemplated in the proposed building or improvement, either external or internal, which, in its opinion, is not considered suitable or desirable for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement, and the materials of which the same is to be built, erected or constructed to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Association shall further have the right to establish minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected on Batts Neck Farms.

Any approval given hereunder shall become null and void unless construction is commenced within six (months) of the date of such approval.

6. No excavations shall be made on any Assessable Parcel except for the purpose of building thereon and at the time when the building operations are commenced and only as described on written plans approved in writing by the Association; and no earth or sand shall be removed from said premises except as a part of such excavations. Any dwelling, outbuilding or other structure, commenced as provided hereby, shall be completed within twelve (12) months of the date the same is commenced, unless the time for completion shall be extended by the Association in the exercise of its sole discretion.

7. No basement, tent, shack, garage, or other building shall be erected or maintained on any Assessable Parcel or used temporarily or permanently as a residence. No trailer shall be used temporarily or permanently for residential purposes, and no trailer or "job-trailer" used in the construction of improvements on any Assessable Parcel shall be kept or stored on any parcel after completion of the main dwelling thereon, or after occupancy of the main dwelling or residence.

8. No part of Batts Neck Farms may be used in whole or in part for the storage of any rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such area to appear in an unclear or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any part of Batts Neck Farms that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the place, quiet, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activities shall be carried on upon Batts Neck Farms, nor shall any illegal activity be done or carried on, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to neighbors.

9. Owners shall keep and maintain their property in good order and repair.

10. In order to preserve or improve the views, water views and otherwise, to promote the free movement of breezes and prevent the harboring of flies, mosquitoes and

other insects, the Association shall have the right to require the owner of any Assessable Parcel, upon thirty (30) days notice, to trim any trees or shrubbery, to cut and remove any tall grasses and weeds, and/or remove any trash and litter now or hereinafter standing on any part of owner's Assessable Parcel which may, in the opinion of the Association, destroy or interfere with such views or the free movement of breezes, or which may furnish harboring places for flies, mosquitoes or other insects; and the Association may trim, cut and remove such trees, shrubbery, grasses, weeds, trash and litter at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

11. No hunting activity of any kind or nature shall be permitted on Batts Neck Farms.

12. Each and every owner of any part of Batts Neck Farms, in accepting the deed therefor, agrees to and shall be a Class A Member of and be subject to the obligations and duly enacted bylaws and rules of the Association, and accepts such deed subject to the terms and provisions of this Declaration and agrees for himself, his heirs, administrators, and assigns to be bound by each of the covenants, conditions, restrictions, reservations, and servitudes jointly, separately, and severally, and to reference this Declaration in any deed by which title is transferred, and to pay all dues and assessments of all kind whether regular, special, supplemental, capital, restoration or otherwise as may be levied from time to time by the Association for the maintenance of streets, roads, roadways, and all other proper purposes for which the Association shall be authorized to so assess, and accepts and acknowledges the same as a personal liability, recoverable by suit, and a lien upon the real and personal property with respect to which such charge, assessment or liability is due.

ARTICLE IV

Exceptions and Exclusions

1. Any provisions or restrictions herein as to use notwithstanding, the rights are hereby expressly reserved unto the Owners and all subsequent Owners of Parcel 100 or any part thereof in perpetuity to do or cause to be done any or all of the following:

(a) Subdivide Parcel 100 into not more than five (5) lots each of which shall be no less than 20 acres in size and each of which upon such division shall become a separate Assessable Parcel provided, however, that such subdivision shall not operate to permit any multi-family construction as described and as prohibited in Article III thereof;

(b) Conduct on Parcel 100 or any parts subdivided therefrom commercial activity or trade or business in any legal form provided such trade or business shall be consonant with the surrounding community, such as, by way of example but not necessarily limitation, farming, horse and cattle breeding and raising, horse leasing, or

riding stables, but excluding, however, any commercial fishing activity as described and prohibited in Article III hereof;

(c) Keep or maintain trailers used temporarily or permanently for residential purposes as long as the keeping of same does not violate the multi-family prohibition;

(d) Hunt in any manner permitted by applicable law on Parcel 100 or any part subdivided therefrom.

2. Intentionally Omitted.

3. As of the date of this Amended Declaration, all existing buildings, fences, barns, sheds, or structures of any kind located on Batts Neck Farms are hereby deemed to comply with the specifications and requirements herein provided and Owners and all subsequent Owners thereof shall be deemed to be in compliance therefor.

ARTICLE V

Batts Neck Farm Owner's Association, Inc.

1. The Association shall be a nonprofit, nonstock corporation organized and existing under the laws of the State of Maryland and charged with the duties and vested with the powers prescribed by law and set forth in its governing documents as may be amended from time to time, provided that no governing documents other than this Declaration shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. Such powers shall include without limitation the right to hold fee simple title or lease to the Common Area and improvements thereon as described herein.

2. The Association shall have the right to form one or more subsidiary corporations, for any purpose or purposes deemed appropriate by a majority vote of the Board of Directors; however, such subsidiary corporations shall be subject to this Declaration and may not take any action or lessen or abate the rights provided herein.

3. In accordance with its Articles of Incorporation, the property, rights, and obligations of the Association may, by operation of law, be transferred to another surviving or consolidated association similar in corporate nature and purposes, or alternatively, the property, rights and obligations of an association similar in corporate nature and purposes may by operation of law be added to the property, rights, and obligations of the Association as a surviving corporation pursuant to a merger. No such merger or consolidation, however, shall affect any revocation, change or addition to the covenants established by this Declaration within Batts Neck Farms. Such a merger or consolidation shall require the assent of seventy-five percent of the votes of a Quorum of Owners.

4. Each owner as defined in this Amended Declaration shall become a Class A Member. Each Class A Member on all matters requiring a vote shall be entitled to one (1) vote per each Assessable Parcel owned, producing a total of seven (7) Class A votes, and unless and until such time as Parcel 100 may be divided into up to five (5) Assessable Parcels as authorized herein.

5. In the event of a subdivision of Parcel 100 as authorized in Article IV hereof, each lot so subdivided shall become a separate Assessable Parcel for purposes hereof, thereby entitling its Owner to one (1) Class A vote thereby increasing the total Class A votes.

6. In the event of a corporate or entity owner of an Assessable Parcel, such entity's vote shall be made by its duly authorized officer or agent and such officer's or agent's authority shall be verified to the satisfaction of the Board of Directors of the Association. In the event of multiple owners of any Assessable Parcel, all owners shall either provide a written, duly executed proxy appointing one individual owner to vote, or all owners shall join in the same vote, consenting one with the other in order for such vote to be valid. In any event, each Assessable Parcel shall receive only one Class A vote at all times.

7. Intentionally Omitted.

8. The Association shall have a four member Board of Directors who shall serve as an Architectural Review Board. Directors shall be elected by simple plurality vote with the four persons receiving the most votes being elected.

9. The Association shall construct an electronic entrance gate to be located on Parcel 100 in a particular location to be designated by the Board of Directors, with the concurrence of the owner(s) of Parcel 100.

10. The Association shall maintain and repair the streets, roads, roadways, avenues, lanes, alleys, ways, storm drains, sanitary sewers, easement areas, and recreation areas now or hereafter constructed or erected on the Common Area; and shall maintain the entrance gate referenced above; and shall maintain all Common Area and improvements thereon.

11. The Association shall fund its financial obligations including without limitation the aforesaid and the expenses incident to the examination and approval of plan as herein provided, the enforcement of these covenants, agreements, easements, restrictions, conditions and charges, from assessments levied on the Class A Members, including semi-annual or regular, and special, supplemental, capital, and restoration as authorized herein as determined from time to time by the Board of Directors.

12. Intentionally Omitted.

13. The minimum assessment to be levied by the Association on Class A Members shall be $1,000.00 per annum for Members who have a constructed dwelling unit and $500.00 per annum for any unimproved lot, including Parcel 100 and each subdivision of Parcel 100. In the event a Member constructs an improvement, the $1,000.00 per annum assessment shall be pro-rated beginning with the date of the building permit, and due and payable at that time. The annual assessment shall be due on or before January 1st of the year following the assessment. Any special assessment levied by the Association shall be due within thirty (30) days of the assessment date.

14. The Association shall have the right by resolution approved by three-quarters (3/4) vote of the Board of Directors to increase the aforesaid regular assessment and/or to levy additional assessments of capital improvement assessments for the purpose of defraying in whole or in part the cost of any construction or reconstruction, repair, or replacement of a capital improvement upon the Common Area including fixtures and personal property related thereto, or upon public lands within Batts Neck Farms.

15. Intentionally Omitted.

Pursuant to a resolution duly approved by the Board of Directors, the Association shall levy such special assessments as may be necessary from time to time to maintain, preserve and improve the real property that is subject to this Amended Declaration. For purposes of construction of a security gate the special assessment shall include a levy of $8,000.00 for each Assessable Parcel with a dwelling as of December 31, 2001 and $4,000.00 for each unimproved Assessable Parcel as of December 31, 2001. For each unimproved Assessable Parcel there shall be an assessment of an additional $4,000.00, due and payable upon commencement of construction.

16. The Association shall have the right to levy a restoration assessment upon any Assessable Parcel whose owner fails to maintain such parcel as provided in Article III, provided that the same shall be limited to the amount necessary to meet the costs of restoring the parcel to the condition required by these covenants and restrictions.

17. Interest on unpaid assessments due and payable pursuant to Article V shall accrue at the rate of 15% per annum, and shall become a part of the assessment levy. In the event that the Board of Directors believes it is in the best interest of the Association to engage the services of an attorney, the delinquent Member shall be responsible for reasonable attorneys' fees and related costs, which also shall be a part of the assessment levy.

ARTICLE VI

Easements and Restrictions

1. The Association and each Owner with title to any land in Batts Neck Farms and their invitees, lessees, servants, agents, and employees, have the right to use in

common with the other Owners in Batts Neck Farms, the roads providing access to the parcels as shown upon Exhibit "B" (the Common Area), or any amendment or revision thereof. The Association further reserves the right, if permitted by local authorities, to use and utilize the beds of said streets, roads, roadways, avenues, lanes and alleyways for the laying or erecting of water pipes, gas pipes, electric lines or other public utilities above or below ground level as may be found necessary to adequately provide such facilities to the Owners or occupiers of said tract or parcel, or any part thereof; and the said Association expressly reserves the right to create slopes, grade, change the grade of, regrade, change the location of, close, or partially close any street, road, roadway, avenue, lane or alleyway on the aforesaid plat, provide that no change of location or closing shall be made that will prevent reasonable and convenient ingress to and from, or reduce the acreage of any parcel. The Association further reserves the exclusive right but not the obligation to dedicate to public use and the right but not the obligation to convey to any public authority, or to the Association, or to any corporation having the right to acquire the same, all its right, title and interest in and to any parcel or tract of land or any street, road, roadway, avenue, lane or alleyway or any of the Common Area, subject to the rights of Owners heretofore granted.

It is expressly stated and provided that nothing herein contained shall constitute a dedication to public use any street, road, roadway, avenue, lane or alleyway within the Batts Neck Farms environs. Nor shall any deed made and delivered by the Owners, conveying any parcel or other part of said tract or parcel be held to dedicate the surface or bed of any street, road, roadway, avenue, lane or alleyway.

2. Easements and rights of way are hereby expressly reserved upon, in and over strips of land ten (10) feet in width along the road lines and interior lines of all parcels for the purpose of erecting, constructing and maintaining poles, wires and conduits with the necessary or proper attachments in connection therewith for the transmission of electricity and for telephone service and other public utilities or services, and for public sanitary sewers and water draining; and the Association, its nominee(s) shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved to remove, prune or trim any tree or shrub on any lot interfering with the construction or maintenance of electric or telephone lines or other utility service.

3. Intentionally Omitted.

ARTICLE VII

Term, Validity, Beneficiaries, Amendment

1. All of the foregoing covenants, conditions, reservations, and restrictions shall continue and remain in full force and effect at all times as against the owner of any part of Batts Neck Farms regardless of how he acquired title, until the commencement of the calendar year 2018. However, these covenants, conditions, reservations, and restrictions shall be automatically extended for a period of ten years, and thereafter in

successive ten-year periods, unless on or before the end of the initial period or one of the extension periods a majority of the owners shall by written instrument duly recorded declare a termination of the same. Although these covenants, conditions, reservations and restrictions may expire, any and all rights of action for breach of these covenants, conditions, reservations, or restrictions committed or suffered prior to expiration shall be absolute.

2. In the event the provisions hereof are declared void by a court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then in that event the terms shall be reduced to a maximum period of time which shall not violate the rule against perpetuities as set forth in the laws of the State of Maryland.

3. These restrictions and covenants are made for the benefit of all persons who may now or hereafter own property in Batts Neck Farms. The Association and such persons aforesaid or its or their legal representatives, heirs, successors or assigns are specifically given the right to enforce these restrictions and covenants by injunction and other lawful procedure, and to recover damages and expenses resulting from any violation or enforcement hereof. Any failure to enforce any restriction, condition, or covenant herein contained shall not in any event be deemed a waiver of the right to do so. Violation of any covenant, condition or restriction herein shall give the Association, in addition to all other remedies, (a) the right to enter upon the land as to which such violation exists and summarily to abate and remove, at the expense of the Owner thereof, such violation, and the Association shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal or for any damages resulting therefrom, and (b) the right to apply for relief by injunction, since the parties hereto agree that any breach, as aforesaid, cannot be compensated adequately by recovery of damages alone.

4. In the event of a conflict between the Association's governing documents or rules and regulations relating to the properties and this Declaration, the terms and provisions hereof shall govern.

5. This Declaration shall be liberally construed in favor of the party seeking to enforce the provisions hereof to effectuate the purpose of protecting and enhancing the value, marketability, and desirability of Batts Neck Farms.

6. This Declaration may be amended, cancelled, or abrogated in whole or in part only upon the written consent of a Quorum of Owners and by a duly executed written instrument properly recorded among the Land Records of Queen Anne's County, Maryland.

7. No provision or condition herein shall be construed to prevent any mortgagee, or the successors, heirs or assigns of any mortgagee, from effecting or having effected a mortgage foreclosure sale of said property, and any purchaser (or his heirs, successors or assigns) whose interest arises or is derived by, from or under a mortgage

foreclosure sale may thereafter hold, use, occupy and enjoy said property, subject, nevertheless, to all of the aforegoing conditions and restrictions.

8. If any provisions of the covenants and restrictions herein contained, or the application of such provision to any person or circumstances shall be invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

9. The following individuals represent the present owners of each Assessable Parcel designated by their respective names, and reflect all of the Assessable Parcels that constitute Batts Neck Farms. Article VII, Section 6 requires written consent by seventy-five percent (75%) of the Class A votes rounded down to the nearest whole number. The signatures of each such owner as they may appear below reflect CONSENT to the Amended Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, Batts Neck Farm Owner's Association, Inc., pursuant to the consent of a Quorum of Owners and as authorized by the signatures herein and incorporated by reference, has caused this Amended Declaration of Covenants, Conditions and Restrictions to be executed by its duly authorized officer on _____, 2002.

ATTEST:

_____

BATTS NECK FARM OWNER'S ASSOCIATION, INC.

BY: _____ (SEAL)
Christopher C. Coile, President

APPROVED:

_____
William Harnett (Lot 1)

_____
Edward J. Kila, Trustee
for The John H. Kila Qualified
Personal Residence Trust (Lot 2)

_____
Creston G. Tate (Lot 3)

_____
Edward J. Kila, Trustee
for The Johanna Kila Qualified
Personal Residence Trust (Lot 2)

Betty Jane Tate (Lot 3)

James A. Myrick (Lot 4)

Christopher C. Coile (Lot 5)

Neil Love (Lot 6)

Susan S. Coile (Lot 5)

Creston G. Tate (Parcel 100)

STATE OF MARYLAND, COUNTY OF ANNE ARUNDEL, to wit:

I HEREBY CERTIFY, that on this 30th day of October, 2002, before me, a Notary Public in and for the State and County aforesaid, personally appeared **Christopher C. Coile,** personally known or made known to me and who acknowledged that he is the President of Batts Neck Farm Owner's Association, Inc., with authority to execute the within instrument on behalf of that corporation and who further acknowledged that he freely and voluntarily executed the same for the purposes named therein.

WITNESS my hand and Notarial Seal.

Suzanne L. Foley
NOTARY PUBLIC

SUZANNE L. FOLEY NOTARY PUBLIC ANNE ARUNDEL CO., MD

My Commission Expires: 4.9.05

STATE OF MARYLAND, COUNTY OF ANNE ARUNDEL, to wit:

I HEREBY CERTIFY, that on this 30th day of October, 2002, before me, a Notary Public in and for the State and County aforesaid, personally appeared **Christopher C. Coile,** personally known or made known to me to be the person who executed the aforegoing instrument, and made oath that he freely and voluntarily executed the same for the purposes named therein.

WITNESS my hand and Notarial Seal.

Suzanne L. Foley
NOTARY PUBLIC

SUZANNE L. FOLEY NOTARY PUBLIC ANNE ARUNDEL CO., MD

My Commission Expires: 4.9.05

STATE OF MARYLAND, COUNTY OF ANNE ARUNDEL, to wit:

I HEREBY CERTIFY, that on this 30th day of October, 2002, before me, a Notary Public in and for the State and County aforesaid, personally appeared **William Harnett,** personally known or made known to me to be the person who executed the aforegoing instrument, and made oath that he freely and voluntarily executed the same for the purposes named therein.

WITNESS my hand and Notarial Seal.

Suzanne L. Foley
NOTARY PUBLIC

SUZANNE L. FOLEY NOTARY PUBLIC ANNE ARUNDEL CO., MD

My Commission Expires: 4-9-05

STATE OF MARYLAND, COUNTY OF ANNE ARUNDEL to wit:

I HEREBY CERTIFY, that on this 30 day of October, 2002, before me, a Notary Public in and for the State and County aforesaid, personally appeared **Creston G. Tate and Betty Jane Tate,** personally known or made known to me to be the persons who executed the aforegoing instrument, and made oath that they acknowledged to me that they freely and voluntarily executed the same for the purposes named therein.

WITNESS my hand and Notarial Seal.

Suzanne L. Foley
NOTARY PUBLIC

SUZANNE L. FOLEY NOTARY PUBLIC ANNE ARUNDEL CO., MD

My Commission Expires: 4-9-05

STATE OF MARYLAND, COUNTY OF ANNE ARUNDEL, to wit:

I HEREBY CERTIFY, that on this 30 day of October, 2002, before me, a Notary Public in and for the State and County aforesaid, personally appeared **Susan S. Coile,** personally known or made known to me to be the person who executed the aforegoing instrument and made oath that she acknowledged to me that she freely and voluntarily executed the same for the purposes named therein.

WITNESS my hand and Notarial Seal.

Suzanne L. Foley
NOTARY PUBLIC

SUZANNE L. FOLEY NOTARY PUBLIC ANNE ARUNDEL CO., MD

My Commission Expires: 4-9-05

STATE OF MARYLAND, COUNTY OF ANNE ARUNDEL, to wit:

I HEREBY CERTIFY, that on this 30th day of October, 2002, before me, a Notary Public in and for the State and County aforesaid, personally appeared **James A. Myrick and Sharon A. Myrick,** personally known or made known to me to be the persons who executed the aforegoing instrument, and made oath that they freely and voluntarily executed the same for the purposes named therein.

WITNESS my hand and Notarial Seal.

Suzanne L. Foley
NOTARY PUBLIC

SUZANNE L. FOLEY NOTARY PUBLIC ANNE ARUNDEL CO., MD

My Commission Expires: 4.9.05

I HEREBY CERTIFY, that on this 30th day of October, 2002, before me, a Notary Public in and for the State and County aforesaid, personally appeared **Cornelius R. Love,** personally known or made known to me to be the person who executed the aforegoing instrument, and made oath that he freely and voluntarily executed the same for the purposes named therein.

WITNESS my hand and Notarial Seal.

Suzanne L. Foley
NOTARY PUBLIC

SUZANNE L. FOLEY NOTARY PUBLIC ANNE ARUNDEL CO., MD

My Commission Expires: 4.9.05

LIBER 978 FOLIO 403

LIBER 297 FOLIO 637

EXHIBIT A

Real Property Description

Parcel Descriptions

ALL those parcels or tracts of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat by McCrone, Inc., Engineers and Surveyors, dated January, 1984, revised September, 1987, entitled "Plat of Parcels 1, 2, 3, 4, 5 and 6 of Batts Neck Corporation, 4th District, Queen Anne's County, Maryland," and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 297, folio 613 and in Plat File No. 143,640.

100 Acre Parcel Description
(see attached)

MCRONE

Engineers • Land Planners • Land Surveyors

REPLY TO: 115 Lawyers Row
Centreville, MD 21617

7-07-4-01698
Jsnuary 18, 1988

DESCRIPTION OF 104.332 ACRES OF LAND,
MORE OR LESS,
FOURTH DISTRICT, QUEEN ANNE'S COUNTY, MARYLAND

BEGINNING FOR THE SAME at the intersection of the division line between Lot # 1 of the Gomoljak Subdivision (Plat Book C.W.C. 1/41) and the lands of Batts Neck Corporation (see M.W.M. 208/609) of which the herein described parcel is a part with the easternmost side of Johnson Road.

THENCE, leaving said beginning point so fixed and binding on the easternmost side of the aforesaid Johnson Road North 31 degrees 15 minutes 51 seconds East 111.19 feet to a point.

THENCE, leaving Johnson Road and binding for new lines of division through the aforementioned Batts Neck Corporation Lands, being also the northernmost right-of-way line running to Parcel # 1, # 2, # 3, # 4, # 5 and # 6 of Batts Neck Corporation (see M.W.M. 208/432) the following seven (7) courses and distances: South 25 degrees 14 minutes 57 seconds East 359.25 feet to a point of curve, thence with the arc of a curve to the left 187.60 feet to a point of tangency, said curve being scribed by a chord of South 61 degrees 12 minutes 41 seconds East 175.19 feet and having a radius length of 147.40 feet, thence, North 81 degrees

49 minutes 36 seconds East 527.77 feet to a point of curve, thence, with the arc of a curve to the right 196.14 feet to a point of reversed curve, said curve being scribed by a chord of South 89 degrees 48 minutes 24 seconds East 195.44 feet and having a radius length of 670.61 feet, thence with the arc of a curve to the left 192.32 feet to a point of tangency, said curve being scribed by a chord of North 88 degrees 07 minutes 28 seconds East 191.26 feet and having a radius length of 527.97 feet. Thence, North 77 degrees 41 minutes 21 seconds East 130.33 feet to a point of curve, thence, with the arc of a curve to the right 191.96 feet to a point, said curve being scribed by a chord of North 81 degrees 26 minutes 02 seconds East 191.82 feet and having a radius length of 1468.51 feet.

THENCE, leaving the aforesaid right-of-way and binding still for a new line of division through the Batts Neck Corporation Lands North 61 degrees 46 minutes 02 seconds East 1625.89 feet to a point at the northwesternmost corner of the aforementioned Parcel # 1 of Batts Neck Corporation (see M.W.M. 208/432).

THENCE, binding on the division line between the aforementioned Parcel 1, Parcel 2, Parcel 3, Parcel 4, and Parcel 5 of Batts Neck Corporation (see M.W.M. 208/432) the following three courses and distances: South 35 degrees 36 minutes 48 seconds East 1,122.88 feet to a point, South 13 degrees 08 minutes 22 seconds East 300.00 feet to a point, South 16 degrees 54 minutes 41 seconds West 1,475.00 feet to a point at the southwesternmost corner of the aforementioned parcel 5 of Batts Neck Corporation (see M.W.M. 208/432).

THENCE, leaving the aforesaid parcel 5 and binding for a new line of division through the Batts Neck Corporation lands (see M.W.M. 208/609) South 87 degrees 58 minutes 34 seconds West 705.36

LIBER 297 PAGE 640 LIBER 978 FOLIO 406

feet to a point.

THENCE, binding on the division line between the aforementioned James F. Gomoljak Subdivision and the herein described lands the following five (5) courses and distances: North 49 degrees 21 minutes 13 seconds West 2617.67 feet to a point, South 84 degrees 04 minutes 48 seconds West 285.37 feet to a point, North 59 degrees 50 minutes 07 seconds West 154.97 feet to a point, North 25 degrees 14 minutes 57 seconds West 319.76 feet and North 86 degrees 03 minutes 54 seconds West 71.40 feet to the place of beginning. Containing in all, 104.332 acres of land, more or less as described by McCrone, Inc., Registered Professional Engineers and Land Surveyors in January of 1988.

BEING OR INTENDED TO BE part of that conveyance from Batts Neck Plantation Joint Venture to Batts Neck Corporation by a deed dated February 8, 1984 and recorded among the land record books of Queen Anne's County, Maryland in Liber M.W.M. 208/609 together with a one hundred (100) foot wide Water View Easement running across Parcel # 2 of Batts Neck Corporation Lands (see M.W.M. 208/432) to the approximate mean high water line of Warehouse Creek described as follows:

BEGINNING FOR THE SAME at the intersection of the division line between Parcel # 3 of Batts Neck Corporation Lands (see M.W.M. 208/432) and Parcel # 2 of Batts Neck Corporation Lands (see M.W.M. 208/432) of which the one hundred (100) foot wide Water View Easement is a part with the easternmost outline of the above described parcel.

THENCE, leaving said beginning point so fixed and binding on the division line between the aforesaid Parcel # 2 and the above described Parcel, North 35 degrees 36 minutes 48 seconds West 101.79

LIBER 297 PAGE 641 LIBER 0978 FOLIO 407

feet to a point.

THENCE, binding for the northernmost outline of the herein described one hundred (100) foot wide Water View Easement North 78 degrees 27 minutes 31 seconds East 1300 feet, more or less to a point on the approximate mean high water line of Warehouse Creek.

THENCE, binding on the aforesaid approximate mean high water line in a general southessterly direction one hundred feet, more or less to a point on the northernmost outline of the aforementioned Parcel # 3.

THENCE, binding on the northernmost outline of the aforesaid Parcel # 3 being the southernmost outline of the herein described Water View Easement South 78 degrees 27 minutes 31 seconds West 1308 feet, more or less, to the place of beginning. Also together with s thirty (30) foot wide easement to the water through the above mentioned Parcel # 2 of Batts Neck Corporation Lands being thirty (30) foot wide snd parallel to the South 78 degrees 27 minutes 31 seconds West 1308 feet, more or less line of the above described Water View Easement. This parcel is subject to and together with the right to use in common with others a right of way described ss follows:

BEGINNING FOR THE SAME at the intersection of the division line between Lot # 1 of the James F. Gomoljak Subdivision (see Plat Book C.W.C. 1/41) snd the herein described right-of-way with the easternmost side of Johnson Road, said beginning point being also the beginning point of the above described 104.332 acre parcel.

THENCE, leaving said beginning point so fixed and binding on the easternmost side of the sforesaid Johnson Road North 31 degrees 15 minutes 51 seconds East 111.19 feet to a point.

THENCE, binding on the northernmost side of the herein described

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right-of-way the following fourteen courses and distances: South 25 degrees 14 minutes 57 seconds East 359.25 feet to a point of curve, thence with the arc of a curve to the left 187.60 feet to a point of tangency, said curve being scribed by a chord of South 61 degrees 12 minutes 41 seconds East 175.19 feet and having a radius length of 147.40 feet. Thence, North 81 degrees 49 minutes 36 seconds East 527.77 feet to a point of curve, thence, with the arc of a curve to the right 196.14 feet to a point of reversed curve, said curve being scribed by a chord of South 89 degrees 48 minutes 24 seconds East 195.44 feet and having a radius length of 670.61 feet. Thence, with the arc of a curve to the left 192.32 feet to a point of tangency, said curve being scribed by a chord of North 88 degrees 07 minutes 28 seconds East 191.26 feet and having a radius length of 527.97 feet. Thence, North 77 degrees 41 minutes 21 seconds East 130.33 feet to a point of curve, thence, with the arc of a curve to the right 251.96 feet to a point of tangency, said curve being scribed by a chord of North 82 degrees 36 minutes 16 seconds East 251.65 feet and having a radius length of 1468.51 feet. Thence, North 87 degrees 31 minutes 11 seconds East 413.96 feet to a point of curve, thence, with the arc of a curve to the right 371.22 feet to a point of tangency, said curve being scribed by a chord of South 44 degrees 16 minutes 34 seconds East 328.95 feet and having a radius length of 220.62 feet. Thence, South 03 degrees 55 minutes 40 seconds West 99.56 feet to a point of curve, thence, with the arc of a curve to the left 89.05 feet to a point of tangency, said curve being scribed by a chord of South 49 degrees 43 minutes 29 seconds East 76.59 feet and having a radius length of 47.55 feet. Thence, North 76 degrees 37 minutes 21 seconds East 1021.17 feet to a point of curve. Thence with the

LIBRO 18 FOLIO 409

arc of a curve to the left 169.25 feet to a point of tangency, said curve being scribed by a chord of North 32 degrees 46 minutes 01 seconds East 153.20 feet and having a radius length of 110.56 feet. Thence, North 11 degrees 05 minutes 19 seconds East 294.81 feet to a point intended to be on the southwesternmost outline of Parcel # 1, Batts Neck Corporation Lands (see M.W.M. 208/432). Thence, binding on the southwesternmost outline of the aforesaid Parcel # 1, South 35 degrees 36 minutes 48 seconds East 72.27 feet to a point.

THENCE, leaving the aforesaid Parcel # 1 and still binding on the herein described right-of-way through the above described parcel, South 11 degrees 05 minutes 19 seconds East 229.05 feet to a point of curve, thence, with the arc of a curve to the right 122.50 feet to a point of cusp, said curve being scribed by a chord of South 13 degrees 52 minutes 44 seconds West 118.66 feet and having a radius length of 140.56 feet. Thence, with the arc of a curve to the right 195.08 feet to a point of tangency, said curve being scribed by a chord of South 63 degrees 22 minutes 06 seconds East 182.99 feet and having a radius length of 158.41 feet. Thence, South 28 degrees 05 minutes 19 seconds East 190.00 feet to a point of curve, thence, with the arc of a curve to the right 239.32 feet to a point of tangency, said curve being scribed by a chord of South 05 degrees 35 minutes 19 seconds East 233.21 feet and having a radius length of 304.71 feet.

THENCE, binding on the division line between Parcel # 4 and Parcel # 5 of the Batts Neck Corporation Lands (see M.W.M. 208/432) and the herein described right-of-way, South 16 degrees 54 minutes 41 seconds West 893.56 feet.

THENCE, leaving the aforesaid Parcel # 5 and binding on the arc of a curve to the right 247.40 feet to a point of tangency, said

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curve being scribed by a chord of North 09 degrees 55 minutes 43 seconds East 246.78 feet and having a radius length of 1015.00 feet. Thence, North 16 degrees 54 minutes 41 seconds East 648.61 feet to a point of curve, thence, with the arc of a curve to the left 215.75 feet to a point of tangency, said curve being scribed by a chord of North 05 degrees 35 minutes 19 seconds West 210.25 feet and having a radius length of 274.71 feet. Thence, North 28 degrees 05 minutes 19 seconds West 190.00 feet to a point of curve, thence, with the arc of a curve to the left 168.73 feet to a point of tangency, said curve being scribed by a chord of North 65 degrees 43 minutes 59 seconds West 156.85 feet and having a radius length of 128.41 feet. Thence, South 76 degrees 37 minutes 21 seconds West 1094.22 feet to a point of curve, thence, with the arc of a curve to the right 145.23 feet to a point of tangency, said curve being scribed by a chord of North 49 degrees 43 minutes 29 seconds West 124.92 feet and having a radius length of 77.55 feet. Thence, North 03 degrees 55 minutes 40 seconds East 99.56 feet to a point of curve, thence, with the arc of a curve to the left 320.74 feet to a point of tangency, said curve being scribed by a chord of North 44 degrees 16 minutes 34 seconds West 284.22 feet and having a rsdius length of 190.62 feet. Thence, South 87 degrees 31 minutes 11 seconds West 413.96 feet to a point of curve, thence, with the arc of a curve to the left 246.81 feet to a point of tangency, said curve being scribed by a chord of South 82 degrees 36 minutes 16 seconds West 246.51 feet and having a radius length of 1438.51 feet. Thence, South 77 degrees 41 minutes 21 seconds West 130.33 feet to a point of curve, thence, with the arc of a curve to the right 203.25 feet to a point of reversed curve, said curve being scribed by a chord of South 88 degrees

07 minutes 28 seconds West 202.13 feet and having a radius length of 557.97 feet, thence, with the arc of a curve to the left 187.38 feet to a point of tangency, said curve being scribed by a chord of North 89 degrees 48 minutes 24 seconds West 186.71 feet, said curve having a radius length of 641.61 feet, thence, South 81 degrees 49 minutes 36 seconds West 272.95 feet to a point and South 05 degrees 55 minutes 12 seconds East 36.36 feet to a point.

THENCE, binding on the division line between the aforementioned James F. Gomoljak Subdivision and the herein described right-of-way the following four (4) courses and distances: South 84 degrees 04 minutes 48 seconds West 285.37 feet to a point, North 59 degrees 50 minutes 07 seconds West 154.97 feet to a point, North 25 degrees 14 minutes 57 seconds West 319.76 feet to a point and North 86 degrees 03 minutes 54 seconds West 71.40 feet to the place of beginning. The above described parcel is also subject to an access easement described as follows:

BEGINNING FOR THE SAME at a point at the intersection of the division line between Parcel # 3 of the Batts Neck Corporation Lands (see M.W.M. 208/432) and Parcel # 2 of the Batts Neck Corporation Lands (see M.W.M. 208/432) with the easternmost outline of the above described 104.332 acre parcel.

THENCE, leaving the aforesaid Parcel # 3 and Parcel # 2 and binding on the southernmost outline of the herein described access easement South 78 degrees 27 minutes 31 seconds West 108.33 feet to a point on the eighteenth (18th) course and distance of the above described right-of-way. Thence, with the arc of a curve to the left 166.55 feet to a point at the intersection of the seventeenth (17th) and eighteenth (18th) course of the above described right-of-way, said curve having a radius length of 158.41 feet.

THENCE, leaving the aforesaid right-of-way and binding on the northernmost outline of the herein described access easement North 76 degrees 39 minutes 01 seconds East 200.22 feet to a point on the southwesternmost outline of the aforementioned Parcel # 2.

THENCE, binding on the southwesternmost outline of the aforesaid Parcel # 2 South 35 degrees 36 minutes 48 seconds East 101.79 feet to the place of beginning.

MCRONE

Engineers • Land Planners • Land Surveyors

REPLY TO: 115 Lawyers Row
Centreville, MD 21617

7-07-4-01698
Janusry 18, 1988

DESCRIPTION OF RIGHT-OF-WAY THROUGH THE LANDS OF
BATTS NECK CORPORATION
FOURTH DISTRICT, QUEEN ANNE'S COUNTY, MARYLAND

BEGINNING FOR THE SAME at the intersection of Lot #1 of the Jsmes F. Gomoljak Subdivision (see Plat Book C.W.C. 1/41) and the lands of Batts Neck Corporation (see M.W.M. 208/609) of which the herein described right-of-way is a part with the essternmost side of Johnson Road.

THENCE, leaving said beginning point so fixed and binding on the essternmost side of Johnson Road North 31 degrees 15 minutes 51 seconds Esst 144.02 feet to s point.

THENCE, leaving the aforesaid Johnson Road and binding on the northernmost side of the herein described right-of-way through the aforementioned Bstts Neck Corporation Lands the following courses and distances: South 25 degrees 14 mintues 57 seconds Esst 359.25 feet to a point of curve, thence with the arc of a curve to the left 187.60 feet to a point of tangency, said curve having a radius length of 147.40 feet. Thence, North 81 degrees 49 minutes 36 seconds Esst 527.77 feet to a point of curve. Thence, with the arc of a curve to the right 196.14 feet to a point of reverse curve, ssid curve having

EXHIBIT B

LIBER0 978 FOLIO4 | 4

a radius length of 671.61 feet. Thence, with the arc of a curve to the left 192.32 feet to a point of tangency, said curve having a radius length of 527.97 feet. Thence, North 77 degreea 41 minutes 21 seconds East 130.33 feet to a point of curve. Thence, with the arc of a curve to the right 251.96 feet to a point of tangency, aaid curve having a radiua length of 1468.51 feet. Thence, North 87 degrees 31 minutea 11 seconds East 413.96 feet to a point of curve; thence, with the arc of a curve to the right 371.22 feet to a point of tangency, said curve having a radius length of 220.62 feet. Thence, South 33 degrees 55 minutes 40 seconds West 99.56 feet to a point of curve, thence with the arc of a curve to the left 89.05 feet to a point of tangency, said curve having a radius length of 47.55 feet. Thence, North 76 degrees 37 minutes 21 seconds East 1021.17 feet to a point of curve, thence, with the arc of a curve to the left 169.25 feet to a point of tangency, said curve having a radius length of 110.56 feet. Thence, North 11 degrees 05 minutea 19 seconda West 290.81 feet to a point intended to be on the Southwesternmost outline of the lands of Batts Neck Corporation, Parcel # 1 (aee M.W.M. 208/432).

THENCE, binding on the southweaternmoat outline of the aforesaid Parcel # 1 South 35 degrees 36 minutes 48 seconds East 72.27 feet to a point.

THENCE, leaving the aforesaid Parcel # 1 and still binding on the herein described right-of-way South 11 degrees 05 minutes 19 seconda East 229.05 feet to a point of curve, thence, with the src of a curve to the right 122.50 feet to a point of reversed curve, said curve having a radius length of 140.56 feet, thence, with the arc of a curve to the right 195.08 feet to a point of tangency, said curve having a radius length of 158.41 feet.

THENCE, South 28 degrees 05 minutes 19 seconds East 190.00 feet to a point of curve, thence, with the arc of a curve to the right 239.32 feet to a point of tangency, said curve having a radius length of 304.71 feet.

THENCE, binding on the southweaternmoat outline of Parcel # 4 of Batts Neck Corporation Lands (see M.W.M. 208/432) South 16 degrees 54 minutes 41 seconds West 648.61 feet to a point of curve. Thence, binding on the arc of a curve to the left through a portion of the aforesaid Parcel # 4 and through Parcel # 5 of the Batts Neck Corporation Lands (see M.W.M. 208/432) 731.91 feet to a point on the northernmost outline of Parcel # 6 of the landa of Batts Neck Corporation (see M.W.M. 208/432), said curve having a radius length of 985.00 feet.

THENCE, binding on the division line between the aforesaid Parcel # 6 and Parcel # 5 North 73 degrees 05 minutes 19 seconds West 40.24 feet to a point.

THENCE, leaving Parcel # 6 and binding through a portion of the aforementioned Parcel # 5 and the lands of Batts Neck Corporation (see M.W.M. 208/690) with the arc of a curve to the right 726.97 feet to a point of tangency, said curve having a radius length of 1015.00 feet.

THENCE, North 16 degrees 54 minutes 41 aeconda East 648.61 feet to a point of curve, thence with the arc of a curve to the left 215.75 feet to a point of tangency, said curve having a radius length of 274.71 feet.

THENCE, North 28 degrees 05 minutes 19 seconds West 190.00 feet to a point of curve. Thence, with the arc of a curve to the left 168.73 feet to a point of tangency, said curve having a radius

length of 128.41 feet.

THENCE, South 76 degrees 37 minutes 21 seconds West 1094.22 feet to a point of curve, thence, with the arc of a curve to the right 145.23 feet to a point of tangency, said curve having a radius length of 77.55 feet.

THENCE, North 03 degrees 55 minutes 40 seconds Esst 99.56 feet to a point of curve, thence, with the arc of a curve to the left 320.74 feet to a point of tangency, said curve having a radius length of 190.62 feet.

THENCE, South 87 degrees 31 minutes 11 seconds West 413.96 feet to a point of curve, thence, with the arc of a curve to the left 246.81 feet to a point of tangency, said curve having a radius length of 1438.51 feet.

THENCE, South 77 degrees 41 minutes 21 seconds West 130.33 feet to a point of curve, thence, with the arc of a curve to the right 203.25 feet to a point of reversed curve, said curve having a radius length of 557.97 feet, thence, with the arc of a curve to the left 187.38 feet to a point of tangency, said curve hsving a radius length of 641.61 feet.

THENCE, South 81 degrees 49 minutes 36 seconds West 272.95 feet, thence, South 05 degrees 55 minutes 12 seconds East 36.36 feet to a point.

THENCE, binding on the division line between the aforesaid James F. Gomoljak Subdivision and the herein described right-of-way the following four (4) courses and distances: South 84 degrees 04 minutes 48 seconds West 285.37 feet to a point, North 59 degrees 50 minutes 07 seconds West 154.97 feet to a point, North 25 degrees 14 mintues 57 seconds West 319.76 feet to a point and North 86 degrees 03 minutes

54 seconds West 71.40 feet to the place of beginning. The above described right-of-way, being or intended to be part of that conveyance from Batts Neck Plantation Joint Venture to Batta Neck Corporation by a deed dated February 8, 1984 and recorded among the land record books of Queen Anne's County, Maryland in Liber M.W.M. 208/609 and being or intended to be a portion of Parcel # 5 and Parcel # 6 of the landa of Batta Neck Corporation, see Plat recorded among the Land Record Books of Queen Anne's County, Maryland in Liber 208/432. This description is subject to and together with existing easements, right-of-ways and agreements for roadways, electric transmiasion linea and telephone lines and services and maintenance thereof.

TOGETHER with the right to maintain that triangular parcel of ground, being a part of Parcel # 5 and lying to the West of the right-of-way serving Parcel # 6.

BAY CITY HOME IMPROVEMENT ASSOCIATION INC

HOMEOWNERS' DEPOSITORY FILE

IN JUDGE'S CHAMBERS

IF SOMEONE NEEDS TO VIEW AND/OR COPY, PLEASE RETRIEVE FROM SANDY AND RETURN TO HER WHEN FINISHED

DECEMBER 7, 2005

Beach Harbor

CAMPER'S COOPERATIVE, INC.

HOMEOWNERS ASSOCIATION DEPOSITORY

CIRCUIT COURT FOR QUEEN ANNE'S COUNTY LAND RECORDS

Beach Harbor Campers Cooperative, Inc., located in Queen Anne's County, Maryland, files herewith the following documents in conformance with Sections 11B-112 and 11B-113 of the Real Property Article, as its disclosures for the Homeowners Association Depository.

A. AMENDED BYLAWS approved in 2001

B. BUDGET FOR 2003

These documents were approved by the Members of the Cooperative in June of 2001.

Respectfully submitted,

RECORDING FEE 50.00
TOTAL 50.00
Rec# QA01 Rcpt # 30391
SM JGG Blk # 2089
Feb 19, 2003 02:44 PM

Dated: January 28, 2003

By: Betty Maher
Name: Betty Maher
Title: Vice President

RECEIVED
CLERK, CIRCUIT COURT
03FEB 19 PM 2:43
QUEEN ANNE'S COUNTY

Beach Harbor Campers Cooperative Inc.
POB 325
Grasonville MD 21638

410-827-7173

Beach Harbor

CAMPER'S COOPERATIVE, INC.

	2001 Budget	2001 Actual	2002 Budget	6 Mos. End. 6/30/02 Actual	2003 Budget
USES OF FUNDS:					
Personnel Expenses	$116,000	$111,579	$120,000	$60,427	$125,500
Board of Directors Fees	13,200	11,570	13,650	367	13,700
Professional Fees	7,000	11,788	17,000	4,807	16,000
Repairs & Maintenance	27,700	31,373	53,200	17,293	39,150
Taxes	15,100	35,711	63,900	0	87,000
Operating Expenses	28,550	32,206	36,200	29,403	34,800
Utilities & Services	39,300	45,258	45,540	19,982	44,000
Direct Cost of Revenue	6,900	9,779	8,310	2,069	7,700
TOTAL USES OF FUNDS	$253,750	$289,264	$357,800	$134,348	$367,850
SOURCES OF FUNDS:					
Dues Requirements	$247,950	$278,500	$339,300	$337,420	$352,350
Income from Other Sources	37,300	45,269	36,500	14,340	33,500
Sub-Total	$285,250	$323,769	$375,800	$351,760	$385,850
Less Reserve Requirement	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Sub-Total	$260,250	$298,769	$350,800	$326,760	$360,850
Prorated Funds from Lot Sales	7,000	7,000	7,000	7,000	7,000
TOTAL SOURCES OF FUNDS	$267,250	$305,769	$357,800	$333,760	$367,850
Dues Requirement Per Lot	$950		$1,300		$1,350

P.O. Box 325, Rt. 50 & 301 • Grasonville, MD 21638 • 301-827-7173

BEACH HARBOR CAMPER'S COOPERATIVE

BY-LAWS, PROTECTIVE RESTRICTIONS and COVENANTS and ARTICLES OF INCORPORATION

BEACH HARBOR DIRECTIVES

Before any trailer, boat, RV, Shed, etc. is placed on sites or before any construction, improvements, etc., is started on any site, you must have written approval from the Co-op on Beach Harbor Letterhead.

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Before any trailer, boat, RV, Shed, etc. is placed on sites or before any construction, improvements, etc., is started on any site, you must have written approval from the Co-op on Beach Harbor Letterhead.

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BY-LAWS
BEACH HARBOR
CAMPER'S COOPERATIVE

ARTICLE I

Name and Location. The corporation is Beach Harbor Camper's Cooperative, Inc., hereinafter also referred to as the Co-op. The principal office of the corporation shall be located at Grasonville, Maryland, but meetings of the members and directors may be held at such places within the State of Maryland, County of Queen Anne's, or as may be designated by the Board of Directors.

ARTICLE II

The terms as used in these By-laws are defined as follows:

(A) **"Cooperative"** means Beach Harbor Camper's Cooperative, a Maryland not-for-profit corporation.

(B) **"Board"** means the Board of Directors of the Co-op.

(C) **"By-laws"** means the By-laws of the Co-op.

(D) **"Community Property"** means all property included from time to time within the definition of community property set forth in the Declaration.

(E) **"Campground"** means Beach Harbor, as the same may be shown on the map thereof recorded in the land records Liber M.W.M. 173, Folio 395 and 396, Queen Anne's County, Maryland.

(F) **"Campsite"** means any campsite in Beach Harbor included from time to time in the definition of campsite set forth in the Declaration and on the Beach Harbor map recorded among the land records of Queen Anne's County.

(G) **"Declaration"** means the Declaration of Protective Restrictions and Covenants for Beach Harbor Camper's Cooperative, as the same may be supplemented or amended from time to time.

(H) **"Lessor"** means Beach Harbor Camper's Cooperative, which is owned by its members.

(I) **"Lessee"** means:

(1) Any person, who holds a lease to any campsite from Beach Harbor Camper's Cooperative.

(2) Any person or legal entity who has contracted to lease a campsite pursuant to a written agreement with owner.

ARTICLE III
COOPERATIVE MEMBERSHIP

Section 1. Classes of Members. There shall be two (2) classes: (A) members, and (B) associates.

Section 2. Members. Each lessee shall become a member of the Beach Harbor Camper's Co-op and have one vote at all duly called meetings of the Co-op. Each campsite shall have one (1) vote, regardless of the number of persons who may have a leasehold interest in the campsite.

Section 3. Associates. Children of a member who have the same principal residence as the member shall be associate members in the Cooperative.

Section 4. Privileges of Members. Members and associate members shall have the right to use the community property subject to the provisions of the Declaration, and subject to such other rules, conditions, Protective Restrictions and Covenants as may be established by the Cooperative.

Section 5. Suspension of Privileges of Membership. The Co-operative may suspend the voting privileges of any member and the right of any member or associate member to use the community property, after due notice and hearing, for:

(A) Any period during which a Cooperative assessment or charge on such member's campsite remains unpaid;

(B) The period of any continuing violation, by such member or associate member, of the provisions of the Declaration after the existence thereof shall have been declared by the Cooperative and communicated to the member.

(C) A period to be determined by the Cooperative not to exceed one (1) year for repeated violations of the By-laws rules, regulations, Covenants and Restrictions of the Cooperative.

Before any trailer, boat, RV, Shed, etc. is placed on sites or before any construction, improvements, etc., is started on any site, you must have written approval from the Co-op on Beach Harbor Letterhead.

ARTICLE IV
MEETINGS OF MEMBERS

Section 1. General Meetings. General meetings of the members shall be held during the months of May and September each year.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of one-fifth (1/5) of the members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting, but no more than thirty (30) days prior to such meeting, to each member entitled to vote, addressed to the member's address last appearing on the books of the Co-op, or supplied by such member to the Co-op for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, fifty one (51%) percent of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereof shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease six (6) months after execution or upon cessation of the lessee's lease.

Section 6. The most current edition of Robert's Rules of Order is to serve as the authoritative parliamentary manual in governing the proceedings of the general and special meetings.

ARTICLE V

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Cooperative shall be managed by a Board of nine (9) Directors who must be members of the Cooperative.

Section 2. Term of Office. The term of office shall be three (3) years and shall coincide with the fiscal year as provided in Article XV, Section 1, beginning on the first day of January and ending on the thirty-first day of December.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Co-op. In the event of death, resignation, or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. Directors shall receive compensation for any service he may render to the Cooperative, as set forth in Article VII, Section 4, plus actual expenses incurred in the performance of a duty, approved in advance by the Board.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action, in the absence of a meeting, which they could take at a meeting, by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors. No Director's fee will be paid in this case.

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ARTICLE VI
NOMINATION, APPLICATIONS and ELECTION of DIRECTORS

Section 1. Nomination Committee. Nomination for election to the Board of Directors shall be made by a Nominating Committee in accordance with Beach Harbor Directive 01-01 prior to the May General Meeting of the members. Such appointments shall be announced at the May General Meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors of the Cooperative, and six (6) members who shall represent each section of Beach Harbor Camper's Cooperative. The membership will be notified by mail prior to the May General Meeting of who is on the Nominating Committee. The Nominating Committee shall serve from the May meeting until the close of the election process.

Section 2. Applications. Any Cooperative member, in good standing, desiring to become a candidate for the Board of Directors shall do so by submitting a written application and resume to the Nominating Committee. Applications must be received by the deadline established by the Nomination Committee with exception of nominations from the floor as provided in Section 3.

Section 3. Nomination. The Nomination Committee shall make nominations for election to the Board of Directors. The Nominating Committee shall make as many nominations for election to the Board Of Directors as it shall, in its discretion to determine, but no less than the number of vacancies that are to be filled. Nominations may also be made from the floor at the May General Meeting. Such nominations must be made from among members. This Article VI is subject, however, to Article V, Section 2.

Section 4. Election. Election to the Board of Directors shall be by secret written ballot. To ensure the integrity of that process, the Nominating Committee shall receive, validate, and count all ballots without assistance from/participation by non-committee members. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person(s) receiving the largest number of votes shall be elected. Cumulative voting is not permitted. Election results will be announced at the September General Meeting and posted at the Clubhouse.

ARTICLE VII
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly, with notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Cooperative or by any three (3) Directors, after not less than five (5) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present, shall be regarded as the act of the Board.

Section 4. Fees. All Directors shall receive $50.00 per meeting they attend.

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ARTICLE VIII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(A) **Enforce the rules**, regulations, Restrictions and Covenants governing the use of the community property, campsites and facilities, as long as the uses are consistent with the open space uses permitted as set forth in the Declaration; and the personal conduct of the members and their guests, and to establish penalties for infractions; and to manage and control the affairs of the Co-operative.

The enforcement procedures are as follows:

1. The President sends a letter to the violator notifying them of their violation, and giving 10 days to correct the violation.

2. If the violation persists, the Board will request a meeting with the violator to discuss and hopefully resolve the problem.

3. If the violation persists, the Board will vote on suspending the violator's recreational lease for up to one year (see Article VIII Section 1(B)).

4. If the member does not voluntarily honor the suspension, the Board will seek legal action to obtain a court order. The local Sheriff's Department can aide us in enforcing the suspension. In the case of a favorable decision for the Cooperative, the cost of obtaining the court order will be the burden of the violator (see Article XVI Section 2(a)).

(B) **Suspend the voting rights** and right to use of the recreational facilities and community property of a member during any period in which such member shall be in default in the payment of any assessment levied by the Co-op. Such rights may also be suspended after notice and hearing, for a period not to exceed one (1) year for infraction of published rules, regulations, Restrictions and Covenants;

(C) **Exercise for the Co-op all powers**, duties and authority

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vested in or delegated to this Co-op and not reserved to the membership by other provisions of these By-laws, the Articles of Incorporation, or the Declaration;

(D) **Declare the office** of the member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(E) **Employ a manager**, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and,

(F) **Utilize the following collection procedures** to collect the monies owed the Cooperative:

1. The President sends a letter to the delinquent member notifying them that they have thirty (30) days to pay the delinquent amount, or their account will be turned over to the attorney for collection. If the attorney becomes involved, the member is responsible for any and all additional cost incurred to collect the debt (see Article XVI Section 2(a)).

2. If thirty (30) days has expired, the attorney will begin collection procedures, which include notifying the member of the necessary actions, filing for a court case, and representing us in court. The member is responsible for any and all additional cost incurred to collect the debt (see Article XVI Section 2(a)).

Section 2. Duties. It shall be the duty of the Board of Directors to:

(A) **Cause to be kept** a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the Annual Meeting of the members, or at any special meeting when such statement is requested in writing by one-fifth (1/5) of the members who are entitled to vote;

(B) **Supervise** all officers, agents and employees of this Co-op, and to see that their duties are properly performed;

(C) As more fully provided in this Declaration, to:

(1) **Fix the amount** of the annual assessment against each

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campsite at least ninety (90) days in advance of each annual assessment period; in no event shall said assessment be less than $250.00 per campsite;

(2) **Send written notice** of each assessment to every lessee subject thereto at least ninety (90) days in advance of each annual assessment period; and

(3) **Bring an action** at law against any lessee obligated to pay any assessment which has not been paid within thirty (30) days after due;

(D) **Issue,** or to cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(E) **Procure and maintain** adequate liability and hazard insurance on property owned by the Cooperative;

(F) **Cause** all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(G) **Cause** the community property to be maintained;

(H) **The Board shall establish** a five (5) member Executive Committee to carry out the applicable provisions of the Declaration, By-laws, Restrictions and Covenants, which committee shall serve at the pleasure of the Beach Harbor Board of Directors. It shall be the responsibility of the Board of Directors to ensure that the Executive Committee is in place by 1 March each year. The Members of the Executive Committee will be published in the Beachcomber and posted at the Administrative Building by the Board of Directors. All Committee members must be:

(1) Members in good standing, with dues, maintenance fees and special assessments paid as required by the By-laws

(2) Willing to place the interests of Beach Harbor Camper's Cooperative and its members ahead of personal Beach Harbor considerations.

(3) Willing to work in unison with members of the Board of Directors to uphold the Declaration, By-laws, and Restrictions and Covenants of Beach Harbor Camper's Cooperative.

(4) Willing to perform those duties as identified in Section II, paragraph (29).

ARTICLE IX
OFFICERS AND THEIR DUTIES

Section 1. Officers. The officers of this Co-op shall be a President, Vice-Presidents, Secretary, and Treasurer, and such other officers as the Board may, from time to time, by resolution create. All officers must be members of the Co-op Board of Directors at all times.

Section 2. Election of Officers. The election of officers shall take place at a meeting of the Board of Directors-elect to be held prior to January 1 of each year.

Section 3. Term. The officers of this Co-op shall be elected annually by the Board and each shall hold office for one (1) year or more, subject to the provisions of the Articles of Incorporation, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Co-op may require, each of whom shall hold office for such period, having such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may not be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Article IX, Section 4, or Assistant Secretary and Assistant Treasurer.

Section 8. Duties. The duties of the officers are as follows:

PRESIDENT

(A) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

VICE-PRESIDENTS

(B) The 1st Vice-President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board. Vice Presidents shall be in charge of all committees. There shall be two (2) or more Vice-Presidents and shall be approved by the Board of Directors.

SECRETARY

(C) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Co-op and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Co-op together with their addresses, and shall perform such other duties as required by the Board.

TREASURER

(D) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Co-op and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Co-op; keep proper books of account; cause an annual audit of the Co-op books to be made by a Public Accountant, or an "in-house" Audit Committee, at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular Annual Meeting, and deliver a copy of each to the members.

MANAGER

(E) The Manager shall be hired and work for the President, with the help of the other officers of the Co-op for the benefit of the members.

Section 9. Fees. All officers will receive an annual fee for their services as follows:

President - $1,500 00 per year
1st Vice-President - $750 00 per year
2nd Vice-President - $500.00 per year
(or others)
Secretary - $1.200.00 per year
Treasurer - $1,200.00 per year

The above fees will be paid plus their Director's meeting fees.

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ARTICLE X
COMMITTEES

The Directors shall appoint a Nominating Committee, as provided in these By-laws. The Nomination Committee shall adhere to the Nominating Committee Procedures established by Beach Harbor Directive 01-01. In addition, the Board of Directors shall appoint other committees as deemed appropriate for carrying out its purposes.

ARTICLE XI
BOOKS AND RECORDS

The books, records and papers of the Co-op shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-laws of the Co-op shall be available for inspection by any member at the principal office of the Co-op, where copies may be purchased at reasonable cost.

OPERATING ACCOUNT

The operating funds of the Cooperative will have double signatures on all checks. No check or funds will be disbursed without a purchase-order approved in advance. (Purchase order must state price, item, what item is for and who approved it.)

ARTICLE XII
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay the Co-op annual and special assessments which are secured by a continuing lien upon the property/lease against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen (18%) per annum, and the Co-op may bring an action at law against the Lessee personally obligated to pay the same, or foreclose the lien against the property/lease and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Lessee may waive or otherwise escape liability for the assessments provided for herein by non-use of the community property or abandonment of his lease.

ARTICLE XIII
CORPORATE SEAL

The Co-op shall have a seal in circular form having within its circumference the words: "Beach Harbor Camper's Cooperative."

ARTICLE XIV
AMENDMENTS

Section 1. These By-laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

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ARTICLE XV
MISCELLANEOUS

Section 1. The fiscal year of the Cooperative shall begin on the 1st day of January and end on the 31st day of December of every year.

Section 2. Membership Certificates. Certificates of membership in the Cooperative may be issued to members. Such certificates shall be in such form as the Co-op shall from time to time designate and shall be issued over the signature of the President or other officer of the Cooperative. Such certificate shall indicate the member and campsite leased.

Adequate records shall be maintained by the Cooperative showing the names of the members and associate members of the Cooperative, the type of membership and the date of membership.

Section 3. Transfer. When a member ceases to be a Lessee, such person's membership, and those associate memberships existing through relationships to such person, shall cease, but such person shall remain liable for all Cooperative charges incurred prior to the giving of written notice to the Co-op that such person is no longer a Lessee.

Section 4. Sale of Lease/Ownership. A member may sell his lease/ownership, but first must give the Cooperative the right to purchase said campsite for said asking price. The Co-op has ten (10) days to purchase.

ARTICLE XVI
DUTIES OF MEMBERS

Section 1. Payment of Assessments. The charges of assessments levied by the Cooperative as provided in the Declaration shall be paid to the Cooperative on or before the fixed date. Written notice of the charge and the date of payment shall be sent to each Lessee (member) at the address last given by such Lessee to the Cooperative.

Section 2. Collection and Lien. The amount of the assessment levied by the Co-op shall be paid to it on or before the date fixed by resolution of the Board. If not so paid, the amount of such assessment, plus any charges thereon, including interest at the rate of 18% per year (or the maximum amount provided by law) from the date of delinquency, and costs of collection including attorney's fee, if any, shall be due and payable to the Cooperative by March 1 of each year. The Cooperative may deem these charges to constitute a lien upon the campsite Lessee and cause said lien to be filed in the land records of Queen Anne's County, and also shall be posted on the bulletin board of the administrative office lobby, which notice shall state the amount of the assessment and other such charges and a description of the campsite which has been assessed. The Board may seek to recover sums by any other available judicial procedure and shall be entitled to its internal costs, attorney's fees and costs of suits in said collection. If the Cooperative does claim a lien on the campsite, upon payment of said assessment and charges or other satisfaction thereof, the Board shall within a reasonable time cause to be recorded a further notice dating the satisfaction and the release of said lien.

Section 3. Legal fees and Court Cost Collection. In the event that the Cooperative seeks legal action against a member or members for any infraction/violation and the decision is in favor of the Cooperative, the Cooperative shall be entitled to collect all associated costs, including, but not limited to internal costs, attorney's fees and Court costs from the member(s).

Section 4. Priority of Lien. The transfer of a lease of any campsite shall not affect any lien for assessments provided herein. Such lien shall be prior to all other liens recorded subsequent to said notice of assessment.

Section 5. Enforcement. The lien provided for herein may be

foreclosed by lawsuit by the Co-op in like manner as a property lien and in such event the Co-op may be a bidder at the sale. The Co-op may also pursue any other remedy, against any Lessee owing money to it, which is available to it by law or equity, for the collection of debt.

Section 6. Proof of Payment. Upon request, the Co-op shall furnish a statement certifying that all assessments then due have been paid or indicating the amount then due.

Section 7. Suspension. The Co-op shall not be required to transfer membership on its books or to allow the exercise of any rights or privileges of membership on account thereof to any Lessee or to any person claiming under them, unless or until all assessments and charges to which they are subject have been paid.

Section 8. Changes. The Board of Directors may change any of the By-laws, Restrictions or Articles of Incorporation for the purpose of financing construction or betterment of Beach Harbor Camper's Cooperative.

Section 9. Use of Grounds. Beach Harbor camping resort is under no circumstances to be used as a permanent residence, office for commercial enterprise, or in any fashion or manner other than in a recreational manner. The sole purpose is to provide an opportunity for people to recreate in a clean and healthful environment with respect for the land and their neighbors.

Section 10. Winterization of Vehicles. On the 1st weekend following Thanksgiving water service will be terminated to prevent freezing, and will be restored in March of the next calendar year. It is the responsibility of each Co-op member to winterize their individual vehicle.

DECLARATION OF PROTECTIVE RESTRICTIONS & COVENANTS FOR BEACH HARBOR CAMPER'S COOPERATIVE GRASONVILLE, MARYLAND

THIS DECLARATION made and entered into by and between Beach Harbor Campers Cooperative, a Maryland Cooperative, hereinafter called the Lessor, and the Lessee's of the Cooperative's campsites.

Section I
WITNESSETH:

(1) WHEREAS, Beach Harbor Camper's Cooperative has acquired certain property situate in Queen Anne County, Grasonville, Maryland, more fully described in a recorded land records Liber M.W.M. 173, folio 395 and 396 in the office of the Clerk of Court for Queen Anne County, Maryland; and

(2) WHEREAS, The Cooperative seeks to restrict said property to the use of a vacation resort for Owner's or Lessee's of R.V.'s and their families, guests, invitees, servants, lessees and persons over whom they exercise control and supervision;

(3) WHEREAS, The Cooperative desires to provide for the presentation of certain values and amenities in said property, and, to this end, desires to subject the real property in Beach Harbor together with all such additions as may thereafter be made to the Covenants, Restrictions, easements, affirmative obligations, charges, and liens, hereinafter set forth and all of which is hereby declared to be for the benefit of said property and each and every Lessee of any and all parts thereof;

(4) WHEREAS, The Cooperative deems the authority and power in preserving the values and amenities in said property, and maintaining and administering the Common Properties and administering and enforcing the Covenants and Restrictions governing the same and collecting and disbursing all assessments, and charges necessary for such maintenance, administration and enforcement as hereinafter.

(5) WHEREAS, The Cooperative is incorporated under the laws of the State of Maryland, a non-profit corporation, Beach Harbor

Camper's Cooperative, Inc., for the purpose of exercising the functions aforesaid, and which are hereinafter more fully set forth, and

(6) WHEREAS, it is the purpose and intention of the Beach Harbor Camper's Cooperative to lease certain sections of the aforesaid property to individual Lessees subject to the terms and conditions of this Declaration.

(7) NOW, THEREFORE, all provisions of this Declaration shall be construed as Covenants running with the land and of every part thereof therein, including but not limited to, every campsite and *appurtences* thereto, and every Lessee and claimant of the leased campsite or any part thereof or any interest therein, and his-heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of said Declaration.

(8) **DEFINITIONS**

(a) **Declaration** shall mean the Restrictive Covenants to the property described herein and recorded in the Office of the Clerk of Court for Queen Anne County, Maryland.

(b) **Cooperative** shall mean Beach Harbor Camper's Cooperative, a non-profit corporation, and its successors, the entity responsible for the operation of the Beach Harbor Camper's Cooperative and its property for the benefit of the Lessee of the campsites.

(c) **Common Properties** shall mean and refer to those areas of land, with improvements thereon which belong to the Cooperative and designated as "Common Properties." The term "Common Properties" shall also include any personal property acquired by the Cooperative. All "Common Properties" are to be devoted to and intended for the common use and enjoyment of the Lessee of the campsites, their families, guests, invitees, servants, lessees and persons over whom they exercise control and supervision, subject to the fee schedules, dues and operation rules adopted by the Council.

(d) **Common Expenses** shall mean the expenses for which the campsite Lessees are liable to the Cooperative, also called dues, annual assessments, or special assessments.

(e) **Common Surplus** shall mean the excess of all receipts of the Cooperative, including, but not limited to assets, rents, profits and revenues on account of the Common Properties, over the amount of Common Expenses.

(f) **Assessment** shall mean a share of the funds required for the payment of the Common Expenses which from time to time are assessed

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by the Cooperative against the Lessee.

(g) **Campsite** shall mean and refer to any plot or site of land as shown on plat-map, with the exception of Common Properties.

(h) **Institutional Mortgages** shall mean a bank, savings and loan associations, insurance company, or union pension fund, authorized to do business in the State of Maryland, or any agency of the United States Government, or the Cooperative, its successors and assigns or endorsees.

(i) **Campsite Lessee** shall mean and refer to the Lessee of record, whether one or more persons, firms, associations, partnerships, corporations, or other legal entities, to any campsite as defined in Paragraph (g) above, situate on the properties, but the term "Lessee" shall not mean and refer to any Sub-Lessee or tenant of the campsite Lessee.

(j) **Long Term Lease** shall mean any lease between the Cooperative and campsite Lessee demising property described therein to the Lessee upon such terms and conditions as agreed upon by the parties thereto.

(k) **Occupant** shall mean the person or persons, other than the campsite Lessee, in possession of the campsite.

(l) **Cooperative Documents** shall mean this Declaration, and the By-laws as the same from time to time may be amended.

(m) **R.V.** Shall mean those vehicles which have been manufactured after 1970, as a Recreational Vehicle, (not a "pop-up" variety, tent, or truck campers) and a minimum length of Twenty (20) feet, except in Section D where R.V.'s must be Twenty-six (26) feet or more, and shall be construed to include any kind of motor home, trailer, or camper which may be pulled by an automobile in order to be moved from place to place, not as a truck with a room-like addition carried on a truck bed. **Each R. V. must have written approval to be placed on a campsite.**

(n) **Passenger Vehicle** shall mean those automobiles which are owned by owners of R. V.'s, their families, guests, invitees, servants, lessees and persons over whom they exercise control and supervision.

(o) **Service Vehicles** shall mean those vehicles used in connection with the general maintenance and management of the properties.

(p) **Management** shall mean the officers of the Co-op.

(9) **Identification of Campsites.** The Cooperative's property consists essentially of all Common Properties and improvements thereon and all easements and rights made a part of this Declaration. The map also contains a survey of the land, a site plan and delineation and description of the Common Properties in a sufficient detail to identify the location, dimensions and size of

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the same.

(10) **The Operating Entity**. After the lease of all the campsites, the Beach Harbor Camper's Cooperative shall be responsible for the maintenance and operation of the Cooperative property, for the benefit of the membership and shall have the powers and duties granted to and imposed by it by this Declaration. Prior to the lease of all of the campsites, the Cooperative shall be responsible for the maintenance and operation of all properties for the benefit of the Lessors and shall have the power and duties granted to and imposed by it by this Declaration and By-laws.

(11) **Assessments**. No Lessee of a campsite may exempt himself from liability for his contribution toward the Common Expenses by waiver of use and enjoyment of any of the Common Elements or by the abandonment of his campsite.

Until each campsite has been leased by the Cooperative to the Lessee, the said campsite shall not be deemed to be subject to any assessment. The Cooperative, through its Board of Directors shall have the power to fix and determine, from time to time, the sum or sums necessary to provide for the Common Expenses of the Cooperative's property, including but not limited to, maintenance, repairs, insurance, real and personal property taxes assessed by any lawful taxing authority and such other assessments as are specifically provided for in this Declaration of Restrictions. The procedure for determination of such assessments shall be as set forth in the By-laws of the Cooperative.

The Cooperative for each unit owned by it within the properties hereby covenants and each Lessor of any unit shall by the acceptance of a lease thereof, whether or not it shall be so expressed in any such lease or other conveyance, be deemed to covenant and agree to all the terms and provisions of these Covenants and to pay the Cooperative:

(11-a) Dues, annual assessments and charges, special assessments for the purpose as set forth herein, such assessments being fixed, established and collected from time to time as hereinafter provided. The annual and special assessments together with such interest thereon and cost of collection therefore and hereinafter provided shall be a charge and constitute a continuing lien on the leased campsite, and all of the improvements thereon against which each such assessment is made. Each assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Lessee of the property at the time when the assessment falls

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due. In the case of Co Lessee of a unit, such Co-Lessee of the unit shall be jointly and severally liable for the entire amount of the assessment.

(11-b) The assessments or dues levied by the Cooperative shall be a minimum of $950.00, annually, billed every January and payable on or before 1 March, and shall be used exclusively for the improvement, maintenance and operation of the Common Properties, including but not limited to the payment of taxes, and insurance thereon, and repair, replacement and additions thereto and for the cost of labor, equipment, materials, management and supervision thereof, as well as maintaining facilities providing sewage, water, trash disposal service, boat ramps, beach area and general maintenance in carrying out all the duties hereunder as management.

(11-c) The special assessments shall be used for the purpose as set forth herein. In addition to annual assessments provided herein, the Cooperative may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement for a described improvement upon the Common Properties, including the necessary fixtures and personal property related thereto or addition to the Common Properties, provided that any such assessment shall have the consent of fifty-one (51%) percent of the vote of a duly called meeting with quorum present, written notice of which shall have been sent to all members at least thirty (30) days in advance as set forth in the purpose of the meeting. The quorum necessary for such action shall be set forth in the By-laws of the Cooperative.

(11-d) If the assessments are not paid on the date when due, then each assessment shall become delinquent, and shall, together with all interest thereon, at a rate of eighteen (18%) per cent per annum from the due date and cost of collection thereof as hereinafter provided, thereupon become a charge and continuing lien on the lease and improvements thereon and against which each such assessment is made in the hands of the then Lessee, his heirs, devisees, personal representatives and assigns. The personal obligation of the Lessee at the time of the assessment to pay such assessments, however, shall remain his personal obligation for the statutory period and shall also pass as a personal obligation to his successors, even if the successor leased said property at judicial sale. If the assessment is not paid within thirty (30) days after the due date, the Cooperative may bring an action at law against the Lessee personally obligated to pay the same and/or to

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sue for payment of the lien against the leased campsite, and there shall be added to the amount of such assessment, the cost of preparing and filing the complaint in such action and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with cost of the action. In the case of Court Action, the unit Lessee shall be required to pay a reasonable rental for the campsite, and the Plaintiff in such suit shall be entitled to the appointment of a Receiver to collect the same for the campsite Lessee and/or Occupant. The Cooperative shall have the right in lieu of Court Action, if it deems it prudent, to take possession of the said unit and through the Cooperative offer the same for rental. From the proceeds of such rental, if any, the Cooperative shall credit one-half of the income thereof to the arrearages and in payment of the lien established by the default of the said owner, and to pay the other one-half to the Cooperative as its charge for acting as rental agent. The selection of this mode of procedure in payment of the lien established by said arrearages and delinquencies shall not be exclusive, and the Cooperative may at any time, proceed in a Court Action should it deem the same necessary, or expedient, or prudent, and no question of judgment may be raised, as this right of renting is an absolute right and a part of this Declaration.

(11-e) The lien of the assessments provided for herein shall be subordinate to the lien of any first lien now or hereafter placed upon the Lessee, subject to assessments, provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the lease or transfer of such lease pursuant to a decree of Court Action, or any other proceedings in lieu of Court Action. Such lease or transfer shall not relieve such Lessee from liability or any assessment accruing after the transfer by the Cooperative/Lessee to a subsequent Lessee.

Additions. Upon a fifty-one percent (51%) vote at a duly called meeting with quorum present, the Camper's Co-op desiring to add to the plan of these Covenants and to subject it to the jurisdiction of the Cooperative, may file of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the Covenants and Restrictions of the Declaration of such additional property. The Supplementary Declarations may contain such complimentary additions and modifications of the Covenants and Restrictions, contained in this Declaration as may be necessary or convenient, in the judgment of the Cooperative, to reflect the

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different character, if any, of the added property and as are not inconsistent with the Plan of this Declaration.

(12) **Membership and Expenses** of the Cooperative. The Cooperative and every person or entity who is a record Lessee of any unit which is subject to the Covenants shall be a member of the Cooperative, provided that such person or entity who holds such interest merely as a security for the performance of an obligation.

The Common Expenses (also, called dues or annual assessments) of the Cooperative shall include, among other items set forth herein, the maintenance and operation of the Common Elements. Each campsite Lessee shall be responsible and liable for an equal share of the Common Expenses regardless of the amount paid for lease of the campsite, the location or the square footage of the same. When the lease becomes effective, each unit Lessee's share of the Common Expenses shall be the same portion as the Lessee's unit bears if all campsites have been leased and submitted to this Declaration, each campsite Lessee shall be liable for an equal share of the Common Expenses. Any Common Surplus of the Cooperative shall be owned by each campsite Lessee in the same proportion as the Lessee's contribution to the Common Expenses and assessments of the Cooperative.

(13) **Sales or Rental of Campsites.** The Cooperative has the exclusive right to rent the campsite within the Cooperative at rates to be determined by the Cooperative and Site-Lessee from time to time, this right of rental and first refusal on a lease to be sold are a part of this Declaration and shall be binding on each Lessee, his successors and assigns and shall constitute a covenant running with the lease of each campsite. If Lessee wishes to sell his lease, the Co-op has the right of refusal at the same price that the Lessee has been offered by a bonafied purchaser. The Co-op has only ten (10) days to purchase or refuse.

(13-a) **Rental.** The present rate for handling the rental of a Lessee's campsite through the Cooperative will be 75% of rental to the Lessee and 25% to the Cooperative. If Lessee rents his own campsite, the Co-op will not receive 25%, but must receive a letter in advance stating to whom, time of stay. etc. If a letter is not received in advance of a $25 penalty will be assessed.

(14) **Maintenance and Alteration.** The Cooperative and the Board of Directors of the Cooperative may enter into a contract with a firm, person or corporation for the maintenance and repair of the Cooperative's property. The Cooperative will become the successor

of all rights, obligations and duties as contained in said Contract.

(15) **Use and Occupancy.** All campsites and Common Properties shall be used only as set forth herein. All campsites shall be used only for manufactured R. V.'s, except for property reserved for Common Properties. Nothing contained in this Declaration shall be construed to prevent the Cooperative from erecting and maintaining, or authorizing the erection or maintenance of structures and signs for the development and lease of the property while the same or any part thereof is held by the Cooperative. All of the said Restrictions, conditions, Covenants, and provisions herein set forth in this Declaration shall be deemed in effect and shall apply to and be binding upon all unit Lessees. Campsite Lessees shall at all times obey said Declaration and use their best efforts to see that they are faithfully observed by their families, guests, invitees, servants, lessees and persons over whom they exercise control and supervision. Said Restrictions, conditions, Covenants and provisions are to be followed and obeyed.

(16) **All campsites** which are designated for manufactured Recreational Vehicle (R.V.) campsites are reserved and restricted for the use of those vehicles as defined in Paragraph 8-m. Approved tables, and benches (designed for exterior use), fire-ring grills, and approved storage sheds, and Beach Harbor Storage boxes (boot boxes), may be erected but no personal property, detracting from a neat environment, except as provided immediately above shall be permitted to remain where it can be seen by other Lessees or visitors in the area. No manufactured R.V. shall be on the Campsite without the said R.V. having been approved, by a duly authorized representative of the Cooperative, as having met the requirements as to the condition and type of R.V., and said R.V. shall thereafter be inspected and approved annually as to conditions, in writing only. The foregoing shall be deemed to prohibit construction and maintenance of any structure other than wolmanized deck, approved storage shed, 2 rail split fencing. (such as matches the entrance) or approved screened in patios. Pending Board approval, all Beach Harbor approved storage sheds, and Beach Harbor storage boxes (boot boxes), must be natural wood color, or painted Beach Harbor brown. wooden picnic tables, benches must be painted Beach Harbor "Brown," or be natural color, fire-ring grills must be painted Bar-B-Q "Black", and fencing must be kept natural in color. All the above shall require a Site Plan approval from the Restrictions and Covenants Director or his/her delegate, and/or the Board of Directors. Only one (1) R.V. may be located on each

campsite. No passenger vehicle, however, shall be allowed to remain on a campsite without the presence of an R V., and without having been approved by a duly authorized representative of the Cooperative.

(17) **Conflict between Rules and Declaration.** In the event of any conflict between the rules and regulations contained herein, or from time to time amended or adopted, and this Declaration, the latter shall prevail and only with full written approval of the Cooperative.

(18) **Amendments.** Notwithstanding anything to the contrary set forth in the By-laws, no amendments to all or any part of this Declaration shall be permitted until the year 2000. However, if a change is made, it will require 51% vote at a duly called meeting with a quorum present.

(19) **Property Rights in the Common Properties.** Subject to the provisions of these Covenants and the rules and regulations of the Cooperative, every Lessee shall have the right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with each succeeding Lessee to every campsite. An easement (as shown on plat-map) is reserved along each of the campsite lines on each campsite for the installation and maintenance of utility services, and it is understood that each easement may be used by the Cooperative, their assigns for such installation and maintenance, as the case may be. No nuisance shall be allowed upon any campsite, any use or practice which is a source of annoyance to the Lessee, or which interferes with the peaceful possession of or proper use of the campsite by the Lessee. All parts of the campsite shall be kept in a clean and sanitary condition and no rubbish, refuse, or garbage shall be allowed to accumulate or any fire hazard allowed to exist. Nothing contained herein, however, shall be construed to prohibit the Cooperative for the development, construction, maintenance or lease of any property.

(20) **No commercial** activity of any kind what so ever shall be conducted on or from any campsite. The foregoing shall not, however, prevent the Cooperative from designating certain areas in the Beach Harbor area for commercial use. The Lessee shall not permit or suffer anything to be done or kept in or on his campsite which will increase the rate of insurance on the Cooperative's property or which shall obstruct or interfere with the right of other campsite Lessees, or annoy them by unreasonable noises, or

otherwise; nor shall the campsite Lessee commit or permit any nuisance, immoral or illegal act in or about the Cooperative's property. No person shall use the Common Elements for any part thereof or campsite or the Cooperative's property or any part thereof, in any manner contrary to or not in accordance with such rules and regulations pertaining thereto, as from time to time may be promulgated by the Cooperative. The rights and easements of enjoyment created hereby are subject to the following:

The right of the Cooperative, in accordance with its By-laws, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties;

The right of the Cooperative to take such steps as are reasonably necessary, to protect the above-described properties against foreclosure;

The right of the Cooperative, as provided in the bylaws, to suspend the enjoyment of the right of any member Lessee for a period during which any assessment remains unpaid and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations, it being understood that any suspension for either non-payment of any assessment or any breach of rules and regulations of the Cooperative shall not constitute a waiver or discharge of the Lessee member, obligation for the assessments.

(21) **Roads**. All roads constructed on the property as shown on plat, will be private properties and shall not be dedicated to public use now or in the future.

(22) **Severability**. If any provisions of this Declaration, or any section, sentence, clause, work or phrase, or the application thereof, in any circumstances, is held invalid, the validity of the remainder of this Declaration of the application of such provisions, sections, clauses, phrase or word in other circumstances shall be affected thereby and remain valid.

(23) **Utility Services**. The Cooperative reserves the right to install certain utility services underground, over and across any campsite or Common Property or facility to service areas other than those involved in the property development described herein, as well as those within the property and including maintenance of the same.

(24) **Cooperative's Right to Enforce Restrictions and Covenants.** The Cooperative reserves the right and its standing to sue to enforce the Restrictions and Covenants contained herein by civil

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action to restrain or enjoin a violation of any Covenant or Restriction or to seek mandatory injunctions to compel compliance by the Lessee. The Cooperative shall retain the lease of at least one campsite and continue to be the Lessee of such property and member of the Cooperative for the exclusive purpose of affording additional standing to sue to enforce the Restrictions and Covenants set forth therein.

(25) **Gender.** Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and plural shall include the singular. The provisions of the Declaration shall be liberally construed to effectuate the purpose of creating a uniformed plan for the operation as stated above.

(26) **Cooperative Votes.** The Cooperative as an organization has no vote, only the members of the Co-op can vote.

(27) **Sewer Connection Charge.** As set forth in the Contract Sales Agreement, Purchaser agrees that as soon as sewer service to the campsite is available, to pay a Sewer Connection Charge of $995.00 to Beach Harbor Development Company. Purchaser is to pay within 120 days after written notification that sewer is usable at your campsite. Hook-up to the sewer service is mandatory when service is available. Connection from trailer to service must be black P.V.C. or pipe as displayed on model site.

(28) **Separate Utility Charges.** In the event that any utility services are separately charged by the utility company to the Cooperative, the campsite Lessee shall be assessed by the Cooperative for such service or billed direct by such utility. This includes but is not limited to sewer, water, electrical and telephone usage and installation. Hook up for electrical and telephone service is mandatory as specified in the purchase agreement.

Section II

(1) No sewage or waste disposal structures or operations of a temporary nature shall be permitted on any campsite. No dumping of sink or other waste water in the ground is permitted.

(2) No outdoor clothes poles, clothes lines or similar equipment shall be allowed.

(3) All campsites whether occupied or unoccupied shall at all times be maintained in such a manner as to prevent their becoming unsightly by reason of unattractive growth or accumulation of rubbish or debris thereon. If a campsite becomes unsightly, the Co-op has the right to clean-up and charge the Lessee.

(4) Any improvements, material or R. V. on any site which may be destroyed by fire, wind storm or any other cause or Act of God, must be removed. All debris must be removed and site restored to a sightly condition with reasonable promptness, however, that in no event shall such debris remain longer than 30 days.

(5) No open fires of any kind shall be permitted on any campsite, except within the confines of a fire ring of approved design.

(6) The excessive use of intoxicating beverages of any kind is strictly prohibited on any campsite or common area, and persons who appear to be intoxicated, loud, unruly and using of profanity shall not be permitted to enter or remain on any campsite or common area.

(7) No mini-bikes, motor scooters. motorcycles, go carts or any vehicle which is noisy and causes a nuisance to others shall be allowed.

(8) After 11:00 P.M. all radios, or any noise must be kept at a minimum, so as not to disturb anyone else. (11:00 P.M. is known as Quiet Hour)

(9) Guests will be permitted, with a guest pass filled in and issued by the campsite Lessee. Passes for campsite Lessees will be issued from the Cooperative office, after annual dues are paid in full. There are (1) one-day, (7) seven day and special passes. Special passes and (7) seven day passes are given by management at Lessees request.

(10) No modification or tampering with the utilities (water, sewer and electric systems) will be allowed except with the express written consent of the utility company or the management.

(11) All recreational vehicles shall be currently inspected in accordance with the laws of the State of Registry. Valid inspection certificate shall be available for managements review.

Before any trailer, boat, RV, Shed, etc. is placed on sites or before any construction, improvements, etc., is started on any site, you must have written approval from the Co-op on Beach Harbor Letterhead.

(12) No hunting, shooting, use of firearms, pellet guns, air guns or bow and arrows are allowed.

(13) All garbage, litter and other disposable material must be put in garbage bags and placed in the trash containers.

(14) No docks may be constructed at any of the campsites, except with written approval from management.

(15) Standard UHF/VHF antennas, R.V. antennas, and satellite dish TV devices of 24 inches or less shall be permitted on trailers or campsites.

(16) No animals or fowl shall be kept or maintained on any campsite except customary household pets, and then only on a leash.

(17) No signs of any kind shall be displayed on any campsite, except those issued from management.

(18) All R.V. s if raised from the ground must be placed on cement cinder blocks, or wolmanized or treated lumber. (Railroad ties)

(19) Any deviation from the model campsite or Covenants will have to be approved in writing from the Cooperative's Executive Committee.

(20) Any Lessee who lets a relative or friend use his campsite while he is not present, must give the user a letter with his signature stating dates he is allowed to use the campsite, and also the user will be responsible for cleaning and removing any rubbish before he leaves. They must check in with the manager on duty and check out with him. Also, the letter must state that the Lessee will be personally responsible for him and his acts. The letter will be surrendered to the camp manager upon the users arrival.

(21) No camping shall be permitted on any easement area, within the set back areas or on any community property, except for Camp Coast to Coast Members and other groups approved by the Directors.

(22) No more than one (1) R.V. and one tent permitted on each campsite (tent may be used on a temporary basis and must be removed when not in use.) Permission for tent must be granted in writing from the manager on duty.

(23) No trees, shrubs or bushes, shall be removed from any campsite without prior written consent of the Cooperative Executive Committee.

(24) No vehicle shall be parked on or along any street or service driveway or community property except on designated parking areas or campsites.

(25) No campsite shall be used as a residence or for anything except camping resort purposes only.

(26) The Cooperative Executive Committee has the right to set up regulations as to the height and size requirement for all types of improvements.

(27) No stripped down, partially wrecked or junk motor vehicle or sizeable part thereof, no commercial trucks, or abandoned material of any kind shall be permitted to be parked or stored any place within the Common Property or campsite.

(28) Storage is permitted under a R.V. **only** if the space underneath is closed in and covered with similar material to the trailer, such as vinyl, wood or lattice, and only with a written Site Plan.

(29) The number of visitors a Lessee may have will be determined by the Cooperative Executive Committee and passes shall be issued to cover same. (See #9)

(30) At no time and under no circumstances shall the Cooperative, or its successors or assigns be held responsible for damage or loss due to theft, vandalism, flood, fire, high-tide, wind storm or any other cause or Act of God.

(31) If annual dues are not paid or are in arrears, then the voting rights in the Cooperative will be suspended until such time as they are paid.

(32) All Lessees who are in arrear for dues, shall be notified by mail and names placed on a bulletin board in the Administration Building or other places to be designated.

(33) All motor vehicles, R.V.'s and boats must display either an up to date owner's decal or visitor's pass, issued at the Administrative Office, which shall be visible.

(34) All members, visitors or guests using the water facilities must obey the published Coast Guard Regulations and Safety Rules.

(35) No short cuts or crossing of other campsites. Everyone must use designated paths, walking areas or roads.

(36) Spot-lights or flood-lights shall be turned off at 11:00 P.M so as not to disturb others.

(37) No pets allowed in swimming pool areas, offices or pavilion area.

(38) No washing dishes, utensils, diapers or clothing allowed in Rest Rooms. All campsite Lessees will be responsible for the action of their guests.

(39) **Repurchase Option**. In the event the campsite Lessee desires to sell his leased campsite, then said campsite shall be offered for lease to the Cooperative at the same price at which the lease is about to be sold, and the said Cooperative shall have ten (10) days within which to exercise its option to purchase said lease; and should the Cooperative fail or refuse (within ten (10) days after receipt of notice of the price and terms) to exercise its option to purchase said lease at the price and terms at which it is about to be sold, then the Owner of said lease shall have the right to sell said lease subject to all Covenants and limitations herein contained.

The Cooperative shall also do a credit check on the new Purchaser, for purpose of collecting dues.

(40) **Notices**. Any notice required to be sent to any Lessee under the provisions of this Declaration shall be deemed to have been properly sent, and the notice thereby given, when mailed, postpaid, to the last known address of the person who appears as Lessee on the records of the Cooperative at the time of such mailing. Notice to one of two or more Co-Lessees of the lot shall constitute notice to all Co-Lessees. It shall be the obligation of each Lessee to immediately notify the Secretary of the Cooperative in writing of any change in address.

(41) Any proposed changes or improvements on a campsite **must be submitted to the Co-op on a Site Plan and have written approval from the Co-op before proceeding.**

(42) If the Cooperative installs or services any of the utilities and if they are metered, the Cooperative has the right to bill a small service fee for reading the meters, not to exceed five-dollars per month.

(43) All boats in Beach Harbor will have a permit number displayed on it and meet the requirements herein. No boat shall be permitted on the grounds, in the canals or at the beach, without Beach Harbor Cooperative approval and a Beach Harbor boat decal.

(a) **Maryland DNR Registration:** All boats in Beach Harbor shall have a current ***original*** Maryland DNR Registration, and shall be registered with the Beach Harbor Cooperative office (using the ***original*** Maryland DNR Registration only). Under the official "Maryland State and Federal Requirements for Recreational Vessels, your recreational vessel must be registered in Maryland if it is equipped with any kind of primary or auxiliary mechanical propulsion, if it is not currently documented with the U.S. Coast Guard; and if it is being used principally in Maryland."

(b) **Principal use:** "Principal use is defined as in use the greatest percentage of time in a given calendar year. A vessel is considered to be in use whenever it is moving, anchored, tied up to any manner of dock, pier or buoy or is being held in readiness for use on a trailer or in any structure."

(c) **Boat Length:** The recommended length of boats at Beach Harbor is 17 to 18 feet. The **maximum** length of boats permitted to reside in or operate out of Beach Harbor Cooperative is 21 feet. Under "Maryland State and Federal Requirements for Recreational Vessels boat length is as determined by the ***original*** Maryland DNR Registration, and by measuring the distance in a straight line from the foremost part of the vessel to the aftermost part of the vessel, parallel to the centerline, exclusive of the sheer. Bowsprits, bumpkins, rudders, outboard motors, brackets, and similar fittings or attachments are not to be included in the measurement."

(d) **Registrations from Other States.** Boats which are registered in other states because their owners reside in other states shall have a current original registration form, boat numbers and official decals from the State of residence of the Beach Harbor member. A legible ***original*** of the State registration must be filed with the Beach Harbor Cooperative Office."

(44) **Summary.** All campsites are to be in orderly condition at all times. Fire-rings must be painted Bar-B-Q "Black". Picnic tables **may** be covered when not in use and must be natural wood color or painted Beach Harbor "Brown." R.V.'s, approved storage sheds, and

Beach Harbor Storage boxes (boot boxes) must be placed on site according to site design. All approved storage sheds, and Beach Harbor Storage boxes (boot boxes) must be natural wood color, or painted Beach Harbor "Brown", and cannot be used for camping or have any windows. No R.V. shall be less than 20 feet in length, except in Section D that cannot be less than 26 feet in length. If fenced all campsites must be (2) rail split-rail fencing. All decks must be site plan approved and must be built of treated lumber. All R.V. units and vehicles must display a current Beach Harbor Pass. Passes are issued each year when dues are paid. All boats shall have a current Maryland DNR Registration and display a current Beach Harbor pass. Passes are issued each year when dues are paid. Each campsite will be checked every two (2) months, so as to keep these Protective Restrictions and Covenants in force; this is to insure that your site and Beach Harbor will hold its value for years to come and that you'll be proud to be a part of it.

BEACH HARBOR
CAMPER'S
COOPERATIVE ARTICLES OF
INCORPORATION

FIRST: We, James C. Foote, Michael Corbett, Michael P. Darrow, Samuel J. Brown, and Carl Stamates, whose Post Office address is Beach Harbor, Route 50, Grasonville, Maryland, all being at least 18 years of age, hereby form a Cooperative, by and virtue of the General Laws of the State of Maryland, and more specifically the Corporation and Associations Title, Article 5-6A.

SECOND: The name of the Cooperative(which is hereby referred to as the "Cooperative")is: **BEACH HARBOR CAMPER'S COOPERATIVE.**

THIRD: The name of each of the Incorporators of this Cooperative is as follows:
a.) James C. Foote
b.) Michael Corbett
c.) Michael P. Darrow
d.) Samuel J. Brown
e.) Carl Stamates

FOURTH: The purposes for which this Cooperative is formed are:
a.) To act as a selling or buying agent for its members, who are intended to be campers or prospective campers at the Beach Harbor Campground located in Queen Anne's County. It is also the intention to purchase or otherwise require goods or services for its members so as to make it more convenient for them to live in the campground area, to have a permanent campground use, on a yearly basis, to have the amenities at the campground which will make their life at the campground much easier and more enjoyable.
b.) In addition to doing anything permitted in Section 5-500 and S-6-A of the Corporations and Association's Articles of the Annotated Code of Maryland, as amended from time to time.

FIFTH: The campgrounds shall be located on 42 acres more or less in Queen Anne's County, with an address as Beach Harbor Campgrounds, Route 50, Grasonville, Maryland 21638.

SIXTH: Until further notice the name and Post Office address for the Resident Agent of the Cooperative in this state is Samuel J. Brown, 75 Franklin Street, Annapolis, Maryland 21401.

SEVENTH: The property rights of all of the members are equal with the right of each member to have the exclusive use of a specific lot of ground, and to have the overall use of the common areas of the Beach Harbor Campground. Each newly admitted member will have as equal right as did the previously admitted members so long as they are leasing a campground site and pay the appropriate dues from time to time, as assessed. It is understood that all members of the campground are to have a long term interest in, and be associated with the organization and no non-stockholders will be permitted to be members of the Cooperative.

EIGHTH: The Cooperative is authorized to issue 1000 shares of capital stock at no par value. One share of stock shall be issued to each member; and each member shall have an equal voting right pursuant to the requirements of the Annotated Code of Maryland.

NINTH: This Cooperative shall operate on a non-profit basis, for the best interest of its members; to offer the best facilities available for camping and to provide them with the best services necessary to insure a more comfortable camping experience.

TENTH: a.) As used in this Article Tenth, any word or words that are defined in Section 2-418 of the Corporations and Associations Article of the Annotated Code of Maryland (the "Indemnification Section") as amended from time to time, shall apply.

b.) The Cooperative shall indemnify a present or former Director of office of the Cooperative in connection with a proceeding to the fullest extent permitted by and in accordance with the Indemnification Section.

c.) With respect to any Cooperative representative other than a present or former Director or officer, the Cooperative may indemnity such Cooperative representative in connection with a proceeding to the fullest extent permitted by and in accordance with the Indemnification Section; provided, however, that to the extent a Cooperative representative other than a former Director or officer successfully defends on the merits or otherwise any proceedings referred to in subsections (b) or (c) of the Indemnification Section or any claim, issue or matter raised in such proceeding, the Cooperative shall not indemnity such Cooperative representative other than a present or former Director or officer under the Indemnification Section unless and until it shall have been determined and authorized in the specific case by an affirmative vote at a duly constituted meeting of a majority of the Board of Directors who were not parties to the proceeding; or an affirmative vote, at a duly

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constituted meeting of a majority of all the votes cast by members, who were not parties to the proceedings, that indemnification of such Cooperative representative other than a present or former Director or officer is proper in the circumstances.

HOMEOWNERS ASSOCIATION DEPOSITORY

CIRCUIT COURT FOR QUEEN ANNE'S COUNTY LAND RECORDS

BEACH HARBOR CAMPERS COOPERATIVE, INC.

Beach Harbor Campers Cooperative, Inc., located in Queen Anne's County, Maryland, files herewith the following documents in conformance with Sections 11B-112 and 11B-113 of the Real Property Article, as its disclosures for the Homeowners Association Depository.

RECORDING FEE 15.00
TOTAL 15.00
Rec# QA01 Rcpt # 67478
SM NLH Bil: # 2280
Oct 25, 2004 10:09 am

A. By-Law Amendment approved September 4, 2004

B. Declaration Amendment approved September 4, 2004

These documents were approved by the Board of Directors and adopted by the Members at the Annual Meeting of the Members of the Cooperative on September 4, 2004. Proper and timely notice of the Annual Meeting and the Proposed Amendments to the By-Laws and Declaration was given to all members in accordance with the Declaration and By-Laws. The vote of the membership in favor of the Amendments was140 votes for the Amendments and 62 votes against. There are 261 campsites in the Cooperative and therefore the affirmative vote was 53.6% of the entire membership, which is more than necessary to amend the By-Laws and Declaration.

Respectfully submitted,

Dated: October ____, 2004

By: _____
Name: Stephanie Killeen
Title: Secretary

Beach Harbor Campers Cooperative, Inc.
111 Beach Harbor Drive
Grasonville MD 21638

410-827-9531

RECEIVED
CLERK, CIRCUIT COURT
2004 OCT 25 AM 10: 05
QUEEN ANNE'S COUNTY

PROPOSED AMENDMENT TO DECLARATION AND BY-LAWS

Pursuant to our Declaration and Bylaws, the Board of Directors recommends that the Membership of the Cooperative vote to approve and adopt the following Amendment to the Declaration and Bylaws of the Cooperative:

Pursuant to the Orders of the Circuit Court for Queen Anne's County, the Members of the Cooperative hereby amend their Declaration and Bylaws to provide that the entire Real Estate Tax Bill for both "Land" and "Buildings, Other" charged to the Cooperative shall be deemed to be a common expense and shall be charged and assessed as a common expense equally against all the Members of the Cooperative on an equal assessment basis. This Amendment shall be inserted as an Amendment in both the Declaration and the By-Laws in all appropriate sections of those documents, and the terms of this Amendment shall control all Cooperative governing documents. This Amendment is retroactive and effective as of January 1, 2001.

This proposed Amendment will be voted on by the Membership at the next general Membership meeting on September 4, 2004.

The necessary vote for this Amendment is 51% of the quorum present in person or by proxy. A quorum is 51% of the total membership. This is so pursuant to Section (18) AMENDMENTS of the Declaration and By-Laws Article IV Section 4. QUORUM and By-Laws Article XIV Section 1. AMENDMENTS.

Voting results Summary on Equal Tax Assessment

In the Declaratory Judgment handed down by Judge Sause, he acknowledged the right of the members of Beach Harbor Camper's Cooperative, Inc. to amend the legal documents of the cooperative to determine the manner in which the real estate taxes would be assessed to the members. As a result, all members were notified that a vote would be taken at the General Meeting on Saturday, September 4, 2004, to amend the legal documents of the cooperative.

The Board of Directors retained the independent accounting firm of Kram & McCarthy, Chartered, to review and mail packets of materials, including a proxy, to all members, to receive all proxies mailed back, and to deliver the proxies to the Secretary of the cooperative before the vote. Greg Litvinuck, CPA, from Kram & McCarthy delivered 121 proxies to Stephanie Killeen, Secretary, just before the meeting on September 4, 2004.

Members in attendance at the meeting, who had not submitted a proxy, were given the opportunity to vote in person at the meeting. Those who had submitted a proxy were given the opportunity to rescind the proxy and vote in person at the meeting. A total of 202 votes (77.4% of the membership) were cast at the meeting in person or by proxy. It should be noted that ALL proxies were cast either FOR or AGAINST as instructed by the respective member. The count was completed by the Secretary and verified by two members (not members of the Board of Directors) as follows:

* 140 votes FOR changing all documents to include the real estate taxes as common expenses, retroactive and effective as of January 1, 2001

* 62 votes AGAINST

As a result of this vote, the real estate tax bill (the total bill for land and improvements) is a common expense of the cooperative and will be shared equally by all shareholders. This is no change from the way we have handled the bill in the past, however, our legal documents will now clearly identify real estate tax as a common expense.

RECEIVED
CLERK. CIRCUIT COURT
2005 JUN -3 AM 11: 29
QUEEN ANNE'S COUNTY

Bay City Property Owners Association, Inc

Maryland Homeowners Association Act

Disclosure

Pursuant to Title 11B, Maryland Homeowners Association Act, Real Property Articles of the Annotated Code of Maryland, Bay City Property Owners Association, Inc., makes the following disclosure for deposit in the Homeowners Association Depository located at the office of the Clerk of the Circuit Court of Queen Anne's County, Maryland.

ITEM NO. ONE: The name of the Association is "Bay City Property Owners Association, Inc.", hereinafter referred to as "the Association".

ITEM NO. TWO: The principle office of the Association is located at:

PO Box 397
Stevensville, Maryland 21666

ITEM NO. THREE: The telephone number of the principle office of the Association is 410-604-1627.

ITEM NO. FOUR: The names and addresses of the principle officers of the Association are:

1. President: John McKim
   704 Bayside Dr
   Stevensville, MD 21666

2. Vice President: Jennifer Jones
   803 Worcester Dr
   Stevensville, MD 21666

3. Secretary: None

4. Treasurer Beth Schreiner
   805 Chesapeake Dr
   Stevensville, MD 21666

RECORDING FEE 25.00
TOTAL 25.00
Recpt QA01 Rcpt # 79360
SM RCB Blk # 561
Jun 03, 2005 11:29 am

ITEM NO. FIVE: The Association is a corporation organized and existing under the laws of the State of Maryland.

ITEM NO. SIX: The Name of the resident agent of the Association is Ben Porter 410-604-3813.

ITEM NO. SEVEN: The subdivision known as "Bay City" is located on the west side of Route 8 approximately one mile south of Route 50/301, Kent Island, Fourth Election District, Queen Anne's County, Maryland.

ITEM NO. EIGHT: According to the Queen Anne's County Office of the State Department of Assessments and Taxation, Bay City consists of 824 lots.

ITEM NO. NINE: There are no lands within "Bay City" which have been dedicated to the general public's use.

ITEM NO. TEN: A copy of the Restrictive Covenants and Conditions applicable to "Bay City" is attached hereto and made a part hereof as "Exhibit No. One". Note that these Restrictive Covenants are Enforceable against all owners and/or owner's tenants.

ITEM NO. ELEVEN: The By-Laws governing the Association are attached hereto and made a part hereof "exhibit No. Two". Note that these By-Laws are enforceable against all owners and/or owner's tenants.

ITEM NO. TWELVE: The "Requirements for Approval for Construction in Bay City" are attached hereto and made a part hereof as "Exhibit No. Three".

ITEM NO. THIRTEEN: Land owned by the Association includes the Beach Reservation as set forth on the plat of Bay City, playground area, and Lots 111 and 12, which are better known as the Boat Harbor Area.

ITEM NO. FOURTEEN: Information concerning the Queen Anne's County Zoning Ordinance including land use requirements, can be obtained from the Office of Planning and Zoning, Queen Anne's County Office Building, Centreville, Maryland 21617.

ITEM NO. FIFTEEN: Association fees and Road Maintenance fees are levied against lot owners on the first day of March of each and every calendar year. The Road Maintenance fees may be increased and decreased, if at all, by an amendment to the Covenants and Restrictions applicable to "Bay City". Association fees may be increased or decreased by majority vote of the Association members in good standing and otherwise entitled to vote pursuant to the By-Laws. If any lot owner has a delinquent Road Maintenance fee account of $30 or more, the Association files suit to collect it. Unpaid Road Maintenance fees do not bear interest and are not subject to late charges or attorney's fees. According to Restriction G.14 contained in Exhibit One, attached hereto, the Road Maintenance fee is a personal obligation of each owner, recoverable by suit, and said fee does not constitute a lien upon any lot. However, a lien may be placed upon an owner's lot once a Court of this State reduces the delinquent fee to judgment. Road Maintenance fees are mandatory payment due the Association pursuant to the Restrictive Covenants. (Exhibit One attached) Association fees are mandatory payments made to the Association to meet financial obligations and maintenance expenses. Association fees are $90 per year, per member beginning March 1, 2004. Road maintenance fees are $10 per lot or portion of lot, as assessed by the original plat of Bay City.

ITEM NO. SIXTEEN: No association fee is collected at the settlement of a lot located in "Bay City" other than the fees then due.

ITEM NO SEVENTEEN: There are no special rights and/or exemptions applicable to the Association other than those set forth in Exhibits One, Two, or Three attached hereto.

Witness the hand and seal of the Association.

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

By: John H. McKinley Jr
President

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

BY-LAWS
Amended August 2004

RECEIVED
CLERK, CIRCUIT COURT
2004 AUG 25 AM 9:19
QUEEN ANNE'S COUNTY

Article I – NAME AND LOCATION

Section 1. Name:

This organization shall be known as the Bay City Property Owners Association, Inc., hereinafter known as the Association.

Section 2. Mailing Address:

The mailing address of the Association shall be Bay City Property Owners Association, Inc., P.O. Box 397, Stevensville, Maryland, 21666

Section 3. Geographic Limits:

The geographic limits of the Association shall be defined as the area recorded in the records of Queen Anne's County as Bay City, Stevensville, located in the Fourth Election District, Queen Anne's County, Maryland.

RECORDING FEE 25.00
TOTAL 25.00
Rec# QA01 Rcpt # 64380
SM JGG Blk # 2664
Aug 25, 2004 09:20 am

Article II – PURPOSE

Section 1.

The purpose of the Association is as defined in the Articles of Incorporation of the Bay City Property Owners Association as recorded on January 2, 1964, Queen Anne's County, CWC No. 1, Folio 83.

Article III – MEMBERSHIP

Section 1. Property Owners:

(a) Members: All property owners in Bay City, Queen Anne's County, Stevensville, Maryland will comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City, located in the Fourth Election District of Queen Anne's County.
(b) Tenants: Residents of Bay City that are not property owners, qualify for associate membership. Associate members also must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City.
(c) Others: Non-residents of Bay City that are not property owners, qualify for associate membership at the discretion of the Board of Directors. Associate members also must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City.

Section 2. Voting:

Each property owner, who is a member of the Association in good standing, or in his absence, the property co-owner only, will have one vote regardless of the amount of property involved. Voting will be either by ballot or voice vote, at the discretion of the President or as requested from the floor. Any member whose dues and/or maintenance fee as herein set out, have not been paid as of March 31, shall not be entitled to vote until such dues and fees are paid. Associate members may have the privilege of the floor, but with no vote. Property owners of leased or rented property are held responsible to insure occupant compliance.

Section 3. Dues:

(a) Property Owners shall be assessed annual Association dues which are mandatory in the amount of $100 due January 1st and payable by March 31 to meet the Association's fiscal year recurring operation and maintenance costs and to fund capital improvements. Such assessment shall cover a period of one calendar year and is applicable immediately upon Bay City property ownership. Where Bay City ownership entails more than one lot, each additional undeveloped lot will be assessed $10 – e.g. one undeveloped or developed lot equals $100, two developed lots equals $200, one developed and one undeveloped lot equals $110. The membership fee includes the $10 per lot road maintenance fee assessed each calendar year.
(b) Property Owners who fail to satisfy this financial responsibility by 31 March may have their names posted in the newsletter as delinquent, and until favorably resolved, lose their Association membership and voting privileges, and the account will be referred to legal counsel for action.
(c) Associate Members shall be assessed $100 per calendar year, to be paid by 31 March. Payment of fees shall entitle the Associate member to full use of the facilities and participation in Association activities, not to include voting privileges.

Section 4. Cost of collection of Delinquent Dues and Fees and Enforcement of Construction and Maintenance Rules and Permits. (Amended August 5, 2004)

(a) The Board of Directors of Bay City Property Owners Association, Inc. is authorized to collect, as reimbursement, reasonable attorney's fees, expenses and court costs from and Bay City property owner who is in arrears and delinquent in the payment of dues and fees and against whom collection proceedings are initiated, whether informally or through court action.
(b) The Board of Directors of Bay City Property Owners Association, Inc. is entitled to collect, as reimbursement, reasonable attorney's fees, expenses and court costs from any Bay City property owner against whom any enforcement action or proceedings are initiated, whether informally or through court action, to enforce construction and maintenance rules or the terms and conditions of any permit issued by the Association.
(c) The Board of Directors of Bay City Property Owners Association, Inc. is authorized to initiate proceedings in a court of competent jurisdiction to collect said reimbursement amount and to record any judgment awarded among the land records of Queen Anne's County as a lien on property.
(d) In the case that a Bay City property owner prevails in any collection or enforcement action brought in any court by Bay City Property Owners Association, Inc., Bay City Property Owners Association, Inc. is not entitled to recovery fees or costs.
(e) Bay City Property Owners Association, Inc. is authorized to assess a late charge of $15.00 or one-tenth of the total amount of any delinquent assessment or installment, whichever is greater, provided the charge may not be imposed more that once for the same delinquent payment and may be imposed only if the delinquency has continued for at lease 15 calendar days.

Article IV – MEETINGS

Section 1. Annual Meetings:

An annual meeting of the Association shall be held to elect the officers and the Board of Directors for the transaction of general business. This meeting shall be held in the month of May, each year.

Section 2. Regular Meetings:

In addition there will be a minimum of two regular meetings each year. Dates for all meeting shall be determined by the Board of Directors.

Section 3. Special Meetings:

Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors.

Section 4. Notice of Meetings:

Not less than ten (10) days written or printed notice of any meeting of the members shall be given to members and associate members in good standing.

Section 5. Quorum:

A quorum shall consist of not less than ten (10) members in attendance.

Section 6. Method of Voting:

(a) The method of voting shall be at the discretion of the Association and the Board of Directors. It can be (a) physically present or (b) by mail, and shall be in accordance with Roberts Rules of Order.
(b) When a quorum is present, a majority of votes cast (all methods), less abstentions, is sufficient for the adoption of any motion under consideration.

Section 7. Order of Business:

At all meetings of members, the order of business shall be as follows:

1. Reading of the minutes of the previous meeting
2. Reports of Officers
3. Reports of Standing Committees
4. Reports of Special Committees
5. At any annual meeting, the election of Officers and Directors
6. Unfinished business
7. New Business
8. Good and Welfare
9. Adjournment

The order of business may be altered or suspended at any meeting by a majority of members present. The usual parliamentary rules as laid down by Roberts Rules of Order shall govern all debates.

Article V – BOARD OF DIRECTORS

Section 1. Election and Powers:

The business and property of the Association, except as otherwise provided by statute or by charter or by these By-Laws, shall be conducted and managed by its Board of Directors, which shall consist of a President, Vice-President, Secretary, Treasurer and nine (9) elected members. The term of office for the nine elected members shall be three for three years, three for two years, and three for one year. The immediate Past President shall be an ex-officio (without vote) member of the Board of Directors for a period of one (1) year, unless duly elected as a member of the Board of Directors.

Section 2. Quorum:

A majority of the Board of Directors shall constitute a quorum for the transaction of business at every meeting of the Board of Directors.

Section 3. Removal:

At any special meeting of the Board called for the purpose, any Director may by the vote of a majority entitled to vote, be removed from office with any just cause, and another may be elected in the place of the person so removed, to serve for the remainder of the term.

Section 4. Vacancies:

If any Director shall die or resign, or if the members shall remove any Director, without electing another in his place, a majority of the remaining Directors may elect a successor to hold office for the un-expired portion of the term of the Director whose place shall so become vacant, and until his successor shall have been duly chosen and qualified.

Section 5. Compensation:

No officer or Director of the Association shall receive any compensation for their services. Nothing in this section shall be construed to preclude such person from performing bona fide work for the Association in any other capacity and receiving payment therefore. Persons performing work for the Association which entails the outlay of personal funds, shall be compensated; also duties which require driving in performing these actions, shall be compensated at the rate of twenty (20) cents per mile. A report of these expenses must be submitted to the Board of Directors for approval of payment. No part of the income of said Association shall inure to the benefit of any member by virtue of said membership.

Article VI – OFFICERS

Section I. Executive Officers:

The Executive Officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. The Executive Officers shall be permanent, year round residents of Bay City. Each such Officer shall hold office for a term of one (1) year, commencing the first day of the month following the annual election and thereafter until his successor is elected and qualified, or until his death, resignation, or removal.

Section 2. President:

The President shall be a Director of the Association. He shall be the Chief Executive Officer of the Association. He shall, when present, preside at all meetings of the members and Directors; he shall have general management and direction of the business of the Association and all powers ordinarily exercised by the President of an Association.

Section 3. Vice President:

In the absence of the President, the Vice-President shall perform all the duties of the President and when so acting shall have the powers of the President.

Section 4. Secretary:

The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in books provided for the purpose; he/she shall see that all notices are duly given in accordance with the provisions of the by-laws or as required by law; he/she shall be the custodian of the records and the corporate seal or seals of the Association; he/she shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the Association, under its seal, is duly authorized and when so affixed, may attest the same and such other duties, as from time to time, may be assigned to him by the Board of Directors or by the President.

Section 5. Treasurer:

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Association and shall deposit, or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks, trust companies or other depositories, as shall from time to time, be selected by the Board of Directors whenever requested, an account of the financial condition of the Association and such other duties as may be assigned to him by the Board of Directors or by the President. The Treasurer's books shall be open for inspection by any member at all reasonable times. The Treasurer is to be bonded, the cost of such bond to be defrayed by the Association, in an amount to be determined by the Board of Directors. The Treasurer's books shall be audited prior to the annual election meeting, by a committee appointed by the President and a report made to the membership at the meeting.

Section 6. Assistant Officers:

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant shall hold office for such period of time and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 7. Holding Office:

No member shall hold more than one elective officer in any given year.

Section 8. Nomination of Officers:

A nominating committee shall be appointed by the Board of Directors at least twelve (12) weeks prior to the annual election. The nomination committee will oversee the election process following the nomination and election procedure that is reviewed and approved annually by the board of directors at the January or February board meeting of each year. Report of the nominating committee shall be provided to the members with the notice of meeting. Nominations by any member shall be accompanied by an acceptance in writing of the nominee and such nominations, together with acceptance, be in the hands of the nominating committee five (5) weeks prior to the annual meeting. All officer nominees must have served as a board member or have served on a committee recognized by the board of directors within the twenty-four (24) months immediately prior to the date of nomination for office. Directors and committee members must be members in good standing in the Association.

Article VII – COMMITTEES

Section 1.

The President may create such regular and special committees as he deems advisable and define their duties.

Article VIII – SUNDRY PROVISIONS

Section 1. Negotiable Instruments, etc.

All drafts or orders for the payment of money notes and other evidences of indebtedness, issued in the name of the Association shall be signed by such officer or officers as may be designated fro time to time by resolution of the Board of Directors.

Section 2. Fiscal Year:

The fiscal year of the Association shall be from January 1 to December 31.

Section 3. Checks:

All checks to pay Association debts shall be signed by the Treasurer and one other elected officer (President, Vice-President, or Secretary).

Section 4. Spending Limitations:

The BCPOA Board of Directors may approve unbudgeted expenditures up to $2000 for any single unbudgeted project or to any single recipient at regular board meetings, stipulating that a quorum is present. All unbudgeted expenditures over $2000 are to be approved by the BCPOA membership at regular or properly advertised special meetings. No approvals will be made without a quorum of the Board.

Article IX – AMENDMENTS

Members shall have the power, at any meeting, to alter or repeal any by-laws of the Association and to make new by-laws. Members in good standing should be notified in writing about any proposed by-law changes ten (10) days prior to a vote in order to be included such meeting,

BAY CITY APPLICATION FOR APPROVAL & PERMIT

August 7, 2003

RECEIVED
CLERK, CIRCUIT COURT
2004 AUG 25 AM 9:19
QUEEN ANNE'S COUNTY

APPLICANT(S)

_____

NAME/S and

_____

ADDRESS/ES

_____

SITE OF PROPOSED CONSTRUCTION OR WORK

_____

ADDRESS BLOCK and LOT NO.

DEED REFERENCE: LIBER _____ FOLIO _____

OWNER/S ON DEED (If not applicant, see architectural requirements)

_____

DESCRIPTION OF PROPOSED WORK (NEW HOUSE, ADDITION, GARAGE, FENCE (style), DECK, ETC., include dimensions, materials, color scheme if applicable).

_____

_____

_____

THE APPLICANT/S (THIS DATE) _____ HEREBY CERTIFY AND AGREE TO THE FOLLOWING:

1) This application includes not only this page, but also the plans and specifications and the lot plans submitted herewith, as well as any additional information required.
2) The applicant/s has received a copy of the REQUIREMENTS FOR APPROVAL FOR CONSTRUCTION IN BAY CITY, which are stipulated as part of this application.
3) NO CONSTRUCTION WILL BEGIN UNTIL FORMAL WRITTEN APPROVAL AND PERMIT HAS BEEN RECEIVED FROM THE BAY CITY PROPERTY OWNERS ASSOCIATION, INC. In the case of a new dwelling the Association must be in receipt of a letter of first mortgage commitment from a licensed lending institution before final approval will be granted.
4) The proposed building shall be for single family residential use only, and not for purpose of any trade or business whatsoever. (Covenant G1)

5) The exterior of the structure as shown on the approval plans shall be completed within six (6) months from the date when construction is begun.
6) The building site will be kept free of excessive trash and debris.
7) If any of the representations contained in the application are shown to be incorrect or untrue, or if the building or work is not in accordance with the approved plans or specifications, or is in violation of any Bay City Covenant, then any Bay City approval or permit is voided as of its issue date. Further, applicant may be required, at his expense, to bring the construction into compliance with the BCPOA Building Permit or to restore the building site to its condition existent prior to construction.

APPLICANT/S SIGNATURE/S

_____

APPROVED/REJECTED BY

_____ PERMIT #_____

DATE ISSUED: _____

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.
REQUIREMENTS FOR APPROVAL
FOR
CONSTRUCTION IN BAY CITY

Adopted June 18, 1976 by the Board of Directors
Amended December 1, 1994 by the Board of Directors
Amended June 1, 1995 by the Board of Directors
Amended August 7,2003 by the Board of Directors
Amended August 5, 2004 by the Board of Directors

1. When Required (G-5) No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon any lot in Bay City, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof are SUBMITTED TO AND APPROVED IN WRITING BY THE CORPORATION, or its successors on the ownership of development of the community, or its duly authorized agents, or by the association to be formed as hereinbefore recited, after said association is duly licensed to do by the Corporation WRITTEN PERMISSION MUST BE OBTAINED FROM SAID CORPORATION, OR ITS SUCCESSORS IN THE OWNERSHIP OR DEVELOPMENT OF THE COMMUNITY OR IN THE ADMINISTRATION OF THESE RESTRICTIONS TO CONSTRUCT OR MAINTAIN FENCES, WALLS, HEDGES, BUILDINGS, BULKHEADS, AND OUTBUILDINGS.

No construction is to be started before approval of plans. Please allow a minimum often (10) days for action to be taken by the Association.

2. Who May Submit Plans and specifications must be submitted by the person(s) holding title to the property as shown by the Land Records of Queen Anne's County or by a contract purchaser who files with the Association, a bona fide contract for the purchase of the property, subject to no contingencies except payment of the purchase price and merchant ability of title.

3. Fee Requirements The following NO-REFUNDABLE Application fees shall be assessed for review of plans. These fees apply to original home structures and to subsequent or accessory construction as provided herein:

New Construction		$250.00
Additions		$150.00
Appurtenant Private Structures		$100.00
Porches, Decks, Patios		$75.00
Fences		$50.00
Variance:	Twice the Permit Fee	

Any other architectural changes that may require a permit do not require a fee.
(Adopted June 18, 1976) (Amended July 15, 1987) (Amended June 1, 1995) (Amended August 7,2003)

4.What Must Be Submitted

The following must be submitted to the Association:

a. A written application on a form approved by the Association, containing the conditions of approval.
b. All maintenance fees for the lots involved in the proposed construction through the current fiscal year.
C. One (1) complete set of plans and -specifications in the form required by paragraph 5 hereof
d. One (1) plot plan of ground plat showing location of the construction proposed for the property; the distance from the side, front and rear boundaries; and the location and distance from the residence of any well, septic tank and drain field.

5. Form of Plans: Plans and specifications must be drawn to a scale of 1/8" = 1'-0" or larger, in a clearly understandable and professional manner. They must show the outside elevations of the proposed construction as they will appear when work is completed including:

a. The front elevation, rear elevation, left and right elevations, and the direction in which they face, indicating which elevation of the house faces the road or water, if the residence is so located.
b. Details of the exterior, such as windows, doors, shutters, window boxes, porches, carports, chimneys and the like, and their placement on the completed structure.
c. Type of construction (such as brick, frame, clapboard, asbestos shingle, etc.) and the type of roof; windows, doors, chimneys, foundation, etc.

6. A. Plans, Site plans, etc., may be submitted on paper up to legal size, to be scanned and archived at no additional cost. All larger sheets must be submitted in approved electronic format (PDF, DWG v.14 only, or DXF). Sheets larger than legal size will be scanned and recorded electronically at an additional cost of $7.00/page , plus a $20.00 fee.

7. ARCHITECTURAL REQUIREMENTS

A. Size of Structure Any residence must have a length, measured along the front building line of at least thirty-two (32) feet and at least one thousand, five hundred (1,500) square feet of actual living space. (Amended November 6, 1994) "Actual Living Space" means the gross floor area of all finished and useable floor and portions thereof; other than floors of a basement, cellar, porch, breezeway, patio, attached garage, carport, or the like.

B Setbacks: Buildings shall be set back from front, side and rear lot lines as follows: (G2 G3 G4 G7 G13)

a. Front: the greater of the distance required by the Queen Anne's County Zoning Ordinance, currently 75 feet from the center line of the abutting road, or 35 feet from the front lot line

b. Side and Rear: the greater of the distance required by the Zoning Ordinance, or 15 feet

c. Beach Reservation Lots: any building on a lot which is bounded by the Beach Reservation shall be set back at least 75 feet from that boundary (facing the Chesapeake Bay or Broad Creek)

C. External Appearance The type, construction, external appearance and location of dwellings shall be so varied as to both avoid the general appearance of a "Levitown" and blend in with the general character of other dwellings in Bay City. Therefore, no residence, dwelling house, garage, or other structure appurtenant to the residence (hereinafter collectively referred to as the "residence") shall be substantially similar in exterior design or appearance to any other residence (then constructed and/or then under construction and approved by the Association) located on a lot which is within 750 feet of the lot or lots on which a proposed residence is then being submitted for consideration in accordance with these Requirements. In determining whether or not a residence is "substantially similar" to another residence, the following factors shall be considered: (a) exterior materials used, the exterior colors used, (c) the relative location of the exterior windows and doors (d) the locations of the exterior porches, carports, and other appurtenances to the residence, and (e) the shape of the roof line.

D. Driveway Pipe: Whenever, in the opinion of the Association, a driveway pipe is required for the drainage of water, a pipe of suitable size and type shall be installed before any construction may begin (Adopted March 10,1982)

E. Fences: All fences must be of open construction (woven wire, picket, post and rail, etc.). If pickets are used, space between pickets must be at least equal to the width of the picket No solid or privacy fences may be built. Exception to the rule of privacy fences may be granted in unusual cases. Request for exception must be in writing and addressed to the Board of Directors. Such requests must clearly define reason for exception. The maximum height of any fence or hedgerow shall be no more than four (4) feet (Adopted June 17, 1987)

CONSTRUCTION of FENCES : (Adopted August 5, 2004)

1. New and existing picket fences less than 4 ft. in height will be permitted so long as space between the pickets is not less than the Thickness of the pickets.
2. Shadowboxes less that 4 ft. in height will be permitted so long as the spacing between the boards is greater that the thickness of the supporting member and not less than the width of fence boards.
3. Only fences of a permanent nature will be permitted. For example, chicken wire on temporary metal posts will not be permitted as a fence, and is not to remain in place year round.

LOCATION of FENCES: (Adopted August 5, 2004)

4. The prohibition on fences in front yards will remain. Exception: Fences will be allowed in the front yards of those properties bordering Route 8.

HEIGHT of FENCES: (adopted August 5, 2004)

5. In no case will fences taller than 5 ft. be permitted.
6. Fences other than on properties that border the beach reservations will have a maximum height of 5 ft., so long as they meet the existing rule for openness: they must be more open than closed. Shadowboxes, as per #2, over 4 ft. in height will not be permitted.
7. The restrictions on fences for properties that border the beach reservation will remain:
   a. Maximum height not more than 4 ft.
   b. Must be more open than closed.

F. No trees shall be cut, and no excavations shall be made on the premises, except for the purpose of buildings thereon, and at the time when building operations are commenced, and no earth or sand shall be removed from said premises except as part of such excavations.

G. No trailer, basement, tent shack, garage, barn, or other outbuildings erected within the community shall at any time be used as a residence either temporarily or permanently, nor shall an residence of a temporary character be permitted.

H. Free and open spaces shall be left on both sides and to the front and to the rear of every building structure dwelling or part thereof erected on said lot which free and open spaces shall extend the full length of all lots and shall be not less than fifteen (15) feet in width from the dividing lines from the front and from the rear of said lots.

8. Basis of Approval No consideration Will be given to any application until all of these Requirements have been met and the person(s) referred to in Paragraph 2 have signed a written application in a form prescribed by the Association and agreed to all conditions contained therein

9. Financial Commitment before final approval is given, the Association must be in receipt of a letter of first mortgage commitment from a lending institution (Adopted April 19,1981)

10. Variance Where by reason of the exceptional narrowness, shallowness or unusual shape of a specific lot, or by reason of exceptional topographic conditions or other extraordinary situation or special condition, the literal enforcement of these Requirements would make it exceptionally difficult to construct a dwelling or residence on any lot and would cause unwarranted hardship and injustice to the owner of the lot, the Association may authorize such variance from the terms of these Requirements as will to be contrary to the interests of the residents of Bay City and will relieve such hardship. No variance will be authorized unless the Association finds beyond reasonable doubt that (a) there are exceptional or extraordinary circumstances or special conditions applying to the lot or proposed structure in questions that do not generally apply to other lots or structures in Bay City; (b) such variance is necessary for the preservation and enjoyment of substantial property rights possessed by lot owners in Bay City and particularly in the vicinity of the lot(s) involved in the variance; (c) the

authorization of such variance will not be of substantial detriment to adjacent lots in Bey City and will not be contrary to the purpose of these requirements or the interest of lot owners in Bay City. In authorizing a variance, the Association shall attach such conditions regarding the character, location and other features of the proposed structure as it may deem necessery in the interest of the furtherance of the purposes of these Requirements and in the interest of the lot owners in Bay City. No variance euthorized by the Association shall quality eny adjacent property for special treetment or for a variance.

Variances, subject to the included conditions, are changes to the legal requirements that property owners acquire when buying property in Bay City. Should, on the advice of council, BCPOA decide to require thet any or all variances past, present or future be recorded, the Owner egrees to immediately pay the actual costs of recordation. Permit will be issued after the applicant has returned recorded variance.

11. Completion The exterior of any building or structure approved by the Association must be completed within six (6) months from the dete of approvel.

12. Restrictions Consideration will be given to applications and plans on the basis of both these Requirements and the covenants, restrictions, reservations, dedications, conditions, agreements and understandings applicable to all lots in Bay City by virtue of a Deed and Agreement dated May 29, 1952, and recorded in Liber T.S.P. 5, folio 122, of the Land Records of Queen Anne's County. Approval will not be given to any applications or plans which ere not in conformity with both these Requirements end the provisions of the Deed end Agreement.

Licensed Contractors

New home construction by licensed contractors are restricted to the following:

e. Work may be performed from 7:00 am to 6:00 pm Monday through Saturday only.
b. ABSOLUTELY NO WORK WILL BE PERMITTED ON SUNDAYS.
c. All job sites must have a dumpster or screened erea for construction debris during the time of construction.
d. The builder will keep the site clear of debris on e daily basis and maintain site in as clean and safe a manner as possible.
e. All job sites will heve chemical toilets which can be shared by adjacent job sites, but not by more than ten (10) people.
f. Licensed plumbers may work on Sunday during the hours of 7:00 am and 6:00 pm but ere restricted to sewer hook-up or emergency procedures.

B. Property Owners

Homeowners performing their own construction are limited to the restrictions outlined under Licensed Contractors with the exception of work hours: Work is to be performed Monday through Sunday during the hours of 7:OO am to 6:00 pm.

13. Amendment or Repeal The Association reserves the right to amend, supplement, repeal, or otherwise change these Restrictions at any time, without notice to any person, and for any reason.

RECEIVED
CLERK, CIRCUIT COURT

03 JUL -1 PM 12: 40

QUEEN ANNE'S COUNTY

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

MARYLAND HOMEOWNERS ASSOCIATION ACT

DISCLOSURE

Pursuant to Title 11B, Maryland Homeowners Association Act, Real Property Articles of the Annotated Code of Maryland, Bay City Property Owners Association, Inc., makes the following disclosure for deposit in the Homeowners Association Depository located at the office of the Clerk of the Circuit Court of Queen Anne's County, Maryland.

ITEM NO. ONE: The name of the Association is "Bay City Property Owners Association, Inc.", hereinafter referred to as "the Association".

ITEM NO. TWO: The principle office of the Association is located at:

PO Box 397
Stevensville, Maryland 21666

ITEM NO. THREE: The telephone number of the principle office of the Association is 410-604-1627. The fax number for the principle office is 410-604-1627.

ITEM NO. FOUR: The names and addresses of the principle officers of the Association are:

1. President: Megan Cook
   604 Broad Creek Drive
   Stevensville, MD 21666

2. Vice President: David Hartman
   507 Broad Creek Drive
   Stevensville, MD 21666

3. Secretary: Debbie Wilson
   311 Irene Way
   Stevensville, MD 21666

4. Treasurer: Mary R Schoene
   1005 Chesapeake Drive
   Stevensville, MD 21666

RECORDING FEE 25.00
TOTAL 25.00
Rec# 0A01 Rcpt # 39996
SM JGG Blk # 134
Jul 01, 2003 12:43 PM

ITEM NO. FIVE: The Association is a corporation organized and existing under the laws of the State of Maryland.

ITEM NO. SIX: The name of the resident agent of the Association is Alan Tripp.

ITEM NO. SEVEN: The subdivision known as "Bay City" is located on the west side of Route 8 approximately one mile south of Route 50/301, Kent Island, Fourth Election District, Queen Anne's County, Maryland.

ITEM NO. EIGHT: According to the Queen Anne's County Office of the State Department of Assessments and Taxation, Bay City consists of 824 lots.

ITEM NO. NINE: There are no lands within "Bay City" which have been dedicated to the general public's use.

ITEM NO. TEN: A copy of the Restrictive Covenants and Conditions applicable to "Bay City" is attached hereto and made a part hereof as "Exhibit No. One". Note that these Restrictive Covenants are Enforceable against all owners and /or owner's tenants.

ITEM NO. ELEVEN: The By-Laws governing the Association are attached hereto and made a part hereof "Exhibit No. Two". Note that these By-Laws are enforceable against all owners and/or owner's tenants.

ITEM NO. TWELVE: The "Requirements for Approval for Construction in Bay City" are attached hereto and made a part hereof as "Exhibit No. Three".

ITEM NO. THIRTEEN: Land owned by the Association includes the Beach Reservation as set forth on the plat of Bay City, playground area, and Lots 11 and 12, Block 24, which are better known as the Boat Harbor Area.

ITEM NO. FOURTEEN: Information concerning the Queen Anne's County Zoning Ordinance including land use requirements, can be obtained from the Office of Planning and Zoning, Queen Anne's County Office Building, Centreville, Maryland 21617.

ITEM NO. FIFTEEN: Association fees and Road Maintenance fees are levied against lot owners on the first day of March of each and every calendar year. The Road Maintenance fees may be increased and decreased, if at all, by an amendment to the Covenants and Restrictions applicable to "Bay City". Association fees may be increased or decreased by majority vote of the Association members in good standing and otherwise entitled to vote pursuant to the By-Laws. If any lot owner has a delinquent Road Maintenance fee account of $30 or more, the Association files suit to collect it. Unpaid Road Maintenance fees do not bear interest and are not subject to late charges or attorney's fees. According to Restriction G.14 contained in Exhibit One, attached hereto, the Road Maintenance fee is a personal obligation of each owner, recoverable by suit, and said fee does not constitute a lien upon any lot. However, a lien may be placed upon an owner's lot once the delinquent fee is reduced to judgment by a Court of this State. Road Maintenance fees are mandatory payment due the Association pursuant to the Restrictive Covenants. (Exhibit One attached) Association fees are mandatory payments made to the Association to meet financial obligations and maintenance expenses. Association fees are $50 per year, per member, beginning March 1, 1993. Road Maintenance fees are $10 per lot or portion of lot, as assessed by the original plat of Bay City.

ITEM NO. SIXTEEN: No Association fee is collected at the settlement of a lot located in "Bay City" other than the fees then due.

ITEM NO. SEVENTEEN: There are no special rights and/or exemptions applicable to the Association other than those set forth in Exhibits One, Two, or Three attached hereto.

Witness the hand and seal of the Association.

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

By: _____
President

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

REQUIREMENTS FOR APPROVAL FOR CONSTRUCTION IN BAY CITY

Adopted June 18, 1976 by the Board of Directors
Amended December 1, 1994 by the Board of Directors
Amended June 1, 1995 by the Board of Directors

1. When Required (G-5) No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon any lot in Bay City, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof are SUBMITTED TO AND APPROVED IN WRITING BY THE CORPORATION, or its successors on the ownership of development of the community, or its duly authorized agents, or by the association to be formed as hereinbefore recited, after said association is duly licensed to do by the Corporation. WRITTEN PERMISSION MUST BE OBTAINED FROM SAID CORPORATION, OR ITS SUCCESSORS IN THE OWNERSHIP OR DEVELOPMENT OF THE COMMUNITY OR IN THE ADMINSITRAITON OF THESE RESTRICTIONS TO CONSTRUCT OR MAINTAIN FENCES, WALLS, HEDGES, BUILDINGS, BULKHEADS, AND OUTBUILDINGS.

No construction is to be started before approval of plans. Please allow a minimum of ten (10) days for action to be taken by the Association.

2. Who May Submit Plans and specifications must be submitted by the person(s) holding title to the property as shown by the Land Records of Queen Anne's County or by a contract purchaser who files with the Association, a bona fide contract for the purchase of the property, subject to no contingencies except payment of the purchase price and merchantability of title.

3. Fee Requirements The following fees shall be assessed for review of plans. These fees apply to original home structures and to subsequent or accessory construction as provided herein:

New Homes (original construction)	$150
Additions and/or garages	$ 75
Porches, Decks, Sheds, Patios And Swimming Pools	$ 20

Any other architectural changes that may require a permit do not require a fee.
(Adopted June 18, 1976) (Amended July 15, 1987) (Amended June 1, 1995)

4. What Must Be Submitted The following must be submitted to the Association:

a. A written application on a form approved by the Association, containing the conditions of approval.
b. All maintenance fees for the lots involved in the proposed construction through the current fiscal year.
c. One (1) complete set of plans and specifications in the form required by paragraph 4 hereof
d. One (1) plot plan of ground plat showing location of the construction proposed for the property; the distance from the side, front and rear boundaries; and the location and distance from the residence of any well, septic tank and drain field.

5. Form of Plans Plans and specifications must be drawn to scale in a clearly understandable and professional manner. They must show the outside elevations of the proposed construction as they will appear when work is completed including:

a. The front elevation, rear elevation, left and right elevations, and the direction in which they face, indicating which elevation of the house faces the road or water, if the residence is so located.
b. Details of the exterior, such as windows, doors, shutters, window boxes, porches, carports, chimneys and the like, and their placement on the completed structure.
c. Type of construction (such as brick, frame, clapboard, asbestos shingle, etc.) and the type of roof, windows, doors, chimneys, foundation, etc.

6. ARCHITECTURAL REQUIREMENTS

A. Size of Structure Any residence must have a length, measured along the front building line of at least thirty-two (32) feet and at least one thousand, five hundred (1,500) square feet of actual living space. (Amended November 6, 1994) "Actual Living Space" means the gross floor area of all finished and useable floor and portions thereof, other than floors of a basement, cellar, porch, breezeway, patio, attached garage, carport, or the like.

B. Setbacks Buildings shall be set back from front, side and rear lot lines as follows: (G2, G3, G4, G7, G13)

a. Front: the greater of (I) the distance required by the Queen Anne's County Zoning Ordinance (currently 75 feet from the center line of the abutting road, or (II) 35 feet from the front lot line
b. Side and Rear: the greater of (I) the distance required by the Zoning Ordinance, or (II) 15 feet
c. Beach Reservation Lots: any building on a lot which is bounded by the Beach Reservation shall be set back at least 75 feet from that boundary (facing the Chesapeake Bay or Broad Creek)

C. External Appearance The type, construction, external appearance and location of dwellings shall be so varied as to both avoid the general appearance of a "Levitown" and blend in with the general character of other dwellings in Bay City. Therefore, no residence, dwelling house, garage, or other structure appurtenant to the residence (hereinafter collectively referred to as the "residence") shall be substantially similar in exterior design or appearance to any other residence (then constructed and/or then under construction and approved by the Association) located on a lot which is within 750 feet of the lot or lots on which a proposed residence is then being submitted for consideration in accordance with these Requirements. In determining whether or not a residence is "substantially similar" to another residence, the following factors shall be considered: (a) exterior materials used, (b) the exterior colors used, (c) the relative location of the exterior windows and doors (d) the locations of the exterior porches, carports, and other appurtenances to the residence, and (e) the shape of the roof line.

D. Driveway Pipe Whenever in the opinion of the Association, a driveway pipe is required for the drainage of water, a pipe of suitable size and type shall be installed before any construction may begin. (Adopted March 10, 1982)

E. Fences All fences must be of open construction (woven wire, picket, post and rail, etc). If pickets are used, space between pickets must be at least equal to the width of the picket. No solid or privacy fences may be built. Exception to the rule of privacy fences may be granted in unusual cases. Request for exception must be in writing and addressed to the Board of Directors. Such requests must clearly define reason for exception. The maximum height of any fence or hedgerow shall be no more than four (4) feet. (Adopted June 17, 1987)

F. No trees shall be cut, and no excavations shall be made on the premises, except for the purpose of buildings thereon, and at the time when building operations are commenced, and no earth or sand shall be removed from said premises except as part of such excavations.

G. No trailer, basement, tent shack, garage, barn, or other outbuildings erected within the community shall at any time be used as a residence either temporarily or permanently, nor shall an residence of a temporary character be permitted.

H. Free and open spaces shall be left on both sides and to the front and to the rear of every building structure dwelling or part thereof erected on said lot which free and open spaces shall extend the full length of all lots and shall be not less than fifteen (15) feet in width from the dividing lines from the front and from the rear of said lots.

7. Basis of Approval No consideration will be given to any application until all of these Requirements have been met and the person(s) referred to in Paragraph 2 have signed a written application in a form prescribed by the Association and agreed to all conditions contained therein.

8. Financial Commitment Before final approval is given , the Association must be in receipt of a letter of first mortgage commitment from a lending institution. (Adopted April 19, 1984)

9. Variance Where by reason of the exceptional narrowness, shallowness or unusual shape of a specific lot, or by reason of exceptional topographic conditions or other extraordinary situation or special condition, the literal enforcement of these Requirements would make it exceptionally difficult to construct a dwelling or residence on any lot and would cause unwarranted hardship and injustice to the owner of the lot, the Association may authorize such variance from the terms of these Requirements as will to be contrary to the interests of the residents of Bay City and will relieve such hardship. No variance will be authorized unless the Association finds beyond reasonable doubt that (a) there are exceptional or extraordinary circumstances or special conditions applying to the lot or proposed structure in questions that do not generally apply to other lots or structures in Bay City; (b) such variance is necessary for the preservation and enjoyment of substantial property rights possessed by lot owners in Bay City and particularly in the vicinity of the lot(s) involved in the variance; (c) the authorization of such variance will not be of substantial detriment to adjacent lots in Bay City and will not be contrary to the purpose of these requirements or the interest of lot owners in Bay City. In authorizing a variance, the Association shall attach such conditions regarding the character, location and other features of the proposed structure as it may deem necessary in the interest of the furtherance of the purposes of these Requirements and in the interest of the lot owners in Bay City. No variance authorized by the Association shall qualify any adjacent property for special treatment or for a variance.

10. Completion The exterior of any building or structure approved by the Association must be completed within six (6) months from the date of approval.

11. Restrictions Consideration will be given to applications and plans on the basis of both these Requirements and the covenants, restrictions, reservations, dedications, conditions, agreements and understandings applicable to all lots in Bay City by virtue of a Deed and Agreement dated May 29, 1952, and recorded in Liber T.S.P. 5, folio 122, of the Land Records of Queen Anne's County. Approval will not be given to any applications or plans which are not in conformity with both these Requirements and the provisions of the Deed and Agreement.

A. Licensed Contractors

New home construction by licensed contractors are restricted to the following:

a. Work may be performed from 7:00 am to 6:00 pm Monday through Saturday only.
b. ABSOLUTELY NO WORK WILL BE PERMITTED ON SUNDAYS.
c. All job sites must have a dumpster or screened area for construction debris during the time of construction.
d. The builder will keep the site clear of debris on a daily basis and maintain site in as clean and safe a manner as possible.
e. All job sites will have chemical toilets which can be shared by adjacent job sites, but not by more than ten (10) people.
f. Licensed plumbers may work on Sunday during the hours of 7:00 am and 6:00 pm but are restricted to sewer hook-up or emergency procedures.

B. Property Owners

Homeowners performing their own construction are limited to the restrictions outlined under Licensed Contractors with the exception of work hours. Work to be performed Monday through Sunday during the hours of 7:00 am to 6:00 pm.

12. Amendment or Repeal The Association reserves the right to amend, supplement, repeal, or otherwise change these Restrictions at any time, without notice to any person, and for any reason.

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

BY-LAWS

Article I – NAME AND LOCATION

Section 1. Name:

This organization shall be known as the Bay City Property Owners Association, Inc., hereinafter known as the Association.

Section 2. Mailing Address:

The mailing address of the Association shall be Bay City Property Owners Association, Inc., P.O. Box 397, Stevensville, Maryland, 21666

Section 3. Geographic Limits:

The geographic limits of the Association shall be defined as the area recorded in the records of Queen Anne's County as Bay City, Stevensville, located in the Fourth Election District, Queen Anne's County, Maryland.

Article II – PURPOSE

Section 1.

The purpose of the Association is as defined in the Articles of Incorporation of the Bay City Property Owners Association as recorded on January 2, 1964, Queen Anne's County, CWC No. 1, Folio 83.

Article III – MEMBERSHIP

Section 1. Property Owners:

(a) Members: All property owners in Bay City, Queen Anne's County, Stevensville, Maryland will comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City, located in the Fourth Election District of Queen Anne's County.
(b) Tenants: Residents of Bay City that are not property owners, qualify for associate membership. Associate members also must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City.
(c) Others: Non-residents of Bay City that are not property owners, qualify for associate membership at the discretion of the Board of Directors. Associate members also must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City.

Section 2. Voting:

Each property owner, who is a member of the Association in good standing, or in his absence, the property co-owner only, will have one vote regardless of the amount of property involved. Voting will be either by ballot or voice vote, at the discretion of the President or as requested from the floor. Any member whose dues and/or maintenance fee as herein set out, have not been paid as of March 31, shall not be entitled to vote until such dues and fees are paid. Associate members may have the privilege of the floor, but with no vote. Property owners of leased or rented property are held responsible to insure occupant compliance.

Section 3. Dues:

(a) Property Owners shall be assessed annual Association dues which are mandatory in the amount of $50 due January 1st and payable by March 31 to meet the Association's fiscal year recurring operation and maintenance costs and to fund capital improvements. Such assessment shall cover a period of one calendar year and is applicable immediately upon Bay City property ownership. Where Bay City ownership entails more than one lot, each additional undeveloped lot will be assessed $10 – e.g. one undeveloped or developed lot equals $50, two developed lots equals $100, one developed and one undeveloped lot equals $60. The membership fee is in addition to the $10 per lot road maintenance fee assessed each calendar year.
(b) Property Owners who fail to satisfy this financial responsibility by 31 March may have their names posted in the newsletter as delinquent, and until favorably resolved, lose their Association membership and voting privileges, and the account will be referred to legal counsel for action.
(c) Associate Members shall be assessed $60 per calendar year, to be paid by 31 March. Payment of fees shall entitle the Associate member to full use of the facilities and participation in Association activities, not to include voting privileges.

Article IV – MEETINGS

Section 1. Annual Meetings:

An annual meeting of the Association shall be held to elect the officers and the Board of Directors for the transaction of general business. This meeting shall be held in the month of May, each year.

Section 2. Regular Meetings:

In addition there will be a minimum of two regular meetings each year. Dates for all meeting shall be determined by the Board of Directors.

Section 3. Special Meetings:

Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors.

Section 4. Notice of Meetings:

Not less than ten (10) days written or printed notice of any meeting of the members shall be given to members and associate members in good standing.

Section 5. Quorum:

A quorum shall consist of not less than ten (10) members in attendance.

Section 6. Method of Voting:

(a) The method of voting shall be at the discretion of the Association and the Board of Directors. It can be (a) physically present or (b) by mail, and shall be in accordance with Roberts Rules of Order.
(b) When a quorum is present, a majority of votes cast (all methods), less abstentions, is sufficient for the adoption of any motion under consideration.

Section 7. Order of Business:

At all meetings of members, the order of business shall be as follows:

1. Reading of the minutes of the previous meeting
2. Reports of Officers
3. Reports of Standing Committees
4. Reports of Special Committees
5. At any annual meeting, the election of Officers and Directors
6. Unfinished business
7. New Business
8. Good and Welfare
9. Adjournment

The order of business may be altered or suspended at any meeting by a majority of members present. The usual parliamentary rules as laid down by Roberts Rules of Order shall govern all debates.

Article V – BOARD OF DIRECTORS

Section 1. Election and Powers:

The business and property of the Association, except as otherwise provided by statute or by charter or by these By-Laws, shall be conducted and managed by its Board of Directors, which shall consist of a President, Vice-President, Secretary, Treasurer and nine (9) elected members. The term of office for the nine elected members shall be three for three years, three for two years, and three for one year. The immediate Past President shall be an ex-officio (without vote) member of the Board of Directors for a period of one (1) year, unless duly elected as a member of the Board of Directors.

Section 2. Quorum:

A majority of the Board of Directors shall constitute a quorum for the transaction of business at every meeting of the Board of Directors.

Section 3. Removal:

At any special meeting of the Board called for the purpose, any Director may by the vote of a majority entitled to vote, be removed from office with any just cause, and another may be elected in the place of the person so removed, to serve for the remainder of the term.

Section 4. Vacancies:

If any Director shall die or resign, or if the members shall remove any Director, without electing another in his place, a majority of the remaining Directors may elect a successor to hold office for the un-expired portion of the term of the Director whose place shall so become vacant, and until his successor shall have been duly chosen and qualified.

Section 5. Compensation:

No officer or Director of the Association shall receive any compensation for their services. Nothing in this section shall be construed to preclude such person from performing bona fide work for the Association in any other capacity and receiving payment therefore. Persons performing work for the Association which entails the outlay of personal funds, shall be compensated; also duties which require driving in performing these actions, shall be compensated at the rate of twenty (20) cents per mile. A report of these expenses must be submitted to the Board of Directors for approval of payment. No part of the income of said Association shall inure to the benefit of any member by virtue of said membership.

Article VI – OFFICERS

Section I. Executive Officers:

The Executive Officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. The Executive Officers shall be permanent, year round residents of Bay City. Each such Officer shall hold office for a term of one (1) year, commencing the first day of the month following the annual election and thereafter until his succcssor is clected and qualified, or until his death, resignation, or rcmoval.

Section 2. President:

The President shall be a Director of the Association. He shall be the Chief Executive Officer of the Association. He shall, when prescnt, preside at all meetings of the members and Directors; he shall have general management and direction of the business of thc Association and all powers ordinarily cxerciscd by the Prcsidcnt of an Association.

Section 3. Vice President:

In the absence of the President, the Vice-President shall perform all the duties of the President and when so acting shall have the powers of the President.

Section 4. Secretary:

The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in books provided for the purpose; he/she shall see that all notices are duly given in accordance with the provisions of the by-laws or as required by law; he/she shall be the custodian of the records and the corporate seal or seals of the Association; he/she shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the Association, under its seal, is duly authorized and when so affixed, may attest the same and such other duties, as from time to time, may be assigned to him by thc Board of Directors or by the President.

Section 5. Treasurer:

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Association and shall deposit, or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks, trust companies or other depositories, as shall from time to time, be selected by the Board of Directors whenever requested, an account of the financial condition of the Association and such other duties as may be assigned to him by the Board of Directors or by the President. The Treasurer's books shall be open for inspection by any member at all reasonable times. The Treasurer is to be bonded, the cost of such bond to be defrayed by the Association, in an amount to be determined by the Board of Directors. Thc Trcasurcr's books shall be audited prior to thc annual election meeting, by a committee appointed by thc President and a report made to thc membership at thc meeting.

Section 6. Assistant Officers:

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant shall hold office for such period of time and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 7. Holding Office:

No member shall hold more than one elective officer in any given year.

Section 8. Nomination of Officers:

A nominating committee shall be appointed by the Board of Directors at least twelve (12) weeks prior to the annual election. The nomination committee will oversee the election process following the nomination and clcction procedure that is

reviewed and approved annually by the board of directors at the January or February board meeting of each year. Report of the nominating committee shall be provided to the members with the notice of meeting. Nominations by any member shall be accompanied by an acceptance in writing of the nominee and such nominations, together with acceptance, be in the hands of the nominating committee five (5) weeks prior to the annual meeting. All officer nominees must have served as a board member or have served on a committee recognized by the board of directors within the twenty-four (24) months immediately prior to the date of nomination for office. Directors and committee members must be members in good standing in the Association.

Article VII – COMMITTEES

Section 1.

The President may create such regular and special committees as he deems advisable and define their duties.

Article VIII – SUNDRY PROVISIONS

Section 1. Negotiable Instruments, etc.

All drafts or orders for the payment of money notes and other evidences of indebtedness, issued in the name of the Association shall be signed by such officer or officers as may be designated fro time to time by resolution of the Board of Directors.

Section 2. Fiscal Year:

The fiscal year of the Association shall be from January 1 to December 31.

Section 3. Checks:

All checks to pay Association debts shall be signed by the Treasurer and one other elected officer (President, Vice-President, or Secretary).

Section 4. Spending Limitations:

The BCPOA Board of Directors may approve unbudgeted expenditures up to $2000 for any single unbudgeted project or to any single recipient at regular board meetings, stipulating that a quorum is present. All unbudgeted expenditures over $2000 are to be approved by the BCPOA membership at regular or properly advertised special meetings. No approvals will be made without a quorum of the Board.

Article IX – AMENDMENTS

Members shall have the power, at any meeting, to alter or repeal any by-laws of the Association and to make new by-laws. Members in good standing should be notified in writing about any proposed by-law changes ten (10) days prior to a vote in order to be included such meeting.

BAY CITY IMPROVEMENT ASSOCIATION, INC.

Application for approval of plans

Name (s) and address (es) of applicant (s):

_____

_____

Place of proposed construction: Block No._____ Lot (s) No._____

Deed reference: Liber_____ Folio (page) _____

Name (s) of owner (s) as shown on deed:

_____

If name is different than applicant (s) additional information, as specified in Paragraph 2 of the General Requirements, must be submitted with this application.

CONDITIONS

The above applicant (s) hereby certify and agree that:

1. This Application includes not only this page, but also the plans and specifications and the plot plans submitted herewith, as well as any additional information required above.

2. The applicant (s) has received a copy of the Requirement for Approval for construction in Bay City which are to be considered as a part of this application.

3. No construction will begin until formal written approval has been received from Bay City Improvement Association, Inc.

4. The proposed building or structure is to be erected for the sole use and occupancy of the applicant (s) as a residence and is not being built and will not be used as a sample or speculative home.

5. The exterior of the residence structure, as shown on the accompanying plans and specifications, will be completed within six (6) months of the date when construction is begun.

6. The building site will at all times be kept free of excessive trash and debris.

7. If at any time the representations contained in this Application (including any accompanying documents) are shown to be incorrect or untrue, or if the building is not erected in accordance with the plans and specifications as approved, any approval given by Bay City Improvement Association will be void as of the date when it was given.

_____
(Signature of Applicant)

_____
(Date of Application)

_____
(Signature of Applicant)

TO AVOID DELAYS OR DISAPPOINTMENT, PLEASE CAREFULLY READ REQUIREMENTS FOR APPROVAL.

EXHIBIT NO. TWO

THE BAY CITY IMPROVEMENT ASSOCIATION, INC.

BY-LAWS

Article I - NAME AND LOCATION

Section 1. Name:

This organization shall be known as the Bay City Improvement Association, Inc., hereinafter known as the Association.

Section 2. Mailing address:

The mailing address of the Association shall be: Bay City Improvement Association, Inc., Stevensville, Maryland 21666.

Section 3. Geographic limits:

The geographic limits of the Association shall be defined as the area recorded in the records of Queen Anne's County as Bay City, Stevensville, located in the fourth election district, Queen Anne's County, Maryland.

Article II - PURPOSE

Section 1.

The purpose of the Association is as defined in the Articles of Incorporation of The Bay City Improvement Association as recorded on January 2, 1964, Queen Anne's County, CWC No. 1, Folio 83.

Article III - MEMBERSHIP

Section 1. Members and Associate Members:

(a) Members. To qualify as a member, one must own property in Bay City, Queen Anne's County, Stevensville, Maryland, and comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City, located in the Fourth Election District of Queen Anne's County.

(b) Associate Members. Residents of Bay City that are not property owners, qualify for associate membership. Associate members must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City. Associate members will have privilege of the floor but will have no vote.

Section 2. Voting:

Each property owner, who is a member of the Association in good standing, or in his absence, the property co-owner only, will have one vote regardless of the amount of property involved. In order to vote at a meeting, the membership card must be presented. One card - one vote. Voting will be either by ballot or voice vote, at the discretion of the President or as requested from the floor. Any member whose dues and/or maintenance fee as herein set out, have not been paid as of March 31 in each year, shall not be entitled to vote at any meeting of the membership.

8. Good and welfare.
9. Adjournment.

The order of business may be altered or suspended at any meeting by a majority of members present. The usual parliamentary rules as laid down by Roberts Rules of Order shall govern all debates.

Article V - BOARD OF DIRECTORS

Section 1. Election and Powers:

The business and property of the Association, except as otherwise provided by statute or by charter or by these by-laws, shall be conducted and managed by its Board of Directors, which shall consist of the President, Vice President, Secretary, Treasurer, and five (5) elected members. The term of office for the five elected members shall be two (2) years. The election of the five (5) members shall be staggered so that three(3) board members are elected one year, and two (2) board members are elected the following year.* The immediate Past President shall be an ex-officio (without vote) member of the Board of Directors for a period of one(1) year, unless duly elected as a member of the Board of Directors.

Section 2. Quorum:

A majority of the Board of Directors shall constitute a quorum for the transaction of business at every meeting of the Board of Directors.

Section 3. Removal:

At any special meeting of the members called for the purpose, any Director may by the vote of a majority entitled to vote, be removed from office with any just cause, and another may be elected in the place of the person so removed, to serve for the remainder of the term.

Section 4. Vacancies:

If any Director shall die or resign, or if the members shall remove any Director, without electing another in his place, a majority of the remaining Directors may elect a successor to hold office for the unexpired portion of the term of the Director whose place shall so become vacant, and until his successor shall have been duly chosen and qualified.

Section 5. Compensation:

No officer of Director of the Association shall receive any compensation for their services. Nothing in this section shall be construed to preclude such person from performing bona fide work for the Association in any other capacity and receiving payment therefor. Persons performing work for the Association which entails the outlay of personal funds, shall be compensated; also duties which require driving in performing these actions, shall be compensated at the rate of twelve (12) cents per mile. A report of these expenses must be submitted to the Board of Directors for approval of payment. No part of the income of said Assocaition shall inure to the benefit of any member by virtue of said membership.

* Amended September 1986

Section 6. Assistant Officers:

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant Secretary and Assistant Treasurer shall hold office for such period and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 7. Holding Office:

No member shall hold more than one elective office in any given year.

Section 8. Nomination of Officers:

A nominating committee shall be appointed by the President at least eight (8) weeks prior to the annual meeting of the Association and their selections and those submitted by members, as herein provided, shall be presented at the annual meeting in writing and read by the Chairman of the nominating committee or in his absence, by the Secretary. Report of the nominating committee shall be provided to the members with the notice of meeting. Nominations by any member shall be accompanied by an acceptance in writing of the nominee and such nominations, together with acceptance, be in the hands of the nominating committee, five (5) weeks, prior to the annual meeting. Nominations may also be made from the floor. All floor nominees must be present to accept the nominations in person.

Article VII - COMMITTEES

Section 1.

The President may create such regular and special committees as he deems advisable and define their duties.

Article VIII - SUNDRY PROVISIONS

Section 1. Negotiable Instruments, etc.:

All drafts or orders for the payment of money notes and other evidences of indebtedness, issued in the name of the Association shall be signed by such officer or officers as may be designated from time to time by resolution of the Board of Directors.

Section 2. Fiscal Year:

The fiscal year of the Association shall be from January 1 to December 31.

Section 3. Checks:

All checks to pay Association debts shall be signed by the Treasurer and one other elected officer (President, Vice-President, or Secretary).

Article IX - AMENDMENTS

Members shall have the power, at any meeting, if notice thereof be included in the notice of such meeting, to alter or repeal any by-laws of the Association and to make new by-laws.

EXHIBIT NO. THREE

BAY CITY IMPROVEMENT ASSOCIATION, INC.

Requirements For Approval
for
Construction in Bay City

1. When required. No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon any lot in Bay City, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof, is submitted and approved. Approval must also be obtained to construct fences, walls, bulkheads and the like.

No construction is to be started before approval of plans. Please allow a minimum of ten (10) days to two (2) weeks for action to be taken by the Association.

2. Who may submit. Plans and specifications must be submitted by the person (s) holding title to the property as shown by the Land Records of Queen Anne's County or by a contract purchaser who files with the Association, a bona fide contract for the purchase of the property, subject to no contingencies except payment of the purchase price and merchantability of title.

3. What must be submitted. The following must be submitted to the Association:
a. A written application in a form approved by the Association, containing conditions of approval;

b. All maintenance fees for the lots involved in the proposed construction through the current fiscal year;

c. Two (2) complete sets of plans and specifications in the form required by paragraph 4 hereof;

d. Two (2) plot plans or ground plots showing location of the construction proposed for the property; the distance from side, front and rear boundaries; and the location and distance from the residence of any well, septic tank and drain field.

4. Form of plans. Plans and specifications must be drawn to scale in a clearly understandable and professional manner. They must show the outside elevations of the proposed construction as they will appear when work is completed, including:

a. The front elevation, rear elevation, left and right elevations, and the direction in which they face, indicating which elevation of the house faces the road or water, if the residence is so located;

b. Details of the exterior, such as; windows, doors, shutters, window boxes, porches, carports, chimneys and the like, and their placement on the completed structure;

c. Type of construction (such as: brick, frame, clap board, asbestos shingles, etc.) and the type of roof, windows, doors, chimneys, foundations, etc.

5. Size of structure. Any residence must have a length, measured along the front building line, of at least thirty-two (32) feet and at least one thousand (1,000) square feet of actual living space. "Actual living space" means the gross floor area of all finished and usuable floor and portions thereof, other than floors of a basement, cellar, porch, breezeway, patio, attached garage, carport, or the like.

6. Setbacks. Buildings shall be set back from front, side and rear lot lines as follows:

a. Front; the greater of (I) the distance required by the Queen Anne's County Zoning Ordinance (currently 75 feet from the center line of the abutting road), or (II) 35 feet from the front lot line:

b. Side and rear: The greater of (I) the distance required by the Zoning Ordinance, or (II) 15 feet.

c. Beach lots; Any building on a lot which is bounded by the Beach Reservation shall be set back at least 75 feet from that boundary.

7. External appearance. The type, construction, external appearance and location of dwellings shall be so varied as to both avoid the general appearance of a "Levittown", and blend in with the general character of other dwellings in Bay City. Therefore, no residence, dwelling house, garage or other structure appurtenant to the residence (hereinafter collectively referred to as the "residence") shall be substantially similar in exterior design or appearance to any other residence (then constructed and/or then under construction and/or the plans for which have theretofore been approved for construction by the Association) located on a lot which is within 750 feet of the lot or lots on which a proposed residence is then being submitted for consideration in accordance with these Requirements. In determining whether or not a residence is "substantially similar" to another residence, the following factors shall be considered: (a) the exterior materials used, (b) the exterior colors used, (c) the relative location of the exterior windows and doors, (d) the location of the exterior porches, carports or other appurtenances to the residence, and (e) the shape of the roof line.

8. Basis of approval. No consideration will be given to any application until all of these Requirements have been met and the person (s) referred to in Paragraph 2 have signed a written application in a form prescribed by the Association and agreed to all conditions contained therein.

9. Variance.
Where by reason of exceptional narrowness, shallowness or unusual shape of a specific lot, or by reason of exceptional topographic conditions or otherextraordinary situation or special condition, the literal enforcement of these Requirements would make it exceptionally difficult to construct a dwelling or residence on any lot and would cause unwarranted hardship and injustice to the owner of the lot, the Association may authorize such variance from the terms of these requirements as will not be contrary to the interests of the residents of Bay City and will relieve such hardship. No variance will be authorized unless the Association finds beyond reasonable doubt that: (a) there are exceptional or extraordinary circumstances or special conditions applying to the lot or proposed structure in question that do not generally apply to other lots or structures in Bay City; (b) such variance is necessary for the (con't on Req. Pland - page three)

9. Variance - (cont'd.)

Preservation and enjoyment of substantial property rights possessed by lot owners in Bay City and particularly in the vicinity of the lot(s) involved in the variance; (c) the authorization of such variance will not be of substantial detriment to adjacent lots in Bay City and will not be contrary to the purpose of these requirements or the interest of lot owners in Bay City. In authorizing a variance, the Association shall attach such conditions regarding the character, location and other features of the proposed structure as it may deem necessary in the interest of the furtherance of the purposes of these Requirements and in the interst of the lot owners in Bay City. No variance authorized by the Association shall qualify any adjacent property for special treatment or for a variance.

10. Completion: The exterior of any building or structure approved by the Association must be completed within six (6) months from the date of approval.

11. Restrictions: Consideration will be given to applications and plans on the basis of both these Requirements and the covenants, restrictions, reservations, dedications, conditions, agreements and understandings applicable to all lots in Bay City by virtue of a Deed and Agreement dated May 29, 1952, and recorded in Liber T.S.P. 5, folio 122, of the Land Records of Queen Anne's County. Approval will not be given to any applications or plans which are not in conformity with both these Requirements and the provisions of that Deed and Agreement.

12. Fee: A fee of $25.00 shall be assessed for review of plans. This fee is to apply to original home structure only and not to subsequent or accessory construction. (Adopted June 18, 1976) (Amended July 15, 1987)

13. Driveway Pipe: Wherever in the opinion of the Association a driveway pipe is required for the drainage of water, a pipe of suitable size and type shall be installed before any construction begins. (Adopted March 10, 1982)

14. Financial Commitment: Before final approval is given, the Association must be in receipt of a letter of first mortgage commitment from a lending institution. (Adopted April 19, 1984)

15. Fences: All fences must be of open construction (woven wire, picket, post and rail, etc.). If pickets are used, space between pickets must be at least equal to width of picket. No solid or privacy fences may be built. Exception to the rule of privacy fences may be granted in unusual cases. Request for exception must be in writing and addressed to the Board of Directors. Such requests must clearly define reason for exception. (Adopted June 17, 1987)

16. Amend or repeal: The Association reserves the right to amend, supplement, repeal or otherwise change these requirements at any time, without notice to any person, and for any reason.

RECEIVED
CLERK, CIRCUIT COURT
2004 JUN -8 AM 9:37
QUEEN ANNE'S COUNTY

Bay City Property Owners Association, Inc

Maryland Homeowners Association Act

Disclosure

Pursuant to Title 11B, Maryland Homeowners Association Act, Real Property Articles of the Annotated Code of Maryland, Bay City Property Owners Association, Inc., makes the following disclosure for deposit in the Homeowners Association Depository located at the office of the Clerk of the Circuit Court of Queen Anne's County, Maryland.

ITEM NO. ONE: The name of the Association is "Bay City Property Owners Association, Inc.", hereinafter referred to as "the Association".

ITEM NO. TWO: The principle office of the Association is located at:

PO Box 397
Stevensville, Maryland 21666

ITEM NO. THREE: The telephone number of the principle office of the Association is 410-604-1627.

ITEM NO. FOUR: The names and addresses of the principle officers of the Association are:

1. President: John McKim
704 Bayside Dr
Stevensville, MD 21666

2. Vice President: David Hartman
507 Broad Creek Drive
Stevensville, MD 21666

3. Secretary: Debbie Wilson
311 Irene Way
Stevensville, MD 21666

4. Treasurer Beth Schreiner
805 Chesapeake Dr
Stevensville, MD 21666

RECORDING FEE 10.00
TOTAL 10.00
Reg# QA01 Rcpt # 60092
SM RCB Blk # 1161
Jun 08, 2004 09:41 am

ITEM NO. FIVE: The Association is a corporation organized and existing under the laws of the State of Maryland.

ITEM NO. SIX: The Name of the resident agent of the Association is Alan Tripp.

ITEM NO. SEVEN: The subdivision known as "Bay City" is located on the west side of Route 8 approximately one mile south of Route 50/301, Kent Island, Fourth Election District, Queen Anne's County, Maryland.

ITEM NO. EIGHT: According to the Queen Anne's County Office of the State Department of Assessments and Taxation, Bay City consists of 824 lots.

ITEM NO. NINE: There are no lands within "Bay City" which have been dedicated to the general public's use.

ITEM NO. TEN: A copy of the Restrictive Covenants and Conditions applicable to "Bay City" is attached hereto and made a part hereof as "Exhibit No. One". Note that these Restrictive Covenants are Enforceable against all owners and/or owner's tenants.

ITEM NO. ELEVEN: The By-Laws governing the Association are attached hereto and made a part hereof "exhibit No. Two". Note that these By-Laws are enforceable against all owners and/or owner's tenants.

ITEM NO. TWELVE: The "Requirements for Approval for Construction in Bay City" are attached hereto and made a part hereof as "Exhibit No. Three".

ITEM NO. THIRTEEN: Land owned by the Association includes the Beach Reservation as set forth on the plat of Bay City, playground area, and Lots 111 and 12, which are better known as the Boat Harbor Area.

ITEM NO. FOURTEEN: Information concerning the Queen Anne's County Zoning Ordinance including land use requirements, can be obtained from the Office of Planning and Zoning, Queen Anne's County Office Building, Centreville, Maryland 21617.

ITEM NO. FIFTEEN: Association fees and Road Maintenance fees are levied against lot owners on the first day of March of each and every calendar year. The Road Maintenance fees may be increased and decreased, if at all, by an amendment to the Covenants and Restrictions applicable to "Bay City". Association fees may be increased or decreased by majority vote of the Association members in good standing and otherwise entitled to vote pursuant to the By-Laws. If any lot owner has a delinquent Road Maintenance fee account of $30 or more, the Association files suit to collect it. Unpaid Road Maintenance fees do not bear interest and are not subject to late charges or attorney's fees. According to Restriction G.14 contained in Exhibit One, attached hereto, the Road Maintenance fee is a personal obligation of each owner, recoverable by suit, and said fee does not constitute a lien upon any lot. However, a lien may be placed upon an owner's lot once a Court of this State reduces the delinquent fee to judgment. Road Maintenance fees are mandatory payment due the Association pursuant to the Restrictive Covenants. (Exhibit One attached) Association fees are mandatory payments made to the Association to meet financial obligations and maintenance expenses. Association fees are $90 per year, per member beginning March 1, 2004. Road maintenance fees are $10 per lot or portion of lot, as assessed by the original plat of Bay City.

ITEM NO. SIXTEEN: No association fee is collected at the settlement of a lot located in "Bay City" other than the fees then due.

ITEM NO SEVENTEEN: There are no special rights and/or exemptions applicable to the Association other than those set forth in Exhibits One, Two, or Three attached hereto.

Witness the hand and seal of the Association.

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

By: John W McKinley
President

RECEIVED
CLERK, CIRCUIT COURT
2004 JAN 23 AM 8:54
QUEEN ANNE'S COUNTY

Bay City Property Owners Association, Inc

Maryland Homeowners Association Act

Disclosure

Pursuant to Title 11B, Maryland Homeowners Association Act, Real Property Articles of the Annotated Code of Maryland, Bay City Property Owners Association, Inc., makes the following disclosure for deposit in the Homeowners Association Depository located at the office of the Clerk of the Circuit Court of Queen Anne's County, Maryland.

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PO Box 397
Stevensville, Maryland 21666

ITEM NO. THREE: The telephone number of the principle office of the Association is 410-604-1627.

ITEM NO. FOUR: The names and addresses of the principle officers of the Association are:

1. President: Megan Cook
   604 Broad Creek Drive
   Stevensville, MD 21666

2. Vice President: David Hartman
   507 Broad Creek Drive
   Stevensville, MD 21666

3. Secretary: Debbie Wilson
   311 Irene Way
   Stevensville, MD 21666

4. Treasurer Susan Mill
   518 Victoria Drive
   Stevensville, MD 21666

RECORDING FEE 25.00
TOTAL 25.00
Rcpt # 52078
Blk # 2218
Jan 23, 2004 08:56 am

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Witness the hand and seal of the Association.

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

By: _____

President

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

BY-LAWS
Amended January 2004

Article I – NAME AND LOCATION

Section 1. Name:

This organization shall be known as the Bay City Property Owners Association, Inc., hereinafter known as the Association.

Section 2. Mailing Address:

The mailing address of the Association shall be Bay City Property Owners Association, Inc., P.O. Box 397, Stevensville, Maryland, 21666

Section 3. Geographic Limits:

The geographic limits of the Association shall be defined as the area recorded in the records of Queen Anne's County as Bay City, Stevensville, located in the Fourth Election District, Queen Anne's County, Maryland.

Article II – PURPOSE

Section 1.

The purpose of the Association is as defined in the Articles of Incorporation of the Bay City Property Owners Association as recorded on January 2, 1964, Queen Anne's County, CWC No. 1, Folio 83.

Article III – MEMBERSHIP

Section 1. Property Owners:

(a) Members: All property owners in Bay City, Queen Anne's County, Stevensville, Maryland will comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City, located in the Fourth Election District of Queen Anne's County.
(b) Tenants: Residents of Bay City that are not property owners, qualify for associate membership. Associate members also must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City.
(c) Others: Non-residents of Bay City that are not property owners, qualify for associate membership at the discretion of the Board of Directors. Associate members also must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City.

Section 2. Voting:

Each property owner, who is a member of the Association in good standing, or in his absence, the property co-owner only, will have one vote regardless of the amount of property involved. Voting will be either by ballot or voice vote, at the discretion of the President or as requested from the floor. Any member whose dues and/or maintenance fee as herein set out, have not been paid as of March 31, shall not be entitled to vote until such dues and fees are paid. Associate members may have the privilege of the floor, but with no vote. Property owners of leased or rented property are held responsible to insure occupant compliance.

Section 3. Dues:

(a) Property Owners shall be assessed annual Association dues which are mandatory in the amount of $100 due January 1st and payable by March 31 to meet the Association's fiscal year recurring operation and maintenance costs and to fund capital improvements. Such assessment shall cover a period of one calendar year and is applicable immediately upon Bay City property ownership. Where Bay City ownership entails more than one lot, each additional undeveloped lot will be assessed $10 – e.g. one undeveloped or developed lot equals $100, two developed lots equals $200, one developed and one undeveloped lot equals $110. The membership fee includes the $10 per lot road maintenance fee assessed each calendar year.
(b) Property Owners who fail to satisfy this financial responsibility by 31 March may have their names posted in the newsletter as delinquent, and until favorably resolved, lose their Association membership and voting privileges, and the account will be referred to legal counsel for action.
(c) Associate Members shall be assessed $100 per calendar year, to be paid by 31 March. Payment of fees shall entitle the Associate member to full use of the facilities and participation in Association activities, not to include voting privileges.

Article IV – MEETINGS

Section 1. Annual Meetings:

An annual meeting of the Association shall be held to elect the officers and the Board of Directors for the transaction of general business. This meeting shall be held in the month of May, each year.

Section 2. Regular Meetings:

In addition there will be a minimum of two regular meetings each year. Dates for all meeting shall be determined by the Board of Directors.

Section 3. Special Meetings:

Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors.

Section 4. Notice of Meetings:

Not less than ten (10) days written or printed notice of any meeting of the members shall be given to members and associate members in good standing.

Section 5. Quorum:

A quorum shall consist of not less than ten (10) members in attendance.

Section 6. Method of Voting:

(a) The method of voting shall be at the discretion of the Association and the Board of Directors. It can be (a) physically present or (b) by mail, and shall be in accordance with Roberts Rules of Order.
(b) When a quorum is present, a majority of votes cast (all methods), less abstentions, is sufficient for the adoption of any motion under consideration.

Section 7. Order of Business:

At all meetings of members, the order of business shall be as follows:

1. Reading of the minutes of the previous meeting
2. Reports of Officers
3. Reports of Standing Committees
4. Reports of Special Committees
5. At any annual meeting, the election of Officers and Directors
6. Unfinished business
7. New Business
8. Good and Welfare
9. Adjournment

The order of business may be altered or suspended at any meeting by a majority of members present. The usual parliamentary rules as laid down by Roberts Rules of Order shall govern all debates.

Article V – BOARD OF DIRECTORS

Section 1. Election and Powers:

The business and property of the Association, except as otherwise provided by statute or by charter or by these By-Laws, shall be conducted and managed by its Board of Directors, which shall consist of a President, Vice-President, Secretary, Treasurer and nine (9) elected members. The term of office for the nine elected members shall be three for three years, three for two years, and three for one year. The immediate Past President shall be an ex-officio (without vote) member of the Board of Directors for a period of one (1) year, unless duly elected as a member of the Board of Directors.

Section 2. Quorum:

A majority of the Board of Directors shall constitute a quorum for the transaction of business at every meeting of the Board of Directors.

Section 3. Removal:

At any special meeting of the Board called for the purpose, any Director may by the vote of a majority entitled to vote, be removed from office with any just cause, and another may be elected in the place of the person so removed, to serve for the remainder of the term.

Section 4. Vacancies:

If any Director shall die or resign, or if the members shall remove any Director, without electing another in his place, a majority of the remaining Directors may elect a successor to hold office for the un-expired portion of the term of the Director whose place shall so become vacant, and until his successor shall have been duly chosen and qualified.

Section 5. Compensation:

No officer or Director of the Association shall receive any compensation for their services. Nothing in this section shall be construed to preclude such person from performing bona fide work for the Association in any other capacity and receiving payment therefore. Persons performing work for the Association which entails the outlay of personal funds, shall be compensated; also duties which require driving in performing these actions, shall be compensated at the rate of twenty (20) cents per mile. A report of these expenses must be submitted to the Board of Directors for approval of payment. No part of the income of said Association shall inure to the benefit of any member by virtue of said membership.

Article VI – OFFICERS

Section I. Executive Officers:

The Executive Officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. The Executive Officers shall be permanent, year round residents of Bay City. Each such Officer shall hold office for a term of one (1) year, commencing the first day of the month following the annual election and thereafter until his successor is elected and qualified, or until his death, resignation, or removal.

Section 2. President:

The President shall be a Director of the Association. He shall be the Chief Executive Officer of the Association. He shall, when present, preside at all meetings of the members and Directors; he shall have general management and direction of the business of the Association and all powers ordinarily exercised by the President of an Association.

Section 3. Vice President:

In the absence of the President, the Vice-President shall perform all the duties of the President and when so acting shall have the powers of the President.

Section 4. Secretary:

The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in books provided for the purpose; he/she shall see that all notices are duly given in accordance with the provisions of the by-laws or as required by law; he/she shall be the custodian of the records and the corporate seal or seals of the Association; he/she shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the Association, under its seal, is duly authorized and when so affixed, may attest the same and such other duties, as from time to time, may be assigned to him by the Board of Directors or by the President.

Section 5. Treasurer:

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Association and shall deposit, or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks, trust companies or other depositories, as shall from time to time, be selected by the Board of Directors whenever requested, an account of the financial condition of the Association and such other duties as may be assigned to him by the Board of Directors or by the President. The Treasurer's books shall be open for inspection by any member at all reasonable times. The Treasurer is to be bonded, the cost of such bond to be defrayed by the Association, in an amount to be determined by the Board of Directors. The Treasurer's books shall be audited prior to the annual election meeting, by a committee appointed by the President and a report made to the membership at the meeting.

Section 6. Assistant Officers:

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant shall hold office for such period of time and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 7. Holding Office:

No member shall hold more than one elective officer in any given year.

Section 8. Nomination of Officers:

A nominating committee shall be appointed by the Board of Directors at least twelve (12) weeks prior to the annual election. The nomination committee will oversee the election process following the nomination and election procedure that is reviewed and approved annually by the board of directors at the January or February board meeting of each year. Report of the nominating committee shall be provided to the members with the notice of meeting. Nominations by any member shall be accompanied by an acceptance in writing of the nominee and such nominations, together with acceptance, be in the hands of the nominating committee five (5) weeks prior to the annual meeting. All officer nominees must have served as a board member or have served on a committee recognized by the board of directors within the twenty-four (24) months immediately prior to the date of nomination for office. Directors and committee members must be members in good standing in the Association.

Article VII – COMMITTEES

Section 1.

The President may create such regular and special committees as he deems advisable and define their duties.

Article VIII – SUNDRY PROVISIONS

Section 1. Negotiable Instruments, etc.

All drafts or orders for the payment of money notes and other evidences of indebtedness, issued in the name of the Association shall be signed by such officer or officers as may be designated fro time to time by resolution of the Board of Directors.

Section 2. Fiscal Year:

The fiscal year of the Association shall be from January 1 to December 31.

Section 3. Checks:

All checks to pay Association debts shall be signed by the Treasurer and one other elected officer (President, Vice-President, or Secretary).

Section 4. Spending Limitations:

The BCPOA Board of Directors may approve unbudgeted expenditures up to $2000 for any single unbudgeted project or to any single recipient at regular board meetings, stipulating that a quorum is present. All unbudgeted expenditures over $2000 are to be approved by the BCPOA membership at regular or properly advertised special meetings. No approvals will be made without a quorum of the Board.

Article IX – AMENDMENTS

Members shall have the power, at any meeting, to alter or repeal any by-laws of the Association and to make new by-laws. Members in good standing should be notified in writing about any proposed by-law changes ten (10) days prior to a vote in order to be included such meeting,

BAY CITY APPLICATION FOR APPROVAL & PERMIT

August 7, 2003

APPLICANT(S)

_____

NAME/S and

_____

ADDRESS/ES

_____

SITE OF PROPOSED CONSTRUCTION OR WORK

_____

ADDRESS BLOCK and LOT NO.

DEED REFERENCE: LIBER _____ FOLIO _____

OWNER/S ON DEED (If not applicant, see architectural requirements)

_____

DESCRIPTION OF PROPOSED WORK (NEW HOUSE, ADDITION, GARAGE, FENCE (style), DECK, ETC., include dimensions, materials, color scheme if applicable).

_____

_____

_____

THE APPLICANT/S (THIS DATE) _____ HEREBY CERTIFY AND AGREE TO THE FOLLOWING:

1) This application includes not only this page, but also the plans and specifications and the lot plans submitted herewith, as well as any additional information required.
2) The applicant/s has received a copy of the REQUIREMENTS FOR APPROVAL FOR CONSTRUCTION IN BAY CITY, which are stipulated as part of this application.
3) NO CONSTRUCTION WILL BEGIN UNTIL FORMAL WRITTEN APPROVAL AND PERMIT HAS BEEN RECEIVED FROM THE BAY CITY PROPERTY OWNERS ASSOCIATION, INC. In the case of a new dwelling the Association must be in receipt of a letter of first mortgage commitment from a licensed lending institution before final approval will be granted.
4) The proposed building shall be for single family residential use only, and not for purpose of any trade or business whatsoever. (Covenant G1)

5) The exterior of the structure as shown on the approval plans shall be completed within six (6) months from the date when construction is begun.

6) The building site will be kept free of excessive trash and debris.

7) If any of the representations contained in the application are shown to be incorrect or untrue, or if the building or work is not in accordance with the approved plans or specifications, or is in violation of any Bay City Covenant, then any Bay City approval or permit is voided as of its issue date. Further, applicant may be required, at his expense, to bring the construction into compliance with the BCPOA Building Permit or to restore the building site to its condition existent prior to construction.

APPLICANT/S SIGNATURE/S

_____

APPROVED/REJECTED BY

_____ PERMIT #_____

DATE ISSUED: _____

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.
REQUIREMENTS FOR APPROVAL
FOR
CONSTRUCTION IN BAY CITY

Adopted June 18, 1976 by the Board of Directors
Amended December 1, 1994 by the Board of Directors
Amended June 1, 1995 by the Board of Directors
Amended August 7,2003 by the Board of Directors

1. When Required (G-5) No residence, dwelling, garege, or other structure appurtenant to the residence, shall be erected or built upon any lot in Bay City, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof ere SUBMITTED TO AND APPROVED IN WRITING BY THE CORPORATION, or its successors on the ownership of development of the community, or its duly authorized agents, or by the association to be formed as hereinbefore recited, after said association is duly licensed to do by the Corporation WRITTEN PERMISSION MUST BE OBTAINED FROM SAID CORPORATION, OR ITS SUCCESSORS IN THE OWNERSHIP OR DEVELOPMENT OF THE COMMUNITY OR IN THE ADMINISTRATION OF THESE RESTRICTIONS TO CONSTRUCT OR MAINTAIN FENCES, WALLS, HEDGES, BUILDINGS, BULKHEADS, AND OUTBUILDINGS.

No construction is to be started before approval of plans. Please allow a minimum often (10) days for action to be taken by the Association.

2. Who May Submit Plans and specifications must be submitted by the person(s) holding title to the property as shown by the Land Records of Queen Anne's County or by a contrect purchaser who files with the Association, a bona fide contract for the purchase of the property, subject to no contingencies except payment of the purchase price and merchant ebility of title.

3. Fee Requirements The following NO-REFUNDABLE Application fees shall be assessed for review of plans. These fees epply to original home structures and to subsequent or accessory construction as provided herein:

New Construction		$250.00
Additions		$150.00
Appurtenent Private Structures		$100.00
Porches, Decks, Patios		$75.00
Fences		$50.00
Varience:	Twice the Permit Fee	

Any other architectural changes that mey require e permit do not requlre a fee.
(Adopted June 18, 1976) (Amended July 15, 1987) (Amended June 1, 1995) (Amended August 7,2003)

4.What Must Be Submitted

The following must be submitted to the Associetion:

a. A written application on a form approved by the Association, containing the conditions of approval.
b. All maintenance fees for the lots involved In the proposed construction through the current fiscal year.
C. One (1) complete set of plans and -specifications In the form required by paragraph 5 hereof
d. One (1) plot plen of ground plat showing location of the construction proposed for the property; the distance from the side, front and rear boundaries; and the location and distance from the residence of any well, septic tank and drain field.

5. Form of Plans Plans and specifications must be drawn to a scale of 1/8" = 1'-0" or larger, in a clearly undarstandeble and professional manner. They must show the outside elevetions of the proposed construction as they will eppear when work is completed including:

a. Tha front elevation, rear elevation, left and right alavations, and the direction in which they faca, indicating which elevation of the house faces the roed or water, If the residenca is so located.
b. Detalls of the exterior, such as windows, doors, shutters, window boxes, porches, carports, chimneys and the like, and their placement on tha completed structure.
c. Typa of construction (such as brick, frama, clapboard, asbestos shingle, etc.) and the type of roof; windows, doors, chimneys, foundation, atc.

6. A. Plans, Site plans, etc., mey be submitted on paper up to legal size, to be scanned and archived at no additional cost. All larger sheets must be submitted in approved electronic format (PDF, DWG v.14 only, or DXF). Sheets larger than lagal size will be scanned and recorded electronically at an additional cost of $7.00/page , plus a $20.00 fee.

7. ARCHITECTURAL REQUIREMENTS

A. Size of Structure Any residence must have a length, measured elong the front building lina of at least thirty-two (32) feet and at least one thousand, five hundred (1,500) square feet of actual living space. (Amended November 6, 1994) "Actual Living Space" means tha gross floor area of all finished and useable floor and portions thereof; other than floors of a basement, cellar, porch, breezeway, patio, attached garage, carport, or the like.

B. Setbacks: Buildings shall be set back from front, sida and rear lot linas as follows: (G2,G3,G4,G7,G13)
a. Front: tha greater of the distance required by the Quean Anna's County Zoning Ordinance, currently 75 feet from the center line of the abutting road, or 35 feet from tha front lot line
b. Side and Rear: the graater of tha distance required by the Zoning Ordinanca, or 15 feet
c. Beach Reservation Lots: any building on a lot which is bounded by the Beach Reservetion shall be set back at least 75 feet from that boundary (facing the Chesepeeke Bay or Broad Creek)

C. External Appeerance The type, construction, external eppearance and location of dwellings shell be so varied as to both avoid the general appearance of a "Levitown" and blend in with the general character of other dwellings in Bey City. Therefore, no residence, dwelling house, garage, or other structure appurtenant to the residence (herelnafter collectively referred to as the "residence") shell be substantially similar in exterior design or appearance to any other residenca (then constructed and/or than under construction and approved by the Association) located on a lot which is within 750 feet of the lot or lots on which e proposed residence is than being submitted for consideration in accordance with these Requirements. In determining whether or not a rasidenca is "substantially similar" to another residence, tha following factors shall be considered: (a) exterior materials used, the exterior colors used, (c) the reletive location of the exterior windows and doors (d) the locations of the extarior porches, carports, end other appurtenances to the residence, and (e) the shape of the roof line.

D. Driveway Pipa Whanever, in the opinion of the Association, a driveway pipa is required for the drainage of water, a pipe of suitable size and type shall be installed bafore any construction may bagin (Adopted March 10,1982)

E. Fances All fences must be of open construction (woven wira, picket, post and rail, etc.). If pickets are used, space betwaen pickets must be at least equal to the width of the picket No solid or privacy fences may be built. Exception to the rule of privacy fences may be granted in unusual cases. Request for exception must be in writing and addressed to the Board of Directors. Such requests must clearly define reason for excaption. The maximum height of any fence or hedgerow shall be no more than four (4) feat (Adopted Juna 17, 1987)

F. No trees shall be cut, and no excavations shall be made on the premises, except for the purpose of buildings thereon, and at the time when building operations are commenced, and no earth or send shall be removed from said premises except as pert of such excevations.

0. No trailer, basemant, tent shack, garaga, barn, or other outbuildings erectad within the communlty shall at any time be usad as e residence either temporarily or permanently, nor shall an residence of a temporary character be parmitted.

H. Frea and open spaces shall be left on both sides and to the front and to the rear of avery building structure dwelling or pert thereof erected on said lot which free and open spaces shall extend the full length of all lots and shell be not less than fifteen (15) feet in width from the dividing lines from the front and from the rear of said lots.

7. Basis of Approval No consideration Will be given to any application until all of these Requirements have been met end the person(s) referred to in Paragraph 2 have signed a written application in a form prescribed by the Association and egreed to all conditions contained therein

8. Financial Commitment Befora final approval Is given, the Association must be in receipt of a letter of first mortgage commitmant frrrom a lending institution (Adopted April 19,1981)

9. Verience Where by reason of the exceptional narrowness, shallowness or unusuel shape of a specific lot, or by reason of exceptional topographic conditions or other extraordinary situation or special condition, the literal enforcament of these Requirements would maka it exceptionally difficult to construct a dwelling or residence on any lot end would cause unwarrented hardship and injustica to the owner of the lot, the Association may authorize such variance from tha terms of these Requirements as will to be contrary to the interests of the residents of Bey City and will ralieve such hardship. No variance will be euthorized unless the Association finds beyond reasoneble doubt that (a) there ere exceptional or extraordinary circumstances or special conditions applying to tha lot or proposed structure in questions that do not generally apply to other lots or structures in Bay City; (b) such varience is necessary for the preservation and enjoyment of substential property rights posse- by lot owners in Bay City and particulerly in the vicinity of tha lot(s) involved in the variance; (c) the authorization of such variance will not ba of substantial detriment to adjacent lots in Bay City and will not be contrary to tha purpose of these requirements or the interest of lot owners in Bay City. In authorizing a variance, the Association shall attach such conditions regarding the character, location and other features of the proposed structure as it may deam necessary in tha intarest of the furtherance of the purposes of these Requirements and in the interest of the lot owners in Bay City. No variance authorized by the Association shall quelity any adjacent property for special treetment or for a veriance.

Variances, subject to the included conditions, are changes to the legal requirements that property owners acquire when buying property in Bey City. Should, on the advica of council, BCPOA decide to require that any or all variances past, presant or future be recorded, tha Owner agraes to immadiately pay the actual costs of recordation. Permit will be issuad aftar tha applicant has returnad recorded variance.

10. Completion The exterior of any building or structure approved by the Association must ba completed within six (6) months from the data of approval.

11. Restrictions Consideration will be given to epplications and plans on the besis of both these Requirements and the covenants, restrictions, reservations, dedications, conditions, agraemants and understandings applicable to all lots in Bay City by virtue of a Deed and Agraement dated May 29, 1952, end recorded in Liber T.S.P. 5, folio 122, of the Land Records of Quean Anne's County. Approvel will not be given to any applications or plans which are not in conformity with both these Requirements and the provisions of the Deed end Agreement.

Licensed Contractors

New home construction by licansed contractors ara restricted to the following:

a. Work may be performed from 7:00 am to 6:00 pm Monday through Saturday only.
b. ABSOLUTELY NO WORK WILL BE PERMITTED ON SUNDAYS.
c. All job sites must have a dumpster or screened araa for construction debris during the tima of constructlon.
d. The builder will keep the site clear of debris on a daily basis and maintain site in as clean and safe e manner es possible.
e. All job sites will heva chemical toilets which can be shared by adjacent job sitas, but not by more than ten (10) people.
f. Licensed plumbers may work on Sunday during the hours of 7:00 am and 6:00 pm but are restricted to sewer hook-up or emergency procedures.

B. Property Owners

Homeowners performing their own construction are limited to the restrictions outlined under Licensed Contractors with the exception of work hours: Work Is to be performed Monday through Sunday during the hours of 7:OO em to 6:00 pm.

12. Amendment or Repael The Association reserves the right to amend, supplament, repeal, or otherwise change these Restrictions at any time, without notice to any person, and for eny reason.

RECEIVED
CLERK, CIRCUIT COURT

00 MAR 31 AM 11:05

QUEEN ANNE'S COUNTY

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

MARYLAND HOMEOWNERS ASSOCIATION ACT

DISCLOSURE

Pursuant to Title 11B, Maryland Homeowners Association Act, Real Property Articles of the Annotated Code of Maryland, Bay City Property Owners Association, Inc., makes the following disclosure for deposit in the Homeowners Association Depository located at the office of the Clerk of the Circuit Court of Queen Anne's County, Maryland.

ITEM NO. ONE: The name of the Association is "Bay City Property Owners Association, Inc.", hereinafter referred to as "the Association".

ITEM NO. TWO: The principle office of the Association is located at:

PO Box 397
Stevensville, Maryland 21666

ITEM NO. THREE: The telephone number of the principle office of the Association is 410-604-1627. The fax number for the principle office is 410-604-1626.

ITEM NO. FOUR: The names and addresses of the principle officers of the Association are:

1. President: Janette C. Gervin
   P.O. Box 370
   528 Broad Creek Drive
   Stevensville, MD 21666

2. Vice President: Dwayne L. Schoene
   1005 Chesapeake Drive
   Stevensville, MD 21666

3. Secretary: Candice Mosscrop
   411 Wallman Way
   Stevensville, MD 21666

4. Treasurer: Mary R Schoene
   1005 Chesapeake Drive
   Stevensville, MD 21666

RECORDING FEE 25.00
TOTAL 25.00
Rcpt # 00628
Bik # 2317
Mar 31, 2000 11:04 am

ITEM NO. FIVE: The Association is a corporation organized and existing under the laws of the State of Maryland.

ITEM NO. SIX: The name of the resident agent of the Association is Mary R Schoene, 1005 Chesapeake Drive, Stevensville, MD 21666.

ITEM NO. SEVEN: The subdivision known as "Bay City" is located on the west side of Route 8 approximately one mile south of Route 50/301, Kent Island, Fourth Election District, Queen Anne's County, Maryland.

ITEM NO. EIGHT: According to the Queen Anne's County Office of the State Department of Assessments and Taxation, Bay City consists of 824 lots.

ITEM NO. NINE: There are no lands within "Bay City" which have been dedicated to the general public's use.

ITEM NO. TEN: A copy of the Restrictive Covenants and Conditions applicable to "Bay City" is attached hereto and made a part hereof as "Exhibit No. One". Note that these Restrictive Covenants are Enforceable against all owners and /or owner's tenants.

ITEM NO. ELEVEN: The By-Laws governing the Association are attached hereto and made a part hereof "Exhibit No. Two". Note that these By-Laws are enforceable against all owners and/or owner's tenants.

ITEM NO. TWELVE: The "Requirements for Approval for Construction in Bay City" are attached hereto and made a part hereof as "Exhibit No. Three".

ITEM NO. THIRTEEN: Land owned by the Association includes the Beach Reservation as set forth on the plat of Bay City, playground area, and Lots 11 and 12, Block 24, which are better known as the Boat Harbor Area. Other land owned by the Association includes Lots 5 and 6, Block 21 and Lot 27, Block 32.

ITEM NO. FOURTEEN: Information concerning the Queen Anne's County Zoning Ordinance including land use requirements, can be obtained from the Office of Planning and Zoning, Queen Anne's County Office Building, Centreville, Maryland 21617.

ITEM NO. FIFTEEN: Association fees and Road Maintenance fees are levied against lot owners on the first day of March of each and every calendar year. The Road Maintenance fees may be increased and decreased, if a all, by an amendment to the Covenants and Restrictions applicable to "Bay City". Association fees may be increased or decreased by majority vote of the Association members in good standing and otherwise entitled to vote pursuant to the By-Laws. If any lot owner has a delinquent Road Maintenance fee account of $30 or more, the Association files suit to collect it. Unpaid Road Maintenance fees do not bear interest and are not subject to late charges or attorney's fees. According to Restriction G.14 contained in Exhibit One, attached hereto, the Road Maintenance fee is a personal obligation of each owner, recoverable by suit, and said fee does not constitute a lien upon any lot. However, a lien may be placed upon an owner's lot once the delinquent fee is reduced to judgment by a Court of this State. Road Maintenance fees are mandatory payment due the Association pursuant to the Restrictive Covenants. (Exhibit One attached) Association fees are mandatory payment s made to the Association to meet financial obligations and maintenance expenses. Association fees are $50 per year, per member, beginning March 1, 1993.

ITEM NO. SIXTEEN: No Association fee is collected at the settlement of a lot located in "Bay City" other than the fees then due.

ITEM NO. SEVENTEEN: There are no special rights and/or exemptions applicable to the Association other than those set forth in Exhibits One, Two, or Three attached hereto.

Witness the hand and seal of the Association.

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

By: Jeanette C. Ehrin
President

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

BY-LAWS

RECEIVED
CLERK, CIRCUIT COURT
00 MAR 31 AM 11:05
QUEEN ANNE'S COUNTY

Article I – NAME AND LOCATION

Section 1. Name:

This organization shall be known as the Bay City Property Owners Association, Inc., hereinafter known as the Association.

Section 2. Mailing Address:

The mailing address of the Association shall be Bay City Property Owners Association, Inc., P.O. Box 397, Stevensville, Maryland, 21666

Section 3. Geographic Limits:

The geographic limits of the Association shall be defined as the area recorded in the records of Queen Anne's County as Bay City, Stevensville, located in the Fourth Election District, Queen Anne's County, Maryland.

Article II – PURPOSE

Section 1.

The purpose of the Association is as defined in the Articles of Incorporation of the Bay City Property Owners Association as recorded on January 2, 1964, Queen Anne's County, CWC No. 1, Folio 83.

Article III – MEMBERSHIP

Section 1. Property Owners:

(a) Members: All property owners in Bay City, Queen Anne's County, Stevensville, Maryland will comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City, located in the Fourth Election District of Queen Anne's County.
(b) Tenants: Residents of Bay City that are not property owners, qualify for associate membership. Associate members also must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City.
(c) Others: Non-residents of Bay City that are not property owners, qualify for associate membership at the discretion of the Board of Directors. Associate members also must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City.

Section 2. Voting:

Each property owner, who is a member of the Association in good standing, or in his absence, the property co-owner only, will have one vote regardless of the amount of property involved. Voting will be either by ballot or voice vote, at the discretion of the President or as requested from the floor. Any member whose dues and/or maintenance fee as herein set out, have not been paid as of March 31, shall not be entitled to vote until such dues and fees are paid. Associate members may have the privilege of the floor, but with no vote. Property owners of leased or rented property are held responsible to insure occupant compliance.

Section 3. Dues:

(a) Property Owners shall be assessed annual Association dues which are mandatory in the amount of $50 due January 1st and payable by March 31 to meet the Association's fiscal year recurring operation and maintenance costs and to fund capital improvements. Such assessment shall cover a period of one calendar year and is applicable immediately upon Bay City property ownership. Where Bay City ownership entails more than one lot, each additional undeveloped lot will be assessed $10 – e.g. one undeveloped or developed lot equals $50, two developed lots equals $100, one developed and one undeveloped lot equals $60. The membership fee is in addition to the $10 per lot road maintenance fee assessed each calendar year.
(b) Property Owners who fail to satisfy this financial responsibility by 31 March may have their names posted in the newsletter as delinquent, and until favorably resolved, lose their Association membership and voting privileges, and the account will be referred to legal counsel for action.
(c) Associate Members shall be assessed $60 per calendar year, to be paid by 31 March. Payment of fees shall entitle the Associate member to full use of the facilities and participation in Association activities, not to include voting privileges.

Article IV – MEETINGS

Section 1. Annual Meetings:

An annual meeting of the Association shall be held to elect the officers and the Board of Directors for the transaction of general business. This meeting shall be held in the month of February of each year.

Section 2. Regular Meetings:

In addition there will be a minimum of two regular meetings each year. Dates for all meeting shall be determined by the Board of Directors.

Section 3. Special Meetings:

Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors.

Section 4. Notice of Meetings:

Not less than ten (10) days written or printed notice of any meeting of the members shall be given to members and associate members in good standing.

Section 5. Quorum:

A quorum shall consist of not less than ten (10) members in attendance.

Section 6. Method of Voting:

(a) The method of voting shall be at the discretion of the Association and the Board of Directors. It can be (a) physically present or (b) by mail, and shall be in accordance with Roberts Rules of Order.
(b) When a quorum is present, a majority of votes cast (all methods), less abstentions, is sufficient for the adoption of any motion under consideration.

Section 7. Order of Business:

At all meetings of members, the order of business shall be as follows:

1. Reading of the minutes of the previous meeting
2. Reports of Officers
3. Reports of Standing Committees
4. Reports of Special Committees
5. At any annual meeting, the election of Officers and Directors

6. Unfinished business
7. New Business
8. Good and Welfare
9. Adjournment

The order of business may be altered or suspended at any meeting by a majority of members present. The usual parliamentary rules as laid down by Roberts Rules of Order shall govern all debates.

Article V – BOARD OF DIRECTORS

Section 1. Election and Powers:

The business and property of the Association, except as otherwise provided by statute or by charter or by these By-Laws, shall be conducted and managed by its Board of Directors, which shall consist of a President, Vice-President, Secretary, Treasurer and nine (9) elected members. The term of office for the nine elected members shall be three for three years, three for two years, and three for one year. The immediate Past President shall be an ex-officio (without vote) member of the Board of Directors for a period of one (1) year, unless duly elected as a member of the Board of Directors.

Section 2. Quorum:

A majority of the Board of Directors shall constitute a quorum for the transaction of business at every meeting of the Board of Directors.

Section 3. Removal:

At any special meeting of the Board called for the purpose, any Director may by the vote of a majority entitled to vote, be removed from office with any just cause, and another may be elected in the place of the person so removed, to serve for the remainder of the term.

Section 4. Vacancies:

If any Director shall die or resign, or if the members shall remove any Director, without electing another in his place, a majority of the remaining Directors may elect a successor to hold office for the un-expired portion of the term of the Director whose place shall so become vacant, and until his successor shall have been duly chosen and qualified.

Section 5. Compensation:

No officer or Director of the Association shall receive any compensation for their services. Nothing in this section shall be construed to preclude such person from performing bona fide work for the Association in any other capacity and receiving payment therefore. Persons performing work for the Association which entails the outlay of personal funds, shall be compensated; also duties which require driving in performing these actions, shall be compensated at the rate of twenty (20) cents per mile. A report of these expenses must be submitted to the Board of Directors for approval of payment. No part of the income of said Association shall inure to the benefit of any member by virtue of said membership.

Article VI – OFFICERS

Section I. Executive Officers:

The Executive Officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. The Executive Officers shall be permanent, year round residents of Bay City. Each such Officer shall hold office for a term of one (1) year, commencing the first day of the month following the annual election and thereafter until his successor is elected and qualified, or until his death, resignation, or removal.

Section 2. President:

The President shall be a Director of the Association. He shall be the Chief Executive Officer of the Association. He shall, when present, preside at all meetings of the members and Directors; he shall have general management and direction of the business of the Association and all powers ordinarily exercised by the President of an Association.

Section 3. Vice President:

In the absence of the President, the Vice-President shall perform all the duties of the President and when so acting shall have the powers of the President.

Section 4. Secretary:

The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in books provided for the purpose; he/she shall see that all notices are duly given in accordance with the provisions of the by-laws or as required by law; he/she shall be the custodian of the records and the corporate seal or seals of the Association; he/she shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the Association, under its seal, is duly authorized and when so affixed, may attest the same and such other duties, as from time to time, may be assigned to him by the Board of Directors or by the President.

Section 5. Treasurer:

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Association and shall deposit, or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks, trust companies or other depositories, as shall from time to time, be selected by the Board of Directors whenever requested, an account of the financial condition of the Association and such other duties as may be assigned to him by the Board of Directors or by the President. The Treasurer's books shall be open for inspection by any member at all reasonable times. The Treasurer is to be bonded, the cost of such bond to be defrayed by the Association, in an amount to be determined by the Board of Directors. The Treasurer's books shall be audited prior to the annual election meeting, by a committee appointed by the President and a report made to the membership at the meeting.

Section 6. Assistant Officers:

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant shall hold office for such period of time and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 7. Holding Office:

No member shall hold more than one elective officer in any given year.

Section 8. Nomination of Officers:

A nominating committee shall be appointed by the President at least eight (8) weeks prior to the annual meeting of the Association and their selections and those submitted by members, as herein provided, shall be presented at the annual meeting in writing and read by the Chairman of the nominating committee or in his absence, by the Secretary. Report of the nominating committee shall be provided to the members with the notice of meeting. Nominations by any member shall be accompanied by an acceptance in writing of the nominee and such nominations, together with acceptance, be in the hands of the nominating committee five (5) weeks prior to the annual meeting. Nomination may also be made from the floor. All floor nominees must be present to accept the nominations in person. All Officers must have served as a Director or have served on a committee chaired by a Director in the twenty four (24) months immediately prior to the date of nomination for office. Directors and committee members must be members in good standing in the Association.

Article VII – COMMITTEES

Section 1.

The President may create such regular and special committees as he deems advisable and define their duties.

Article VIII – SUNDRY PROVISIONS

Section 1. Negotiable Instruments, etc.

All drafts or orders for the payment of money notes and other evidences of indebtedness, issued in the name of the Association shall be signed by such officer or officers as may be designated fro time to time by resolution of the Board of Directors.

Section 2. Fiscal Year:

The fiscal year of the Association shall be from January 1 to December 31.

Section 3. Checks:

All checks to pay Association debts shall be signed by the Treasurer and one other elected officer (President, Vice-President, or Secretary).

Article IX – AMENDMENTS

Members shall have the power, at any meeting, if notice thereof be included in the notice of such meeting, to alter or repeal any by-laws of the Association and to make new by-laws.

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

REQUIREMENTS FOR APPROVAL FOR CONSTRUCTION IN BAY CITY

Adopted June 18, 1976 by the Board of Directors
Amended December 1, 1994 by the Board of Directors
Amended June 1, 1995 by the Board of Directors

1. When Required (G-5) No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon any lot in Bay City, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof are SUBMITTED TO AND APPROVED IN WRITING BY THE CORPORATION, or its successors on the ownership of development of the community, or its duly authorized agents, or by the association to be formed as hereinbefore recited, after said association is duly licensed to do by the Corporation. WRITTEN PERMISSION MUST BE OBTAINED FROM SAID CORPORATION, OR ITS SUCCESSORS IN THE OWNERSHIP OR DEVELOPMENT OF THE COMMUNITY OR IN THE ADMINSITRAITON OF THESE RESTRICTIONS TO CONSTRUCT OR MAINTAIN FENCES, WALLS, HEDGES, BUILDINGS, BULKHEADS, AND OUTBUILDINGS.

No construction is to be started before approval of plans. Please allow a minimum of ten (10) days for action to be taken by the Association.

2. Who May Submit Plans and specifications must be submitted by the person(s) holding title to the property as shown by the Land Records of Queen Anne's County or by a contract purchaser who files with the Association, a bona fide contract for the purchase of the property, subject to no contingencies except payment of the purchase price and merchantability of title.

3. Fee Requirements The following fees shall be assessed for review of plans. These fees apply to original home structures and to subsequent or accessory construction as provided herein:

New Homes (original construction)	$150
Additions and/or garages	$ 75
Porches, Decks, Sheds, Patios And Swimming Pools	$ 20

Any other architectural changes that may require a permit do not require a fee.
(Adopted June 18, 1976) (Amended July 15, 1987) (Amended June 1, 1995)

4. What Must Be Submitted The following must be submitted to the Association:

a. A written application on a form approved by the Association, containing the conditions of approval.
b. All maintenance fees for the lots involved in the proposed construction through the current fiscal year.
c. One (1) complete set of plans and specifications in the form required by paragraph 4 hereof
d. One (1) plot plan of ground plat showing location of the construction proposed for the property; the distance from the side, front and rear boundaries; and the location and distance from the residence of any well, septic tank and drain field.

5. Form of Plans Plans and specifications must be drawn to scale in a clearly understandable and professional manner. They must show the outside elevations of the proposed construction as they will appear when work is completed including:

a. The front elevation, rear elevation, left and right elevations, and the direction in which they face, indicating which elevation of the house faces the road or water, if the residence is so located.
b. Details of the exterior, such as windows, doors, shutters, window boxes, porches, carports, chimneys and the like, and their placement on the completed structure.
c. Type of construction (such as brick, frame, clapboard, asbestos shingle, etc.) and the type of roof, windows, doors, chimneys, foundation, etc.

6. ARCHITECTURAL REQUIREMENTS

A. Size of Structure Any residence must have a length, measured along the front building line of at least thirty-two (32) feet and at least one thousand, five hundred (1,500) square feet of actual living space. (Amended November 6, 1994) "Actual Living Space" means the gross floor area of all finished and useable floor and portions thereof, other than floors of a basement, cellar, porch, breezeway, patio, attached garage, carport, or the like.

B. Setbacks Buildings shall be set back from front, side and rear lot lines as follows: (G2, G3, G4, G7, G13)

a. Front: the greater of (I) the distance required by the Queen Anne's County Zoning Ordinance (currently 75 feet from the center line of the abutting road, or (II) 35 feet from the front lot line
b. Side and Rear: the greater of (I) the distance required by the Zoning Ordinance, or (II) 15 feet
c. Beach Reservation Lots: any building on a lot which is bounded by the Beach Reservation shall be set back at least 75 feet from that boundary (facing the Chesapeake Bay or Broad Creek)

C. External Appearance The type, construction, external appearance and location of dwellings shall be so varied as to both avoid the general appearance of a "Levitown" and blend in with the general character of other dwellings in Bay City. Therefore, no residence, dwelling house, garage, or other structure appurtenant to the residence (hereinafter collectively referred to as the "residence") shall be substantially similar in exterior design or appearance to any other residence (then constructed and/or then under construction and approved by the Association) located on a lot which is within 750 feet of the lot or lots on which a proposed residence is then being submitted for consideration in accordance with these Requirements. In determining whether or not a residence is "substantially similar" to another residence, the following factors shall be considered: (a) exterior materials used, (b) the exterior colors used, (c) the relative location of the exterior windows and doors (d) the locations of the exterior porches, carports, and other appurtenances to the residence, and (e) the shape of the roof line.

D. Driveway Pipe Whenever in the opinion of the Association, a driveway pipe is required for the drainage of water, a pipe of suitable size and type shall be installed before any construction may begin. (Adopted March 10, 1982)

E. Fences All fences must be of open construction (woven wire, picket, post and rail, etc). If pickets are used, space between pickets must be at least equal to the width of the picket. No solid or privacy fences may be built. Exception to the rule of privacy fences may be granted in unusual cases. Request for exception must be in writing and addressed to the Board of Directors. Such requests must clearly define reason for exception. The maximum height of any fence or hedgerow shall be no more than four (4) feet. (Adopted June 17, 1987)

F. No trees shall be cut, and no excavations shall be made on the premises, except for the purpose of buildings thereon, and at the time when building operations are commenced, and no earth or sand shall be removed from said premises except as part of such excavations.

G. No trailer, basement, tent shack, garage, barn, or other outbuildings erected within the community shall at any time be used as a residence either temporarily or permanently, nor shall an residence of a temporary character be permitted.

H. Free and open spaces shall be left on both sides and to the front and to the rear of every building structure dwelling or part thereof erected on said lot which free and open spaces shall extend the full length of all lots and shall be not less than fifteen (15) feet in width from the dividing lines from the front and from the rear of said lots.

7. Basis of Approval No consideration will be given to any application until all of these Requirements have been met and the person(s) referred to in Paragraph 2 have signed a written application in a form prescribed by the Association and agreed to all conditions contained therein.

8. Financial Commitment Before final approval is given , the Association must be in receipt of a letter of first mortgage commitment from a lending institution. (Adopted April 19, 1984)

9. Variance Where by reason of the exceptional narrowness, shallowness or unusual shape of a specific lot, or by reason of exceptional topographic conditions or other extraordinary situation or special condition, the literal enforcement of these Requirements would make it exceptionally difficult to construct a dwelling or residence on any lot and would cause unwarranted hardship and injustice to the owner of the lot, the Association may authorize such variance from the terms of these Requirements as will to be contrary to the interests of the residents of Bay City and will relieve such hardship. No variance will be authorized unless the Association finds beyond reasonable doubt that (a) there are exceptional or extraordinary circumstances or special conditions applying to the lot or proposed structure in questions that do not generally apply to other lots or structures in Bay City; (b) such variance is necessary for the preservation and enjoyment of substantial property rights possessed by lot owners in Bay City and particularly in the vicinity of the lot(s) involved in the variance; (c) the authorization of such variance will not be of substantial detriment to adjacent lots in Bay City and will not be contrary to the purpose of these requirements or the interest of lot owners in Bay City. In authorizing a variance, the Association shall attach such conditions regarding the character, location and other features of the proposed structure as it may deem necessary in the interest of the furtherance of the purposes of these Requirements and in the interest of the lot owners in Bay City. No variance authorized by the Association shall qualify any adjacent property for special treatment or for a variance.

10. Completion The exterior of any building or structure approved by the Association must be completed within six (6) months from the date of approval.

11. Restrictions Consideration will be given to applications and plans on the basis of both these Requirements and the covenants, restrictions, reservations, dedications, conditions, agreements and understandings applicable to all lots in Bay City by virtue of a Deed and Agreement dated May 29, 1952, and recorded in Liber T.S.P. 5, folio 122, of the Land Records of Queen Anne's County. Approval will not be given to any applications or plans which are not in conformity with both these Requirements and the provisions of the Deed and Agreement.

A. Licensed Contractors

New home construction by licensed contractors are restricted to the following:

a. Work may be performed from 7:00 am to 6:00 pm Monday through Saturday only.
b. ABSOLUTELY NO WORK WILL BE PERMITTED ON SUNDAYS.
c. All job sites must have a dumpster or screened area for construction debris during the time of construction.
d. The builder will keep the site clear of debris on a daily basis and maintain site in as clean and safe a manner as possible.
e. All job sites will have chemical toilets which can be shared by adjacent job sites, but not by more than ten (10) people.
f. Licensed plumbers may work on Sunday during the hours of 7:00 am and 6:00 pm but are restricted to sewer hook-up or emergency procedures.

B. Property Owners

Homeowners performing their own construction are limited to the restrictions outlined under Licensed Contractors with the exception of work hours. Work to be performed Monday through Sunday during the hours of 7:00 am to 6:00 pm.

12. Amendment or Repeal The Association reserves the right to amend, supplement, repeal, or otherwise change these Restrictions at any time, without notice to any person, and for any reason.

BAY CITY APPLICATION FOR PLANS APPROVAL AND PERMIT

APPLICANT(S) _____

NAME/S and _____

ADDRESS/ES _____

SITE OF PROPOSED _____
ADDRESS

CONSTRUCTION OR WORK _____
BLOCK and LOT NO.

DEED REFERENCE: LIBER _____ FOLIO _____

OWNER/S ON DEED (If not applicant, see architectural requirements)

_____

DESCRIPTION OF PROPOSED WORK (NEW HOUSE, ADDITION, GARAGE, FENCE (style), DECK, ETC., include dimensions, materials, color scheme if applicable).

_____

_____

_____

_____

THE APPLICANT/S THIS DATE _____ HEREBY CERTIFY AND AGREE TO THE FOLLOWING:

1) This application includes not only this page, but also the plans and specifications and the lot plans submitted herewith, as well as any additional information required.
2) The applicant/s has received a copy of the REQUIREMENTS FOR APPROVAL FOR CONSTRUCTION IN BAY CITY, which are stipulated as part of this application.
3) NO CONSTRUCTION WILL BEGIN UNTIL FORMAL WRITTEN APPROVAL AND PERMIT HAS BEEN RECEIVED FROM THE BAY CITY PROPERTY OWNERS ASSOCIATION, INC. In the case of a new dwelling the Association must be in receipt of a letter of first mortgage commitment from a licensed lending institution before final approval will be granted.
4) The proposed building shall be for single family residential use only, and not for purpose of any trade or business whatsoever. (Covenant G1)
5) The exterior of the structure as shown on the approval plans shall be completed within six (6) months from the date when construction is begun.
6) The building site will be kept free of excessive trash and debris.
7) If any of the representations contained in the application are shown to be incorrect or untrue, or if the building or work is not in accordance with the approved plans or specifications, or is in violation of any Bay City Covenant, then any Bay City approval or permit is voided as of its issue date. Further, applicant may be required, at his expense, to restore the building site to its condition existent prior to construction.

APPLICANT/S SIGNATURE/S _____

APPROVED/REJECTED BY _____

PERMIT # _____ DATE ISSUED _____

#31,732. QUEEN ANNE'S COUNTY, TO WIT:

Be it remembered that on this Ninth day of June, in the yeer ninsteen hundred end fifty two, the following Dsed end Agresement wes brought to bs recordsd, to wit:-

THIS DEED AND AGREEMENT, Meds this 29th day of May, 1952, by end between THE BRIDGESIDE COMPANY, e body corporats, duly orgenized end existing under ths Laws of the Stete of Merylend, perty of the first pert, hereinefter oelled the "Corporetion", and ROBERT F. PODLICH, of Anne Arundel County, in ths Stets of Meryland, perty of the second part;

WHEREAS, by deed datsd of evsn dats herswith and rscordsd or intended to be recordcd omong the Land Records of Queen Anns's County, in ths Stats of Maryland, prior hereto, Guaronteed Realty Corporation, a body corporats, granted and convayed unto THE BRIDGESIDE COMPANY, a tract of land containing 404 aorss, mors or lsss, and lying betwsen the waters of the Chesapsoks Bay, Broad Crsek, and ths road leading from Stevensvills to Kent Point, referenoe to said dsed being hersby mads for a fullsr ond more detailed desoription thereof; and

WHEREAS, it is ths intention of the said Corporation to develop all of said land conveyed to it as aforesaid, as e complete residential oommunity, to bs composed of persons of good character, with similar and gsnsrally aoceptable moral, spiritual, social, athletic, reoreetional ond community activitiss, testss end intsrssts, and to erect upon said land or to permit the ereotion thereon of dwelling houssa, e rstail commercial aree, non-commsroial struoturss, inoluding ohurohss, rsoreational feoilities snd structures, and such other buildings as ars oustomary in suoh oommunitiss, and to subject the sams to modern restrictivs oovenents, as to ths use thersof, by the owners and occupants thereof, for the benefit of purohesers and owners of the lands and premises within said development; and

WHEREAS, it is considsrsd impractical, at thie time, or at eny one time, to develop or lay out all of the said tract, or to fix, for oll parts thersof, ths particulor residential dwelling, retail commsroiel area, or non-oommsroial usss whioh ars to be applicoble thereto, or to fix and determine ths looation, nature and/or extent of the recreationol facilities and structures which ere or mey be contemplatsd by the said Corporation, in conneotion with ths dsvelopmsnt of seid sub-divisions, or to fix end determine the exact number, looation, nature end/or extent of all ths Bseoh Rseervatione which ore to be provided by the Corporation, in oonnsotion with ths dsvslopmsnt of said community; but a generol outline plat of ths total aoreags inoludsd within the whols of said development hss been prspared by ths said Corporation, whioh shows the arss rsserved for residential or dwelling usss, and other arsas tentativsly rsssrved for rssidsntial, dwelling snd retail commsroial usss and non-oommsroial and rsorsetional usss, inoluding tentative Beach Reservationa, without partioularizing or spsoifying as to ths exaot locations for the establishmsnt of said additional Bsaoh Rsservations, or of ths rstail commercial, non-commercial and rscreational usss which ars to bs made in ths lands thersin contained; and said "GENERAL OUTLINE PLAT" is rsoordsd or intsndsd to bs rsoordsd among said Lond Records of Qusen Anns'a County, simultaneously with ths rsoording of this Dsed and Agreemsnt; ond

WHEREAS, ths said Corporation expressly rsssrvss unto itssif, and its successors, ths right to change the Tentativs Loyout of the ssotions, blooks, and reservations, as to ths ground plan lay-out, and es to rssidential and dwelling srsas, and es to rsoreationel snd non-commsrcial usss, now shown on said generel outline plat (other than Blocks Ons to Twenty, inclusivs, in Ssotion Ons, as shown on said Outlins Plat, and the locetion of ths "Community Bathing Bsech", whioh seid eeotion, blooks, locetions and facilities ere hsrsby fixed end shall now bs ooneidered to bs irrsvoosbls and unchangeable), as, from tims to tims, ths said Corporetion shall determine for saoh succeeding section (whioh need not bs developsd or rsoordsd in numerioal order) the finol determination of such plans and usss as to saoh ssotion, to bs svidsnosd by ths rsoording of the Plat for the sams among ths Land Rscords of Qusen Anns's Gounty; and

WHEREAS, the said Corporetion is dsairous of subjsoting ths entirs tract of lsnd, herein described and rsferrsd to, and now known as Bay City, and hsreinofter called ths Community, to the general underlying usss, covsnants, rsstriotions, rsservations, dsdications and restrictions as to location, as shown on said Csneral Outlins Plat, and to certain general conditions, agreemsnts, and understanding, as hersin sxprssseed, and the said party of the sscond part, for the part, for ths purposs of making suoh general underlying usss, covenants, rsstriotions, dedications and rssarvations, and said general conditions, agreements and understandings, as hersinbsfors and hsrsinafter rsfsrred to, and set out, run with ths land, binding alike upon ths Corporation, its suoossssors and assigns, and upon ths party of the second port, his heirs and assigns, and upon all of the land described hersin and on said Gsnsral Outlins Plat; and to effsot ths sams, the parties hereto have entered into this Dsed and Agrssmsnt, whersby ths said Corporation will convey unto ths party of ths sscond part, all the land shown on said Gsnsral Outlins Plat, or contained within the boundariss of said whols Community, and ths said party of the second part will rsconvsy unto ths said Corporation, all ths land hsrsby oonvsyed to him, charged with the covenants, rsstrictions, rssarvations, dsdioations, oonditions, agreements and understandings hersinbsfors and hersinafter rsoited and sst forth, so that the said Corporation, and its sucoessors and assigns, will hsrsaftsr hold and convsy said lond, subject to the said covenants, rsstriotions, rssarvations, dsdioations, conditions, agreements ond understandings.

NOW, THEREFORE, THIS DEED AND AGREEMENT WITNESSETH, thst for and in consideration of the premises and of the sum of Ons Dollar, in hand paid by the party of the sscond part to the said Corporation, ths rsoeipt whereof is hsrsby aoknowlsdged, and the performance of ths oovsnants and conditions hersinaftsr sst out, ths said Corporation does hereby grant and convey unto ths party of the sscond part, his hsirs and assigns, subjsot to ths covenants and conditions hersinaftsr set out, whioh ars hsrsby sntered into by the said Corporation, for itssif and its suoossssors and assigns, with the party of the second part, for himself, and his hsirs and assigns, as a part of the oonsideration for the exsoution of this dsed, all ths land and premisss situate, lying and being in the Fourth Elsotion Distriot of Qusen Anne's County, Stats of Maryland, mors portioularly shown and dssoribsd on ths Gsnsral Outline Plat, which plat is marked "Gsneral Outline Plat of Bay City" datsd prsparsd by Willism D. Purdum, end rsoordsd among the Land Records of Qusen Anns's Oounty oonourrently hsrswith, it being the sams land oonvsyed to the said Corporation by Ouarantsed Realty Corporation, in a dsed datsd of even dats hsrswith and rsoordsd or intsnded to bs rsoordsd among the Land Rscords of

Original Examined & Sent to Court 5/14/52.

RECEIVED
CLERK, CIRCUIT COURT
00 MAR 31 AM 11:05
QUEEN ANNE'S COUNTY

Queen Anne's County prior hereto, reference to said deed being hereby made for a fuller and more detailed description thereof.

TOGETHER with the buildings and improvements thereon, and the rights, and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the above granted property unto the said party of the second part, his heirs and assigns, forever, in fee simple; subject, however, to the following underlying covenants, restrictions, reservations, dedications, conditions, agreements and understandings, to wit:

BEACH RESERVATIONS

(1) The land shown on said "General Outline Plat of Bay City" marked thereon as a "Beach Reservation" and lying between the waters of Chesapeake Bay and the boundary lines of the lots which bound upon said "Beach Reservation", is hereby expressly and irrevocably reserved, dedicated and restricted to the use in common of the bona fide members of an association, which shall be a body corporate, duly incorporated under the Laws of the State of Maryland, and which shall be formed by and composed of the owners and occupiers of the building lots which are contained within said Community, solely for the purpose of ingress and egress of such owners or occupiers of said building lots, as are also bona fide members of said association, to and from the lots owned or occupied by said members; and the fee simple title of said "Beach Reservation" is expressly reserved to the said Corporation, and its successors in the ownership or development of said Community, and/or its successors in the enforcement and administration of the covenants and agreements herein contained.

(2) Upon the date or dates of the recording of any Development Plat or Plats indicating the location of lots to be used for residential purposes, retail commercial uses, non-commercial and recreational uses, or for any of said uses or purposes, as well as additional Beach Reservations, any land shown on any such Development Plat or Plats, and thereon marked "Beach Reservation" or "Beach Reservations" shall, from thenceforth be expressly and irrevocably reserved, dedicated and restricted to use in common by the bona fide members of the association which shall be formed, as hereinbefore and hereinafter indicated, solely for the purpose of ingress and egress of such owners or occupiers of said Building Lots as are also bona fide members of said Association, to and from the lots owned or occupied by said members; and the fee simple title of said additional "Beach Reservation" or "Beach Reservations" is expressly reserved to said Corporation, and its successors in the ownership or development of said Community, and/or its successors in the enforcement and administration of the covenants and agreements herein contained.

(3) No pier, wharf, or other structure shall be erected upon any "Beach Reservation", nor shall any automobiles or other vehicles, boats, boat gear or equipment, paraphernalia, rafts or obstruction of any kind or character be erected, stored or parked upon any "Beach Reservation".

(4) No owner of any of the lots contained in said Community shall acquire, by reason of his ownership of any lot therein, any riparian rights in and to any of the waters upon which said Community bounds; such riparian rights being hereby expressly reserved to the said Corporation, and its successors in the ownership and development of the land contained within said Community.

(5) No owner of any of the lots contained in said Community shall acquire, by reason of his ownership of any lot therein, any right to erect ducking or other wild fowl blinds, or to hunt or shoot ducks or other wild fowl upon any "Beach Reservation", or upon or in the waters upon which said Community bounds, such rights being hereby expressly reserved to the said Corporation, and its successors, in the ownership and development of said Community, and/or its successors in the enforcement and administration of the covenants and agreements herein contained.

COMMUNITY BATHING BEACH RESERVATION

(6) The lands shown on said "General Outline Plat of Bay City" marked thereon as a "Community Bathing Beach Reservation" as well as any land hereafter dedicated and designated by the said Corporation, as an additional community bathing beach, or as additional community bathing beaches, upon development plats subsequently to be recorded, are hereby expressly reserved, dedicated and restricted to the use in common by the bona fide members of the Association which shall be formed, as hereinbefore and hereinafter indicated, for bathing and swimming activities, and such athletic and recreational projects and activities as may be conducted, sponsored or prompted by the said Association.

COMMUNITY BOAT HARBOR RESERVATION

(7) The Corporation, for itself and its successors in the ownership or development of the land contained in said Community, desires and expects, and therefore reserves the right, in the future, to select, fix and determine the location, upon the waters of Board Creek, of a parcel of land, to be known and designated as a "Community Boat Harbor Reservation" and to show and designate the location of said "Community Boat Harbor Reservation", upon a plat thereof, to be hereafter filed for record among the Land Records of Queen Anne's County.

(8) Upon the date of the recording of said plat, upon which is designated the location of said "Community Boat Harbor Reservation" such "Community Boat Harbor Reservation" shall, from thenceforth be expressly and irrevocably reserved, dedicated and restricted to use in common by the bona fide members of the Association which shall be formed, as hereinbefore and hereinafter indicated, for the harboring of boats, or such boating and recreational projects and activities as may be conducted, ~~and the conducted~~, sponsored or promoted by said Association.

RETAIL COMMERCIAL AREA.

(9) The Corporation, for itself, and its successors in the ownership or development of the land contained in said Community, desires and expects, and therefore reserves the right, in the future, to select, fix and determine the location along the county road running from Stevensville to Matapeake, of a parcel of land, front-

ing on said road, for a distance to be hereafter determined, and with a depth to be hereafter determined, to be used, known and designated as a "Retail Commercial Area", and to show and designate the location and dimensions of said "Retail Commercial Area" upon a plat thereof, to be hereafter filed for record among the Land Records of Queen Anne's County.

(10) Upon the date of the recording of said plat, upon which is designated the location and dimensions, of said "Retail Commercial Area", such "Retail Commercial Area" shall, from thenceforth, be expressly reserved and dedicated for the use, establishment and operation of such retail commercial buildings and enterprises as may be erected thereon by the Corporation, and its successors and assigns.

EASEMENT FOR FUTURE WIDENING OF ROUTE NO. 401 (STEVENSVILLE ROAD) ALONG THE BOUNDARIES OF THE COMMUNITY.

(11) The Carporation, for itself, and its successors in the ownership or development of the land contained in the Community, hereby expressly reserves an easement or right of way over a strip of land ten feet, wide, binding upon the present boundary line of said Route No. 401, to be used by the State of Maryland, for the future widening of said Route No. 401 (Stevensville Road); and all conveyances of any of the lots within said Community, which bind upon the said Road, as now established, shall be subject to said easement; and no owner of any of said lots, so conveyed subject to said easement, shall be permitted to erect, within the area of said easement, any structure, or abstruction of any kind or character.

GENERAL PROVISIONS RELATING TO AND CONCERNING THE AMENDMENT OR WAIVER OF CERTAIN OF THE RESTRICTIONS, COVENANTS, AGREEMENTS OR PROVISIONS CONTAINED HEREIN

(12) Except as herein expressly stipulated to the contrary, the Corporation, and its successors in the ownership or development of the land contained in said Community, hereby reserves the right, in its absolute discretion, at any time, to annul, waive, change or modify any of the restrictions, covenants, agreements, or provisions contained herein as to any part of the land contained within said Community which is then owned by the Corporation, or its successors in the ownership or development of said land; and to grade, change the grade of, or re-grade any street, road or lane shown on any recorded plat relating to the land contained within said Community; and said Corporation, or any successors in the ownership or development of the land contained in said Community, shall have the further right, before sale, to change the size of, and to locate or re-locate any of the lots shown on any recorded plat relating to the land contained in said Community, and these provisions are not intended to permit the Corporation, or any successor in the ownership or development of the Community, to recall, amend or rescind any of the provisions, agreements and understandings, contained herein, regarding the dedication of the Beach Reservation or Beach Reservations to be hereafter made, the Community Bathing Beach or Beaches, or the Community Boat Harbor Reservation or Reservations, as herein recited.

GENERAL PROVISIONS RELATING TO THE FORMATION OF AN ASSOCIATION BY OWNERS AND OCCUPIERS OF LAND WITHIN THE COMMUNITY.

(13) The Corporation, for itself, and for any successor in the ownership or development of the land contained in said Community, hereby agrees to encourage, sponsor, and promote the formation of an association, which shall be a body corporate, duly incorporated under the Laws of the State of Maryland, for the promotion of such moral, spiritual, social, athletic, recreational and community activities and interests as may be conducted, sponsored and encouraged by the membership of said Association, and for the administration and enforcement of the reservations, restrictions, covenants, understandings and agreements herein contained and set forth.

(14) Such an association shall be primarily composed of the owners of lots sold by said Corporation to such purchasers, and their assigns, and by persons who occupy said lots, but may also include such other persons as may desire to participate in the general activities and interest of the membership of said association.

(15) Upon the formation of such an association, the Corporation, for itself, and for any successor in the ownership or development of the land contained in said Community, may, in its absolute discretion, and at any time, transfer, grant, convey and assign unto said association, by written instrument, to be duly recorded:

(a) The right to administer and enforce, for a limited time, or from time to time, or forever, all of the reservations, restrictions, covenants, agreements, and provisions herein contained, including those pertaining to the Beach Reservations, the Community Bathing ~~Bathing~~ Beach Reservation or Reservations, the Community Boat Harbor Reservation, and the Retail Commercial Area;

(b) The right to collect and disburse, for a limited time, or from time to time, or forever, the annual maintenance charge for the constructions, maintenance and repair of streets within the community, reserved in paragraph G.14 of these restrictions and covenants;

(c) The fee simple title of the Beach Reservation, or Reservations, the Community Beach Reservation or Reservations, and the Community Boat Harbor Reservation; subject, of course, to the restrictions, agreements and understandings now imposed upon said Reservations.

(16) And it is especially understood and agreed that all transfers, grants, or assignments to said Association, so to be formed, and referred to herein, are to be made in pursuance of mutually satisfactory negotiations between the Corporation, and any successor in the ownership or development of said Community, and the said association so to be formed by said owners and occupiers of the lots contained in said Community.

(17) Pending the formation of said association, and the transfer

to it of any of the rights hereinbefore stated, the Corporation, and its successors, in the ownership and development of said Community shall have the right, in its own discretion, by paper writing which is not to be recorded, to license, upon a temporary basis, and from time to time, the use of the Beach Reservation, or Reservations, the Community Bathing Beach Reservation or Reservations, and the Community Boat Harbor Reservation to any purchaser or occupant of any lot sold by said Corporation within said Community in the same manner, and to the same extent, as such privileges could or would be available by reason of membership in said Association, to be formed as aforestated, it being specifically understood that when the right of said Association, so to be formed, to administer and control the use of said Reservations, has been established, as hereinabove indicated, the right to license the use of such Reservations and facilities shall no longer exist in the Corporation, or its successors.

GENERAL RESTRICTIONS AND CONDITIONS.

G 1. Except as hereinbefore recited, all lots in said Community shall be for residential use only, and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage or other structures appurtenant to the main residence or to be used in connection therewith, and on no lot shall there be more than one main dwelling, and on no lot shall more than one family occupy the main dwelling, or any structure appurtenant thereto.

G 2. The main dwelling or residence on any lot, except those lots which are bounded, on one side by the Beach Reservation hereinbefore referred to, shall be set back at least 35 feet from the front line, at least 15 feet from the dividing lines of said lot, and at least 15 feet from the rear boundary line thereof.

G 3. The main dwelling or residence on any lot which is bounded, on one side by the Beach Reservation hereinbefore referred to, shall be set back at least 75 feet from the Beach Reservation boundary line (which is considered to be the front line of said lot), at least 15 feet from the dividing lines of said lot, and at least 35 feet from the rear boundary line thereof.

G 4. All detached garages, and other outbuildings, of any kind whatsoever, shall be in the rear of the dwelling, and when any such structure or structures are erected upon lots in said Community which front upon the boundary line of any Beach Reservation, no such structure shall be erected within 35 feet of the rear boundary line, nor within 15 feet of the dividing lines of said lot. Such structures, when erected upon any other lots in said Community which does not front upon the boundary line of any Beach Reservation, shall be set back at least 15 feet from the rear boundary line, and 15 feet from the dividing line of said lot.

G 5. No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon said lots, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof, are submitted to and approved in writing by the Corporation, or its successors in the ownership or development of the Community, or its duly authorized agents, or by the association to be formed as hereinbefore recited, after said association is duly licensed so to do by the Corporation. Written permission must be obtained from said corporation, or its successors in the ownership or development of the Community, or in the administration of these restrictions, to construct, or maintain fences, walls, hedges, buildings, bulk heads, and outbuildings.

G 6. No trees shall be cut, and no excavations shall be made on the premises, except for the purpose of building thereon, and at the time when the building operations are commenced; and no earth or sand shall be removed from said premises except as a part of such excavations.

G 7. Free and open spaces shall be left on both sides and to the front and to the rear of every building, structure, dwelling or part thereof, erected on said lot, which free and open spaces shall extend the full length of all lots and shall be not less than fifteen (15) feet in width from the dividing lines from the front and from the rear of said lots.

G 8. No privy of any kind shall be allowed on said property, but each house shall have inside toilets with adequate water supply and septic tank installations for disposal of sewage approved by the Maryland State Board of Health.

G 9. No noxious or offensive trade shall be carried on upon any lot nor shall anything be done or kept thereon which may be or become any annoyance or nuisance to the neighbors.

G 10. No trailer, basement, tent, shack, garage, barn or other outbuilding erected within the Community shall, at any time, be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.

G 11. In order to preserve or improve the views of land and water, hills and valleys, obtainable on and from the various lots contained within said Community, and to promote the free movements of breezes and prevent the harboring of flies, mosquitos and other insects, the Corporation reserves the right to trim any trees or shrubbery now or hereafter standing on any part of the lots contained within said Community which may, in its opinion, destroy or interfere with such views or the free movements of breezes, or which may furnish harboring places for flies, mosquitos or other insects.

G 12. The land hereby conveyed shall, in respect to that part of it which lies in the beds of the road or roads, bordering upon or contained within said Community, be subject to an easement in favor of the owners and occupants of lots and houses bordering other parts of the said road or roads, in respect to the free and common use of the said road or roads, both for the purpose of passage to and from the lots contained within said Community, and for the laying and erecting of water pipes, gas pipes, electric poles or other public utilities to be used in common by the owners and/or occupants of the Community, and further, that the owners or owner of any lot will join in a petition to the proper governmental authorities, requesting that the road

or roads bordering upon or contained within the [illegible] taken over by the County, as public roads under a [illegible]r deed of dedication to be signed by such o[illegible] or owners at such time when two-thi[illegible] of the owners of the lots along such road or roads shall demand.

O 13. Easements and rights of way are hereby expressly reserved in and over strips of land five feet in width along the rear line of all lots contained within this Community for the purpose of erecting, constructing and maintaining wires and the necessary or proper attachments in connection therewith for the transmission of electricity and for telephone and other public utilities or functions, and for storm water drainage, and the Corporation, its successors, assigns, or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth.

O 14. All purchasers of any lands within this Community and all successors in ownership or possession, shall pay to the Corporation, and its successors or assigns, on March 1st of each year, the sum of Ten ($10.00) Dollars, for each and every lot purchased, to be used for construction, maintenance and repairs of streets in the Community; it being understood and agreed, however, that the liability of each owner of each of said lots, for the payment of said annual maintenance charge, shall be a personal liability, recoverable by suit, and that said annual maintenance charge shall not be a lien upon any of said lots.

O 15. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by the Corporation, or the owner of any land included in said Community, their respective personal representatives, heirs, successors and assigns, and failure by the Corporation or any land owner to enforce any restriction, condition, covenant or agreement herein contained shall, in no event, be deemed a waiver of the right to do so thereafter to one occurring prior or subsequent thereto; and the declared invalidity of any one or more of the provisions herein shall not affect the validity of the others.

AND the said THE BRIDGESIDE COMPANY, a body corporate, does hereby warrant specially the property hereby conveyed; that it hereby covenants that it has done or suffered to be done no matter or thing whatsoever to encumber the property hereby conveyed; and that it will execute such further assurances of the same as may be requisite.

IN TESTIMONY WHEREOF, WITNESS the corporate seal of the said THE BRIDGESIDE COMPANY, a body corporate, and the signature of Charles H. Cover, its President.

TEST:

ELSIE CURTIS
ELSIE CURTIS

THE BRIDGESIDE COMPANY

By CHARLES H. COVER President
(Charles H. Cover)

Seal's Place

IN TESTIMONY WHEREOF, WITNESS the hand and seal of the said ROBERT F. PODLICH, party of the second part.

TEST:

ELSIE CURTIS
ELSIE CURTIS

ROBERT F. PODLICH (SEAL)
(Robert F. Podlich)

STATE OF MARYLAND, BALTIMORE CITY, to wit:

I HEREBY CERTIFY that on this 29th day of May, 1952, before me, the subscriber, a Notary Public of the State and City aforesaid, personally appeared Charles H. Cover, President of THE BRIDGESIDE COMPANY, a body corporate, and he, as such President, acknowledged the aforegoing Deed and Agreement to be the act and deed of said body corporate.

At the same time also appeared Robert F. Podlich, party of the second part named in the aforegoing Deed and Agreement, and he acknowledged the aforegoing instrument to be his act and deed.

WITNESS my hand and Notarial Seal.

Notary Public Seal.

ELSIE CURTIS
ELSIE CURTIS

Waiver and Agreement is recorded in Liber T.S.P. No. 64, folio 551, a Land Record Book for Queen Anne's County.

Assignment is recorded in Liber C.W.C. No. 7, folio 381, a Land Record Book for Queen Anne's County.

Waiver and Agreement is recorded in Liber C.W.C. No. 15, folio 570, a Land Record Book for Queen Anne's County.

Amendment to Restrictions is recorded in Liber C.W.C. No. 46, folio 104, a Land Record Book for Queen Anne's County. (Continued to folio 607 of this Liber.)

::

#31,733 QUEEN ANNE'S COUNTY, TO

WIT: Be it remembered that on this Ninth day of June, in the year nineteen hundred and fifty two, the following Deed was brought to be recorded, to wit:-

THIS DEED, Made this 29th day of May, in the year one thousand nine hundred and fifty-two, between ROBERT F. PODLICH, unmarried, of Anne Arundel County, in

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the aforegoing was truly taken and copied from Liber TSP No. 5, folio 122-126, a Land Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the seal of the Circuit Court for Queen Anne's County, this 15th day of July, 1987.

Marguerite W. Mankin

Marguerite W. Mankin, Clerk of the Circuit Court
Court for Queen Anne's County

RECEIVED
CLERK, CIRCUIT COURT
95 JUN 13 PM 1:08
QUEEN ANNE'S COUNTY

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

Requirements For Approval
for
Construction in Bay City
Adopted June 18, 1976 by the Board of Directors
Amended December 1, 1994 by the Board of Directors
Amended June 1, 1995 by the Board of Directors

1. When required. (G-5) No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon any lot in Bay City, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof are SUBMITTED TO AND APPROVED IN WRITING BY THE CORPORATION, or its successors on the ownership of development of the community, or its duly authorized agents, or by the association of be formed as hereinbefore recited, after said association is duly licensed to do by the Corporation. WRITTEN PERMISSION MUST BE OBTAINED FROM SAID CORPORATION, OR ITS SUCCESSORS IN THE OWNERSHIP OR DEVELOPMENT OF THE COMMUNITY, OR IN THE ADMINISTRATION OF THESE RESTRICTIONS TO CONSTRUCT OR MAINTAIN FENCES, WALLS, HEDGES, BUILDINGS, BULKHEADS, AND OUTBUILDINGS.

No construction is to be started before approval of plans. Please allow a minimum of ten (10) days to two (2) weeks for action to be taken by the Association.

2. Who may submit. Plans and specifications must be submitted by the person(s) holding title to the property as shown by the Land Records of Queen Anne's County or by a contract purchaser who files with the Association, a bona fide contract for the purchase of the property, subject to no contingencies except payment of the purchase price and merchantability of title.

3. Fee Requirements. The following fees shall be assessed for review of plans. These fees apply to original home structures and to subsequent or accessory construction as provided herein:

New Home	- $150.00
Additions and/or Garages	- $ 75.00
Porches, Decks, Sheds, Fences	
Patios and Swimming Pools	- $ 20.00

Any other architectural changes that may require a permit do not require a fee.
(Adopted June 18, 1976) (Amended July 15, 1987) (Amended June 1, 1995)

RECORDING FEE 20.00
TOTAL 20.00
Rcpt # 16334
SM JGS Blk # 946
Jun 13, 1995 01:09 PM

4. What must be submitted. The following must be submitted to the Association:

a. A written application is a form approved by the Association, containing conditions of approval;

b. All maintenance fees for the lots involved in the proposed construction through the current fiscal year;

c. Two (2) complete sets of plans and specifications in the form required by paragraph 4 hereof;

d. Two (2) plot plans or ground plats showing location of the construction proposed for the property; the distance from side, and front and rear boundaries.

5. Form of plans. Plans and specifications must be drawn to scale in a clearly understandable and professional manner. They must show the outside elevations of the proposed construction as they will appear when work is completed, including:

a. The front elevation, rear elevation, left and right elevations, and the direction in which they face, indicating which elevation of the house faces the road or water, if the residence is so located;

b. Details of the exterior, such as: windows, doors, shutters, window boxes, porches, carports, chimneys and the like, and their placement on the completed structure;

c. Type of construction (such as: brick, frame, clap board, asbestos shingle, etc.) and the type of roof, windows, doors chimney, foundations, etc.

6. ARCHITECTURAL REQUIREMENTS

A. Size of structure. Any residence must have a length, measured along the front building line, of at least thirty-two (32) feet and at least one thousand five hundred(1,500) square feet of actual living space (amended 11/6/1994). "Actual living space" means the gross floor area of all finished and useable floor and portions thereof, other than floors of a basement, cellar, porch, breezeway, patio, attached garage, carport, or the like.

B. Setbacks. Buildings shall be set back from front, side and rear lot lines as follows: (G-2, G-3, G-4, G-7, G-13)

a. Front: the greater of (i) the distance required by the Queen Anne's County Zoning Ordinance (currently 75 feet from the center line of the abutting road), or (ii) 35 feet from the front lot line;

b. Side and Rear: the greater of (i) the distance required by the Zoning Ordinance, or (ii) 15 feet.

c. Beach lots: any building on a lot which is bounded by the Beach Reservation shall be set back at lease 75 feet from that boundary.

C. External Appearance. The type, construction, external appearance and location of dwellings shall be so varied as to both avoid the general appearance of a "Levittown", and blend in with the general character of other dwellings in Bay City. Therefore, no residence, dwelling house, garage or other structure appurtenant to the residence (hereinafter collectively referred to as the "residence") shall be substantially similar in exterior design or appearance to any other residence (then constructed and/or then under construction and approved by the Association) located on a lot which is within a radius of 750 feet of the lot or lots on which a proposed residence is then being submitted for consideration in accordance with these Requirements. In determining whether or not a residence is "substantially similar" to another residence, the following factors shall be considered: (a) the exterior materials used, (b) the exterior colors used, (c) the relative location of the exterior windows and doors, (d) the location of the exterior porches, carports and other appurtenances to the residence, and (e) the shape of the roof line.

D. Driveway Pipe. Wherever in the opinion of the Association a driveway pipe is required for the drainage of water, a pipe 14 inches in diameter shall be installed before any construction begins (Adopted March 10, 1982)

E. Fences. All fences must be of open construction (woven wire, picket, post and rail, etc.) If pickets are used, space between pickets must be at least equal to the width of the picket. No solid or privacy fences may be built. Exception to the rule of privacy fences may be granted in unusual cases. Request for exception must be in writing and addressed to the Board of Directors. Such requests must clearly define reason for exception. The maximum height of any fence or hedgerow shall be no more than four (4) feet. (Adopted June 17, 1987)

F. No trees shall be cut, and no excavations shall be made on the premises, except for the purpose of buildings thereon, and at the time when building operations are commenced; and no earth or sand shall be removed from said premises except as part of such excavations.

G. No trailer, basement, tent, shack, garage, barn, or other outbuilding erected within the community shall at any time be used as a residence either temporarily or permanently, nor shall any residence of a temporary character be permitted.

H. Free and open spaces shall be left on both sides and to the front and to the rear of every building structure dwelling or part thereof erected on said lot which free and open spaces shall extend the full length of all lots and shall be not less than fifteen (15) Ft. in width from the dividing lines from the front and from the rear of said lots.

7. Basis of approval. No consideration will be given to any application until all of these Requirements have been met and the person(s) referred to in Paragraph 2 have signed a written application in a form prescribed by the Association and agreed to all conditions contained therein.

8. Financial Commitment. Before final approval is given, the Association must be in receipt of a letter of first mortgage commitment from a lending institution. (Adopted April 19, 1984)

9. Variance. Where by reason of the exceptional narrowness, shallowness or unusual shape of a specific lot, or by reason of exceptional topographic conditions or other extraordinary situation or special condition, the literal enforcement of these Requirements would make it exceptionally difficult to construct a dwelling or residence on any lot and would cause unwarranted hardship and injustice to the owner of the lot, the Association may authorize such variance from the terms of these requirements as will not be contrary to the interests of the residents of Bay City and will relieve such hardship. No variance will be authorized unless the Association finds beyond reasonable doubt that: (a) there are exceptional or extraordinary circumstances or special conditions applying to the lot or proposed structure in question that do not generally apply to other lots or structures in Bay City; (b) such variance is necessary for the preservation and enjoyment of substantial property rights possessed by lot owners in Bay City and particularly in the vicinity of the lot(s) involved in the variance; (c) the authorization of such variance will not be of substantial detriment to adjacent lots in Bay City and will not be contrary to the purpose of these requirements or the interest of lot owners in Bay City. In authorizing a variance, the Association shall attach such conditions regarding the character, location and other features of the proposed structure as it may deem necessary in the interest of the furtherance of the purposes of these Requirements and in the interest of the lot owners in Bay City. No variance authorized by the Association shall qualify any adjacent property for special treatment or for a variance.

10. Completion. The exterior of any building or structure approved by the Association must be completed within six (6) months from the date of approval.

11. Restrictions. Consideration will be given to applications and plans on the basis of both these Requirements and the covenants, restrictions, reservations, dedications, conditions, agreements and understandings applicable to all lots in Bay City by virtue of a Deed and Agreement dated May 29, 1952, and recorded in Liber T.S.P. 5, folio 122, of the Land Records of Queen Anne's County. Approval will not be given to any applications or plans which are not in conformity with both these Requirements and the provisions of that Deed and Agreement.

A. Workmen shall engage in construction during the hours of 7:00 a.m. through 6:00 p.m. Monday through Saturday. ABSOLUTELY NO WORK WILL BE PERMITTED ON SUNDAYS. All job sites must have a dumpster or screened area for construction debris during the time of construction. The builder should keep the site clear of debris on a daily basis. All job sites to have chemical toilets which can be shared by adjacent job sites but not more than ten (10) people.

B. Property Owners - Homeowners performing their own construction are not limited to the restrictions outlined under Workmen with the exception of work hours. Work to be performed Monday through Sunday during the hours of 7:00 a.m. to 6:00 p.m.

17. Amendment or repeal. The Association reserves the right to amend, supplement, repeal or otherwise change these Requirements at any time, without notice to any person, and for any reason.

RECEIVED
CLERK, CIRCUIT COURT
95 JUN -7 PM 4:01
QUEEN ANNE'S COUNTY

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

MARYLAND HOMEOWNERS ASSOCIATION ACT

DISCLOSURE

Pursuant to Title 11B, Maryland Homeowners Association Act, Real Property Articles of the Annonated Code of Maryland, Bay City Property Owners Association, Inc. makes the following disclosure for deposit in the Homeowners Association Depository located at the office of the Clerk of the Circuit Court for Queen Anne's County, Maryland.

ITEM NO. ONE: The name of the Association is "Bay City Property Owners Association, Inc. ", hereinafter referred to as "the Association".

ITEM NO. TWO: The principle office of the Association is located at:

P.O. Box 397
Stevensville, Maryland 21666

RECORDING FEE 25.00
TOTAL 25.00
Reg# QA01 Rcpt # 16214
SM RCB Blk # 521
Jun 07, 1995 04:02 PM

ITEM NO. THREE: The telephone number of the principle office of the Association is 1-800 982-2489.

ITEM NO. FOUR: The names and addresses of the principle officers of the Association are:

(a) President - John Rossiter
602 Broad Creek Drive, Bay City
Stevensville, Maryland 21666

(b) Vice President - Janette Gervin
P.O. Box 370
Stevensville, Maryland 21666

(c) Recording Secretary - Niki McCarty
607 Bayside Drive
Stevensville, Maryland 21666

(d) Treasurer - Rose Johnson
602 Broad Creek Drive, Bay City
Stevensville, Maryland 21666

ITEM NO. FIVE: The Association is a corporation organized and existing under the laws of the State of Maryland.

ITEM NO. SIX: The name of the resident agent of the Association is Nell S. Belair, 914 Bayside Drive, Bay City, Stevensville, Maryland 21666.

ITEM NO. SEVEN: The subdivision known as "Bay City" is located on the west side of Route No. 8 approximately one mile south of Routes 50/301, Kent Island, Fourth Election District, Queen Anne's County, Maryland.

ITEM NO. EIGHT: According to the Queen Anne's County Office of the State Department of Assessments and Taxation, Bay City consists of 823 lots.

ITEM NO. NINE: There are no lands within "Bay City" which have been dedicated to the general public's use.

ITEM NO. TEN: A copy of the Restrictive Covenants and Conditions applicable to "Bay City" is attached hereto and made a part hereof as "Exhibit No. One.". Note that these Restrictive Covenants are Enforceable against all owners and/or owner's tenants.

ITEM NO. ELEVEN: The By-Laws governing the Association are attached hereto and made a part hereof as "Exhibit No. Two". Note that these By-Laws are enforceable against all owners and/or owner's tenants.

ITEM NO. TWELVE: The "Requirements for Approval for Construction in Bay City" are attached hereto and made a part hereof as "Exhibit No. Three".

ITEM NO. THIRTEEN: Land owned by the Association includes the Beach Reservation as set forth on the plat of Bay City, Playground area, and Lots 11 and 12, Block 24, which are better known as the Boat Harbor area. Other land owned by the Association includes Lots 5 and 6, Block 21 and Lot 27, Block 32.

ITEM NO. FOURTEEN: Information concerning the Queen Anne's County Zoning Ordinance including land-use requirements, can be obtained from the Office of Planning and Zoning, Queen Anne's County Office Building, Centreville, Maryland 21617.

ITEM NO. FIFTEEN: Association fees and Road Maintenance fees are levied against lot owners on the first day of March of each and every year. The Road Maintenance fees may be increased or decreased, it at all, by an amendment to the Covenants and Restrictions applicable to "Bay City". Association fees may be increased or decreased by majority vote of the Association members in good standing and otherwise entitled to vote pursuant to the By-laws. If any lot owner has a delinquent Road Maintenance fee account of $30.00 or more, the Association files suit to collect same. Unpaid Road Maintenance fees do not bear interest and are not subject to late charges or attorney's fees. According to Restriction G.14 contained in Exhibit One, attached hereto, the Road Maintenance fee is a personal obligation of each owner, recoverable by suit, and said fee does not constitute a lien upon any lot. However, a lien may be placed upon an owner's lot once the delinquent fee is reduced to judgment by a Court of this State.

NOTE: Road Maintenance fees are mandatory payments due the Association pursuant to the Restrictive Covenants. (Exhibit One attached.)

Association fees are mandatory payments made to the Association to meet fiscal obligations and maintenance expenses. Association fees are $50.00 per year, per member, beginning March 1, 1993.

ITEM NO. SIXTEEN: No Association fee is collected at the settlement of a lot located in "Bay City" other than the proration of fees then due.

ITEM NO. SEVENTEEN: There are no special rights and/or exemptions applicable to the Association other than those set forth in Exhibits One, Two or Three attached hereto.

Witness the hand and seal of the Association.

BAY CITY PROPERTY
OWNERS ASSOCIATION, INC.

By: _____ (SEAL)
President

EXHIBIT NO. ONE

#31,732. QUEEN ANNE'S COUNTY, TO WIT:

Be it remembered that on this Ninth day of June, in the year nineteen hundred and fifty two, the following Deed and Agreement was brought to be recorded, to wit:-

THIS DEED AND AGREEMENT, Made this 29th day of May, 1952, by and between THE BRIDGESIDE COMPANY, a body corporate, duly organized and existing under the Laws of the State of Maryland, party of the first part, hereinafter called the "Corporation", and ROBERT F. PODLICH, of Anne Arundel County, in the State of Maryland, party of the second part;

WHEREAS, by deed dated of even date herewith and recorded or intended to be recorded among the Land Records of Queen Anne's County, in the State of Maryland, prior hereto, Guaranteed Realty Corporation, a body corporate, granted and conveyed unto THE BRIDGESIDE COMPANY, a tract of land containing 404 acres, more or less, and lying between the waters of the Chesapeake Bay, Broad Creek, and the road leading from Stevensville to Kent Point, reference to said deed being hereby made for a fuller and more detailed description thereof; and

WHEREAS, it is the intention of the said Corporation to develop all of said land conveyed to it as aforesaid, as a complete residential community, to be composed of persons of good character, with similar and generally acceptable moral, spiritual, social, athletic, recreational and community activities, tastes and interests, and to erect upon said land or to permit the erection thereon of dwelling houses, a retail commercial area, non-commercial structures, including churches, recreational facilities and structures, and such other buildings as are customary in such communities, and to subject the same to modern restrictive covenants, as to the use thereof, by the owners and occupants thereof, for the benefit of purchasers and owners of the lands and premises within said development; and

WHEREAS, it is considered impractical, at this time, or at any one time, to develop or lay out all of the said tract, or to fix, for all parts thereof, the particular residential dwelling, retail commercial area, or non-commercial uses which are to be applicable thereto, or to fix and determine the location, nature and/or extent of the recreational facilities and structures which are or may be contemplated by the said Corporation, in connection with the development of said sub-divisions, or to fix and determine the exact number, location, nature and/or extent of all the Beach Reservations which are to be provided by the Corporation, in connection with the development of said community; but a general outline plat of the total acreage included within the whole of said development has been prepared by the said Corporation, which shows the area reserved for residential or dwelling uses, and other areas tentatively reserved for residential, dwelling and retail commercial uses and non-commercial and recreational uses, including tentative Beach Reservations, without particularizing or specifying as to the exact locations for the establishment of said additional Beach Reservations, or of the retail commercial, non-commercial and recreational uses which are to be made in the lands therein contained; and said "GENERAL OUTLINE PLAT" is recorded or intended to be recorded among said Land Records of Queen Anne's County, simultaneously with the recording of this Deed and Agreement; and

WHEREAS, the said Corporation expressly reserves unto itself, and its successors, the right to change the Tentative Layout of the sections, blocks, and reservations, as to the ground plan lay-out, and as to residential and dwelling areas, and as to recreational and non-commercial uses, now shown on said general outline plat (other than Blocks One to Twenty, inclusive, in Section One, as shown on said Outline Plat, and the location of the "Community Bathing Beach", which said section, blocks, locations and facilities are hereby fixed and shall now be considered to be irrevocable and unchangeable), as, from time to time, the said Corporation shall determine for each succeeding section (which need not be developed or recorded in numerical order) the final determination of such plans and uses as to each section, to be evidenced by the recording of the Plat for the same among the Land Records of Queen Anne's County; and

WHEREAS, the said Corporation is desirous of subjecting the entire tract of land, herein described and referred to, and now known as Bay City, and hereinafter called the Community, to the general underlying uses, covenants, restrictions, reservations, dedications and restrictions as to location, as shown on said General Outline Plat, and to certain general conditions, agreements, and understanding, as herein expressed, and the said party of the second part, for the part, for the purpose of making such general underlying uses, covenants, restrictions, dedications and reservations, and said general conditions, agreements and understandings, as hereinbefore and hereinafter referred to, and set out, run with the land, binding alike upon the Corporation, its successors and assigns, and upon the party of the second part, his heirs and assigns, and upon all of the land described herein and on said General Outline Plat; and to effect the same, the parties hereto have entered into this Deed and Agreement, whereby the said Corporation will convey unto the party of the second part, all the land shown on said General Outline Plat, or contained within the boundaries of said whole Community, and the said party of the second part will reconvey unto the said Corporation, all the land hereby conveyed to him, charged with the covenants, restrictions, reservations, dedications, conditions, agreements and understandings hereinbefore and hereinafter recited and set forth, so that the said Corporation, and its successors and assigns, will hereafter hold and convey said land, subject to the said covenants, restrictions, reservations, dedications, conditions, agreements and understandings.

NOW, THEREFORE, THIS DEED AND AGREEMENT WITNESSETH, that for and in consideration of the premises and of the sum of One Dollar, in hand paid by the party of the second part to the said Corporation, the receipt whereof is hereby acknowledged, and the performance of the covenants and conditions hereinafter set out, the said Corporation does hereby grant and convey unto the party of the second part, his heirs and assigns, subject to the covenants and conditions hereinafter set out, which are hereby entered into by the said Corporation, for itself and its successors and assigns, with the party of the second part, for himself, and his heirs and assigns, as a part of the consideration for the execution of this deed, all that land and premises situate, lying and being in the Fourth Election District of Queen Anne's County, State of Maryland, more particularly shown and described on the General Outline Plat, which plat is marked "General Outline Plat of Bay City" dated prepared by William D. Purdum, and recorded among the Land Records of Queen Anne's County concurrently herewith, it being the same land conveyed to the said Corporation by Guaranteed Realty Corporation, in a deed dated of even date herewith and recorded or intended to be recorded among the Land Records of

Queen Anne's County prior hereto, reference to said deed being hereby made for a fuller and more detailed description thereof.

TOGETHER with the buildings and improvements thereon, and the rights and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the above granted property unto the said party of the second part, his heirs and assigns, forever, in fee simple; subject, however, to the following underlying covenants, restrictions, reservations, dedications, conditions, agreements and understandings, to wit:

BEACH RESERVATIONS

(1) The land shown on said "General Outline Plat of Bay City" marked thereon as a "Beach Reservation" and lying between the waters of Chesapeake Bay and the boundary lines of the lots which bound upon said "Beach Reservation", is hereby expressly and irrevocably reserved, dedicated and restricted to the use in common of the bona fide members of an association, which shall be a body corporate, duly incorporated under the Laws of the State of Maryland, and which shall be formed by and composed of the owners and occupiers of the building lots which are contained within said Community, solely for the purpose of ingress and egress of such owners or occupiers of said building lots, as are also bona fide members of said association, to and from the lots owned or occupied by said members; and the fee simple title of said "Beach Reservation" is expressly reserved to the said Corporation, and its successors in the ownership or development of said Community, and/or its successors in the enforcement and administration of the covenants and agreements herein contained.

(2) Upon the date or dates of the recording of any Development Plat or Plats indicating the location of lots to be used for residential purposes, retail commercial uses, non-commercial and recreational uses, or for any of said uses or purposes, as well as additional Beach Reservations, any land shown on any such Development Plat or Plats, and thereon marked "Beach Reservation" or "Beach Reservations" shall, from thenceforth be expressly and irrevocably reserved, dedicated and restricted to use in common by the bona fide members of the association which shall be formed, as hereinbefore and hereinafter indicated, solely for the purpose of ingress and egress of such owners or occupiers of said Building Lots as are also bona fide members of said Association, to and from the lots owned or occupied by said members; and the fee simple title of said additional "Beach Reservation" or "Beach Reservations" is expressly reserved to said Corporation, and its successors in the ownership or development of said Community, and/or its successors in the enforcement and administration of the covenants and agreements herein contained.

(3) No pier, wharf, or other structure shall be erected upon any "Beach Reservation", nor shall any automobiles or other vehicles, boats, boat gear or equipment, paraphernalia, rafts or obstruction of any kind or character be erected, stored or parked upon any "Beach Reservation".

(4) No owner of any of the lots contained in said Community shall acquire, by reason of his ownership of any lot therein, any riparian rights in and to any of the waters upon which said Community bounds; such riparian rights being hereby expressly reserved to the said Corporation, and its successors in the ownership and development of the land contained within said Community.

(5) No owner of any of the lots contained in said Community shall acquire, by reason of his ownership of any lot therein, any right to erect ducking or other wild fowl blinds, or to hunt or shoot ducks or other wild fowl upon any "Beach Reservation", or upon or in the waters upon which said Community bounds, such rights being hereby expressly reserved to the said Corporation, and its successors, in the ownership and development of said Community, and/or its successors in the enforcement and administration of the covenants and agreements herein contained.

COMMUNITY BATHING BEACH RESERVATION

(6) The lands shown on said "General Outline Plat of Bay City" marked thereon as a "Community Bathing Beach Reservation" as well as any land hereafter dedicated and designated by the said Corporation, as an additional community bathing beach, or as additional community bathing beaches, upon development plats subsequently to be recorded, are hereby expressly reserved, dedicated and restricted to the use in common by the bona fide members of the Association which shall be formed, as hereinbefore and hereinafter indicated, for bathing and swimming activities, and such athletic and recreational projects and activities as may be conducted, sponsored or prompted by the said Association.

COMMUNITY BOAT HARBOR RESERVATION

(7) The Corporation, for itself and its successors in the ownership or development of the land contained in said Community, desires and expects, and therefore reserves the right, in the future, to select, fix and determine the location, upon the waters of Board Creek, of a parcel of land, to be known and designated as a "Community Boat Harbor Reservation" and to show and designate the location of said "Community Boat Harbor Reservation", upon a plat thereof, to be hereafter filed for record among the Land Records of Queen Anne's County.

(8) Upon the date of the recording of said plat, upon which is designated the location of said "Community Boat Harbor Reservation" such "Community Boat Harbor Reservation" shall, from thenceforth be expressly and irrevocably reserved, dedicated and restricted to use in common by the bona fide members of the Association which shall be formed, as hereinbefore and hereinafter indicated, for the harboring of boats and such boating and recreational projects and activities as may be conducted, sponsored or promoted by said Association.

RETAIL COMMERCIAL AREA.

(9) The Corporation, for itself, and its successors in the ownership or development of the land contained in said Community, desires and expects, and therefore reserves the right, in the future, to select, fix and determine the location along the county road running from Stevensville to Matapeake, of a parcel of land, front

ing on said road, for a distance to be hereafter determined, and with a depth to be hereafter determined, to be used, known and designated as a "Retail Commercial Area", and to show and designate the location and dimensions of said "Retail Commercial Area" upon a plat thereof, to be hereafter filed for record among the Land Records of Queen Anne's County.

(10) Upon the date of the recording of said plat, upon which is designated the location and dimensions, of said "Retail Commercial Area", such "Retail Commercial Area" shall, from thenceforth, be expressly reserved and dedicated for the use, establishment and operation of such retail commercial buildings and enterprises as may be erected thereon by the Corporation, and its successors and assigns.

EASEMENT FOR FUTURE WIDENING OF ROUTE NO. 401 (STEVENSVILLE ROAD) ALONG THE BOUNDARIES OF THE COMMUNITY.

(11) The Corporation, for itself, and its successors in the ownership or development of the land contained in the Community, hereby expressly reserves an easement or right of way over a strip of land ten feet, wide, binding upon the present boundary line of said Route No. 401, to be used by the State of Maryland, for the future widening of said Route No. 401 (Stevensville Road); and all conveyances of any of the lots within said Community, which bind upon the said Road, as now established, shall be subject to said easement; and no owner of any of said lots, so conveyed subject to said easement, shall be permitted to erect, within the area of said easement, any structure, or obstruction of any kind or character.

GENERAL PROVISIONS RELATING TO AND CONCERNING THE AMENDMENT OR WAIVER OF CERTAIN OF THE RESTRICTIONS, COVENANTS, AGREEMENTS OR PROVISIONS CONTAINED HEREIN

(12) Except as herein expressly stipulated to the contrary, the Corporation, and its successors in the ownership or development of the land contained in said Community, hereby reserves the right, in its absolute discretion, at any time, to annul, waive, change or modify any of the restrictions, covenants, agreements, or provisions contained herein as to any part of the land contained within said Community which is then owned by the Corporation, or its successors in the ownership or development of said land; and to grade, change the grade of, or re-grade any street, road or lane shown on any recorded plat relating to the land contained within said Community; and said Corporation, or any successors in the ownership or development of the land contained in said Community, shall have the further right, before sale, to change the size of, and to locate or re-locate any of the lots shown on any recorded plat relating to the land contained in said Community, and these provisions are not intended to permit the Corporation, or any successor in the ownership or development of the Community, to recall, amend or rescind any of the provisions, agreements and understandings, contained herein, regarding the dedication of the Beach Reservation or Beach Reservations to be hereafter made, the Community Bathing Beach or Beaches, or the Community Boat Harbor Reservation or Reservations, as herein recited.

GENERAL PROVISIONS RELATING TO THE FORMATION OF AN ASSOCIATION BY OWNERS AND OCCUPIERS OF LAND WITHIN THE COMMUNITY.

(13) The Corporation, for itself, and for any successor in the ownership or development of the land contained in said Community, hereby agrees to encourage, sponsor, and promote the formation of an association, which shall be a body corporate, duly incorporated under the Laws of the State of Maryland, for the promotion of such moral, spiritual, social, athletic, recreational and community activities and interests as may be conducted, sponsored and encouraged by the membership of said Association, and for the administration and enforcement of the reservations, restrictions, covenants, understandings and agreements herein contained and set forth.

(14) Such an association shall be primarily composed of the owners of lots sold by said Corporation to such purchasers, and their assigns, and by persons who occupy said lots, but may also include such other persons as may desire to participate in the general activities and interest of the membership of said association.

(15) Upon the formation of such an association, the Corporation, for itself, and for any successor in the ownership or development of the land contained in said Community, may, in its absolute discretion, and at any time, transfer, grant, convey and assign unto said association, by written instrument, to be duly recorded:

(a) The right to administer and enforce, for a limited time, or from time to time, or forever, all of the reservations, restrictions, covenants, agreements, and provisions herein contained, including those pertaining to the Beach Reservations, the Community Bathing ~~Basking~~ Beach Reservation or Reservations, the Community Boat Harbor Reservation, and the Retail Commercial Area;

(b) The right to collect and disburse, for a limited time, or from time to time, or forever, the annual maintenance charge for the constructions, maintenance and repair of streets within the community, reserved in paragraph G 14 of these restrictions and covenants;

(c) The fee simple title of the Beach Reservation, or Reservations, the Community Beach Reservation or Reservations, and the Community Boat Harbor Reservation; subject, of course, to the restrictions, agreements and understandings now imposed upon said Reservations.

(16) And it is especially understood and agreed that all transfers, grants, or assignments to said Association, so to be formed, and referred to herein, are to be made in pursuance of mutually satisfactory negotiations between the Corporation, and any successor in the ownership or development of said Community, and the said association so to be formed by said owners and occupiers of the lots contained in said Community.

(17) Pending the formation of said association, and the transfer

to it of any of the rights hereinbefore stated, the Corporation, and its successors, in the ownership and development of said Community shall have the right, in its own discretion, by paper writing which is not to be recorded, to license, upon a temporary basis, and from time to time, the use of the Beach Reservation, or Reservations, the Community Bathing Beach Reservation or Reservations, and the Community Boat Harbor Reservation to any purchaser or occupant of any lot sold by said Corporation within said Community in the same manner, and to the same extent, as such privileges could or would be available by reason of membership in said Association, to be formed as aforestated, it being specifically understood that when the right of said Association, so to be formed, to administer and control the use of said Reservations, has been established, as hereinabove indicated, the right to license the use of such Reservations and facilities shall no longer exist in the Corporation, or its successors.

GENERAL RESTRICTIONS AND CONDITIONS.

G 1. Except as hereinbefore recited, all lots in said Community shall be for residential use only, and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage or other structures appurtenant to the main residence or to be used in connection therewith, and on no lot shall there be more than one main dwelling, and on no lot shall more than one family occupy the main dwelling, or any structure appurtenant thereto.

G 2. The main dwelling or residence on any lot, except those lots which are bounded, on one side by the Beach Reservation hereinbefore referred to, shall be set back at least 35 feet from the front line, at least 15 feet from the dividing lines of said lot, and at least 15 feet from the rear boundary line thereof.

G 3. The main dwelling or residence on any lot which is bounded, on one side by the Beach Reservation hereinbefore referred to, shall be set back at least 75 feet from the Beach Reservation boundary line (which is considered to be the front line of said lot), at least 15 feet from the dividing lines of said lot, and at least 35 feet from the rear boundary line thereof.

G 4. All detached garages, and other outbuildings, of any kind whatsoever, shall be in the rear of the dwelling, and when any such structure or structures are erected upon lots in said Community which front upon the boundary line of any Beach Reservation, no such structure shall be erected within 35 feet of the rear boundary line, nor within 15 feet of the dividing lines of said lot. Such structures, when erected upon any other lots in said Community which does not front upon the boundary line of any Beach Reservation, shall be set back at least 15 feet from the rear boundary line, and 15 feet from the dividing line of said lot.

G 5. No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon said lots, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof, are submitted to and approved in writing by the Corporation, or its successors in the ownership or development of the Community, or its duly authorized agents, or by the association to be formed as hereinbefore recited, after said association is duly licensed so to do by the Corporation. Written permission must be obtained from said corporation, or its successors in the ownership or development of the Community, or in the administration of these restrictions, to construct, or maintain fences, walls, hedges, buildings, bulk heads, and outbuildings.

G 6. No trees shall be cut, and no excavations shall be made on the premises, except for the purpose of building thereon, and at the time when the building operations are commenced; and no earth or sand shall be removed from said premises except as a part of such excavations.

G 7. Free and open spaces shall be left on both sides and to the front and to the rear of every building, structure, dwelling or part thereof, erected on said lot, which free and open spaces shall extend the full length of all lots and shall be not less than fifteen (15) feet in width from the dividing lines from the front and from the rear of said lots.

G 8. No privy of any kind shall be allowed on said property, but each house shall have inside toilets with adequate water supply and septic tank installations for disposal of sewage approved by the Maryland State Board of Health.

G 9. No noxious or offensive trade shall be carried on upon any lot nor shall anything be done or kept thereon which may be or become any annoyance or nuisance to the neighbors.

G 10. No trailer, basement, tent, shack, garage, barn or other outbuilding erected within the Community, shall, at any time, be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.

G 11. In order to preserve or improve the views of land and water, hills and valleys, obtainable on and from the various lots contained within said Community, and to promote the free movements of breezes and prevent the harboring of flies, mosquitos and other insects, the Corporation reserves the right to trim any trees or shrubbery now or hereafter standing on any part of the lots contained within said Community which may, in its opinion, destroy or interfere with such views or the free movements of breezes, or which may furnish harboring places for flies, mosquitos or other insects.

G 12. The land hereby conveyed shall, in respect to that part of it which lies in the beds of the road or roads, bordering upon or contained within said Community, be subject to an easement in favor of the owners and occupants of lots and houses bordering other parts of the said road or roads, in respect to the free and common use of the said road or roads, both for the purpose of passage to and from the lots contained within said Community, and for the laying and erecting of water pipes, gas pipes, electric poles or other public utilities to be used in common by the owners and/or occupants of the Community, and further, that the owners or owner of any lot will join in a petition to the proper governmental authorities, requesting that the road

or roads bordering upon or o[illegible]ed within the Community be take[illegible] by the County, as public roads under a prop[illegible]ed of dedication to be signed by [illegible] owner or owners at such time when two-thirds of the owners of the lots along such road or roads shall demand.

6 13. Easements and rights of way are hereby expressly reserved in and over strips of land five feet in width along the rear line of all lots contained within this Community for the purpose of erecting, constructing and maintaining wires and the necessary or proper attachments in connection therewith for the transmission of electricity and for telephone and other public utilities or functions, and for storm water drainage, and the Corporation, its successors, assigns, or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth.

6 14. All purchasers of any lands within this Community and all successors in ownership or possession, shall pay to the Corporation, and its successors or assigns, on March 1st of each year, the sum of Ten ($10.00) Dollars, for each and every lot purchased, to be used for construction, maintenance and repairs of streets in the Community; it being understood and agreed, however, that the liability of each owner of each of said lots, for the payment of said annual maintenance charge, shall be a personal liability, recoverable by suit, and that said annual maintenance charge shall not be a lien upon any of said lots.

6 15. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by the Corporation, or the owner of any land included in said Community, their respective personal representatives, heirs, successors and assigns, and failure by the Corporation or any land owner to enforce any restriction, condition, covenant or agreement herein contained shall, in no event, be deemed a waiver of the right to do so thereafter to one occurring prior or subsequent thereto; and the isolated invalidity of any one or more of the provisions herein shall not affect the validity of the others.

AND the said THE BRIDGESIDE COMPANY, a body corporate, does hereby warrant specially the property hereby conveyed; that it hereby covenants that it has done or suffered to be done no matter or thing whatsoever to encumber the property hereby conveyed; and that it will execute such further assurances of the same as may be requisite.

IN TESTIMONY WHEREOF, WITNESS the corporate seal of the said THE BRIDGESIDE COMPANY, a body corporate, and the signature of Charles H. Cover, its President.

TEST:

ELSIE CURTIS
ELSIE CURTIS

THE BRIDGESIDE COMPANY

By CHARLES H. COVER President
(Charles H. Cover)

Seal's Place

IN TESTIMONY WHEREOF, WITNESS the hand and seal of the said ROBERT F. PODLICH, party of the second part.

TEST:

ELSIE CURTIS
ELSIE CURTIS

ROBERT F. PODLICH (SEAL)
(Robert F. Podlich)

STATE OF MARYLAND, BALTIMORE CITY, to wit:

I HEREBY CERTIFY that on this 29th day of May, 1952, before me, the subscriber, a Notary Public of the State and City aforesaid, personally appeared Charles H. Cover, President of THE BRIDGESIDE COMPANY, a body corporate, and he, as such President, acknowledged the aforegoing Deed and Agreement to be the act and deed of said body corporate.

At the same time also appeared Robert F. Podlich, party of the second part named in the aforegoing Deed and Agreement, and he acknowledged the aforegoing instrument to be his act and deed.

WITNESS my hand and Notarial Seal.

Notary
Public
Seal.

ELSIE CURTIS
ELSIE CURTIS

Waiver and Agreement is recorded in Liber T.S.P. No. 64, folio 551, a Land Record Book for Queen Anne's County.

Assignment is recorded in Liber C.W.C. No. 7, folio 381, a Land Record Book for Queen Anne's County.

Waiver and Agreement is recorded in Liber C.W.C. No. 15, folio 570, a Land Record Book for Queen Anne's County.

Amendment to Restrictions is recorded in Liber C.W.C. No. 46, folio 104, a Land Record Book for Queen Anne's County. (Continued to folio 607 of this Liber.)

#31,733

QUEEN ANNE'S COUNTY, TO WIT: Be it remembered that on this Ninth day of June, in the year nineteen hundred and fifty two, the following Deed was brought to be recorded, to wit:-

THIS DEED, Made this 29th day of May, in the year one thousand nine hundred and fifty-two, between ROBERT F. PODLICH, unmarried, of Anne Arundel County, in

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the aforeging was truly taken and copied from Liber TSP No. 5, folio 122-126, a Land Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the seal of the Circuit Court for Queen Anne's County, this 15th day of July, 1987.

Marguerite W. Mankin

Marguerite W. Mankin, Clerk of the Circuit Court
Court for Queen Anne's County

THE BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

BY-LAWS

Article I - NAME AND LOCATION

Section 1. Name:

This organization shall be known as the Bay City Property Owners Association, Inc., hereinafter known as the Association.

Section 2. Mailing address:

The mailing address of the Association shall be: Bay City Property Owners Association, Inc., P.O.Box 397, Stevensville, Maryland 21666.

Section 3. Geographic limits:

The geographic limits of the Association shall be defined as the area recorded in the records of Queen Anne's County as Bay City, Stevensville, located in the fourth election district, Queen Anne's County, Maryland.

Article II - PURPOSE

Section 1.

The purpose of the Association is as defined in the Articles of Incorporation of The Bay City Property Owners Association as recorded on January 2, 1964, Queen Anne's County, CWC No. 1, Folio 83.

Article III - MEMBERSHIP

Section 1. Property Owners:

(a) Members. All property owners in Bay City, Queen Anne's County, Stevensville, Maryland, will comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City, located in the Fourth Election District of Queen Anne's County.

(b) Tenants: Residents of Bay City that are not property owners, qualify for associate membership. Associate members also must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City.

Section 2. Voting:

Each property owner, who is a member of the Association in good standing, or in his absence, the property co-owner only, will have one vote regardless of the amount of property involved. Voting will be either by ballot or voice vote, at the discretion of the President or as requested from the floor. Any member whose dues and/or maintenance fee as herein set out, have not been paid as of March 31 shall not be entitled to vote until such dues and fees are paid. Associate members may have the privilege of the floor but with no vote. Property owners of leased or rented property are held responsible to insure occupant compliance.

Section 3. Dues:

(a) Property Owners shall be assessed annual Association dues which are mandatory in the amount of $50.00 due January 1st and payable by 31 March to meet the Association's fiscal year recurring operation and maintenance costs and to fund capital improvements. Such assessment shall cover a period of one calendar year and is applicable immediately upon Bay City property ownership. Where Bay City ownership entails more than one lot, each additional undeveloped lot will be assess $10.00 - e.g., three lots, one owner equals $70.00; one lot, developed or undeveloped equals $50.00; two developed lots equals $100.00.

(b) Property Owners who fail to satisfy this financial responsibility by 31 March shall have their names posted in the newsletter as delinquent, and until favorably resolved, lose their Association membership and voting privileges, and the account will be referred to legal counsel for action.

Article IV - MEETINGS

Section 1. Annual Meetings:

An annual meeting of the Association shall be held to elect the officers and the Board of Directors for the transaction of general business.

Section 2. Regular Meetings:

In addition there will be a minimum of two regular meetings each year. Dates for all meetings shall be determined by the Board of Directors.

Section 3. Special Meetings:

Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors.

Section 4. Notice of Meetings:

Not less than ten (10) days written or printed notice of any meeting of the members shall be given to members and associate members in good standing.

Section 5. Quorum:

A quorum shall consist of not less than ten (10) members in attendance.

Section 6. Method of Voting:

(a) The method of voting shall be at the discretion of the Association and the Board of Directors. It can be (a) physically present or (b) by mail, and shall be in accordance with Roberts Rules of Order.

(b) When a quorum is present, a majority of votes cast (all methods), less abstentions, is sufficient for the adoption of any motion under consideration.

Section 7. Order of Business:

At all meetings of members, the order of business shall be as follows:

1. Reading of the minutes of the previous meeting.
2. Reports of Officers.
3. Reports of Standing Committees.
4. Reports of Special Committees.
5. At any annual meeting, the election of Directors and officers..
6. Unfinished business.
7. New Business.
8. Good and welfare.
9. Adjournment.

The order of business may be altered or suspended at any meeting by a majority of members present. The usual parliamentary rules as laid down by Roberts Rules of Order shall govern all debates.

Article V - BOARD OF DIRECTORS

Section 1. Election and Powers:

The business and property of the Association, except as otherwise provided by statute or by charter or by these by-laws, shall be conducted and managed by its Board of Directors, which shall consist of the President, Vice President, Secretary, Treasurer, and nine (9) elected members. The term of office for the nine elected members shall be three for three years, three for two years, and three for one year. The immediate Past President shall be an ex-officio (without vote) member of the Board of Directors for a period of one (1) year, unless duly elected as a member of the Board of Directors.

Section 2. Quorum:

A majority of the Board of Directors shall constitute a quorum for the transaction of business at every meeting of the Board of Directors.

Section 3. Removal:

At any special meeting of the Board called for the purpose, any Director may by the vote of a majority entitled to vote, be removed from office with any just cause, and another may be elected in the place of the person so removed, to serve for the remainder of the term.

Section 4. Vacancies:

If any Director shall die or resign, or if the members shall remove any Director, without electing another in his place, a majority of the remaining Directors may elect a successor to hold office for the unexpired portion of the term of the Director whose place shall so become vacant, and until his successor shall have been duly chosen and qualified.

Section 5. Compensation:

No officer or Director of the Association shall receive any compensation for their services. Nothing in this section shall be construed to preclude such person from performing bona fide work for the Association in any other capacity and receiving payment therefor. Persons performing work for the Association which entails the outlay of personal funds, shall be compensated; also duties which require driving in performing these actions, shall be compensated at the rate of twelve (12) cents per mile. A report of these expenses must be submitted to the Board of Directors for approval of payment. No part of the income of said Association shall inure to the benefit of any member by virtue of said membership.

Article VI - OFFICERS

Section 1. Executive Officers:

The Executive Officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer. The Executive Officers shall be permanent, year-round residents of Bay City. Each such Officer shall hold office for a term of one (1) year, commencing the first day of the month following the annual election and thereafter until his successor is elected and qualified, or until his death, resignation, or removal.

Section 2. President:

The President shall be a Director of the Association. He shall be the Chief Executive Officer of the Association. He shall, when present, preside at all meetings of the members and Directors; he shall have general management and direction of the business of the Association and all powers ordinarily exercised by the President of an association.

Section 3. Vice-President:

In the absence of the President, the Vice-President shall perform all the duties of the President and when so acting shall have the powers of the President.

Section 4. Secretary:

The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in books provided for the purpose; he shall see that all notices are duly given in accordance with the provisions of the by-laws or as required by law; he shall be the custodian of the records and of the corporate seal or seals of the Association; he shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the Association, under its seal, is duly authorized and when so affixed, may attest the same and such other duties, as from time to time, may be assigned to him by the Board of Directors or by the President.

Section 5. Treasurer:

The Treasurer shall have charge of and be responsible for, all funds, securities, receipts and disbursements of the Association and shall deposit, or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks, trust companies or other depositories, as shall from time to time, be selected by the Board of Directors whenever requested, an account of the financial condition of the Association and such other duties as may be assigned to him by the Board of Directors or by the President. The Treasurer's books shall be open for inspection by any member at all reasonable times. The Treasurer is to be bonded, the cost of such bond to be defrayed by the Association, in an amount to be determined by the Board of Directors. The Treasurer's books shall be audited prior to the annual election meeting, by a committee appointed by the President and a report made to the membership at the meeting.

Section 6. Assistant Officers:

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant Secretary and Assistant Treasurer shall hold office for such period and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 7. Holding Office:

No member shall hold more than one elective office in any given year.

Section 8. Nomination of Officers:

A nominating committee shall be appointed by the President at least eight (8) weeks prior to the annual meeting of the Association and their selections and those submitted by members, as herein provided, shall be presented at the annual meeting in writing and read by the Chairman of the nominating committee or in his absence, by the Secretary. Report of the nominating committee shall be provided to the members with the notice of meeting. Nominations by any member shall be accompanied by an acceptance in writing of the nominee and such nominations, together with acceptance, be in the hands of the nominating committee, five (5) weeks, prior to the annual meeting. Nominations may also be made from the floor. All floor nominees must be present to accept the nominations in person.

Article VII - COMMITTEES

Section 1.

The President may create such regular and special committees as he deems advisable and define their duties.

Article VIII - SUNDRY PROVISIONS

Section 1. Negotiable Instruments, etc.:

All drafts or orders for the payment of money notes and other evidences of indebtedness, issued in the name of the Association shall be signed by such officer or officers as may be designated from time to time by resolution of the Board of Directors.

Section 2. Fiscal Year:

The fiscal year of the Association shall be from January 1 to December 31.

Section 3. Checks:

All checks to pay Association debts shall be signed by the Treasurer and one other elected officer (President, Vice-President, or Secretary).

Article IX - AMENDMENTS

Members shall have the power, at any meeting, if notice thereof be included in the notice of such meeting, to alter or repeal any by-laws of the Association and to make new by-laws.

1 **Construction in Bay City**

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

Requirements For Approval
for
Construction in Bay City
Adopted June 18, 1976 by the Board of Directors
Amended December 1, 1994 by the Board of Directors
Amended June 1, 1995 by the Board of Directors

1. When required. (G-5) No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon any lot in Bay City, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof are SUBMITTED TO AND APPROVED IN WRITING BY THE CORPORATION, or its successors on the ownership of development of the community, or its duly authorized agents, or by the association of be formed as hereinbefore recited, after said association is duly licensed to do by the Corporation. WRITTEN PERMISSION MUST BE OBTAINED FROM SAID CORPORATION, OR ITS SUCCESSORS IN THE OWNERSHIP OR DEVELOPMENT OF THE COMMUNITY, OR IN THE ADMINISTRATION OF THESE RESTRICTIONS TO CONSTRUCT OR MAINTAIN FENCES, WALLS, HEDGES, BUILDINGS, BULKHEADS, AND OUTBUILDINGS.

No construction is to be started before approval of plans. Please allow a minimum of ten (10) days to two (2) weeks for action to be taken by the Association.

2. Who may submit. Plans and specifications must be submitted by the person(s) holding title to the property as shown by the Land Records of Queen Anne's County or by a contract purchaser who files with the Association, a bona fide contract for the purchase of the property, subject to no contingencies except payment of the purchase price and merchantability of title.

3. Fee Requirements. The following fees shall be assessed for review of plans. These fees apply to original home structures and to subsequent or accessory construction as provided herein:

New Home	- $150.00
Additions and/or garages	- $ 50.00
Porches, Decks, Sheds, Fences	
Patios and Swimming Pools	- $ 20.00

Any other architectural changes that may require a permit do not require a fee. (Adopted June 18, 1976) (Amended July 15, 1987) (Amended June 1, 1995)

4. What must be submitted. The following must be submitted to the Association:

a. A written application is a form approved by the Association, containing conditions of approval;

b. All maintenance fees for the lots involved in the proposed construction through the current fiscal year;

c. Two (2) complete sets of plans and specifications in the form required by paragraph 4 hereof;

d. Two (2) plot plans or ground plats showing location of the construction proposed for the property; the distance from side, and front and rear boundaries.

5. Form of plans. Plans and specifications must be drawn to scale in a clearly understandable and professional manner. They must show the outside elevations of the proposed construction as they will appear when work is completed, including:

a. The front elevation, rear elevation, left and right elevations, and the direction in which they face, indicating which elevation of the house faces the road or water, if the residence is so located;

b. Details of the exterior, such as: windows, doors, shutters, window boxes, porches, carports, chimneys and the like, and their placement on the completed structure;

c. Type of construction (such as: brick, frame, clap board, asbestos shingle, etc.) and the type of roof, windows, doors chimney, foundations, etc.

6. ARCHITECTURAL REQUIREMENTS

A. Size of structure. Any residence must have a length, measured along the front building line, of at least thirty-two (32) feet and at least one thousand five hundred(1,500) square feet of actual living space (amended 11/6/1994). "Actual living space" means the gross floor area of all finished and useable floor and portions thereof, other than floors of a basement, cellar, porch, breezeway, patio, attached garage, carport, or the like.

B. Setbacks. Buildings shall be set back from front, side and rear lot lines as follows: (G-2, G-3, G-4, G-7, G-13)

a. Front: the greater of (i) the distance required by the Queen Anne's County Zoning Ordinance (currently 75 feet from the center line of the abutting road), or (ii) 35 feet from the front lot line;

b. Side and Rear: the greater of (i) the distance required by the Zoning Ordinance, or (ii) 15 feet.

c. Beach lots: any building on a lot which is bounded by the Beach Reservation shall be set back at lease 75 feet from that boundary.

C. External Appearance. The type, construction, external appearance and location of dwellings shall be so varied as to both avoid the general appearance of a "Levittown", and blend in with the general character of other dwellings in Bay City. Therefore, no residence, dwelling house, garage or other structure appurtenant to the residence (hereinafter collectively referred to as the "residence") shall be substantially similar in exterior design or appearance to any other residence (then constructed and/or then under construction and approved by the Association) located on a lot which is within 750 feet of the lot or lots on which a proposed residence is then being submitted for consideration in accordance with these Requirements. In determining whether or not a residence is "substantially similar" to another residence, the following factors shall be considered: (a) the exterior materials used, (b) the exterior colors used, (c) the relative location of the exterior windows and doors, (d) the location of the exterior porches, carports and other appurtenances to the residence, and (e) the shape of the roof line.

D. Driveway Pipe. Wherever in the opinion of the Association a driveway pipe is required for the drainage of water, a pipe of suitable size and type shall be installed before any construction begins (Adopted March 10, 1982)

E. Fences. All fences must be of open construction (woven wire, picket, post and rail, etc.) If pickets are used, space between pickets must be at least equal to the width of the picket. No solid or privacy fences may be built. Exception to the rule of privacy fences may be granted in unusual cases. Request for exception must be in writing and addressed to the Board of Directors. Such requests must clearly define reason for exception. The maximum height of any fence or hedgerow shall be no more than four (4) feet. (Adopted June 17, 1987)

F. No trees shall be cut, and no excavations shall be made on the premises, except for the purpose of buildings thereon, and at the time when building operations are commenced; and no earth or sand shall be removed from said premises except as part of such excavations.

G. No trailer, basement, tent, shack, garage, barn, or other outbuilding erected within the community shall at any time be used as a residence either temporarily or permanently, nor shall any residence of a temporary character be permitted.

H. Free and open spaces shall be left on both sides and to the front and to the rear of every building structure dwelling or part thereof erected on said lot which free and open spaces shall extend the full length of all lots and shall be not less than fifteen (15) Ft. in width from the dividing lines from the front and from the rear of said lots.

7. Basis of approval. No consideration will be given to any application until all of these Requirements have been met and the person(s) referred to in Paragraph 2 have signed a written application in a form prescribed by the Association and agreed to all conditions contained therein.

8. Financial Commitment. Before final approval is given, the Association must be in receipt of a letter of first mortgage commitment from a lending institution. (Adopted April 19, 1984)

9. Variance. Where by reason of the exceptional narrowness, shallowness or unusual shape of a specific lot, or by reason of exceptional topographic conditions or other extraordinary situation or special condition, the literal enforcement of these Requirements would make it exceptionally difficult to construct a dwelling or residence on any lot and would cause unwarranted hardship and injustice to the owner of the lot, the Association may authorize such variance from the terms of these requirements as will not be contrary to the interests of the residents of Bay City and will relieve such hardship. No variance will be authorized unless the Association finds beyond reasonable doubt that: (a) there are exceptional or extraordinary circumstances or special conditions applying to the lot or proposed structure in question that do not generally apply to other lots or structures in Bay City; (b) such variance is necessary for the preservation and enjoyment of substantial property rights possessed by lot owners in Bay City and particularly in the vicinity of the lot(s) involved in the variance; (c) the authorization of such variance will not be of substantial detriment to adjacent lots in Bay City and will not be contrary to the purpose of these requirements or the interest of lot owners in Bay City. In authorizing a variance, the Association shall attach such conditions regarding the character, location and other features of the proposed structure as it may deem necessary in the interest of the furtherance of the purposes of these Requirements and in the interest of the lot owners in Bay City. No variance authorized by the Association shall qualify any adjacent property for special treatment or for a variance.

10. Completion. The exterior of any building or structure approved by the Association must be completed within six (6) months from the date of approval.

11. Restrictions. Consideration will be given to applications and plans on the basis of both these Requirements and the covenants, restrictions, reservations, dedications, conditions, agreements and understandings applicable to all lots in Bay City by virtue of a Deed and Agreement dated May 29, 1952, and recorded in Liber T.S.P. 5, folio 122, of the Land Records of Queen Anne's County. Approval will not be given to any applications or plans which are not in conformity with both these Requirements and the provisions of that Deed and Agreement.

4 Construction in Bay City

A. Workmen shall engage in construction during the hours of 7:00 a.m. through 6:00 p.m. Monday through Saturday except in case of emergencies. ABSOLUTELY NO WORK WILL BE PERMITTED ON SUNDAYS. All job sites must have a dumpster or screened area for construction debris during the time of construction. The builder should keep the site clear of debris on a daily basis. All job sites to have chemical toilets which can be shared by adjacent job sites but not more than ten (10) people.

B. Property Owners - Homepwners performing their own construction are not limited to the restrictions outlined under Licensed Contractors with the exception of work hours. Work to be performed Monday through Sunday during the hours of 7:00 a.m. to 6:00 p.m.

17. Amendment or repeal. The Association reserves the right to amend, supplement, repeal or otherwise change these Requirements at any time, without notice to any person, and for any reason.

BAY CITY APPLICATION FOR PLANS APPROVAL AND PERMIT

APPLICANT(S) NAME/S AND ADDRESS/ES_____

_____

SITE OF PROPOSED CONSTRUCTION OR WORK_____
(Address, Block and Lot No.)

DEED REFERENCE: LIBER_____ FOLIO_____

OWNER/S ON DEED (IF NOT APPLICANT SEE ARCHITECTURAL REQUIREMENTS)_____

_____

DESCRIPTION OF PROPOSED WORK (NEW HOUSE, ADDITION, GARAGE, FENCE (style), DECK, ETC. include deminsions, materials, color scheme if applicable)

_____

_____

_____

_____

THE APPLICANT/S THIS DATE_____HEREBY CERTIFY AND AGREE TO THE FOLLOWING:

1) This application includes not only this page, but also the plans and specifications and the plot plans submitted herewith, as well as any additional information required.

2) The applicant/s has received a copy of the REQUIREMENTS FOR APPROVAL FOR CONSTRUCTION IN BAY CITY, which are stipulated as part of this application.

3) NO CONSTRUCTION WILL BEGIN UNTIL FORMAL WRITTEN APPROVAL AND PERMIT HAS BEEN RECEIVED FROM THE BAY CITY PROPERTY OWNERS ASSOCIATION, INC! In the case of a new dwelling the Association must be in receipt of a letter of first mortgage commitment from a licensed lending institution before final approval will be granted.

4) The proposed building shall be for single family residential use only, and not for purpose of any trade or business whatsoever. (Covenant G1)

5) The exterior of the structure as shown on the approved plans shall be completed within six(6) months from the date when construction is begun.

6) The building site will be kept free of excessive trash and debris.

7) If at any time the representations contained in the application are shown to be incorrect or untrue, or if the building or work is not in accordance with the approved plans or specifications, or is in violation of any Bay City Covenant, then any Bay city approval or permit is voided as of its issue date. Further, applicant may be required, at his expense, to restore the building site to its condition existent prior to construction.

APPLICANT/S SIGNATURE/S_____

APPROVED/REJECTED BY_____

PERMIT #_____ DATE ISSUED_____

RESOLUTION OF THE BOARD OF DIRECTORS, 94-01
BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

WHEREAS, Section 12 of the Deed and Agreement dated May 29, 1952 recorded in the land records of Queen Anne's County provides "... the Corporation, and its successors in the ownership or development of the land contained in said Community, hereby reserves the right, in its absolute discretion, at any time, to annul, waive, change or modify any of the restrictions, covenants, agreements, or provisions contained herein as to any part of the land contained within said Community..."

AND WHEREAS, the Board of Directors did publish notice in the Bay City Newsletter for "November/December 1994" to the owners of lots and members in the Association of the proposed increase in the minimum square footage requirement for new home construction to 1500 square feet of "actual living space" ;

NOW, THEREFORE, BE IT RESOLVED that on December 1, 1994 at a duly called meeting of the Association, the Board of Directors adopted the revised square footage requirement from 1000 to 1500 square feet of actual living space" for new home construction.

This resolution is adopted and made a part of the record of the Association on this date, May 10, 1995.

BY: Francis J. Rossiter, President

RECEIVED
CLERK, CIRCUIT COURT
95 MAY 10 PM 1:58
QUEEN ANNE'S COUNTY

RECORDING FEE 20.00
TOTAL 20.00
Rec# 04001 Rcpt # 15224
SM RCB Blk # 1047
May 10, 1995 01:56 PM

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

Requirements For Approval
for
Construction in Bay City
Adopted June 18, 1976 by the Board of Directors
Amended December 1, 1994 by the Board of Directors

1. When required. (G-5) No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon any lot in Bay City, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof are SUBMITTED TO AND APPROVED IN WRITING BY THE CORPORATION, or its successors on the ownership of development of the community, or its duly authorized agents, or by the association of be formed as hereinbefore recited, after said association is duly licensed to do by the Corporation. WRITTEN PERMISSION MUST BE OBTAINED FROM SAID CORPORATION, OR ITS SUCCESSORS IN THE OWNERSHIP OR DEVELOPMENT OF THE COMMUNITY, OR IN THE ADMINISTRATION OF THESE RESTRICTIONS TO CONSTRUCT OR MAINTAIN FENCES, WALLS, HEDGES, BUILDINGS, BULKHEADS, AND OUTBUILDINGS.

No construction is to be started before approval of plans. Please allow a minimum of ten (10) days to two (2) weeks for action to be taken by the Association.

2. Who may submit. Plans and specifications must be submitted by the person(s) holding title to the property as shown by the Land Records of Queen Anne's County or by a contract purchaser who files with the Association, a bona fide contract for the purchase of the property, subject to no contingencies except payment of the purchase price and merchantability of title.

3. Fee Requirements. A fee of $25.00 shall be assessed for review of plans. This fee is to apply to original home structure only and not to subsequent or accessory construction. (Adopted June 18, 1976) (Amended July 15, 1987)

4. What must be submitted. The following must be submitted to the Association:

a. A written application is a form approved by the Association, containing conditions of approval;

b. One copy of percolation test approval by the Queen Anne's County Health Department or other authorized Health Agency;

c. All maintenance fees for the lots involved in the proposed construction through the current fiscal year;

d. Two (2) complete sets of plans and specifications in the form required by paragraph 4 hereof;

d. Two (2) plot plans or ground plats showing location of the construction proposed for the property; the distance from side, front and rear boundaries; and the location and distance from the residence of any well, septic tank and drain field.

5. Form of plans. Plans and specifications must be drawn to scale in a clearly understandable and professional manner. They must show the outside elevations of the proposed construction as they will appear when work is completed, including:

a. The front elevation, rear elevation, left and right elevations, and the direction in which they face, indicating which elevation of the

house faces the road or water, if the residence is so located;

b. Details of the exterior, such as: windows, doors, shutters, window boxes, porches, carports, chimneys and the like, and their placement on the completed structure;

c. Type of construction (such as: brick, frame, clap board, asbestos shingle, etc.) and the type of roof, windows, doors chimney, foundations, etc.

6. ARCHITECTURAL REQUIREMENTS

A. Size of structure. Any residence must have a length, measured along the front building line, of at least thirty-two (32) feet and at least one thousand five hundred(1,500) square feet of actual living space (amended 11/6/1994). "Actual living space" means the gross floor area of all finished and useable floor and portions thereof, other than floors of a basement, cellar, porch, breezeway, patio, attached garage, carport, or the like.

B. Setbacks. Buildings shall be set back from front, side and rear lot lines as follows: (G-2, G-3, G-4, G-7, G-13)

a. Front: the greater of (i) the distance required by the Queen Anne's County Zoning Ordinance (currently 75 feet from the center line of the abutting road), or (ii) 35 feet from the front lot line;

b. Side and Rear: the greater of (i) the distance required by the Zoning Ordinance, or (ii) 15 feet.

c. Beach lots: any building on a lot which is bounded by the Beach Reservation shall be set back at lease 75 feet from that boundary.

C. External Appearance. The type, construction, external appearance and location of dwellings shall be so varied as to both avoid the general appearance of a "Levittown", and blend in with the general character of other dwellings in Bay City. Therefore, no residence, dwelling house, garage or other structure appurtenant to the residence (hereinafter collectively referred to as the "residence") shall be substantially similar in exterior design or appearance to any other residence (then constructed and/or then under construction and approved by the Association) located on a lot which is within 750 feet of the lot or lots on which a proposed residence is then being submitted for consideration in accordance with these Requirements. In determining whether or not a residence is "substantially similar" to another residence, the following factors shall be considered: (a) the exterior materials used, (b) the exterior colors used, (c) the relative location of the exterior windows and doors, (d) the location of the exterior porches, carports and other appurtenances to the residence, and (e) the shape of the roof line.

D. Driveway Pipe. Wherever in the opinion of the Association a driveway pipe is required for the drainage of water, a pipe of suitable size and type shall be installed before any construction begins (Adopted March 10, 1982)

E. Fences. All fences must be of open construction (woven wire, picket, post and rail, etc.) If pickets are used, space between pickets must be at least equal to the width of the picket. No solid or privacy fences may be built. Exception to the rule of privacy fences may be granted in unusual cases. Request for exception must be in writing and addressed to the Board of Directors. Such requests must clearly define reason for exception. The maximum height of any fence or hedgerow shall be no more than four (4) feet. (Adopted June 17, 1987)

F. No trees shall be cut, and no excavations shall be made on the premises, except for the purpose of buildings thereon, and at the time when building

operations are commenced; and no earth or sand shall be removed from said premises except as part of such excavations.

G. No trailer, basement, tent, shack, garage, barn, or other outbuilding erected within the community shall at any time be used as a residence either temporarily or permanently, nor shall any residence of a temporary character be permitted.

H. Free and open spaces shall be left on both sides and to the front and to the rear of every building structure dwelling or part thereof erected on said lot which free and open spaces shall extend the full length of all lots and shall be not less than fifteen (15) Ft. in width from the dividing lines from the front and from the rear of said lots.

7. Basis of approval. No consideration will be given to any application until all of these Requirements have been met and the person(s) referred to in Paragraph 2 have signed a written application in a form prescribed by the Association and agreed to all conditions contained therein.

8. Financial Commitment. Before final approval is given, the Association must be in receipt of a letter of first mortgage commitment from a lending institution. (Adopted April 19, 1984)

9. Variance. Where by reason of the exceptional narrowness, shallowness or unusual shape of a specific lot, or by reason of exceptional topographic conditions or other extraordinary situation or special condition, the literal enforcement of these Requirements would make it exceptionally difficult to construct a dwelling or residence on any lot and would cause unwarranted hardship and injustice to the owner of the lot, the Association may authorize such variance from the terms of these requirements as will not be contrary to the interests of the residents of Bay City and will relieve such hardship. No variance will be authorized unless the Association finds beyond reasonable doubt that: (a) there are exceptional or extraordinary circumstances or special conditions applying to the lot or proposed structure in question that do not generally apply to other lots or structures in Bay City; (b) such variance is necessary for the preservation and enjoyment of substantial property rights possessed by lot owners in Bay City and particularly in the vicinity of the lot(s) involved in the variance; (c) the authorization of such variance will not be of substantial detriment to adjacent lots in Bay City and will not be contrary to the purpose of these requirements or the interest of lot owners in Bay City. In authorizing a variance, the Association shall attach such conditions regarding the character, location and other features of the proposed structure as it may deem necessary in the interest of the furtherance of the purposes of these Requirements and in the interest of the lot owners in Bay City. No variance authorized by the Association shall qualify any adjacent property for special treatment or for a variance.

10. Completion. The exterior of any building or structure approved by the Association must be completed within six (6) months from the date of approval.

11. Restrictions. Consideration will be given to applications and plans on the basis of both these Requirements and the covenants, restrictions, reservations, dedications, conditions, agreements and understandings applicable to all lots in Bay City by virtue of a Deed and Agreement dated May 29, 1952, and recorded in Liber T.S.P. 5, folio 122, of the Land Records of Queen Anne's County. Approval will not be given to any applications or plans which are not in conformity with both these Requirements and the provisions of that Deed and Agreement.

17. Amendment or repeal. The Association reserves the right to amend, supplement, repeal or otherwise change these Requirements at any time, without notice to any person, and for any reason.

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

MARYLAND HOMEOWNERS ASSOCIATION ACT

DISCLOSURE

Pursuant to Title 11B, Maryland Homeowners Association Act, Real Property Articles of the Annonated Code of Maryland, Bay City Property Owners Association, Inc. makes the following disclosure for deposit in the Homeowners Association Depository located at the office of the Clerk of the Circuit Court for Queen Anne's County, Maryland.

ITEM NO. ONE: The name of the Association is "Bay City Property Owners Association, Inc.",hereinafter referred to as "the Association".

ITEM NO. TWO: The principle office of the Association is located at:

911 Worcester Road
Stevensville, Maryland 21666

ITEM NO. THREE: The telephone number of the principle office of the Association is 410-643-3458.

ITEM NO. FOUR: The names and addresses of the principle officers of the Association are:

(a) President - Alice Burch
508 Bayside Drive, Bay City
Stevensville, Maryland 21666

(b) Vice President - James Dohme
412 Chenoweth Drive, Bay City
Stevensville, Maryland 21666

(c) Recording Secretary - Nell Belair
914 Bayside Drive, Bay City
Stevensville, Maryland 21666

(d) Accounts Secretary - Rose Johnson
602 Broad Creek Drive, Bay City
Stevensville, Maryland 21666

(e) Treasurer - Linda Hartlove
603 Zaidee Lane, Bay City
Stevensville, Maryland 21666

RECEIVED
CLERK, CIRCUIT COURT
93 FEB 23 AM 10: 12
QUEEN ANNE'S COUNTY

MISC # 0 #
RECD FEE 10.00
CHECK/MO TL 10.00
#23850 C001 R01 T10:10

ITEM NO. FIVE: The Association is a corporation organized and existing under the laws of the State of Maryland.

ITEM NO. SIX: The name of the resident agent of the Association is Brett W. Cannon, 813 Worcester Drive, Bay City, Stevensville, Maryland 21666.

ITEM NO. SEVEN: The subdivision known as "Bay City" is located on the west side of Route No. 8 approximately one mile south of Routes 50/301, Kent Island, Fourth Election District, Queen Anne's County, Maryland.

ITEM NO. EIGHT: According to the Queen Anne's County Office of the State Department of Assessments and Taxation, Bay City consists of 820 lots.

ITEM NO. NINE: There are no lands within "Bay City" which have been dedicated to the general public's use.

ITEM NO. TEN: A copy of the Restrictive Covenants and Conditions applicable to "Bay City" is attached hereto and made a part hereof as "Exhibit No. One". Note that these Restrictive Covenants are Enforceable against all owners and/or owner's tenants.

ITEM NO. ELEVEN: The By-Laws governing the Association are attached hereto and made a part hereof as "Exhibit No. Two". Note that these By-Laws are enforceable against all owners and/or owner's tenants.

ITEM NO. TWELVE: The "Requirements for Approval for Construction in Bay City" are attached hereto and made a part hereof as "Exhibit No. Three".

ITEM NO. THIRTEEN: Land owned by the Association includes the Beach Reservation as set forth on the plat of Bay City, Playground area, and Lots 11 and 12, Block 24, which are better known as the Boat Harbor area. Other land owned by the Association includes Lots 5 and 6, Block 21 and Lot 27, Block 32.

ITEM NO. FOURTEEN: Information concerning the Queen Anne's County Zoning Ordinance including land-use requirements, can be obtained from the Office of Planning and Zoning, Queen Anne's County Office Building, Centreville, Maryland 21617.

ITEM NO. FIFTEEN: Association fees and Road Maintenance fees are levied against lot owners on the first day of March of each and every year. The Road Maintenance fees may be increased or decreased, if at all, by an amendment to the Covenants and Restrictions applicable to "Bay City". Association fees may be increased or decreased by majority vote of the Association members in good standing and otherwise entitled to vote pursuant to the By-Laws. If any lot owner has a delinquent Road Maintenance fee account of $30.00 or more, the Association files suit to collect same. Unpaid Road Maintenance fees do not bear interest and are not subject to late charges or attorney's fees. According to Restriction G.14 contained in Exhibit One, attached hereto, the Road Maintenance fee is a personal obligation of each owner, recoverable by suit, and said fee does not constitute a lien upon any lot. However, a lien may be placed upon an owner's lot once the delinquent fee is reduced to judgment by a Court of this State.

NOTE: Road Maintenance fees are mandatory payments due the Association pursuant to the Restrictive Covenants. (Exhibit One attached.)

Association fees are mandatory payments made to the Association to meet fiscal obligations and maintenance expenses. Association fees are $50.00 per year, per member, beginning March 1, 1993.

NOTE: Association fees are mandatory payments due the Association pursuant to the By-Laws. (Exhibit Two attahced.)

ITEM NO. SIXTEEN: No Association fee is collected at the settlement of a lot located in"Bay City" other than the proration of fees then due.

ITEM NO. SEVENTEEN: There are no special rights and/or exemptions applicable to the Association other than those set forth in Exhibits One, Two or Three attahced hereto.

WITNESS the hand and seal of the Association.

BAY CITY PROPERTY
OWNERS ASSOCIATION, INC.

By: _____ (SEAL)
President

RECEIVED
CLERK, CIRCUIT COURT
92 AUG 26 AM 11:06
QUEEN ANNE'S COUNTY

BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

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(a) President - James T. Douglas
911 Worcester Road, Bay City
Stevensville, Maryland 21666

(b) Vice President - Alice Burch
508 Bayside Drive, Bay City
Stevensville, Maryland 21666

(c) Secretary - Nell S. Belair
914 Bayside Drive, Bay City
Stevensville, Maryland 21666

MISC # 0 #
RECD FEE 25.00
CHECK/MO TL 25.00

(d) Treasurer - Jean Bateman
512 Broad Creek Drive, Bay City
Stevensville, Maryland 21666

#183270 C001 R01 T11:05

ITEM NO. FIVE: The Association is a corporation organized and existing under the laws of the State of Maryland.

ITEM NO. SIX: The name of the resident agent of the Association is Brett W. Cannon, 813 Worcester Drive, Bay City, Stevensville, Maryland 21666.

ITEM NO. SEVEN: The subdivision known as "Bay City" is located on the west side of Route No. 8 approximately one mile south of Routes 50/301, Kent Island, Fourth Election District, Queen Anne's County, Maryland.

ITEM NO. EIGHT: According to the Queen Anne's County Office of the State Department of Assessments and Taxation, Bay City consists of 820 lots.

ITEM NO. NINE: There are no lands within "Bay City" which have been dedicated to the general public's use.

ITEM NO. TEN: A copy of the Restrictive Covenants and Conditions applicable to "Bay City" is attached hereto and made a part hereof as "Exhibit No. One". Note that these Restrictive Covenants are Enforceable against all owners and/or owner's tenants.

ITEM NO. ELEVEN: The By-Laws governing the Association are attached hereto and made a part hereof as "Exhibit No. Two". Note that these By-Laws are enforceable against all owners and/or owner's tenants.

ITEM NO. TWELVE: The "Requirements for Approval for Construction in Bay City" are attached hereto and made a part hereof as "Exhibit No. Three".

ITEM NO. THIRTEEN: Land owned by the Association includes the Beach Reservation as set forth on the plat of Bay City, Playground area, and Lots 11 and 12, Block 24, which are better known as the Boat Harbor area. Other land owned by the Association includes Lots 5 and 6, Block 21 and Lot 27, Block 32.

ITEM NO. FOURTEEN: Information concerning the Queen Anne's County Zoning Ordinance including land-use requirements, can be obtained from the Office of Planning and Zoning, Queen Anne's County Office Building, Centreville, Maryland 21617.

ITEM NO. FIFTEEN: Association fees and Road Maintenance fees are levied against lot owners on the first day of March of each and every year. The Road Maintenance fees may be increased or decreased, if at all, by an amendment to the Covenants and Restrictions applicable to "Bay City". Association fees may be increased or decreased by majority vote of the Association members in good standing and otherwise entitled to vote pursuant to the By-Laws. If any lot owner has a delinquent Road Maintenance fee account of $30.00 or more, the Association files suit to collect same. Unpaid Road Maintenance fees do not bear interest and are not subject to late charges or attorney's fees. According to Restriction G.14 contained in Exhibit One, attached hereto, the Road Maintenance fee is a personal obligation of each owner, recoverable by suit, and said fee does not constitute a lien upon any lot. However, a lien may be placed upon an owner's lot once the delinquent fee is reduced to judgment by a Court of this State.

NOTE: Road Maintenance fees are mandatory payments due the Association pursuant to the Restrictive Covenants. (Exhibit One attached.)

Association fees are mandatory payments made to the Association to meet fiscal obligations and maintenance expenses. Association fees are $50.00 per year, per member, beginning March 1, 1993.

NOTE: Association fees are mandatory payments due the Association pursuant to the By-Laws. (Exhibit Two attahced.)

ITEM NO. SIXTEEN: No Association fee is collected at the settlement of a lot located in"Bay City" other than the proration of fees then due.

ITEM NO. SEVENTEEN: There are no special rights and/or exemptions applicable to the Association other than those set forth in Exhibits One, Two or Three attahced hereto.

WITNESS the hand and seal of the Association.

BAY CITY IMPROVEMENT
ASSOCIATION, INC.

By: James L. Douglas (SEAL)
President

THE BAY CITY PROPERTY OWNERS ASSOCIATION, INC.

BY-LAWS

Article I - NAME AND LOCATION

Section 1. Name:

This organization shall be known as the Bay City Property Owners Association, Inc., hereinafter known as the Association.

Section 2. Mailing address:

The mailing address of the Association shall be: Bay City Property Owners Association, Inc., P.O.Box 397, Stevensville, Maryland 21666.

Section 3. Geographic limits:

The geographic limits of the Association shall be defined as the area recorded in the records of Queen Anne's County as Bay City, Stevensville, located in the fourth election district, Queen Anne's County, Maryland.

Article II - PURPOSE

Section 1.

The purpose of the Association is as defined in the Articles of Incorporation of The Bay City Property Owners Association as recorded on January 2, 1964, Queen Anne's County, CWC No. 1, Folio 83.

Article III - MEMBERSHIP

Section 1. Property Owners:

(a) Members. All property owners in Bay City, Queen Anne's County, Stevensville, Maryland, will comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City, located in the Fourth Election District of Queen Anne's County.

(b) Tenants: Residents of Bay City that are not property owners, qualify for associate membership. Associate members also must comply with the By-Laws of the Association and the Reservations, Restrictions, Dedications, Covenants, Agreements and Understandings applicable to the development of the community known as Bay City.

Section 6. Method of Voting:

(a) The method of voting shall be at the discretion of the Association and the Board of Directors. It can be (a) physically present or (b) by mail, and shall be in accordance with Roberts Rules of Order.

(b) When a quorum is present, a majority of votes cast (all methods), less abstentions, is sufficient for the adoption of any motion under consideration.

Section 7. Order of Business:

At all meetings of members, the order of business shall be as follows:

1. Reading of the minutes of the previous meeting.
2. Reports of Officers.
3. Reports of Standing Committees.
4. Reports of Special Committees.
5. At any annual meeting, the election of Directors and officers..
6. Unfinished business.
7. New Business.
8. Good and welfare.
9. Adjournment.

The order of business may be altered or suspended at any meeting by a majority of members present. The usual parliamentary rules as laid down by Roberts Rules of Order shall govern all debates.

Article V - BOARD OF DIRECTORS

Section 1. Election and Powers:

The business and property of the Association, except as otherwise provided by statute or by charter or by these by-laws, shall be conducted and managed by its Board of Directors, which shall consist of the President, Vice President, Secretary, Treasurer, and nine (9) elected members. The term of office for the nine elected members shall be three for three years, three for two years, and three for one year. The immediate Past President shall be an ex-officio (without vote) member of the Board of Directors for a period of one (1) year, unless duly elected as a member of the Board of Directors.

Section 2. Quorum:

A majority of the Board of Directors shall constitute a quorum for the transaction of business at every meeting of the Board of Directors.

Section 3. Removal:

At any special meeting of the Board called for the purpose, any Director may by the vote of a majority entitled to vote, be removed from office with any just cause, and another may be elected in the place of the person so removed, to serve for the remainder of the term.

Section 5. Treasurer:

The Treasurer shall have charge of and be responsible for, all funds, securities, receipts and disbursements of the Association and shall deposit, or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks, trust companies or other depositories, as shall from time to time, be selected by the Board of Directors whenever requested, an account of the financial condition of the Association and such other duties as may be assigned to him by the Board of Directors or by the President. The Treasurer's books shall be open for inspection by any member at all reasonable times. The Treasurer is to be bonded, the cost of such bond to be defrayed by the Association, in an amount to be determined by the Board of Directors. The Treasurer's books shall be audited prior to the annual election meeting, by a committee appointed by the President and a report made to the membership at the meeting.

Section 6. Assistant Officers:

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant Secretary and Assistant Treasurer shall hold office for such period and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 7. Holding Office:

No member shall hold more than one elective office in any given year.

Section 8. Nomination of Officers:

A nominating committee shall be appointed by the President at least eight (8) weeks prior to the annual meeting of the Association and their selections and those submitted by members, as herein provided, shall be presented at the annual meeting in writing and read by the Chairman of the nominating committee or in his absence, by the Secretary. Report of the nominating committee shall be provided to the members with the notice of meeting. Nominations by any member shall be accompanied by an acceptance in writing of the nominee and such nominations, together with acceptance, be in the hands of the nominating committee, five (5) weeks, prior to the annual meeting. Nominations may also be made from the floor. All floor nominees must be present to accept the nominations in person.

Article VII - COMMITTEES

Section 1.

The President may create such regular and special committees as he deems advisable and define their duties.

Article VIII - SUNDRY PROVISIONS

Section 1. Negotiable Instruments, etc.:

All drafts or orders for the payment of money notes and other evidences of indebtedness, issued in the name of the Association shall be signed by such officer or officers as may be designated from time to time by resolution of the Board of Directors.

\j\baycity.dec

RECEIVED
CLERK, CIRCUIT COURT
1988 DEC 22 PM 2:13
QUEEN ANNE'S COUNTY

BAY CITY IMPROVEMENT ASSOCIATION, INC.

MARYLAND HOMEOWNERS ASSOCIATION ACT

DISCLOSURE

MISC 0#
RECD FEE 50.00
SUBTOTAL 50.00
CHECK TO 50.00
#15044 CD01 R00 T14:10
12/22/88

Pursuant to Title 11B, Maryland Homeowners Association Act, Real Property Article of the Annotated Code of Maryland, Bay City Improvement Association, Inc. makes the following disclosure for deposit in the Homeowners Association Depository located at the office of the Clerk of the Circuit Court for Queen Anne's County, Maryland.

ITEM NO. ONE: The name of the Association is "Bay City Improvement Association, Inc.", hereinafter referred to as "the Association".

ITEM NO. TWO: The principle office of the Association is located at:

16-9 Bayside Drive
Stevensville, Maryland 21666

ITEM NO. THREE: The telephone number of the principle office of the Association is 301-643-6588.

ITEM NO. FOUR: The names and address of the principle officers of the Association are:

(a) President - Jack Fischbach
21-9 Bayside Drive, Bay City
Stevensville, Maryland 21666

(b) Vice President - Francis X. Belair
16-9 Bayside Drive, Bay City
Stevensville, Maryland 21666

(c) Secretary - Nell S. Belair
16-9 Bayside Drive, Bay City
Stevensville, Maryland 21666

(d) Treasurer - Thomas Kelly
7-4 Worchester Road, Bay City
Stevensville, Maryland 21666

ITEM NO. FIVE: The Association is a corporation organized and existing under the laws of the State of Maryland.

ITEM NO. SIX: The name of the resident agent of the Association is Brett W. Cannon, 12-2A Worcester Drive, Bay City, Stevensville, Maryland 21666.

ITEM NO. SEVEN: The subdivision known as "Bay City" is located on the west side of Route No. 8 approximately one mile south of Routes 50/301, Kent Island, Fourth Election District, Queen Anne's County, Maryland.

ITEM NO. EIGHT: According to the Queen Anne's County Office of the State Department of Assessments & Taxation, Bay City consists of 820 lots.

ITEM NO. NINE: There are no lands within "Bay City" which have been dedicated to the general publics use. However, members of the Association in good standing, i.e. have paid their Association fees, etc., have the right to use the dedicated Beach Reservation, Playground, and Boat Harbor areas within the development.

THOMPSON & THOMPSON
ATTORNEYS AT LAW
CENTREVILLE, MARYLAND 21617
758-0677

ITEM NO. TEN: A copy of the Restrictive Covenants and Conditions applicable to "Bay City" is attached hereto and made a part hereof as "Exhibit No. One". Note that these Restrictive Covenants are enforceable against all owners and/or owners tenants.

ITEM NO. ELEVEN: The By-Laws governing the Association are attached hereto and made a part hereof as "Exhibit No. Two". Note that these By-Laws are enforceable against all owners and/or owners tenants.

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ITEM NO. FIFTEEN: Association fees and Road Maintenance fees are levied against lot owners on the 1st day of March of each and every year. The Road Maintenance fees may be increased or decreased, if at all, by an amendment to the Covenants and Restrictions applicable to "Bay City". Association fees may be increased or decreased by majority vote of the Association members in good standing and otherwise entitled to vote pursuant to the By-Laws. If any lot owner has a delinquent Road Maintenance fee account of $30.00 or more, the Association files suit to collect same. Unpaid Road Maintenance fees do not bear interest and are not subject to late charges or attorney's fees. According to Restriction G 14 contained in Exhibit One, attached hereto, the Road Maintenance fee is a personal obligation of each owner, recoverable by suit, and said fee does not constitute a lien upon any lot. However, a lien may be place upon an owners lot once the delinquent fee is reduced to judgment by a Court of this State.

NOTE: Road Maintenance fees are mandatory payments due the Association pursuant to the Restrictive Covenants. (Exhibit One attached.)

Association fees are voluntary payments made to the Association which entitles the member to use the Beach Reservation, Playground, and Boat Harbor areas. A member is not entitled to use of these amenities unless and until said Association fees are paid in full. Association fees are currently $30.00 per year, per member.

THOMPSON & THOMPSON
ATTORNEYS AT LAW
CENTREVILLE, MARYLAND 21617
758-0877

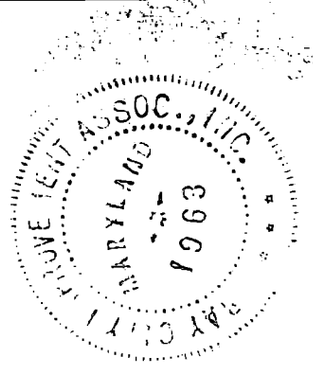
ITEM NO. SIXTEEN: No Association fee is collected at the settlement of a lot located in "Bay City" other than the proration of fees then due.

ITEM NO. SEVENTEEN: There are no special rights and/or exemptions applicable to the Association other than those set forth in Exhibits One, Two, or Three attached hereto.

WITNESS the hand and seal of the Association.

BAY CITY IMPROVEMENT
ASSOCIATION, INC.

By: Jack T. Finkbeck (SEAL)
President



THOMPSON & THOMPSON
ATTORNEYS AT LAW
CENTREVILLE, MARYLAND 21617
758-0877

EXHIBIT NO. ONE

#31,732. QUEEN ANNE'S COUNTY, TO WIT:

Be it remembered that on this Ninth day of June, in the year nineteen hundred and fifty two, the following Deed and Agreement was brought to be recorded, to wit:-

THIS DEED AND AGREEMENT, Made this 29th day of May, 1952, by and between THE BRIDGESIDE COMPANY, a body corporate, duly organized and existing under the Laws of the State of Marylend, party of the first part, hereinafter called the "Corporation", and ROBERT F. PODLICH, of Anne Arundel County, in the State of Maryland, party of the second part;

WHEREAS, by deed dated of even date herewith and recorded or intended to be recorded among the Land Records of Queen Anne's County, in the State of Maryland, prior hereto, Guaranteed Realty Corporation, a body corporate, granted and conveyed unto THE BRIDGESIDE COMPANY, a tract of land containing 404 acres, more or less, and lying between the waters of the Chesapeake Bay, Broad Creek, and the road leading from Stevensville to Kent Point, reference to said deed being hereby made for a fuller and more detailed description thereof; and

WHEREAS, it is the intention of the said Corporation to develop all of said land conveyed to it as aforesaid, as a complete residential community, to be composed of persons of good character, with similar and generally acceptable moral, spiritual, social, athletic, recreational and community activities, tastes and interests, and to erect upon said land or to permit the erection thereon of dwelling houses, a retail commercial area, non-commercial structures, including churches, recreational facilities and structures, and such other buildings as are customary in such communities, and to subject the same to modern restrictive covenants, as to the use thereof, by the owners and occupants thereof, for the benefit of purchasers and owners of the lands and premises within said development; and

WHEREAS, it is considered impractical, at this time, or at any one time, to develop or lay out all of the said tract, or to fix, for all parts thereof, the particular residential dwelling, retail commercial area, or non-commercial uses which are to be applicable thereto, or to fix and determine the location, nature and/or extent of the recreational facilities and structures which are or may be contemplated by the said Corporation, in connection with the development of said sub-divisions, or to fix and determine the exact number, location, nature and/or extent of all the Beach Reservations which are to be provided by the Corporation, in connection with the development of said community; but a general outline plat of the total acreage included within the whole of said development has been prepared by the said Corporation, which shows the area reserved for residential or dwelling uses, and other areas tentatively reserved for residential, dwelling and retail commercial uses and non-commercial and recreational uses, including tentative Beach Reservations, without particularizing or specifying as to the exact locations for the establishment of said additional Beach Reservations, or of the retail commercial, non-commercial and recreational uses which are to be made in the lands therein contained; and said "GENERAL OUTLINE PLAT" is recorded or intended to be recorded among said Land Records of Queen Anne's County, simultaneously with the recording of this Deed and Agreement; and

WHEREAS, the said Corporation expressly reserves unto itself, and its successors, the right to change the Tentative Layout of the sections, blocks, and reservations, as to the ground plan lay-out, and as to residential and dwelling areas, and as to recreational and non-commercial uses, now shown on said general outline plat (other than Blocks One to Twenty, inclusive, in Section One, as shown on said Outline Plat, and the location of the "Community Bathing Beach", which said section, blocks, locations and facilities are hereby fixed and shall now be considered to be irrevocable and unchangeable), as, from time to time, the said Corporation shall determine for each succeeding section (which need not be developed or recorded in numerical order) the final determination of such plans and uses as to each section, to be evidenced by the recording of the Plat for the same among the Land Records of Queen Anne's County; and

WHEREAS, the said Corporation is desirous of subjecting the entire tract of land, herein described and referred to, and now known as Bay City, and hereinafter called the Community, to the general underlying uses, covenants, restrictions, reservations, dedications and restrictions as to location, as shown on said General Outline Plat, and to certain general conditions, agreements, and understanding, as herein expressed, and the said party of the second part, for the part, for the purpose of making such general underlying uses, covenants, restrictions, dedications and reservations, and said general conditions, agreements and understandings, as hereinbefore and hereinafter referred to, and set out, run with the land, binding alike upon the Corporation, its successors and assigns, and upon the party of the second part, his heirs and assigns, and upon all of the land described herein and on said General Outline Plat; and to effect the same, the parties hereto have entered into this Deed and Agreement, whereby the said Corporation will convey unto the party of the second part, all the land shown on said General Outline Plat, or contained within the boundaries of said whole Community, and the said party of the second part will reconvey unto the said Corporation, all the land hereby conveyed to him, charged with the covenants, restrictions, reservations, dedications, conditions, agreements and understandings hereinbefore and hereinafter recited and set forth, so that the said Corporation, and its successors and assigns, will hereafter hold and convey said land, subject to the said covenants, restrictions, reservations, dedications, conditions, agreements and understandings.

NOW, THEREFORE, THIS DEED AND AGREEMENT WITNESSETH, that for and in consideration of the premises and of the sum of One Dollar, in hand paid by the party of the second part to the said Corporation, the receipt whereof is hereby acknowledged, and the performance of the covenants and conditions hereinafter set out, the said Corporation does hereby grant and convey unto the party of the second part, his heirs and assigns, subject to the covenants and conditions hereinafter set out, which are hereby entered into by the said Corporation, for itself and its successors and assigns, with the party of the second part, for himself, and his heirs and assigns, as a part of the consideration for the execution of this deed, all the land and premises situate, lying and being in the Fourth Election District of Queen Anne's County, State of Maryland, more particularly shown and described on the General Outline Plat, which plat is marked "General Outline Plat of Bay City" dated prepared by William D. Purdum, and recorded among the Land Records of Queen Anne's County concurrently herewith, it being the same land conveyed to the said Corporation by Guaranteed Realty Corporation, in a deed dated of even date herewith and recorded or intended to be recorded among the Land Records of

Original Examined & Compared & Returned to Mr. Robert F. Podlich, Attorney at Law, 501 Arundel Bldg., Glen Burnie, Md. 5/14/52.

Queen Anne's County prior hereto, reference to said deed being hersby made for a fuller and mors dstailed desoription thereof.

TOGETHER with ths buildings and improvsments thersan, and the rights, and appurtsnanoes thersto bslonging or in anywise appertaining.

TO HAVE AND TO HOLD ths above granted property unto the said party of the second part, his heirs and assigns, forever, in fee simple; subject, however, to the following underlying covenants, rsstrictions, reservations, dedications, conditions, agrsements and understandings, to wit:

BEACH RESERVATIONS

(1) Ths land shown on said "General Outline Plat of Bay City" marked thereon as a "Beach Reservation" and lying between the waters of Chesapeake Bay and the boundary lines of the lots which bound upon said "Beach Reservation", is hereby expressly and irrevooably reserved, dedicated and restricted to the use in common of the bona fide members of an association, which shall be a body corporate, duly incorporated under the Laws of the State of Maryland, and which shall be formed by and composed of the owners and oooupiers of the building lots which are contained within said Community, solely for the purpose of ingress and egress of such owners or oocupiers of said building lots, as are also bona fide members of said association, to and from the lots owned or occupied by said members; and the fee simple title of said "Beach Reservation" is expressly reserved to the said Corporation, and its successors in the ownership or devslopment of said Community, and/or its successors in the enforcement and administration of the covenants and agreements herein contained.

(2) Upon the date or dates of the recording of any Development Plat or Plats indioating the location of lots to be used for residential purposes, retail commercial uses, non-commercial and reorsational uses, or for any of said uses or purposes, as well as additional Beach Reservations, any land shown on any such Development Plat or Plats, and thereon marked "Beach Reservation" or "Beach Reservations" shall, from thenceforth be expressly and irrevooably reserved, dedicated and restricted to use in common by the bona fide members of the association which shall be formed, as hereinbefore and hereinafter indioated, solely for the purpose of ingress and egress of such owners or oooupiers of said Building Lots as are also bona fide members of said Association, to and from the lots owned or oocupied by said members; and the fee simple title of said additional "Beach Reservation" or "Beach Reservations" is expressly reserved to said Corporation, and its suooessors in the ownership or development of said Community, and/or its sucoessors in the enforcement and administration of the covenants and agreements herein contained.

(3) No pier, wharf, or other structure shall be erected upon any "Beaoh Rssarvation", nor shall any automobiles or other vehicles, boats, boat gear or equipment, paraphsrnalia, rafts or obstruction of any kind or oharacter be erected, stored or parked upon any "Beach Reservation".

(4) No owner of any of the lots contained in said Community shall aoquire, by reason of his ownership of any lot therein, any riparian rights in and to any of the waters upon whioh said Community bounds; such riparian rights being hereby exprssaly rsservsd to the said Corporation, and its sucoessors in the ownership and development of ths land oontained within said Community.

(5) No owner of any of the lots contained in said Community shall acquirs, by reason of his ownsrship of any lot thsrein, any right to erect ducking or other wild fowl blinds, or to hunt or shoot ducks or other wild fowl upon any "Beach Rssarvation", or upon or in the waters upon which said Community bounds, such rights being hereby exprssaly rsserved to the said Corporation, and its suocessors, in the ownership and developmsnt of said Community, and/or its suocessors in the enforcement and administration of the covenants and agrsements herein contained.

COMMUNITY BATHING BEACH RESERVATION

(6) The lands shown on said "General Outline Plat of Bay City" marked thereon as a "Community Bathing Beach Reservation" as well as any land hereafter dedicated and designated by the said Corporation, as an additional community bathing beach, or as additional community bathing beaches, upon development plats subsequently to be recorded, are hereby expressly reserved, dedioated and rsstricted to the use in common by the bona fide members of the Association whioh shall be formed, as hereinbefore and hereinafter indicated, for bathing and swimming activities, and such athletic and recreational projects and activities as may be conducted, sponsored or prompted by the said Association.

COMMUNITY BOAT HARBOR RESERVATION

(7) The Corporation, for itself and its successors in the ownership or development of the land contained in said Community, desires and expects, and therefore reserves the right, in the future, to select, fix and determine the location, upon the waters of Board Creek, of a parcel of land, to be known and designated as a "Community Boat Harbor Reservation" and to show and designate the location of said "Community Boat Harbor Reservation", upon a plat thereof, to be hereafter filed for record among the Land Records of Queen Anne's County.

(8) Upon the date of the recording of ssid plat, upon which is designated the looation of said "Community Boat Harbor Reservation" such "Community Boat Harbor Ressrvation" shall, from thenceforth be expressly and irrevocably reserved, dedioated and restriotsd to use in oommon by the bona fide members of the Association which shall be formed, as hereinbefore and hereinafter indicated, for the harboring of boats/ ~~and the conducted~~ or such boating and recreational projects and activities as may be conducted, sponsored or promoted by said Association.

RETAIL COMMERCIAL AREA.

(9) Ths Corporation, for itssl, and its successors in the ownership or devslopment of the land oontained in said Community, desires and expects, and thsrsfore rsserves the right, in the future, to sslect, fix and determine the looation along the county road running from Stevensvills to Matapeake, of a parcel of land, front-

ing on said road, for a distance to be hereafter determined, and with a depth to be hereafter determined, to be used, known and designated as a "Retail Commercial Area", and to show and designate the location and dimensions of said "Retail Commercial Area" upon a plat thereof, to be hereafter filed for record among the Land Records of Queen Anne's County.

(10) Upon the date of the recording of said plat, upon which is designated the location and dimensions, of said "Retail Commercial Area", such "Retail Commercial Area" shall, from thenceforth, be expressly reserved and dedicated for the use, establishment and operation of such retail commercial buildings and enterprises as may be erected thereon by the Corporation, and its successors and assigns.

EASEMENT FOR FUTURE WIDENING OF ROUTE NO. 401 (STEVENSVILLE ROAD) ALONG THE BOUNDARIES OF THE COMMUNITY.

(11) The Corporation, for itself, and its successors in the ownership or development of the land contained in the Community, hereby expressly reserves an easement or right of way over a strip of land ten feet, wide, binding upon the present boundary line of said Route No. 401, to be used by the State of Maryland, for the future widening of said Route No. 401 (Stevensville Road); and all conveyances of any of the lots within said Community, which bind upon the said Road, as now established, shall be subject to said easement; and no owner of any of said lots, so conveyed subject to said easement, shall be permitted to erect, within the area of said easement, any structure, or obstruction of any kind or character.

GENERAL PROVISIONS RELATING TO AND CONCERNING THE AMENDMENT OR WAIVER OF CERTAIN OF THE RESTRICTIONS, COVENANTS, AGREEMENTS OR PROVISIONS CONTAINED HEREIN

(12) Except as herein expressly stipulated to the contrary, the Corporation, and its successors in the ownership or development of the land contained in said Community, hereby reserves the right, in its absolute discretion, at any time, to annul, waive, change or modify any of the restrictions, covenants, agreements, or provisions contained herein as to any part of the land contained within said Community which is then owned by the Corporation, or its successors in the ownership or development of said land; and to grade, change the grade of, or re-grade any street, road or lane shown on any recorded plat relating to the land contained within said Community; and said Corporation, or any successors in the ownership or development of the land contained in said Community, shall have the further right, before sale, to change the size of, and to locate or re-locate any of the lots shown on any recorded plat relating to the land contained in said Community, and these provisions are not intended to permit the Corporation, or any successor in the ownership or development of the Community, to recall, amend or rescind any of the provisions, agreements and understandings, contained herein, regarding the dedication of the Beach Reservation or Beach Reservations to be hereafter made, the Community Bathing Beach or Beaches, or the Community Boat Harbor Reservation or Reservations, as herein recited.

GENERAL PROVISIONS RELATING TO THE FORMATION OF AN ASSOCIATION BY OWNERS AND OCCUPIERS OF LAND WITHIN THE COMMUNITY.

(13) The Corporation, for itself, and for any successor in the ownership or development of the land contained in said Community, hereby agrees to encourage, sponsor, and promote the formation of an association, which shall be a body corporate, duly incorporated under the Laws of the State of Maryland, for the promotion of such moral, spiritual, social, athletic, recreational and community activities and interests as may be conducted, sponsored and encouraged by the membership of said Association, and for the administration and enforcement of the reservations, restrictions, covenants, understandings and agreements herein contained and set forth.

(14) Such an association shall be primarily composed of the owners of lots sold by said Corporation to such purchasers, and their assigns, and by persons who occupy said lots, but may also include such other persons as may desire to participate in the general activities and interest of the membership of said association.

(15) Upon the formation of such an association, the Corporation, for itself, and for any successor in the ownership or development of the land contained in said Community, may, in its absolute discretion, and at any time, transfer, grant, convey and assign unto said association, by written instrument, to be duly recorded:

(a) The right to administer and enforce, for a limited time, or from time to time, or forever, all of the reservations, restrictions, covenants, agreements, and provisions herein contained, including those pertaining to the Beach Reservations, the Community Bathing ~~Bathing~~ Beach Reservation or Reservations, the Community Boat Harbor Reservation, and the Retail Commercial Area;

(b) The right to collect and disburse, for a limited time, or from time to time, or forever, the annual maintenance charge for the constructions, maintenence and repair of streets within the community, reserved in paragraph G 14 of these restrictions and covenants;

(c) The fee simple title of the Beach Reservation, or Reservations, the Community Beach Reservation or Reservations, and the Community Boat Harbor Reservation; subject, of course, to the restrictions, agreements and understandings now imposed upon said Reservations.

(16) And it is especially understood and agreed that all transfers, grants, or assignments to said Association, so to be formed, and referred to herein, are to be made in pursuance of mutually satisfactory negotiations between the Corporation, and any successor in the ownership or development of said Community, and the said association so to be formed by said owners and occupiers of the lots contained in said Community.

(17) Pending the formation of said association, and the transfer

to it of any of the rights hereinbefore stated, the Corporation, and its successors, in the ownership and development of said Community shall have the right, in its own discretion, by paper writing which is not to be recorded, to license, upon a temporary basis, and from time to time, the use of the Beach Reservation, or Reservations, the Community Bathing Beach Reservation or Reservations, and the Community Boat Harbor Reservation to any purchaser or occupant of any lot sold by said Corporation within said Community in the same manner, and to the same extent, as such privileges could or would be available by reason of membership in said Association, to be formed as aforestated, it being specifically understood that when the right of said Association, so to be formed, to administer and control the use of said Reservations, has been established, as hereinabove indicated, the right to license the use of such Reservations and facilities shall no longer exist in the Corporation, or its successors.

GENERAL RESTRICTIONS AND CONDITIONS.

G 1. Except as hereinbefore recited, all lots in said Community shall be for residential use only, and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage or other structures appurtenant to the main residence or to be used in connection therewith, and on no lot shall there be more than one main dwelling, and on no lot shall more than one family occupy the main dwelling, or any structure appurtenant thereto.

G 2. The main dwelling or residence on any lot, except those lots which are bounded, on one side by the Beach Reservation hereinbefore referred to, shall be set back at least 35 feet from the front line, at least 15 feet from the dividing lines of said lot, and at least 15 feet from the rear boundary line thereof.

G 3. The main dwelling or residence on any lot which is bounded, on one side by the Beach Reservation hereinbefore referred to, shall be set back at least 75 feet from the Beach Reservation boundary line (which is considered to be the front line of said lot), at least 15 feet from the dividing lines of said lot, and at least 35 feet from the rear boundary line thereof.

G 4. All detached garages, and other outbuildings, of any kind whatsoever, shall be in the rear of the dwelling, and when any such structure or structures are erected upon lots in said Community which front upon the boundary line of any Beach Reservation, no such structure shall be erected within 35 feet of the rear boundary line, nor within 15 feet of the dividing lines of said lot. Such structures, when erected upon any other lots in said Community which does not front upon the boundary line of any Beach Reservation, shall be set back at least 15 feet from the rear boundary line, and 15 feet from the dividing line of said lot.

G 5. No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon said lots, nor shall any addition to or change or alteration therein be made until the plans and specifications for such structure or alteration, and the location thereof, are submitted to and approved in writing by the Corporation, or its successors in the ownership or development of the Community, or its duly authorized agents, or by the association to be formed as hereinbefore recited, after said association is duly licensed so to do by the Corporation. Written permission must be obtained from said corporation, or its successors in the ownership or development of the Community, or in the administration of these restrictions, to construct, or maintain fences, walls, hedges, buildings, bulk heads, and outbuildings.

G 6. No trees shall be cut, and no excavations shall be made on the premises, except for the purpose of building thereon, and at the time when the building operations are commenced; and no earth or sand shall be removed from said premises except as a part of such excavations.

G 7. Free and open spaces shall be left on both sides and to the front and to the rear of every building, structure, dwelling or part thereof, erected on said lot, which free and open spaces shall extend the full length of all lots and shall be not less than fifteen (15) feet in width from the dividing lines from the front and from the rear of said lots.

G 8. No privy of any kind shall be allowed on said property, but each house shall have inside toilets with adequate water supply and septic tank installations for disposal of sewage approved by the Maryland State Board of Health.

G 9. No noxious or offensive trade shall be carried on upon any lot nor shall anything be done or kept thereon which may be or become any annoyance or nuisance to the neighbors.

G 10. No trailer, basement, tent, shack, garage, barn or other outbuilding erected within the Community shall, at any time, be used as a residence, /temporarily or permanently, nor shall any residence of a temporary character be permitted.

G 11. In order to preserve or improve the views of land and water, hills and valleys, obtainable on and from the various lots contained within said Community, and to promote the free movements of breezes and prevent the harboring of flies, mosquitos and other insects, the Corporation reserves the right to trim any trees or shrubbery now or hereafter standing on any part of the lots contained within said Community which may, in its opinion, destroy or interfere with such views or the free movements of breezes, or which may furnish harboring places for flies, mosquitos or other insects.

G 12. The land hereby conveyed shall, in respect to that part of it which lies in the beds of the road or roads, bordering upon or contained within said Community, be subject to an easement in favor of the owners and occupants of lots and houses bordering other parts of the said road or roads, in respect to the free and common use of the said road or roads, both for the purpose of passage to and from the lots contained within said Community, and for the laying and erecting of water pipes, gas pipes, electric poles or other public utilities to be used in common by the owners and/or occupants of the Community, and further, that the owners or owner of any lot will join in a petition to the proper governmental authorities, requesting that the roads

or [illegible] bordering upon or contained within the Community be taken over by the County, as public roads under a proper deed of dedication to be signed by such owner or owners at such time when two-thirds of the owners of the lots along such road or roads shall demand.

G 13. Easements and rights of way are hereby expressly reserved in and over strips of land five feet in width along the rear line of all lots contained within this Community for the purpose of erecting, constructing and maintaining wires and the necessary or proper attachments in connection therewith for the transmission of electricity and for telephone and other public utilities or functions, and for storm water drainage, and the Corporation, its successors, assigns, or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth.

G 14. All purchasers of any lands within this Community and all successors in ownership or possession, shall pay to the Corporation, and its successors or assigns, on March 1st of each year, the sum of Ten ($10.00) Dollars, for each and every lot purchased, to be used for construction, maintenance and repairs of streets in the Community; it being understood and agreed, however, that the liability of each owner of each of said lots, for the payment of said annual maintenance charge, shall be a personal liability, recoverable by suit, and that said annual maintenance charge shall not be a lien upon any of said lots.

G 15. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by the Corporation, or the owner of any land included in said Community, their respective personal representatives, heirs, successors and assigns, and failure by the Corporation or any land owner to enforce any restriction, condition, covenant or agreement herein contained shall, in no event, be deemed a waiver of the right to do so thereafter to one occurring prior or subsequent thereto; and the declared invalidity of any one or more of the provisions herein shall not affect the validity of the others.

AND the said THE BRIDGESIDE COMPANY, a body corporate, does hereby warrant specially the property hereby conveyed; that it hereby covenants that it has done or suffered to be done no matter or thing whatsoever to encumber the property hereby conveyed; and that it will execute such further assurances of the same as may be requisite.

IN TESTIMONY WHEREOF, WITNESS the corporate seal of the said THE BRIDGESIDE COMPANY, a body corporate, and the signature of Charles H. Cover, its President.

TEST:

ELSIE CURTIS
ELSIE CURTIS

THE BRIDGESIDE COMPANY

By CHARLES H. COVER President
(Charles H. Cover)

Seal's Place

IN TESTIMONY WHEREOF, WITNESS the hand and seal of the said ROBERT F. PODLICH, party of the second part.

TEST:

ELSIE CURTIS
ELSIE CURTIS

ROBERT F. PODLICH (SEAL)
(Robert F. Podlich)

STATE OF MARYLAND, BALTIMORE CITY, to wit:

I HEREBY CERTIFY that on this 29th day of May, 1952, before me, the subscriber, a Notary Public of the State and City aforesaid, personally appeared Charles H. Cover, President of THE BRIDGESIDE COMPANY, a body corporate, and he, as such President, acknowledged the aforegoing Deed and Agreement to be the act and deed of said body corporate.

At the same time also appeared Robert F. Podlich, party of the second part named in the aforegoing Deed and Agreement, and he acknowledged the aforegoing instrument to be his act and deed.

WITNESS my hand and Notarial Seal.

Notary Public Seal.

ELSIE CURTIS
ELSIE CURTIS

Waiver and Agreement is recorded in Liber T.S.P. No. 64, folio 551, a Land Record Book for Queen Anne's County.

Assignment is recorded in Liber C.W.C. No. 7, folio 381, a Land Record Book for Queen Anne's County.

Waiver and Agreement is recorded in Liber C.W.C. No. 15, folio 570, a Land Record Book for Queen Anne's County.

Amendment to Restrictions is recorded in Liber C.W.C. No. 46, folio 104, a Land Record Book for Queen Anne's County. (Continued to folio 607 of this Liber.)

#31,733 QUEEN ANNE'S COUNTY, TO WIT: Be it remembered that on this Ninth day of June, in the year nineteen hundred and fifty two, the following Deed was brought to be recorded, to wit:-

THIS DEED, Made this 29th day of May, in the year one thousand nine hundred and fifty-two, between ROBERT F. PODLICH, unmarried, of Anne Arundel County, in

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, to wit:

THIS IS TO CERTIFY, that the aforegoing was truly taken and copied from Liber TSP No. 5, folio 122-126, a Land Record Book for Queen Anne's County.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and affix the seal of the Circuit Court for Queen Anne's County, this 15th day of July, 1987.

Marguerite W. Mankin

Marguerite W. Mankin, Clerk of the Circuit Court
Court for Queen Anne's County

RECEIVED
CLERK, CIRCUIT COURT
92 APR 20 PM 1:43
QUEEN ANNE'S COUNTY

BAY CITY IMPROVEMENT ASSOCIATION, INC.

MARYLAND HOMEOWNERS ASSOCIATION ACT

DISCLOSURE

Pursuant to Title 11B, Maryland Homeowners Association Act, Real Property Article of the Annotated Code of Maryland, Bay City Improvement Association, Inc. makes the following disclosure for deposit in the Homeowners Association Depository located in the office of the Clerk of the Circuit Court for Queen Anne's County, Maryland.

ITEM NO. ONE: The name of the Association is " Bay City Improvement Association, Inc.", hereinafter referred to as "the Association".

ITEM NO. TWO: The principle office of the Association is located at:

911 Worcester Road
Stevensville, Maryland 21666

MISC # 0 #
RECD FEE 5.00
CHECK/MO TL 5.00

ITEM NO. THREE: The telephone number of the principle office of the Association is 410-643-3458.

#123180 C001 R01 T13:42

ITEM NO. FOUR: The names and addresses of the principle officers of the Association are:

(a) President - James T. Douglas
911 Worcester Road, Bay City
Stevensville, Maryland 21666

(b) Vice President - Alice Burch
508 Bayside Drive, Bay City
Stevensville, Maryland 21666

(c) Secretary - Nell S. Belair
914 Bayside Drive, Bay City
Stevensville, Maryland 21666

(d) Treasurer - Jean Bateman
512 Broad Creek Crive, Bay City
Stevensville, Maryland 21666

ITEM NO. FIVE: The Association is a corporation organized and existing under the laws of the State of Maryland.

ITEM NO. SIX: The name of the resident agent of the Association is Brett W. Cannon, 813 Worcester Road, Bay City, Stevensville, Maryland 21666.

ITEM NO. SEVEN: The subdivision known as "Bay City" is located on the west side of Route No. 8 approximately one mile south of Routes 50/301, Kent Island, Fourth Election District, Queen Anne's County, Maryland.

ITEM NO. EIGHT: According to the Queen Anne's County Office of the State Department of Assessments & Taxation, Bay City consists of 820 lots.

ITEM NO. NINE: There are no lands within "Bay City" which have been dedicated to the general publics use. However, members of the Association in good standing, i.e. have paid their Association fees, etc., have the right to use the dedicated Beach Reservation, Playground, and Boat Harbor areas within the development.

RECEIVED
CLERK, CIRCUIT COURT

1989 MAY -3 AM 9:14

QUEEN ANNE'S COUNTY

MISC 0#
RECD FEE 50.00
CHECK/MO 50.00
#0050 C001 R00 T09:12
05/03/89

DISCLOSURES
BY
THE BENNETT'S POINT IMPROVEMENT ASSOCIATION, INC.
UNDER THE MARYLAND HOMEOWNER'S ASSOCIATION ACT
TITLE 11B OF THE REAL PROPERTY ARTICLE
ANNOTATED CODE OF MARYLAND

I. There is no vendor, as all lots have been sold to individuals at this point in time.

The name, principal address and telephone number of the Declarant, and Homeowner's Association, is:

The Bennett's Point Improvement Association, Inc.
c/o Mrs. Thomas N. Gannon
Route 1, Box 147J
Queenstown, Maryland, 21658
(301) 827-8244

II. The Declarant is a body corporate of the State of Maryland, and the Maryland resident agent is John L. Giacofci, Route 1, Box 151, Queenstown, Maryland, 21658.

III. The names and addresses of the principal officers of the corporation are:

Daniel Pompa 3333 Spencerville Road Burtonsville, Md., 20866	President
Terry F. Spragens Route 1,, Box 147C Queenstown, Md., 21658	Vice President
Pamela N. Gannon Route 1, Box 147J Queenstown, Md., 21658	Secretary
Chris Richardson Route 1, Box 151D Queenstown, Md., 21658	Treasurer

IV. The development consists of those lots designated on three Plats recorded among the Plat Records of Queen Anne's County, Maryland, as follows: C.W.C. 1, folio 54; C.W.C. 2, folio 1; C.W.C. 3, folio 8; 56.143 acres described in a Deed recorded aforesaid in Liber C.W.C. 105, folio 704. The owners of approximately 90 lots adjoining the northwest corner of the subdivision have elected to be members of the Improvement Association.

The Subdivision presently has 52 lots or parcels of land, and any further subdivision would not be by the developer.

The developer no longer owns any land in or adjacent to the subdivision. This subdivision is not a part of another subdivision. There is no right to annex additional land to this subdivision other than by the Improvement

Association with the consent of that landowner.

V. Copies of the Articles of Incorporation of Bennett's Point Improvement Association, Inc. are attached hereto as Exhibit No. 1.

VI. Copies of the By-Laws of Bennett's Point Improvement Association, Inc. are attached hereto as Exhibit No. 2.

VII. Copies of the covenants and restrictions applicable to the subdivision are recorded aforesaid as follows: C.W.C. 70, folio 406, C.W.C. 73, folio 267 (geographical extension), C.W.C. 84, folio 264 (modification), C.W.C. 102, folio 481, C.W.C. 105, folio 704, and copies are attached hereto as Exhibit Nos. 3 through 6, respectively. Covenants are enforceable against the lot owner and/or those persons in possession.

VIII. The Homeowner's Association owns Parcel No. 3, as shown on a Plat entitled "Revisions of Lots 2, 3 & 4, Section Two, Plat One, Bennett's Point", recorded aforesaid in Liber 110, folio 613, upon which the community pier facilities are located.

IX. A copy of the estimated annual budget for calendar year 1989 is attached hereto as Exhibit No. 7.

X. The Association fees for membership are $40.00 per year. The annual assessments for lots are contained in the restrictions but have not been collected for a number of years because community expenses are presently funded by the membership fees.

XI. All area in the subdivision is zoned Neighborhood Conservation-5, and further information is available from the Queen Anne's County Department of Planning and Zoning, County Office Building, Centreville, Maryland, 21617.

XII. All information concerning fees and assessments is stated in the restrictions.

XIII. No monies are collected at settlement for the Homeowner's Association.

XIV. No special rights or exemptions are reserved for the developer.

Pamela N. Gannon
Secretary

STATE OF MARYLAND

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

A 54204

301 WEST PRESTON STREET

BALTIMORE, MARYLAND 21201

YOU ARE ADVISED THAT THE ARTICLES OF INCORPORATION

OF

BENNETT'S POINT IMPROVEMENT ASSOCIATION, INC.

HAVE BEEN RECEIVED AND APPROVED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION THIS 16th DAY OF September, 1976, at 8:30 a.m. AND WILL BE RECORDED.

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND

BY: Richard H Keller

EXHIBIT 1

ARTICLES OF INCORPORATION

OF

BENNETT'S POINT IMPROVEMENT ASSOCIATION, INC.

John W. Sause, Jr., whose post office address is 204 North Commerce Street, Centreville, Maryland 21617, being at least eighteen years of age, has executed these Articles of Incorporation for the purpose of forming a corporation under the general laws of the State of Maryland.

FIRST. The name of the corporation is:

BENNETT'S POINT IMPROVEMENT ASSOCIATION, INC.

and is hereafter referred to as "the Association."

SECOND. The purposes for which the Association is formed are:

(a) To promote, improve and protect the welfare of the Bennett's Point community and persons owning property or residing in the Bennett's Point community;

(b) To acquire rights, titles, easements and estates within or pertaining to Bennett's Point and to exercise all powers, including discretionary powers, duties and obligations given by, or incident to, such rights, titles, easements and estates;

(c) To purchase or otherwise acquire, hold, mortgage, pledge, sell, transfer or in any manner encumber or dispose of goods, wares, merchandise, implements, and other personal property or equipment of every kind;

(d) To purchase, lease or otherwise acquire hold, develop, improve, mortgage, sell, exchange, let or in any manner encumber or dispose of real property wherever situated;

(e) To exercise any other power granted by law to corporations of the State of Maryland and to do every other act or thing not inconsistent with law, whether or not directly related to the aforesaid purposes.

THIRD. The Association is not authorized to issue capital stock. The Board of Directors shall choose the

first members in accordance with the By Laws. Only owners and lessees of property in Bennett's Point shall be eligible for membership in the Association. Members may resign or be removed, vacancies may be filled and additional members elected, as provided in the By Laws. The members have all of the powers and duties conferred by law upon "stockholders" or "holders of shares", except that no member has any pecuniary or other interest in the Association; and membership may not be assigned, devised or otherwise transferred. In addition, the By Laws may prescribe different classes of members and prescribe the rights, privileges and qualifications of each class.

FOURTH. The post office address of the principal office of the Association in this State is Route 1, Box 151, Queenstown, Maryland 21658. John L. Giacofci, whose post office address is Route 1, Box 151, Queenstown, Maryland 21658, is the resident agent of the Association in this State and is a citizen of the State of Maryland and actually resides therein.

FIFTH. The Association shall have such number of directors, not less than three, as may from time to time be elected by the members. Robert J. Engl, John L. Giacofci, George A. Haase, Thomas L. Judge, Robert A. Leigh, William C. Saunders, and Harry H. Witzke shall act as Directors until the first annual meeting and until their successors are duly chosen and qualify.

SIXTH. As used in these Articles or in any By Law, rule or resolution of the Association, "Bennett's Point" means (a) the area described on "Plat One - Section One, Bennett's Point, Fifth Election District, Queen Anne's County, Maryland", dated December 1972, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. 70, folio 242, and in Plat Book C.W.C. 1, folio 54; (b) the area described on "Plat Two - Section One, Bennett's Point, Fifth Election District, Queen Anne's County, Maryland, dated March 1973, and recorded among the Land Records aforesaid in Liber C.W.C. 72, folio 148, and Plat Book C.W.C. 2, folio 1, save and except such portions, if any, which bear the designation "Reserved" or "Reserved Area"; and (c) any other area in the vicinity of the aforesaid areas which the By Laws of the Association designate as a part of Bennett's Point.

In accordance with Section 1-302, Corporations and Associations Article, of the Annotated Code of Maryland, I hereby acknowledge the foregoing Articles of Incorporation to be my act.

/s/ John W. Sause, Jr.
John W. Sause, Jr.

Section 2 - Plat one
2 - 14 56 - 61

(Includes amendments of 3-8-77)
* shows change or amendment

BYLAWS
OF
BENNETT'S POINT IMPROVEMENT ASSOCIATION, INC.

ARTICLE I. DEFINITIONS

1. As used in these Bylaws, the words defined in this Article have the meanings here indicated.

2. Bennett's Point means those parts of the area described in a deed to Wye River Farms, Inc., from Stuart S. Janney and Barbara P. Janney, dated August 8, 1972, and recorded in Liber C.W.C. 66, folio 219, which are (i) private lots as defined in Section 3 hereof, or (ii) contiguous to private lot(s) and reserved or dedicated by recorded plat or instrument for use by the owners of private lots.

3. Private lot means:

(a) Parcels 5 through 35, 38 through 50, and 54 through 61, as delineated on one of the following plats: Plat dated December 1972, recorded in Liber C.W.C. 70, folio 252, and in Plat Book C.W.C. 1, folio 54; Plat dated March 1973, recorded in Liber C.W.C. 72, folio 148, and in Plat Book C.W.C. 2, folio 1; Plat dated August 1975, recorded in Liber C.W.C. 102, folio 57, and in Plat Book C.W.C. 3, folio 8;

(b) Parcels 36 and 37 as delineated on the aforesaid plat of December 1972, except the area delineated on plat dated August 1976, and recorded in Liber C.W.C. 110, folio 698;

(c) Parcels 51, 52 and 53 as delineated on a plat dated September 6, 1974, and recorded in Liber C.W.C. 87, folio 143;

(d) Parcels 3 and 4 as delineated on plat dated July 1976, and recorded in Liber C.W.C. 110, folio 613;

* (e) The 56.143 acres of land, more or less, described in a Deed from Wye River Farms, Inc., to Herndon G. Kilby and wife, dated May 27, 1976, and recorded in Liber C.W.C. 105, folio 704;

(f) Any other parcel of land delineated on any subdivision plat of any other area of Bennett's Point, properly recorded hereafter if:

(i) Such parcel contains at least five (5) acres in measured surface area; and

(ii) Such parcel is subject to an annual maintenance charge identical to that contained in the restrictions referred to in Section 5(a) hereof and to other covenants, agreements, easements, restrictions, conditions and charges substantially similar to those restrictions; and

(iii) The right to collect, manage and disburse such annual maintenance charge and to exercise all other rights, titles, easements and estates, and rights, duties and obligations conferred upon or reserved to Wye River Farms, Inc., or its successors and assigns, by such restrictions (except the power to pass upon and approve building plans, specifications and alterations) has been properly assigned to, or is otherwise held by, the Corporation.

4. Recorded means recorded among the Land Records of Queen Anne's County, Maryland.

5. Restrictions means:

(a) The convenants, agreements, easements, restrictions, conditions and charges set forth in (i) Declaration of Restrictions recorded on January 22, 1973, in Liber C.W.C. 70, folio 406, as geographically extended by instrument recorded on April 25, 1973, in Liber C.W.C. 73, folio 267, and modified by Modification of Restrictions recorded on May 28, 1974, in Liber C.W.C. 84, folio 264; and (ii) Declaration of Restrictions, Easements and Covenants recorded on March 12, 1976, in Liber C.W.C. 102, folio 481.

(b) Any other covenants, agreements, easements, restrictions, conditions and charges hereafter imposed upon any area of Bennett's Point which are substantially similar to the restrictions referred to in subsection (a).

6. Person includes firm or corporation.

ARTICLE II. MEMBERSHIP

Section 1. Eligibility

Any person 18 years of age or older who owns a recorded fee simple interest in a private lot is eligible for membership in the Corporation and, upon written application, shall be admitted to membership subject to the provisions of these Bylaws, except that a mortgagee or person who has only a security interest in a private lot is not eligible for membership.

Section 2. Termination of membership

A person shall cease to be a member of the Corporation when:

(a) He resigns from membership; or

(b) He is no longer eligible for membership; or

(c) He is expelled from membership pursuant to Section 4.

Section 3. Dues

Each Member shall pay the sum of Twenty-Five Dollars ($25.00) per year as dues, except that a husband and wife shall be treated as one person for purposes of this Section. Any application for membership submitted prior to July 1 of any fiscal year shall be accompanied by dues for the entire fiscal year; and any application for membership submitted on or after July 1 of any fiscal year shall be accompanied by one-half of the annual dues.

Section 4. Discipline of members

(a) A Member may be reprimanded, suspended or expelled from membership for any of the following reasons:

(i) Failure to pay any dues or other proper assessments imposed by the Corporation within sixty (60) days after they are due;

(ii) Breach of rules and regulations adopted by the Board of Directors with respect to the operations of the Corporation;

(iii) Breach of rules and regulations adopted by the Board of Directors with respect to the use of property owned by the Corporation;

(iv) Violation of any covenant or condition of any restrictions which are subject to regulation by the Corporation; or

(v) Any other reason which requires such action in order to insure the good discipline of the Corporation and/or the safety and welfare of the Bennett's Point Community.

(b) A Member shall be automatically suspended at the end of the period referred to in subsection (a) (i); and he shall be expelled without other or further action of the Board of Directors if his dues or assessments remain unpaid for thirty (30) days thereafter. A Member shall not otherwise be expelled except for (i) the commission of an act otherwise referred to in subsection (a) which is serious in nature or (ii) the commission of repeated breaches of any nature.

(c) Except as provided with respect to the payment of dues or assessments, before any disciplinary action becomes final against a Member, notice shall be given by certified mail, return receipt requested, to the individual Member stating that such action is contemplated by the Board of Directors, and stating the Member's rights to a hearing before the Board in his own defense, if he so desires, and further stating that such action will go into effect in seven (7) calendar days unless a hearing is requested. If no answer is received within seven (7) calendar days from the day the return receipt is received by the Association, the Board by vote of at least two-

thirds of its members, may take any action it deems appropriate.

ARTICLE III. MEETINGS OF MEMBERS

Section 1. Annual Meetings

The Corporation shall hold annually a regular meeting of its Members for the election of Directors, and for the transaction of general business, during the month of December in each year, at a time and place set by the Board of Directors. Annual meetings shall be held in Queen Anne's County, Maryland. Annual meetings shall be general meetings, that is to say, open for the transaction of any business within the powers of the Corporation without special notice of such business, except in any case in which special notice is required by statute.

Section 2. Special Meetings

At any time in the interval between annual meetings, special meetings of the Members may be called by the President or by a majority of the Board of Directors, either in writing or by vote. Special meetings of the Members shall be held in Queen Anne's County, Maryland.

Section 3. Notice of Meetings

Written or printed notice of every annual or special meeting of the Members shall be given to each Member by leaving the same with him or at his residence or usual place of business, or by mailing it, postage prepaid, and addressed to him at his address as it appears upon the books of the Corporation, at least ten days before such meeting. Notice of every special meeting shall state the place, day and hour of such meeting and the business proposed to be transacted thereat; and no business shall be transacted at such meeting except that specially named in the notice. It shall not be requisite to the validity of any meeting of Members that notice thereof shall have been given to any Member who attends in person or by proxy, or if absent waives notice thereof in writing filed with the records of the meeting either before or after the holding thereof. No notice of any adjourned meeting of Members need be given.

Section 4. Quorum

At all meetings of Members the presence of Members representing at least five (5) full votes, in person or by proxy, shall be necessary to constitute a quorum for the transaction of business, but in the absence of a quorum a majority of the Members who are present in person or by proxy at the time and place fixed for any meeting, or at the time and place of any adjournment thereof, may adjourn the meeting from time to time, but not for a period of over thirty days at any one time, without notice other than by announcement at the meeting, until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 5. Voting

(a) Except as provided in subsection (b), each Member may cast that portion of one vote which is equal to his proportional recorded fee simple interest in a private lot. In determining such proportional interest, persons who own a recorded fee simple interest in a lot but are not Members shall be disregarded.

(b) No Member may cast more than one full vote, regardless of the number of private lots owned by him.

(c) Except when a greater number of votes is required by the Articles of Incorporation or by these Bylaws, a majority of all the votes cast at a meeting at which a quorum is present is sufficient to elect and to approve any matter which properly comes before the meeting.

Section 6. Proxies

Any Member may vote either in person or by proxy, but no proxy which is dated more than three months before the meeting at which it is offered shall be accepted, unless such proxy shall, on its face, name a longer period (not in any event longer than twelve months from its date) for which it is to remain in force. Every proxy shall be in writing, subscribed by the Member or his duly authorized attorney, and dated, but need not be sealed, witnessed or acknowledged.

ARTICLE IV. DIRECTORS

The affairs of the Corporation shall be managed by its Board of Directors which will consist initially of those individuals named as such in the Articles of Incorporation. In addition to the powers expressly conferred upon them by these bylaws, the Board of Directors may exercise all of the powers of the Corporation. Without limiting the foregoing, upon the assignment by Wye River Farms, Inc., of its rights, duties, powers and obligations pursuant to the Declarations of Restrictions placed, from time to time, on property in Bennett's Point, the Board of Directors shall have power:

(a) To establish, levy and assess and collect such assessments and charges as provided in said Declarations of Restrictions.

(b) To adopt, publish and enforce rules and regulations governing the use of the real property in Bennett's Point.

(c) To provide for the care, maintenance and upkeep of all roads and other property the Corporation may own, from time to time, in Bennett's Point.

(d) To perform and undertake all duties and obligations pursuant to said Declaration of Restrictions which are assigned to it by Wye River Farms, Inc.

Section 2. Number, Tenure and Qualification

There shall be seven (7) directors. Three directors shall be elected at the annual meetings of the members held in odd-numbered years; and four directors shall be elected at the annual meetings of the members held in even-numbered years. Each director shall be elected for a term expiring at the second annual meeting after that at which he is elected. Vacancies resulting from the death, resignation or removal of a director during his term shall be filled in accordance with Section 8. In order to establish initial terms, the terms of the first three directors named in the Articles of Incorporation shall expire at the annual meeting held in December 1977; and the terms of the other four directors shall expire at the annual meeting held in December 1978.

* If any director resigns at or before the first meeting of Members, the unexpired term of that director as referred to in the last sentence shall be filled by majority vote of the members present in person or by proxy at such first meeting.

Section 3. Regular Meetings

Regular meetings of the Board of Directors shall be held on such dates and at such places as may be designated from time to time by the President or by the Board of Directors.

Section 4. Special Meetings

Special meetings of the Board of Directors may be called by the President or by any two Directors. The time and place of special meetings shall be fixed by the person or persons making the call.

Section 5. Place of Meetings

Subject to the provisions of Section 3 of this Article IV, the Board of Directors may hold its regular and special meetings at such place or places within the State of Maryland as it may from time to time determine. In the absence of any such determination, regular and special meetings of the Board of Directors shall be held at the principal business office of the Corporation.

Section 6. Notice

Notice of the place, day and hour of every regular and special meeting shall be given to each Director, by notice in writing mailed to him postage prepaid not later than the seventh day before the day set for the meeting and addressed to him at his last known post office address according to the records of the Corporation. No notice of the time, place or purposes of any meeting need be given to any director, who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives such notice. No notice of any adjourned meeting of the Board of Directors need be given.

Section 7. Quorum

A majority of the Board of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business at every meeting of the Board of Directors; but if at any meeting there be less than a quorum present, a majority of those present may adjourn the meeting from time to time, but not for a period of over ten days at any one time, without notice other than by announcement at the meeting until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. Except where otherwise provided in the Articles of Incorporation or these Bylaws, the action of a majority of the Directors present at a meeting at which a quorum is present shall be the action of the Board of Directors.

Section 8. Vacancies

Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of the majority of the remaining directors, but in no event less than the quorum of the Board of Directors. A director elected to fill the vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9. Removal

Any director who fails to attend three (3) consecutive meetings of the Board of Directors shall be automatically removed from office without further action by the Board of Directors or the membership. In addition, at any meeting of the members, the notice of which sets forth that such action will be considered, any director may be removed from office, with or without cause.

Section 10. Compensation

Directors, as such, shall neither receive nor be paid any compensation or payment, except by resolution of the Board of Directors and only as a reasonable allowance for actual expenditures or services actually made or rendered to or for the Corporation.

Section 11. Informal Action by Directors

Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing setting forth the actions to be taken, shall be signed by all directors.

ARTICLE V. OFFICERS

Section 1. In General

The executive officers of the Corporation shall consist of a president, a vice-president, a secretary, and a treasurer, and whenever deemed advisable by the Board, one or more assistant secretaries or assistant treasurers. The president shall be chosen from among the directors. Any two offices, except those of president and vice-president, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity, when such instrument is required to be executed, acknowledged or verified by any two or more officers. The Board of Directors may from time to time appoint such other agents and employees, with such powers and duties as they may deem proper. Officers shall serve until the next annual meeting and until their successors are elected and qualify.

Section 2. President

The president shall be the chief executive officer of the Corporation. He shall:

(a) When present, preside at all meetings of the directors and members;

(b) Have general management and direction of the activities of the Corporation and all powers ordinarily exercised by the president of the corporation;

(c) Have authority to sign and execute, in the name of the Corporation, all authorized deeds, mortgages, bonds, constracts or other instruments;

(d) Annually prepare a full and true statement of the affairs of the Corporation including a balance sheet and a receipts and disbursements statement, which shall be submitted at the annual meeting of the members, and shall be filed within twenty days thereafter with the Secretary.

Section 3. Vice-President

In the absence of the president or in the event of his inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of, and be subject to, all the restrictions upon the president. Any vice-president shall perform such other duties as from time to time may be assigned to him by the president or by the Board of Directors.

Section 4. Secretary

The secretary shall keep the minutes of the meeting of the members and of the Board of Directors in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these bylaws or as required by law, be custodian of the corporate records and in

general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the Board of Directors.

Section 5. Treasurer

The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies or other depositaries as shall from time to time be selected by the Board of Directors; and in general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the Board of Directors.

Section 6. Assistant Officers

The Board of Directors may elect one or more assistant secretaries and one or more assistant treasurers. Each such assistant secretary and assistant treasurer shall hold office for such period and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 7. Compensation

No officer, as such, shall either receive or be paid any compensation or payment, except by resolution of the Board of Directors and only as a reasonable allowance for actual expenditures or services actually made or rendered to or for the Corporation.

Section 8. Removal

The Board of Directors shall have the power at any regular or special meeting to remove any officer with or without cause, and such action shall be conclusive on the officer so removed.

Section 9. Vacancies

The Board of Directors at any regular or special meeting shall have the power to fill a vacancy occurring in any office for such term as it shall determine.

ARTICLE VI. CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts

The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc.

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation, and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments for an amount in excess of $500.00 shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice-president of the Corporation.

Section 3. Deposits

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositaries as the Board of Directors may select.

Section 4. Gifts

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE VII. SUNDRY PROVISIONS

Section 1. Books and Records

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors. All books and records of the Corporation may be inspected by any director, or his agent or attorney, for any proper purpose at any reasonable time.

Section 2. Corporate Seal

The Corporation shall have no corporate seal. If the Corporation is required to place its corporate seal to a document, it is sufficient to meet the requirements of any law, rule, or regulation relating to a corporate seal to place the word "(seal)" adjacent to the signature of the authorized officer of the corporation.

Section 3. Fiscal Year

The fiscal year of the Corporation shall be the year commencing on the first day of January of a given calendar year and ending on the thirty-first day of December of that calendar year, unless otherwise provided by the Board of Directors.

Section 4. Amendment to Bylaws

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted, by a majority of the entire membership at any regular meeting or at any special meeting, the notice of which shall set forth the terms of the proposed amendments.

* However, notice of any proposed action to amend, alter, repeal or add any bylaw which would alter or change the definition of Bennett's Point, as used herein, shall be given to each Member by certified mail, return receipt requested; and no such proposal may be adopted if any Member protests such alteration or change in person or by proxy at such meeting.

BENNETT'S POINT IMPROVEMENT ASSOCIATION, INC.

Box 147H Queenstown, Maryland 21658

The following Amendment to the Bylaws was voted on and approved at the Annual Meeting on October 22, 1983:

Article II (Membership) Section 4 (a)(i) (Discipline of Members) will read as follows:

Section 4. Discipline of members

(a) A member may be reprimanded, suspended or expelled from membership for any of the following reasons:

(i)(a) Failure to pay dues or other proper assessments imposed by the Corporation within sixty (60) days after they are due.

**(i)(b) Failure to pay dues within said time frame results in automatic termination of membership, and any member whose membership is terminated by virtue of this sub-section is not eligible for membership until the next fiscal year, and only then upon payment of dues for said next fiscal year.

**Amendment

BENNETT'S POINT IMPROVEMENT ASSOCIATION, INC.

Box 147 Queenstown, Maryland 21658

The following amendment to the Bylaws, raising annual dues from $25.00 to $40.00, was voted on and approved at the Annual Meeting on October 25, 1986:

ARTICLE II - MEMBERSHIP

Section 3. Dues

Each Member shall pay the sum of Forty ($40.00) Dollars per year as dues, except that a husband and wife shall be treated as one person for purposes of this Section. Any application for membership submitted prior to July 1 of any fiscal year shall be accompanied by dues for the entire fiscal year; and any application for membership submitted on or after July 1 of any fiscal year shall be accompanied by one-half of the annual dues.

DR. JOHN C. DUMLER
BENNETT PT RD#228B
QUEENSTOWN, MD.
21658

LIBER 70 FOLIO 406

Dec. 21, 1972
Jan. 19, 1973 RECEIVED FOR RECORD Jan 22 1973 1:25 P.M.

DECLARATION OF RESTRICTIONS

BENNETT'S POINT

QUEEN ANNE'S COUNTY

WHEREAS, Wye River Farms, Inc., a Maryland Corporation, is the owner of all those tracts or parcels of land, located in the Fifth Election District of Queen Anne's County, Maryland and shown and described on a plat entitled "Plat One - Section One, Bennett's Point, Fifth Election District, Queen Anne's County, Maryland" dated December, 1972, prepared by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Surveyors, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 70, folio 252 and in Plat Book C.W.C. No. 1, folio 54, on January 16, 1973, and

WHEREAS, Wye River Farms, Inc. has formulated, and intends to place in effect, a general plan or scheme for the orderly, efficient, and harmonious utilization of the aforesaid tracts or parcels, and every part thereof, and

WHEREAS, the success of such plan or scheme depends upon such tracts or parcels, and every part thereof, being made subject to the several covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth, and

WHEREAS, Wye River Farms, Inc. intends for the aforesaid reasons and purposes to subject these said tracts or parcels, and every part thereof, to all of such covenants, agreements, easements, restrictions, conditions and charges, for such period or periods of time as may be hereinafter specified,

NOW, THEREFORE, THIS INSTRUMENT WITNESSETH, that the said Wye River Farms, Inc., owner as aforesaid, does hereby create, declare, establish and impose the following covenants, agreements, easements, restrictions, conditions and charges, to run with and bind the aforesaid tracts or parcels of land, and every part thereof, (save and except such portions thereof, if any, which bear the designation "Reserved" or "Reserved Area") to wit:

Whenever used in the covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth the following definitions shall apply, unless a contrary intention is clearly evident from the context:

a. The word "person", as hereinafter used, shall include individuals, co-partnerships, associations and corporations; the singular shall include the plural; and the masculine shall include the feminine and the neuter.

b. The word "Corporation", as hereinafter used, shall mean Wye River Farms, Inc., or its successors and assigns.

c. The words "Plat of Bennett's Point", as hereinafter used, shall mean that plat entitled "Plat One - Section One, Bennett's Point, Fifth Election District, Queen Anne's County, Maryland", dated December, 1972, prepared by J. R. McCrone, Jr., Inc., registered professional engineers and surveyors, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 70, folio 252 and in Plat Book C.W.C. No. 1, folio 54 on January 16, 1973 or any amendment, revision or extension thereof which may hereafter be recorded among said Land Records.

d. The word "owner" or "owners", as hereinafter used, shall mean the person or persons having, from time to time,

EXHIBIT 3

C.W.C. 70/406

the publicly recorded title to any parcel or parcels within said subdivision

e. The word "parcel", as hereinafter used, shall include the plural, and/or any two or more contiguous parcels consolidated into one parcel by the owner or owners thereof.

f. The words "front parcel line", as hereinafter used, shall mean that line of any parcel binding upon a street or roadway.

g. The words "street", "road", or "roadway", as hereinafter used, shall mean all those streets or roads as shown on the aforesaid plat, and all other interior roads of not less than fifty (50) feet in width.

h. The words "corner parcel", as hereinafter used, shall mean any parcel fronting on two or more streets or roads.

1. No owner of any parcel in Bennett's Point shall acquire, by reason of his ownership of such parcel, any right to erect duck, goose or other wild fowl pits or blinds thereon, all such rights being hereby expressly reserved to the Corporation. The Corporation further reserves the right, in any manner whatsoever, to control, restrict or prevent all hunting or shooting in, over, upon and/or adjacent to the aforementioned parcels set forth on said plat.

2. No building, dock, hedge, fence, wall, sign, bulkhead, jetty, seawall, swimming pool, or any other structure of any kind or nature whatsoever, or any addition or accessory thereto, shall be commenced, erected, or maintained, nor shall any addition to, or change or alteration (including change of color of any exterior part) thereof be made until written or printed plans and specifications (showing the nature, kind, shape, heights, materials, floor plans, color scheme and location of the improvement with respect to plat plan, topography and ground elevation) shall have been submitted to, and approved in writing by, the Corporation and copies of all building plans, specifications, alterations, plans, plat plans, etc., as above required permanently lodged with the Corporation.

The Corporation shall have the right to refuse to approve any building plan and/or grading plat, or material contemplated to be used in the proposed building or improvement, either external or internal, which, in its sole and uncontrolled opinion, is not considered suitable or desirable, whether for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement, and the materials of which the same is to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Corporation shall further have the right to establish such minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected in Bennett's Point.

Any approval given hereunder shall become null and void unless construction of the approved structure is commenced within six (6) months of the date of such approval.

3. The floor area of any dwelling house erected upon any parcel, exclusive of basement and attached porches and garages, shall be not less than two thousand (2,000) square feet for a one story dwelling, nor less than two thousand five hundred (2,500) square feet for a one and one-half story dwelling, nor less than three thousand (3,000) square feet for a two story dwelling. No dwelling, garage, porch, or guest house shall be more than thirty-six (36) feet in elevation from ground level, provided, however, that the Corporation reserves the right from time to time to amend or modify such requirements if, in its sole discretion, it deems it best so to do.

4. No dwelling shall be located closer than fifty (50) feet to the front parcel line of the parcel upon which it is situated, or closer than fifty (50) feet to any side parcel line. No dwelling shall be located within seventy-five (75) feet of the shoreline, or if no shoreline, seventy-five (75) feet of the rear parcel line. Such entrance stoops, terraces, steps, eaves, cornices and gutters as may be approved by the Corporation may be built, erected and maintained on any part of the restricted area.

5. All detached garages and other appurtenant structures of any kind whatsoever, specifically including, but not being limited to, clotheslines, fuel tanks, garbage cans, incinerators, and wood and/or compost piles, shall be located not less than seventy-five (75) feet from the shore line, or if no shoreline, not less than twenty (20) feet from rear parcel lines and not less than thirty (30) feet from side parcel lines, and all such structures, with the sole exception of buildings, shall be concealed from view from the water and from adjacent parcels, roads or streets by walls, screens and/or screen plantings, as the owner shall elect.

The Corporation shall, in all cases, have the right to determine the location of the front, side and/or rear lines of any parcel and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Corporation thereon shall be final in all respects.

6. No tree of more than eight (8) inches diameter, measured four (4) feet above the ground, shall be cut and no excavation shall be made on the premises except for the purpose of building thereon at the time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such operations. Any dwelling, outbuilding, or other structure, commenced as herein provided shall be completed within twelve (12) months of the date the same is commenced, unless the time for completion shall be extended by the Corporation in the exercise of its discretion.

7. No boathouse shall be constructed on any parcel, or in the waters in front of any parcel.

8. No noxious or offensive trade shall be carried on upon any parcel, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. All parcels set forth on the aforementioned plat shall be used for residential purposes only, and not for purposes of any profession, trade or business whatsoever. Structures erected on any one parcel shall consist of a main dwelling or residence for the occupancy of one family only, together with a private garage, guest house, and other structures appurtenant to the main residence, or to be used in connection therewith.

On no parcel shall there be more than one family and their servants occupying the main dwelling, or any structure appurtenant thereto.

9. No basement, tent, shack, garage, barn or other outbuilding shall be erected on any parcel and used temporarily or permanently as a residence. No trailer or habitable motor vehicle shall be parked or stored on any parcel and used temporarily or permanently for residential purposes, but may be so parked or stored, unoccupied, providing it be parked or stored either (a) within a completely enclosed building or (b) beyond the rear of the main dwelling, and at least thirty (30) feet from the side parcel line, and not less than seventy-five (75) feet from the shoreline, or if no shoreline, twenty (20) feet from the rear parcel line. No truck larger than three-quarter (3/4) ton capacity, no commercial vehicle, and no construction equipment, shall be parked or stored on any parcel other than as hereinabove provided, nor shall any such truck, vehicle or equipment be parked on any street, road or alley in Bennett's Point except while engaged in transporting to or from a residence therein or, in the case of construction equipment, while actively engaged upon construction work therein.

10. No animal, livestock, poultry, or other fowl of any kind shall be raised, bred or kept on any parcel, provided, however, that no more than three (3) dogs, cats or other household pets may be so raised, bred or kept, provided that they are not raised, bred or kept for any commercial purpose.

11. To the extent that applicable zoning and other land use laws may from time to time permit, any owner of a parcel in Bennett's Point may sell, lease or otherwise transfer any portion of the same, provided, however, that no such sale, lease or transfer shall have as its result the creation, whether by grant or reservation, of any subparcel the measured surface area of which is less than two (2.0) acres.

12. In order to preserve or improve the views, to promote the free movement of air and to prevent the harboring of flies, mosquitoes and other insects, the Corporation reserves the right to require the owner of any parcel, upon thirty (30) days written notice, mailed to the owner at his address as shown in the tax assessment records of Queen Anne's County, to trim any trees or shrubbery, to cut and remove any tall grasses and weeds, and/or to remove any trash and litter standing on any part of such parcel which may, in the opinion of the Corporation, destroy or interfere with such views or the free movement of air and/or which may furnish harboring places for flies, mosquitoes or other insects, and the Corporation may trim, cut and remove such trees, shrubbery, grasses, weeds, trash and litter at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

13. The corporation hereby gives and grants to each owner hereafter acquiring title to any parcel or parcels in Bennett's Point, and to his invitees, lessees, servants, agents, and employees, the right to use, in common with the Corporation and the owners of other parcels therein, the streets, roads, roadways, avenues, lanes and alleyways shown upon the aforementioned plat, or upon any amendment or revision thereof. Subject to such use, the Corporation expressly reserves the title and right to use and occupy the same, or to allow or permit others to do so in any manner that does not materially interfere with the rights hereinabove granted. The Corporation further reserves the right, to the extent permitted by local authorities, to utilize the beds of said streets, roads, roadways, avenues, lanes and alleyways for the laying or erecting of water pipes, gas pipes, electric lines or other public

utilities, above or below ground level, in such manner as may be deemed necessary to adequately provide such facilities to the owners or occupiers of said tract or parcel, or any part thereof; and the said Corporation expressly reserves the right to slope, grade, relocate, close or partially close any street, road, roadway, avenue, lane or alleyway on the aforesaid plat, provided that no relocation or closing shall be made that will prevent reasonably convenient ingress and egress to and from, or that will take any portion of any parcel sold or conveyed by the Corporation prior to such relocation or closing. The Corporation further reserves the exclusive right to dedicate to public use and the right to convey to any public authority or to any corporation having the right to acquire the same, all its right, title and interest in and to any parcel or tract of land or any street, road, roadway, avenue, lane or alleyway shown on said plat or hereafter laid out in said tract or parcel, subject to the rights of property owners heretofore granted.

Nothing herein contained shall constitute a dedication of any street, road, roadway, avenue, lane or alleyway shown on the aforementioned plat of, or hereafter laid out in Bennett's Point, nor shall any deed hereafter made and delivered by the Corporation, conveying any parcel or other part of said tract or parcel, be held to convey or dedicate the surface or bed of any street, road, roadway, avenue, lane or alleyway, except when expressly so conveyed or dedicated in the deed.

14. Easements and rights of way are hereby expressly reserved upon, in and over strips of land five (5) feet in width along all interior parcel lines and strips of land ten (10) feet in width along the outer edges of all roads and streets in Bennett's Point for the purpose of erecting, constructing, inspecting and maintaining poles, wires and conduits, and the necessary or proper attachments in connection therewith, for the transmission of electricity and for telephone and other public utilities or services, and for public sanitary sewers and storm water drainage; and the Corporation, and/or its nominees, shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth. The Corporation shall have the right to remove, prune or trim any tree or shrub interfering with the construction or maintenance of electric or telephone lines or other utility services.

15. The Corporation hereby reserves the right to select, construct and implement whatever methods, facilities and procedures it shall deem necessary or desirable to preserve or improve the physical security of the persons residing on Bennett's Point and of their real and personal property, specifically including, but not being limited to, the employment of uniformed security personnel, the erection of a barrier along the boundary separating Bennett's Point from adjacent properties, and the employement of such other devices for the control and supervision of road and/or pedestrian access to Bennett's Point as it shall see fit. The Corporation further reserves the right, at any time and from time to time, to go upon, or to send its agents, officers or employees upon, any parcel in Bennett's Point, by whomsoever owned, for any purpose which, in the sole judgment of the Corporation, will preserve or improve the physical security of any person or persons residing on Bennett's Point, and/or of the real and personal property there located, provided, however, that this license shall extend only to the unimproved portions of such parcels, and shall not confer upon the Corporation or its agents, officers or employees any right to enter any dwelling or other structure located upon any such parcel.

Notwithstanding the rights hereinabove reserved, however, nothing herein shall impose on the Corporation any duty or responsibility to select, construct or implement any such method, facility or procedure, and nothing herein shall be construed as a warranty or representation that any specific protective measure, or any such measures whatever, will be so employed, it being the exclusive prerogative of the Corporation to determine what methods, facilities or procedures, if any, shall be so employed, nor shall anything herein, nor any action taken by the Corporation pursuant hereto, be deemed or construed to be a guarantee, on the part of the Corporation, of the efficacy of any security measure it may have elected to employ.

The implementation of positive security measures being primarily for the benefit and advantage of the owners of parcels in Bennett's Point, and only incidentally for the benefit of the Corporation, and the Corporation being reluctant to accept the manifold risks inherent in the implementation of such measures, each owner of a parcel or parcels in Bennett's Point shall, by the acceptance of a deed thereto, be deemed to have agreed, as an inducement to the Corporation to undertake such positive security measures as it shall see fit, to release, indemnify and hold harmless the said Corporation from and against any action, suit, claim or demand which may be brought or asserted against it as a result of any condition existing, or activity occurring, on such parcel or parcels as a result of the employment of any such security measure.

16. The owner or owners of each parcel in Bennett's Point shall pay to the Corporation, on July 1st of each year, such sum as may be demanded of him or them by the Corporation, not to exceed, however, one-half of one per cent (1/2 of 1%) of the assessed value of the land and improvements on said land as shown on the tax assessment records for Queen Anne's County, Maryland, as of June 30th of that year, it being understood and agreed that all such sums so demanded by the Corporation during any given year shall bear an identical relationship to the assessed value of the land and improvements against which they are being levied, and it being further understood and agreed that the liability of each such owner for the payment of said annual maintenance charge shall be a personal liability only and that neither the said annual maintenance charge, nor any arrearage therein, shall be a lien upon any of said parcels. The Corporation shall have the right to charge interest at the rate of 8% per annum on all arrearages in such annual maintenance charges, accounting from August 1st of the year in which they were assessed, and shall further be entitled to receive all its costs of collection, including a reasonable attorney's fee.

All such sums so paid to the Corporation shall be applied by it towards the maintenance and repair of the streets, roads, roadways, avenues, lanes, alleys, ways, storm drains, sanitary sewers, easement areas and recreation areas now or hereafter constructed or erected in or for said tract; for lighting, improving and caring for areas maintained for the general use of the owners or occupants of the parcels included on the aforesaid plat; for caring for unoccupied land in said tract; for expenses incident to the examination and approval of plans as herein provided; for expenses incident to the employment of whatever security measures, if any, the Corporation shall have elected to take; for the enforcement of these covenants, agreements, easements, restrictions, conditions, and charges; and for any other purpose which, in the opinion of the Corporation, shall be for the general benefit and advantage of the owners, users and occupiers of Bennett's Point, or any part thereof.

17. All of the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty (20) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary or mortgagee interests) of the parcels subject hereto may at any time amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments du' executed and properly recorded among the Land Records of Queen Anne's County.

18. If any provision of the covenants and restrictions herein contained, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

19. The provisions herein contained shall run with and bind the land and shall inure to the benefit of, and be enforceable by, the Corporation or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any parcel or other area, their respective legal representatives, heirs, successors and assigns; and failure by the Corporation or any land owner to enforce any restriction, condition, covenant or agreement herein contained shall not in any event be deemed a waiver of the right to do so.

Violation of any covenant, condition or restriction herein shall give the Corporation, in addition to all other remedies, (a) the right to enter upon the land upon, or as to which, such violation exists and summarily to abate and remove, at the expense of the owner thereof, such violation, and neither the Corporation, nor any of its agents, officers, or employees, shall thereby be deemed guilty of any manner of trespass for such entry, abatement or removal, or be liable for any damages resulting therefrom, and (b) the right to apply for injunctive relief, the owner being deemed to have agreed that any such breach cannot be compensated adequately by recovery of damages. All such rights shall be continuing in character, and shall not be deemed to be terminated, exhausted or abridged by the multiple exercise thereof.

20. The Corporation hereby expressly reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein by an appropriate written instrument, so long as such changes do not substantially affect the rights of any owner of any parcel. Where any owner's rights are so substantially affected, before any such change can become operative, all affected owners must indicate their consent to and approval of such annulment, waiver, modification or change, by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

21. Any or all of the rights, titles, easements and estates given to or reserved by the Corporation in this instrument may be assigned, in whole or in part, to one or more corporations or associations, and likewise all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon the Corporation by this instrument may be assigned and transferred to one or more corporations agreeing to assume, exercise, carry out and perform the same. The Corporation may, at any time deemed advisable by it, cause any or all of said rights, titles, easements and estates to be conveyed to an association to be formed by the several property owners in Bennett's Point. Each person, by the acceptance of a deed to, or by entering into possession of, property in Bennett's Point, agrees to become a member of such an association and to pay such

reasonable dues and assessments as may be levied from time to time by a majority vote of the association, provided that only owners and lessees of property in Bennett's Point shall be eligible for membership in said association. Any such assignment or transfer shall be made by an appropriate written agreement in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance and assumption of such powers, duties and obligations; and such assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are herein given to, assumed by, or imposed upon the Corporation, the Corporation thereupon being released therefrom.

AS WITNESS the hand of Frank M. Hardy, Vice President of Wye River Farms, Inc. duly attested by Thomas J. Keating, IV., its Assistant Secretary.

ATTEST:

Thomas J. Keating, IV
Assistant Secretary

WYE RIVER FARMS, INC.

BY: Frank M. Hardy, Vice President

STATE OF MARYLAND, TALBOT COUNTY, to wit:

I HEREBY CERTIFY, that on this 18th day of January, 1973 before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Frank M. Hardy, who acknowledged himself to be the Vice President of Wye River Farms, Inc. and that he as such Vice President, being authorized so to do executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself as its Vice President.

AS WITNESS my hand and Notarial Seal.

Mary Rae H. Russ
Notary Public

My Commission Expires:
July 1, 1974.

MARY RAE H. RUSS NOTARY PUBLIC TALBOT CO., MD.

Geographical Extension of Declaration of Restrictions Bennett's Point recorded in Liber C.W.C. No. 73, folio 267. For Modification of Declaration of Restrictions, see Liber C.W.C. No. 84, folio 204, a Land Record Book for Queen Anne's County.

Apr 23 1973
5243 RECEIVED FOR RECORD Apr 25 1973 4:35 PM

GEOGRAPHICAL EXTENSION OF

DECLARATION OF RESTRICTIONS

BENNETT'S POINT

QUEEN ANNE'S COUNTY

WHEREAS, Wye River Farms, Inc., a Maryland Corporation, is the owner of all those tracts or parcels of land, located in the Fifth Election District of Queen Anne's County, Maryland and shown and described on a plat entitled "Plat Two - Section One, Bennett's Point, Fifth Election District, Queen Anne's County, Maryland" dated March, 1973, prepared by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Surveyors, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 72, folio 148, and in Plat Book C.W.C. No. 2, folio 1, on March 23, 1973; and

WHEREAS, Wye River Farms, Inc. has formulated, and intends to place in effect, a general plan or scheme for the orderly, efficient, and harmonious utilization of the aforesaid tracts or parcels, and every part thereof, and

WHEREAS, the success of such plan or scheme depends upon such tracts or parcels, and every part thereof, being made subject to the several covenants, agreements, easements, restrictions, conditions and charges set forth in a certain paper writing captioned "Declaration of Restrictions - Bennett's Point - Queen Anne's County", and recorded among the Land Records of Queen Anne's County, Maryland, in Liber C.W.C. 70, folio 406, and

WHEREAS, Wye River Farms, Inc. intends for the aforesaid reasons and purposes to subject these said tracts or parcels, and every part thereof, to all of such covenants, agreements, easements, restrictions, conditions and charges, for such period or periods of time as may be therein specified,

NOW, THEREFORE, THIS INSTRUMENT WITNESSETH, that the said Wye

River Farms, Inc., owner as aforesaid, does hereby create, declare, establish and impose upon the aforesaid tracts or parcels of land, and every part thereof (save and except such portions thereof, if any, which bear the designation "Reserved" or "Reserved Area"), to run with and bind the same, the covenants, agreements, easements, restrictions, conditions and charges set out in the aforesaid Declaration of Restrictions, as fully, and to the same effect and extent, as though they were set out verbatim herein.

And Provided Further, that the Plat described hereinabove, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 72, folio 148, and in Plat Book C.W.C. No. 2, folio 1, shall be deemed and construed to be an "extension" of the Plat of Bennett's Point described and referred to in the aforesaid Declaration of Restrictions, within the meaning of that term as it is used in Paragraph c. thereof.

AS WITNESS the hand of Frank M. Hardy, Vice President of Wye River Farms, Inc. duly attested by Thomas J. Keating, IV., its Assistant Secretary.

ATTEST:

Thomas J. Keating, IV.
Assistant Secretary

WYE RIVER FARMS, INC.

BY: _____
Frank M. Hardy
Vice President

STATE OF MARYLAND, TALBOT COUNTY, to wit:

I HEREBY CERTIFY, that on this 20th day of April, 1973 before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Frank M. Hardy, who acknowledged himself to be the Vice President of Wye River Farms, Inc. and that he as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself as its Vice President.

AS WITNESS my hand and Notarial Seal.

_____
Notary Public

My Commission Expires:
July 1, 1974.

DOCUMENT NO. 23798

RECORDED FOR RECORD
IN LIBER C.W.C. No. 84
FOLIO 264

DR. JOHN C. DUMLER
BENNETT PT RD #228B
QUEENSTOWN, MD.
21658

MAY 28-74 * 23798 *****11.00
MAY 28-74 A 23798 *****11.00

MAY 28 THIS MODIFICATION OF DECLARATION OF RESTRICTIONS, made this 23rd day of May, 1974, by WYE RIVER FARMS, INC., a Maryland Corporation.

RECORDED IN LIBER ... CO., MD.
CHARLES W. CECIL, CLERK

WHEREAS, Wye River Farms, Inc., is the owner of several of the tracts or parcels of land, located in the Fifth Election District of Queen Anne's County, State of Maryland, which are shown and described on a plat entitled "Plat One - Section One, Bennett's Point, Fifth Election District, Queen Anne's County, Maryland", dated December 1972, by J.R. McCrone, Jr., Inc., Registered Professional Engineers and Surveyors, and recorded among the land records of said Queen Anne's County in Liber C.W.C. No. 70, folio 252, and also on a plat entitled "Plat Two - Section One, Bennett's Point, Fifth Election District, Queen Anne's County, Maryland", dated March, 1973, by J.R. McCrone, Jr., Inc., Registered Professional Engineers and Surveyors, and which is recorded among said land records in Liber C.W.C. No. 72, folio 148; and

WHEREAS, the said Wye River Farms, Inc., as part of the general plan of development of "Bennett's Point" as shown on the aforesaid plats, imposed certain covenants, agreements, easements, restrictions, conditions and charges upon the lots shown on the aforesaid "Plat One - Section One, Bennett's Point, Fifth Election District, Queen Anne's County, Maryland", by a Declaration of Restrictions acknowledged January 18, 1973, and recorded among said land records in Liber C.W.C. No. 70, folio 406, which covenants, agreements, easements, restrictions, conditions and charges were extended to include the parcels or tracts of land shown on "Plat Two - Section One, Bennett's Point, Fifth Election District, Queen Anne's County, Maryland", by Geographical Extension of Declaration of Restrictions acknowledged April 20, 1973, and recorded among said land records in Liber C.W.C. No. 73, folio 267; and

EXHIBIT 5

CWC 84/264

WHEREAS, Paragraph 10 of the aforesaid Declaration of Restrictions provides that no animal, livestock, poultry or other fowl of any kind shall be raised, bred or kept on any parcel, provided, however, that no more than three (3) dogs, cats or other household pets may be so raised, bred or kept, provided that they are not raised, bred or kept for any commercial purpose; and

WHEREAS, several of the owners of parcels of land shown on the aforesaid plats have requested that said Paragraph 10 be amended to allow horses to be kept at Bennett's Point; and

WHEREAS, Paragraph 16 of the aforesaid Declaration of Restrictions provides for an annual maintenance charge of 1/2 of 1% of the assessed value of the land and improvements comprising each parcel; and

WHEREAS, several of the owners of the parcels of land shown on the aforesaid plats have requested that said annual maintenance charge be reduced; and

WHEREAS, Paragraph 20 of said Declaration of Restrictions provides in part, that the said Wye River Farms, Inc., reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained therein by an appropriate written instrument, so long as such changes do not substantially affect the rights of any owner of any parcel; and

WHEREAS, Wye River Farms, Inc., considers that the ownership of a limited number of horses by the owner of any lot or lots in Bennett's Point is in keeping with the purpose of Paragraph 10 of the Restrictions, is consistent with the general plan of development of Bennett's Point, and is not a change which substantially affects the rights of any owner of any parcel; and

WHEREAS, in the light of experience, Wye River Farms, Inc. considers that the annual maintenance charge now imposed is excessive considering the needs of the lots in Bennett's Point and that an annual maintenance charge of 1/2 of 1% of the assessed

value of the land, excluding the value of any improvements, is reasonable under the circumstances, is consistent with the general plan of development of Bennett's Point, and is not a change which substantially affects the rights of any owner of any parcel; and

WHEREAS, Wye River Farms, Inc., pursuant to the authority reserved by it under Paragraph 20 as aforesaid, desires to consent to the request to allow horses and to reduce the annual maintenance charge in Bennett's Point, Plat One - Section One and Bennett's Point, Plat Two - Section One by the execution of these presents.

NOW, THEREFORE, THIS MODIFICATION OF DECLARATION OF RESTRICTIONS WITNESSETH, that the said Wye River Farms, Inc., pursuant to the authority reserved by it in Paragraph 20 of the Declaration of Restrictions - Bennett's Point - Queen Anne's County, acknowledged January 18, 1973, and recorded among the land records of said Queen Anne's County in Liber C.W.C. No. 70, folio 406, hereby deletes Paragraphs 10 and 16 of said Declaration of Restrictions and substitutes the following in lieu thereof:

"10. No animal, livestock, poultry or other fowl of any kind shall be raised, bred or kept on any parcel, provided, however, that no more than three (3) dogs, cats or other usual household pets, and no more than one (1) riding horse per 42,000 square feet of lot area, may be so raised, bred or kept, provided, further that they are not raised, bred or kept for any commercial purpose."

"16. The owner or owners of each parcel in Bennett's Point shall pay to the Corporation, on July 1st of each year, such sum as may be demanded of him or them by the Corporation, not to exceed, however, one-half of one per cent (1/2 of 1%) of the assessed value of the land comprising such parcel (excluding, however, the value of any improvements on such parcel), as shown on the tax assessment records for Queen Anne's County, Maryland, as of June 30th of that year, it being understood and agreed that all such sums so demanded by the Corporation during any given year shall bear an identical relationship to the assessed value of the land, excluding any improvements thereon, against which they are being levied, and it being further understood and agreed that the liability of each such owner for the payment of said annual maintenance charge shall be a personal liability only and that neither the said annual maintenance charge, nor any arrearage therein, shall be a lien upon any of said parcels. The Corporation shall have the right to charge interest at the rate of 8% per annum on all arrearages in such annual maintenance charges, accounting from August 1st of the year in which they were assessed, and shall further be entitled to receive all its costs of collection, including a reasonable attorney's fee.

"All such sums so paid to the Corporation shall be applied by it towards the maintenance and repair of the streets, roads, roadways, avenues, lanes, alleys, ways, storm drains, sanitary sewers, easement areas and recreation areas now or hereafter constructed or erected in or for said tract; for lighting, improving and caring for areas maintained for the general use of the owners or occupants of the parcels included on the aforesaid plats; for caring for unoccupied land in said tract; for expenses incident to the examination and approval of plans as herein provided; for expenses incident to the employment of whatever security measures, if any, the Corporation shall have elected to take; for the enforcement of these covenants, agreements, easements, restrictions, conditions and charges; and for any other purpose which, in the opinion of the Corporation, shall be for the general benefit and advantage of the owners, users and occupiers of Bennett's Point, or any part thereof."

WITNESS the hand of said body corporate by Frank M. Hardy, its Vice President, and its corporate seal duly attested by David C. Bryan, its Assistant Secretary.

TEST:

David C. Bryan

WYE RIVER FARMS, INC.

By: Frank M. Hardy (SEAL)
Frank M. Hardy
Vice President

ATTEST (As to Corporate Seal)

David C. Bryan
David C. Bryan
Assistant Secretary

STATE OF MARYLAND)
) To Wit:
COUNTY OF QUEEN ANNE'S)

On this, the 23rd day of May, 1974, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared FRANK M. HARDY, who acknowledged himself to be the Vice President of Wye River Farms, Inc., a Maryland corporation, and that he, as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Beverly M. Ringgold
Notary Public
My Commission Expires July 1, 1974.

Restrictions
Sec 2
Bennett Point

WHP II/rc 3/11/76
DOCUMENT NO. 83,093
FILED FOR RECORD
& RECORDED IN LIBER CWC
NO. 102 PG. NO. 481

1976 MAR 12 AM 11:42
Land RECORD FOR
QUEEN ANNE'S CO., MD.
CHARLES W. CECIL, CLERK

MAR 12-76 * 24868 *****3450
MAR 12-76 A 24868 *****3450

BENNETT'S POINT

SECTION II

AMENDED RESTRICTIONS, EASEMENTS AND COVENANTS

THIS DECLARATION OF RESTRICTIONS, EASEMENTS AND COVENANTS made this ____ day of March, 1976, by WYE RIVER FARMS, INC., a Maryland Corporation,

WHEREAS, Wye Island Farms, Inc., has developed a subdivision known as "Bennett's Point II" upon which subdivision certain restrictions were imposed, and is now offering for sale lots in an extension of the subdivision known as "Bennett's Point" for which Wye River Farms, Inc., wishes to improve restrictions, easements and covenants,

WHEREAS, a document entitled "Restrictions, Easements, and Covenants for Bennett's Point II" was recorded March 10, 1976 among the Land Records of Queen Anne's County in Liber C.W.C. 102, folio 398;

WHEREAS, the said document contained certain typographical errors and ommissions intended by Wye River Farms, Inc., to be included therein;

AND WHEREAS, Wye River Farms, Inc., is desirous of correcting the aforesaid restrictions, easements and covenants to be imposed upon Section II of Bennett's Point Subdivision and to record them in a proper manner.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH that the aforesaid document entitled "Restrictions, Easements and Covenants for Bennett's Point Section II", recorded March 10, 1976 among the Land Record Books for Queen Anne's County in Liber C.W.C. 102, folio 398, is hereby declared null and void and of no effect and the following restrcitions, easements, and covenants shall be imposed upon and run with the land designated as "Bennett's Point Section II".

11-10-76 Delivered to Henry, Hairston & Price, Attys.

HENRY, HAIRSTON & PRICE
ATTORNEYS AT LAW
EASTON, MARYLAND

CWC

LIBER 102 PAGE 481

BENNETT'S POINT II

Whenever used in the covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth the following definitions shall apply, unless a contrary intention is clearly evident from the context:

a. The word "person", as hereinafter used, shall include individuals, co-partnerships, associations and corporations; the singular shall include the plural; and the masculine shall include the feminine and the neuter.

b. The word "Corporation", as hereinafter used, shall mean Wye River Farms, Inc., or its successors and assigns.

c. The words "Plat of Bennett's Point, Section II", as hereinafter used, shall mean that plat entitled "Plat of a Survey of Bennett's Point, Fifth Election District, Queen Anne's County, Maryland", dated 1972, prepared by J. R. McCrone, Jr., Inc., registered professional engineers and surveyors, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 102 folio 57 and in Plat Book C.W.C. No. 3 folio 8 on February, 1976, or in any amendment or revision thereof which may hereafter be recorded among said Land Records.

d. The word "owner" or "owners", as hereinafter used, shall mean the person or persons having, from time to time, the publicly recorded title to any parcel or parcels within said subdivision.

e. The word "parcel", as hereinafter used, shall include the plural, and/or any two or more contiguous parcels consolidated into one parcel by the owner or owners thereof.

f. The words "front lot line", as hereinafter used, shall mean that line of any parcel binding upon a street or roadway.

g. The words "street", "road", or "roadway", as hereinafter used, shall mean all those streets or roads as shown on the aforesaid plat, and all other interior roads of not less than fifty (50) feet in width.

h. The words "corner parcel", as hereinafter used, shall mean any parcel fronting on two or more streets or roads.

i. No owner of any parcel in Bennett's Point shall acquire, by reason of his ownership of such parcel, any right to erect duck, goose or other wild fowl pits or blinds thereon, all such rights being hereby expressly reserved to the Corporation. The Corporation further reserves the right, in any manner whatsoever, to control, restrict or prevent all hunting or shooting in, over, upon and/or adjacent to the aforementioned parcels set forth on said plat.

2. No building, dock, hedge, fence, wall, sign, bulkhead, jetty, seawall, swimming pool, or any other structure of any kind or nature whatsoever, or any addition or accessory therto, shall be commenced, erected, or maintained, nor shall any addition to, or change or alteration (including change of color of any exterior part) thereof be made until written or printed plans and specifications (showing the nature, kind, shape, heights, materials, floor plans, color scheme and location of the improvement with respect to plat plan, topography and ground elevation) shall have been submitted to, and approved in writing by, the Corporation and copies of all building plans, specifications, alterations, plans, plat plans, etc., as above required permanently lodged with the Corporation.

The Corporation shall have the right to refuse to approve any building plan and/or grading plat, or material contemplated to be used in the proposed building or improvement, either external or internal, which, in its sole

and uncontrolled opinion, is not considered suitable or desirable, whether for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement, and the materials of which the same is to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Corporation shall further have the right to establish such minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected in Bennett's Point.

Any approval given hereunder shall become null and void unless construction of the approved structure is commenced within six (6) months of the date of such approval.

3. The floor area of any dwelling house erected upon any parcel, exclusive of basement and attached porches and garages, shall not be less than two thousand (2,000) square feet for a one story dwelling, nor less than two thousand five hundred (2,500) square feet for a one and one-half story dwelling, nor less than three thousand (3,000) square feet for a two story dwelling. No dwelling, garage, porch, or guest house shall be more than thirty-six (36) feet in elevation from ground level, provided, however, that the Corporation reserves the right from time to time to amend or modify such requirements if, in its sole discretion, it deems it best so to do.

4. No dwelling shall be located closer than fifty (50) feet to the front line of the parcel upon which it is situated, or closer than fifty (50) feet to any side lot line. No dwelling shall be located closer than one hundred (100) feet of the shoreline on parcels 2 through 14 and 56 through 59, and no closer than two hundred (200) feet on parcels 60 and 61. Such entrance stoops, terraces, steps, eaves, cornices and gutters as may be

approved by the Corporation may be built, erected and maintained on any part of the restricted area.

5. All detached garages and other appurtenant structures of any kind whatsoever specifically including, but not being limited to, clotheslines, fuel tanks, garbage cans, incinerators, and wood and/or compost piles, shall be located not less than seventy-five (75) feet from the shore line and not less than thirty (30) feet from side lot lines, and all such structures, with the sole exception of buildings, shall be concealed from view from the water and from adjacent parcels, roads or streets by walls, screens and/or screen plantings, as the owner shall elect.

The Corporation shall, in all cases, have the right to determine the location of the front, side and/or rear lines of any parcel and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Corporation thereon shall be final in all respects.

6. No tree of more than eight (8) inches diameter, measured four (4) feet above the ground, shall be cut and no excavation shall be made on the premises except for the purpose of building thereon at the time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such operations. Any dwelling, out-building, or other structure, commenced as herein provided shall be completed within twelve (12) months of the date the same is commenced, unless the time for completion shall be extended by the Corporation in the exercise of its discretion.

7. No boathouse shall be constructed on any parcel, or in the waters in front of any parcel.

8. No noxious or offensive trade shall be carried on upon any parcel, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. All parcels set forth on the aforementioned plat shall be used for residential purposes only, and not for purposes of any profession, trade or business whatsoever. Structures erected on any one parcel shall consist of a main dwelling or residence for the occupancy of one

family only, together with a private garage, guest house, and other structures appurtenant to the main residence, or to be used in connection therewith. On no parcel shall there be more than one family and their servants occupying the main dwelling, or any structure appurtenant thereto.

9. No basement, tent, shack, garage, barn or other outbuilding shall be erected on any parcel and used temporarily or permanently as a residence. No trailer or habitable motor vehicle shall be parked or stored on any parcel and used temporarily or permanently for residential purposes, but may be so parked or stored, unoccupied, providing it be parked or stored within a completely enclosed building. No truck larger than three-quarter (3/4) ton capacity, no commercial vehicle, and no construction equipment, shall be parked or stored on any parcel other than as hereinabove provided, nor shall any such truck, vehicle or equipment be parked on any street, road or alley in Bennett's Point except while engaged in transporting to or from a residence therein or, in the case of construction equipment, while actively engaged upon construction work therein.

10. No animal, livestock, poultry or other fowl of any kind shall be raised, bred or kept on any parcel, provided, however, that no more than three (3) dogs, cats or other usual household pets, and no more than one (1) riding horse per 42,000 square feet of lot area, may be so raised, bred or kept, provided, further that they are not raised, bred or kept for any commercial purpose.

11. To the extent that applicable zoning and other land use laws may from time to time permit, any owner of a parcel in Bennett's Point may sell, lease or otherwise transfer any portion of the same, provided, however, that no such sale, lease or transfer shall have as its result the creation, whether by grant or reservation of any sub-parcel the measured surface area of which is less than two (2.0) acres.

12. In order to preserve or improve the views, to promote the free movement of air and to prevent the harboring of flies, mosquitoes and other insects, the Corporation reserves the right to require the owner of any parcel, upon thirty (30) days written notice, mailed to the owner at his address as shown in the tax assessment records of Queen Anne's County, to trim any trees or shrubbery, to cut and remove all tall grasses and weeds, and/or to remove any trash and litter standing on any part of such parcel which may, in the opinion of the Corporation, destroy or interfere with such views or the free movement of air and/or which may furnish harboring places for flies, mosquitoes or other insects, and the Corporation may trim, cut and remove such trees, shrubbery, grasses, weeds, trash and litter at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

13. The Corporation hereby gives and grants to each owner hereafter acquiring title to any parcel or parcels in Bennett's Point, and to his invitees, lessees, servants, agents, and employees, the right to use, in common with the Corporation and the owners of other parcels therein, the streets, roads, roadways, avenues, lanes and alleyways shown upon the aforementioned plat, or upon any amendment or revision thereof. Subject to such use, the Corporation expressly reserves the title and right to use and occupy the same, or to allow or permit others to do so in any manner that does not materially interfere with the rights hereinabove granted. The Corporation further reserves the right, to the extent permitted by local authorities, to utilize the beds of said streets, roads, roadways, avenues, lanes and alleyways for the laying or erecting of water pipes, gas pipes, electric lines or other public utilities, above or below ground level, in such manner as may be deemed necessary to adequately provide such facilities

to the owners or occupiers of said tract or parcel, or any part thereof; and the said Corporation expressly reserves the right to slope, grade, relocate, close or partially close any street, road, roadway, avenue, lane or alleyway on the aforesaid plat, provided that no relocation or closing shall be made that will prevent reasonably convenient ingress and egress to and from, or that will take any portion of any parcel sold or conveyed by the Corporation prior to such relocation or closing. The Corporation further reserves the exclusive right to dedicate to public use and the right to convey to any public authority, or to any corporation having the right to acquire the same, all its right, title and interest in and to any parcel or tract of land or any street, road, roadway, avenue, lane or alleyway shown on said plat, or hereafter laid out in said tract or parcel, subject to the rights of property owners heretofore granted.

Nothing herein contained shall constitute a dedication of any street, road, roadway, avenue, lane or alleyway shown on the aforementioned plat of, or hereafter laid out in Bennett's Point, nor shall any deed hereafter made and delivered by the Corporation, conveying any parcel or other part of said tract or parcel, be held to convey or dedicate the surface or bed of any street, road, roadway, avenue, lane or alleyway except when expressly so conveyed or dedicated in the deed.

14. Easements and rights of way are hereby expressly reserved upon, in and over strips of land five (5) feet in width along all interior lot lines and strips of land ten (10) feet in width along the outer edges of all streets in Bennett's Point for the purpose of erecting, constructing, inspecting and maintaining poles, wires and conduits, and the necessary or proper attachments in connection therewith, for the transmission of electricity and for telephone and other public utilities or services, and

for public sanitary sewers and storm water drainage; and the Corporation, and/or its nominees, shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth. The Corporation shall have the right to remove, prune or trim any tree or shrub interfering with the construction or maintenance of electric or telephone lines or other utility services.

15. The Corporation hereby reserves the right to select, construct and implement whatever methods, facilities and procedures it shall deem necessary or desirable to preserve or improve the physical security of the persons residing on Bennett's Point and of their real and personal property, specifically including, but not being limited to, the employment of uniformed security personnel, the erection of a barrier along the boundary separating Bennett's Point from adjacent properties, and the employment of such other devices for the control and supervision of road and/or pedestrian access to Bennett's Point as it shall see fit. The Corporation further reserves the right, at any time and from time to time, to go upon, or to send its agents, officers or employees upon, any parcel in Bennett's Point, by whomsoever owned, for any purpose which, in the sole judgment of the Corporation, will preserve or improve the physical security of any person or persons residing on Bennett's Point, and/or of the real and personal property there located, provided, however, that this license shall extend only to the unimproved portions of such parcels, and shall not confer upon the Corporation or its agents, officers or employees any right to enter any dwelling or other structure located upon any such parcel.

Notwithstanding the rights hereinabove reserved, however, nothing herein shall impose on the Corporation any duty or responsibility to select, construct or implement any such method, facility or procedure, and nothing herein shall be construed as a warranty or representation that any specific protective measure, or any such measures whatever, will be so employed, it being the exclusive prerogative of the Corporation to determine what methods, facilities or procedures, if any, shall be so employed, nor shall anything herein, nor any action taken by the Corporation pursuant hereto, be deemed or construed to be a guarantee, on the part of the Corporation, of the efficacy of any security measure it may have elected to employ.

The implementation of positive security measures being primarily for the benefit and advantage of the owners of parcels in Bennett's Point, and only incidentally for the benefit of the Corporation, and the Corporation being reluctant to accept the manifold risks inherent in the implementation of such measures, each owner of a parcel or parcels in Bennett's Point shall, by the acceptance of a deed thereto, be deemed to have agreed, as an inducement to the Corporation to undertake such positive security measures as it shall see fit, to release, indemnify and hold harmless the said Corporation from and against any action, suit, claim, or demand which may be brought or asserted against it as a result of any condition existing, or activity occurring, on such parcel or parcels as a result of the employment of any such security measure.

16. The owner or owners of each parcel in Bennett's Point shall pay to the Corporation, on July 1st of each year, such sum as may be demanded of him or them by the Corporation, not to exceed, however, one-half of one per cent (1/2 of 1%) of the assessed value of the land comprising such parcel (excluding, however, the value of any improvements on such parcel), as shown on the tax assessment records for

Queen Anne's County, Maryland, as of June 30th of that year, it being understood and agreed that all such sums so demanded by the Corporation during any given year shall bear an identical relationship to the assessed value of the land, excluding any improvements thereon, against which they are being levied, and it being further understood and agreed that this liability of each such owner for the payment of said annual maintenance charge shall be a personal liability only and that neither the said annual maintenance charge, nor any arrearage therein, shall be a lien upon any said parcels. The Corporation shall have the right to charge interest at the rate of 8% per annum on all arrearages in such annual maintenance charges, accounting from August 1st of the year in which they were assessed, and shall further be entitled to receive all its costs of collection including a reasonable attorney's fee.

All such sums so paid to the Corporation shall be applied by it towards the maintenance and repair of the streets, roads, roadways, avenues, lanes, alleys, ways, storm drains, sanitary sewers, easement areas and recreation areas now or hereafter constructed or erected in or for said tract; for lighting, improving and caring for areas maintained for the general use of the owners or occupants of the parcels included on the aforesaid plat; for caring for unoccupied land in said tract; for expenses incident to the examination and approval of plans as herein provided; for expenses incident to the employment of whatever security measures, if any, the Corporation shall have elected to take; for the enforcement of these covenants, agreements, easements, restrictions, conditions, and charges; and for any other purpose which, in the opinion of the Corporation, shall be for the general benefit and advantage of the owners, users, and occupiers of Bennett's Point, or any part thereof.

17. All of the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty (20) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary or mortgagee interests) of the parcels subject hereto may at any time amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by

proper instruments duly executed and properly recorded among the Land Records of Queen Anne's County.

18. If any provision of the covenants and restrictions herein contained, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

19. The provisions herein contained shall run with and bind the land and shall inure to the benefit of, and be enforceable by, the Corporation or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any parcel or other area, their respective legal representatives, heirs, successors and assigns; and failure by the Corporation or any land owner to enforce any restriction, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so.

Violation of any covenant, condition or restriction herein shall give the Corporation, in addition to all other remedies, (a) the right to enter upon the land upon, or as to which, such violation exists and summarily to abate and remove, at the expense of the owner thereof, such violation, and neither the Corporation, nor any of its agents, officers, or employees, shall thereby be deemed guilty of any manner of trespass for such entry, abatement or removal, or be liable for any damages resulting thereform, and (b) the right to apply for injuctive relief, the parties hereto agreeing that any such breach cannot be compensated adequately by recovery of damages. All such rights shall be continuing in character, and shall not be deemed to be terminated, exhausted or abridged by the multiple exercise thereof.

20. The Corporation hereby expressly reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein by an appropriate written instrument, so long as such changes do not substantially affect the rights of any owner of any parcel.

Where any owner's rights are so substantially affected, before any such change can become operative, all affected owners must indicate their consent to and approval of such annulment, waiver, modification or change, by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

21. Any or all of the rights, titles, easements and estates given to or reserved by the Corporation in this instrument may be assigned, in whole or in part, to one or more corporations or associations, and likewise all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon the Corporation by this instrument may be assigned and transferred to one or more corporations agreeing to assume, exercise, carry out and perform the same. The Corporation may, at any time deemed advisable by it, cause any or all of said rights, titles, easements and estates to be conveyed to an association to be formed by the several property owners in Bennett's Point. Each person, by the acceptance of a deed to, or by entering into possession of, property in Bennett's Point, agrees to become a member of such an association and to pay such reasonable dues and assessments as may be levied from time to time by a majority vote of the association, provided that only owners and lessees of property in Bennett's Point shall be eligible for membership in said association. Any such assignment or transfer shall be made by an appropriate written agreement in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance and assumption of such powers, duties and obligations; and such assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are herein given to, assumed by, or imposed upon the Corporation, the Corporation thereupon being released therefrom.

AS WITNESS the hand of William Chaires, Vice President of Wye River Farms, Inc., and the Corporate Seal attested by its Assistant Secretary.

ATTEST:

William H. Price, II
Assistant Secretary

WYE RIVER FARMS, INC.

By: William Chaires
William Chaires

WYE RIVER FARMS CORPORATE SEAL 1959 MARYLAND INC.

aux

DOCUMENT NO. 84,183

THIS DEED, Made this 27th day of May, 1976, by and between WYE RIVER FARMS, INC., a body corporate of the State of Maryland, party of the first part; and HERNDON G. KILBY and MARGARET M. KILBY, his wife, parties of the second part;

WITNESSETH: that for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, the receipt of which is hereby acknowledged, the said party of the first part, Wye River Farms, Inc., does hereby grant and convey unto the said parties of the second part, Herndon G. Kilby and Margaret M. Kilby, his wife, as tenants by the entireties, their heirs and assigns, in fee simple, the following described lands, to wit:

ALL that tract or parcel of land situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, being a part of the farm or tract of land now or formerly known as "Bennett's Point Farm", the land hereby intended to be conveyed being all that part of said farm or tract of land lying south of the southern line of Lots No. 36 and 37 on a Plat entitled "Plat One- Section One, Bennett's Point, Fifth Election District, Queen Anne's County, Maryland", dated December, 1972, by J.R. McCrone, Jr., registered professional engineers and land surveyors, which said plat of "Plat One- Section One, Bennett's Point" aforesaid is recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 70 folio 252 and in Plat Book C.W.C. No. 1 folio 54, said lands hereby intended to be conveyed now being more particularly described by a plat and survey thereof by J.R. McCrone, Jr., Inc., aforesaid, dated May 18, 1976 and by metes and bounds, courses and distances, as follows, to wit:

BEGINNING for the same at the southeasternmost corner of Lot 36, as shown on Plat One, Section One of Bennett's Point recorded among the Land Records of Queen Anne's County, Maryland, as aforesaid. Said beginning point being at the intersection of the division line between the aforementioned Lot 36, the herein described lands and the mean high water line of Wye River, as shown on a plat attached hereto and intended to be recorded herewith;

7-7-76 Original mailed to Grantee Bennett's Point Quinstown, Md. 21658

THENCE, leaving said beginning point so fixed and binding on the waters of the Wye River in a southerly and southwesterly direction 4,700 feet, more or less, to a point at the junction of the aforementioned mean high water line of the Wye River with the mean high water line of Eastern Bay;

THENCE, leaving said junction point and binding on the waters of the aforementioned Eastern Bay in a northerly and northeasterly direction 5,200 feet,more or less, to a point. Said point being the southwesternmost corner of Lot 37, as shown on the aforementioned plat of Bennett's Point;

THENCE, leaving said point and said mean high water line of Eastern Bay and binding on the division line between Lot 37 and the herein described lands, South 66° 45' 00" East 845 feet, more or less, to a point on the westernmost side of Morgan's Neck Drive;

THENCE, leaving said point and binding on the end of Morgan's Neck Drive, South 66° 45' 00" East 50.06 feet to a point;

THENCE, leaving said point and said Morgan's Neck Drive and binding on the first mentioned division line between Lot 36 and the herein described lands, South 66° 45' 00" East 420 feet more or less, to the place of beginning. Containing in all 56.143 acres of land, more or less.

BEING part of the lands conveyed by deed from Stuart S. Janney, Jr., et.ux., unto said Grantor, dated the 8th day of August, 1972, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 66 folio 219.

TOGETHER with all riparian rights thereunto appertaining.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TOGETHER with and subject to the terms and provisions

of a certain Agreement between the Board of County Commissioners of Queen Anne's County, Maryland, and Wye River Farms, Inc., dated January 13, 1976, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 100 folio 697.

TOGETHER with the right to use in common with others entitled thereto all that private roadway known as Morgan's Neck Drive as it extends from Bennett's Point Public Road over the subdivision known as Bennett's Point to the lands hereby intended to be conveyed at the southerly line of Lots 36 and 37, of Bennett's Point; said private roadway 50 feet wide to be used for ingress and egress to and from the hereinabove described lands.

AND FURTHER TOGETHER with the right to extend electric, telephone and other utility lines to the northerly boundary of the property hereby intended to be conveyed as an extension of such utility lines now existing in Bennett's Point subdivision and over, upon and across rights of ways and easements reserved for such purpose in the restrictive covenants and conditions effecting Bennett's Point Subdivision, including the right and privilege of using the bed of Morgan's Neck Drive for such purposes as provided by said restrictive covenants and conditions.

In recognition of the fact that the hereinabove described parcel of land hereby intended to be conveyed is a portion of the peninsula known as Bennett's Point, other parts of which have heretofore been subdivided and are known as "Bennett's Point Subdivision", which subdivided portions are subject to certain restrictive covenants and conditions heretofore recorded among the Land Records of Queen Anne's County, Maryland; and in view of the fact that the lands hereby intended to be conveyed will use and/or utilize certain roadways, easement areas, etc., in common with owners in "Bennett's Point Subdivision" and share certain common interest and concerns by reason of the geographic relationship, the hereinabove described lands are hereby conveyed unto the Grantees herein, and their heirs and assigns, subject to the restrictive covenants and conditions hereinafter expressed, which shall run with and bind the land, all as evidenced by the execution of these presents by the Grantor and the acceptance of its delivery by the Grantees, said restrictive covenants and conditions being more fully set forth as follows, to wit:

a. The aforesaid lands shall be used for residential use only and not for the purposes of any profession, trade or business whatsoever.

b. To the extent that applicable zoning and other land use laws may from time to time permit, the hereinabove described lands may, from time to time, be subdivided, and nothing herein contained shall deny to the owner of any lands hereby conveyed, or his, its or their heirs and/or assigns, the right to sell, lease, subdivide or transfer a lesser portion of the same than the whole; provided, however, that no such sale, lease or transfer shall have as its result the creation, whether by grant or reservation, of any sub-parcel the measured surface of which is less than two (2.0) acres.

c. The floor area of any dwelling house erected upon any parcel, or sub-parcel thereof, exclusive of basement and attached porches and garages, shall not be less than 2,000 square feet for a one-story dwelling, nor less than 2,500 square feet for a one and one-half story dwelling, nor less than 3,000 square feet for a two-story dwelling.

d. Wye River Farms, Inc., for itself, its successors and assigns, reserves the exclusive right to dedicate to public use to any public authority, or to any corporation having the right to acquire the same, all its right, title, interest and estate in and to the bed of Morgan's Neck Drive as the same is set out and shown on certain plats of "Bennett's Point Subdivision" heretofore recorded among the Land Records of Queen Anne's County, subject to the rights of users heretofore granted.

e. Wye River Farms, Inc., for itself and its successors and assigns, hereby reserves the right to select, construct and implement whatever methods, facilities and procedures it shall deem necessary or desirable to preserve or improve the physical security of the persons residing in all sections or portions of the peninsula known as Bennett's Point and of their real and personal property, said methods, facilities and procedures specifically including, but not being limited to, the employment of uniformed security personnel, the erection of a barrier along the boundary separating "Bennett's Point Subdivision" from adjacent properties lying northerly of the peninsula known as Bennett's Point, and the employment of such other devises for the control and supervision of road and/or pedestrian access to Bennett's Point as it shall see fit. Wye River Farms, Inc., for itself, its successors and assigns, further reserves the right, at any time and from time to time, to go upon, or to send its agents, officers or employees upon the hereinabove described parcel as well as the various lots or parcels of land in "Bennett's Point Subdivision" for any purpose which, in the sole judgment of Wye River Farms, Inc., will preserve or improve the physical security of any person or persons residing thereon and/or of the real and personal property there located; provided, however, that this license shall extend only to unimproved portions of such parcels, and shall not confer upon Wye River Farms, Inc., or its agents, officers or employees any right to enter any dwelling or other structure located upon the hereinabove described land or lands in Bennett's Point Subdivision.

Notwithstanding the rights hereinabove reserved, however, nothing herein shall impose on Wye River Farms, Inc., its successors or assigns, any duty or responsibility to select, construct or implement any such method, facility or procedure, and nothing herein shall be construed as a warranty or representation that any specific protective measure, or any such measures whatever, will be so employed, it being the exclusive prerogative of Wye River Farms, Inc., to determine what methods, facilities or procedures, if any, shall be so employed, nor shall anything herein, nor any action taken by Wye River Farms, Inc., pursuant hereto, be deemed or construed to be a guarantee, on the part of the said Wye River Farms, Inc., of the efficacy of any security measure it may have elected to employ.

The implementation of positive security measures being primarily for the benefit and advantage of the owners of parcels in "Bennett's Point Subdivision" and of the lands hereby intended to be conveyed and only incidentally for the benefit of Wye River Farms, Inc., and said corporation being reluctant to accept the manifold risks inherent in the implementation of such measures. The Grantees herein shall, by the acceptance of a

deed thereto, be deemed to have agreed, as an inducement to Wye River Farms, to undertake such positive security measures as it shall see fit, to release, indemnify and hold harmless the Wye River Farms, Inc. and its successors and assigns, from and against any action, suit, claim or demand which may be brought or asserted against it as a result of any condition existing, or activity occurring, on such parcel of parcels as a result of the employment of any such security measure.

f. The owner or owners of the whole parcel above described, or any sub-parcel thereof, shall pay to Wye River Farms, Inc., its successors and/or assigns, on July 1st of each year, such sum as may be demanded of him, or it, or them by Wye River Farms, Inc., or its successor in the ownership of Morgan's Neck Drive, not to exceed, however, one-half of one percent (1/2 of 1%) of the assessed value of the land comprising such parcel (excluding, however, the value of any improvements on such parcel), as shown on the tax assessment records for Queen Anne's County, Maryland, as of June 30th of that year, it being understood and agreed that all such sums so demanded by said Wye River Farms, Inc. during any given year shall bear an identical relationship to the assessed value of the land, excluding any improvements thereon, against which they are being levied, and it being further understood and agreed that this liability of each such owner for the payment of said annual maintenance charge shall be a personal liability only and that neither the said annual maintenance charge, nor any arrearage therein, shall be a lien upon any said parcel or parcels. Wye River Farms, Inc., shall have the right to charge interest at the rate of 8% per annum on all arrearages in such annual maintenance charges, accounting from August 1st of the year in which they were assessed, and shall further be entitled to receive all its costs of collection including a reasonable attorney's fee. The charge above provided shall not be made against the above described lands, nor any part hereof, unless similar charges are imposed upon other lands in "Bennett's Point Subdivision" heretofore sold and conveyed by Wye River Farms, Inc.

All such sums so paid to Wye River Farms, Inc., shall be applied by it towards the maintenance and repair of the Morgan's Neck Drive and storm drains, sanitary sewers, easement areas and the like now or hereafter constructed or erected to support said roadway; for lighting said roadway; for expenses incident to the employment of whatever security measures, if any, Wye River Farms, Inc., or its successors and assigns, shall have elected to take for the enforcement of these covenants, agreements, easements, restrictions, conditions and charges; and for any other purpose which, in the opinion of Wye River Farms, Inc., its successors and assigns, shall be for the general benefit and advantage of the owners, users and occupiers of the herein described lands, or any part thereof.

g. The provisions hereof shall run with and bind the land until such time as the restrictive covenants and conditions effecting lands on plats entitled, Plat One, Section One of "Bennett's Point Subdivision", heretofore mentioned, are cancelled, annulled or abrogated, and thereupon shall automatically terminate.

h. Any or all of the rights, titles, easements and estates given to or reserved by Wye River Farms, Inc., in this instrument may be assigned, in whole or in part, to one or more corporations or associations, and likewise all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon Wye River Farms, Inc., by this instrument may be assigned and transferred to one or more corporations agreeing to assume, exercise, carry out and perform the same. Wye River Farms, Inc., may, at any time deemed advisable by it, cause any or all of said rights, title, easements and estates to be conveyed to an association to be formed by the several property owners on Bennett's Point peninsula, including the herein described lands or sub-parcels thereof. Each, person, by the acceptance of a deed to, or any lessee entering into possession of, the hereinabove described property or any part thereof, agrees to become a member of such an association and to pay such reasonable dues and assessments as may be levied from time to time by a majority vote of the association. By this deed it is specifically understood and agreed that the owners of the herein above described parcel, or any part thereof, shall not in any manner be excluded from membership in any association of owners of lands in Bennett's Point Subdivision formed by Wye River Farms, Inc., but the intent hereby expressed is that the owner or owners from time to time shall be entitled to all membership rights and privileges in said association as fully as owners of lands within "Bennett's Point Subdivision". Any such assignment in which the assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are herein given to, assumed by, or imposed upon Wye River Farms, Inc., which said corporation thereupon being released therefrom.

i. By appropriate written instrument the provisions of the aforegoing restrictive covenants and conditions may at any time or times hereafter, in whole or in part, be altered, amended, changed, cancelled, annulled or abrogated by mutual agreement of Wye River Farms, Inc., its successors or assigns in the development of "Bennett's Point Subdivision" and the owner or owners of the hereinabove described lands, or any part thereof. The provisions hereof shall bind and inure to the benefit of each of said parties hereto and their, and each of their, respective heirs, assigns or successors. Whenever used, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. The restrictive covenants and conditions heretofore imposed on Section One and Section Two of "Bennett's Point Subdivision" shall not in any manner be construed to apply to or in any manner effect the lands hereby intended to be conveyed except as may herein be expressly provided.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said parties of the second part, Herndon G. Kilby and Margaret M. Kilby, his wife, as tenants by the entireties, their heirs and assigns, in fee simple.

AND the said party of the first part does hereby covenant that it has not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that it will warrant specially the property hereby granted and conveyed; and that it will execute such further assurances of the same as may be requisite.

AS WITNESS the hand of WILLIAM F CHAIRES, VICE President of Wye River Farms, Inc., and its corporate seal hereto affixed.

TEST:

Vachel A Downes Jr

WYE RIVER FARMS, INC.

BY: William F Chaires
VICE President

(Place corporate seal here)

STATE OF MARYLAND

COUNTY OF Queen Anne's to wit:

I HEREBY CERTIFY, that on this 27 day of May, 1976, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared WILLIAM F CHAIRES, who did acknowledge himself to be the VICE President of Wye River Farms, Inc., a body corporate of the State of Maryland, and that he as such VICE President, being authorized so to do, did execute the aforegoing instrument for the purposes therein contained, and does further certify that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the Grantor corporation.

AS WITNESS my hand and Notarial Seal.

Vachel A Downes Jr
NOTARY PUBLIC

My Commission Expires: 7-1-1978

RECEIVED FOR RECORD
AND RECORDED IN LIBER CWC
105 PAGE 704

1978 JUN 14 AM 11:40

Land RECORD FOR
QUEEN ANNE'S CO., MD.
CHARLES W. CECIL, CLERK

JUN 14-76 * 28401 ***2,510.50
JUN 14-76 A 28401 ***1,500.00
JUN 14-76 A 28400 ****990.00
JUN 14-76 A 28399 *****20.50

BENNETT POINT STATEMENT 1988

INCOME		
DUES	$1,920.00	
INTEREST	$ 368.87	
		$2,288.87
EXPENSES		
ANNUAL MEETING & ANNUAL PICNIC	$ 903.62	
INSURANCE	200.00	
GROUNDS MAINTENANCE	206.50	
OFFICE EXPENSE	221.45	
COMMUNITY SIGN	287.50	
		$1,819.07

BENNETT POINT ESTIMATED BUDGET 1989

INCOME		$2,300.00
EXPENSES		
ANNUAL MEETING & ANNUAL PICNIC	$ 900.00	
INSURANCE	200.00	
GROUNDS MAINTENANCE	300.00	
OFFICE EXPENSE	200.00	
LEGAL FEES	450.00	
ESTIMATE 1989		$2,050.00

BLAIR WOODS COMMUNITY ASSOCIATION, INC.

RECEIVED
CLERK, CIRCUIT COURT
03 JUL 14 AM 10:05
QUEEN ANNE'S COUNTY

Clerk of the Circuit Court
For Queen Anne's County
100 Court House Square
Centreville, MD 21617

Dear Mr. Clerk:

Pursuant to the Maryland Homeowners Association Act, Real Property Article, Section 11B-112, the Blair Woods Community Association, Inc., provides the following information:

1. The present elected officers of the Corporation who may be contacted to provide the public with information concerning the Homeowners Association are:

Sandra George, President
114 Nash Drive
Queenstown, MD 21658
410-827-5522

Phillip Boos, Vice President
1716 Bennett Point Road
Queenstown, MD 21658
410-827-3029

Norman Davidson
1704 Bennett Point Road
Queenstown, MD 21658
410-827-4411

RECORDING FEE 50.00
TOTAL 50.00
Rcpt # 40606
Blk # 1491
Jul 14, 2003 10:05 am

2. A copy of the By-Laws of the Corporation are attached hereto.

If you should have any questions please do not hesitate to contact me.

Sincerely,

Sandra George

Sandra George, President
Blair Woods Community Association, Inc.

BY-LAWS
OF
BLAIR WOODS
COMMUNITY ASSOCIATION, INC.
A Non-Profit Maryland Corporation

SECTION ONE - NAME, LOCATION AND DEFINITIONS

SECTION 1.1 NAME AND LOCATION. The name of the corporation is BLAIR WOODS COMMUNITY ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at Blair Woods, near Queenstown, Queen Anne's County, Maryland, but meetings of members and directors may be held at such places, within the State of Maryland, as may be designated by the Board of Directors.

SECTION 1.2 DEFINITIONS. The terms "Association", "Common Area", "Declaration", "Lots", "Owner" and "Property" as used in these By-Laws shall have the meanings set forth in the Articles of Incorporation of the Association. The term "Member" means those persons or entities entitled to membership in the Association, as provided in the Articles of Incorporation.

SECTION TWO - MEETINGS OF MEMBERS

SECTION 2.1 ANNUAL MEETINGS. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place, within the State of Maryland, designated by the Board of Directors of the Association.

SECTION 2.2 SPECIAL MEETINGS. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-third (1/3) of all of the votes of the Membership.

SECTION 2.3 NOTICE OF MEETINGS. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than ten (10) nor more than thirty (30) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the date, time and place of the meeting. In the case of a special meeting, the notice shall also state the purpose of the meeting.

SECTION 2.4 QUORUM. The presence at the meeting of Members or proxies entitled to cast one-half (1/2) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote

thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

SECTION 2.5 PROXIES. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his lot.

SECTION THREE - NUMBER AND TERMS OF DIRECTORS

SECTION 3.1 NUMBER. The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be Members of the Association.

SECTION 3.2 TERM OF OFFICE. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members at which their successors are elected. The term of each Director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each Director, other than a Charter Director, shall be elected at the annual meeting.

SECTION 3.3 REMOVAL. Any Director, other than a Charter Director, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal, pursuant to these By-Laws, of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

SECTION 3.4 COMPENSATION. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

SECTION 3.5 ACTION TAKEN WITHOUT A MEETING. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

SECTION FOUR - ELECTION OF DIRECTORS

SECTION 4.1 NOMINATION. Nomination of Directors for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more other persons. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting of the Members, to serve until the close of the

annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may be made from among Members or non-Members.

SECTION 4.2 ELECTION. Election to the Board of Directors shall be by written ballot. At the election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

SECTION FIVE - MEETINGS OF DIRECTORS

SECTION 5.1 REGULAR MEETINGS. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

SECTION 5.2 SPECIAL MEETINGS. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

SECTION 5.3 QUORUM. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

SECTION SIX - POWERS AND DUTIES OF THE DIRECTORS

SECTION 6.1 POWERS. The Board of Directors shall have the power to:

A. Adopt and publish rules and regulations governing the use of the Common Areas, including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

B. Suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

C. Exercise for the Association all powers, duties and authorities vested in or delegated to this Association and not reserved to the Members by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration; and

D. Employ managers, independent contractors, or other employees or contractors as they deem necessary, and to prescribe their duties.

SECTION 6.2 DUTIES. The Board of Directors shall have the duty to:

A. Keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such a statement is requested in writing by the holders of one-third (1/3) of the votes of the Members;

B. Supervise all officers, agents and employees of the Association, and see that their duties are properly performed;

C. As more fully provided in the Declaration to:

(1) Fix the amount of the annual assessment against each Lot not later than February 1st of each year;

(2) Send written notice of each annual assessment to every Lot Owner subject thereto not later than February 1st of each year, and

(3) Foreclose the lien against a Lot if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same;

D. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates; (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

E. Procure and maintain adequate liability and hazard insurance on property owned by the Association;

F. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

G. Cause the Common Areas to be appropriately maintained.

SECTION SEVEN - OFFICERS AND THEIR DUTIES

SECTION 7.1 ENUMERATION OF OFFICES. The officers of the Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

SECTION 7.2 ELECTION OF OFFICERS. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

SECTION 7.3 TERM. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

SECTION 7.4 SPECIAL APPOINTMENTS. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

SECTION 7.5 RESIGNATION AND REMOVAL. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

SECTION 7.6 VACANCIES. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he replaces.

SECTION 7.7 MULTIPLE OFFICES. Not more than two offices may be held by the same person.

SECTION 7.8 DUTIES. The duties of the respective officers are as follows:

A. The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, contracts and other written instruments.

B. The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds, contracts and other written instruments.

C. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as may be required by the Board.

D. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

SECTION EIGHT - ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association, as successor to the Developer, an annual assessment. If the assessment is not paid on the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

SECTION NINE - AMENDMENTS AND CONFLICTS

SECTION 9.1 AMENDMENTS. These By-Laws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken.

SECTION 9.2 CONFLICTS. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these By-Laws, the Declaration shall control.

SECTION 10 - MISCELLANEOUS

SECTION 10.1 BOOKS AND RECORDS. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

SECTION 10.2 FISCAL YEAR. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, we, being all of the presently serving Directors of BLAIR WOODS COMMUNITY ASSOCIATION, INC., have hereunto set our hands

this 4 day of MAY, 1987.

Edna E. Schultz
DIRECTOR

John W. Bernhardt
DIRECTOR

Raymond S. Darman
DIRECTOR

CERTIFICATION

I, the undersigned, do hereby certify and affirm:

THAT I am the duly elected and presently acting Secretary of BLAIR WOODS COMMUNITY ASSOCIATION, INC., a Maryland corporation; and

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 4 day of May, 1987.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the Seal of the Association this 4 day of May, 1987.

Lauraine J. Wagner
Secretary

276 903

137275

1987 ... 27 ... 3:13

DEED	ON
RECD FEE	15.00
POSTAGE	.50
SUBTOTAL	15.50

DEED AND ASSIGNMENT

THIS DEED AND ASSIGNMENT, made this 22nd day of January, 1987, by and between ROBERT BLAIR, JR. and EVELYN M. BLAIR, his wife, hereinafter called the "Grantors", and BLAIR WOODS COMMUNITY ASSOCIATION, INC., a non-stock non-profit Maryland corporation, hereinafter called the "Grantee", witnesseth that

WHEREAS the Grantors were the subdividers and developers of the lands known as "Blair Woods", in the Fifth Election District of Queen Anne's County, Maryland, which are more fully and particularly shown and described on a certain Plat entitled "Revised Plat of Blair Woods" dated May 2, 1966, prepared by Shew and Bartlett, and recorded among the Plat Records of Queen Anne's County, Maryland, in Plat Book C.W.C. No. 1, at folio 7, and

WHEREAS the Grantors imposed upon said lands, by a certain Indenture dated April 26, 1965, between themselves and LeRoy Bald, Trustee, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber C.W.C. No. 14, at folio 606, hereinafter called the "Declaration", certain covenants, conditions and restrictions, and

WHEREAS the Grantors have now sold and disposed of all of the Lots in Blair Woods, but continue to own those areas shown and described on the aforesaid Plat as "Nash Drive" and "Community Park", and

WHEREAS the Grantee is a Community Association formed by the Owners of Lots in Blair Woods, for the express purpose of taking and holding title to the aforesaid areas shown as "Nash Drive" and "Community Park", and administering the covenants, conditions and restrictions hereinabove referred to

NOW, THEREFORE, THIS DEED AND ASSIGNMENT WITNESSETH that in consideration of the premises, and of the mutual covenants of the parties hereto, and of the sum of Five Dollars ($5.00) paid by each party hereto to the other, the receipt and sufficiency of all of which is hereby acknowledged, the Grantors do hereby grant and convey unto the Grantee, its successors and assigns, in fee simple, all of the areas shown and described upon the aforesaid Plat of Blair Woods as "Nash Drive" and "Community Park"; subject only, however

RECORDING FEE	25.00
TOTAL	25.00
Reg# QA01	Rcpt # 95353
SM RCB	Blk # 3591
Mar 31, 2006	10:10 am

5/19/87 orig to Thomas J. Keating IV
P.O. Box 416
Centreville MD 21617-0416

to the rights of the various Lot Owners in Blair Woods to use, occupy and enjoy the same, all as is more fully set forth in the Declaration.

AND the Grantors do hereby further grant, assign, transfer and convey unto the Grantee, its successors and assigns, all of the rights, powers, titles, easements and estates reserved by or given to the Grantors under the Declaration, (and also under a certain Agreement and Deed of Easement between the Grantors and Robert E. Nash, III, et ux, dated April 29, 1977, and recorded among the Land Records of Queen Anne'e County in Liber C.W.C. No. 119, at page 341), for the purpose and with the intent that, accounting from the date hereof, the Grantee shall be substituted for the Grantors in all respects as a party thereto.

AND the Grantee joins herein for the purpose of evidencing its acceptance of all of the aforesaid conveyances and assignments, subject to all of the terms and conditions herein and in the Declaration set forth.

AND the Grantors hereby covenant and agree that they will execute such further assurances of the same as may be requisite.

IN WITNESS WHEREOF the Grantors have hereunto affixed their respective hands and seals, and the Grantee has caused the execution hereof by its duly authorized officers, all as of the day and year first above written.

Witness — ROBERT BLAIR, JR. (SEAL)

Witness — EVELYN M. BLAIR (SEAL)

"Grantors"

ATTEST:

Secretary

BLAIR WOODS COMMUNITY ASSOCIATION, INC.

BY: President

"Grantee"

STATE OF ARIZONA, COUNTY OF Maricopa, to wit:

I HEREBY CERTIFY that on this 22nd day of January, 1977, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared ROBERT BLAIR, JR. and EVELYN M. BLAIR, his wife, and each acknowledged

QA CIRCUIT COURT (Land Records) [MSA CE 58-490] MWM 276, p. 0904

that they executed the aforegoing Deed and Assignment for the purposes therein contained, and each further acknowledged said instrument to be their respective act.

AS WITNESS my hand and Notarial Seal.

Mary Ellison
NOTARY PUBLIC

My Commission Expires: 10-11-89

TAXES LEVIED AS OF 4/27/87
PAID TO Jan 30 1987
Wm H. Jackson
Treasurer of Queen Anne's Co.

STATE OF MARYLAND, COUNTY OF QUEEN ANNE, to wit:

I HEREBY CERTIFY, that on this 2 day of March, 1987, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Raymond H. Tuscan who acknowledged himself to be the President of Blair Woods Community Association, Inc., a corporation, and that he, as such President, being authorized so to do, executed the aforegoing Deed and Assignment for the purposes therein contained, by signing the name of the said corporation by himself as its President.

AS WITNESS my hand and Notarial Seal.

Colleen Dustin
NOTARY PUBLIC

My Commission Expires:
July 1, 1990

No. 53742
Re 10942 RECEIVED FOR RECORD May 4, 1965

THIS INDENTURE, made this 26th day of April, 1965, by and between ROBERT BLAIR, JR. and EVELYN M. BLAIR, his wife, hereinafter referred to as FIRST PARTIES, and LeROY BALD, TRUSTEE hereinafter referred to as SECOND PARTY, WITNESSETH:

WHEREAS, FIRST PARTIES are the owners of the land known as "Blair Woods" in the 5th Election District of Queen Anne's County, Maryland and,

WHEREAS, said FIRST PARTIES have entered into this Indenture to said SECOND PARTY for the purpose of creating and maintaining a general scheme of development of the property described herein, and are desirous of subjecting said lands to certain covenants, conditions and restrictions as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the sum of One Dollar ($1.00), and the mutual benefits to be derived by them, the said FIRST PARTIES by these presents do grant unto SECOND PARTY, in Trust for the purpose of immediately reconveying the property hereinafter described to said FIRST PARTIES, their heirs and assigns, in fee simple, subject to the covenants, conditions and restrictions hereinafter recited, the following property, to wit:

ALL that tract or parcel of land and all of those lots known as "Blair Woods," situate, lying and being in the 5th Election District of Queen Anne's County, Maryland, being also all that land and all those lots shown on a Plat of "Blair Woods" by Shaw and Bartlett, registered engineers, said Plat to be recorded hereafter among the Plat Records of Queen Anne's County.

BEING all of the property conveyed to FIRST PARTIES by deed dated October 26, 1964, from Harry J. Duffey and Lois S. Duffey, his wife, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber C.W.C. 11, folio 317.

ALL of that property shown on said Plat aforementioned

6-15-65 Original mailed to Childs and Bald Attorneys Annapolis, Md.

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and as described in the above Deed, being hereby subject to the following covenants, conditions and restrictions, to wit:

1. Definitions (as used herein):

(A) "Street" - any street, avenue, drive, highway or other thoroughfare now existing or hereafter laid out upon the land conveyed hereunder, regardless of designation.

(B) "Lot" - any piece or parcel of land shown and numbered on the said Plat on which the owner shall have the right to erect a single dwelling or garage as permitted herein.

(C) "Dwelling" - a single building for residential purposes occupied by not more than one family.

(D) "Garage" - a one-story building or carport used primarily for housing automotive passenger vehicles and general storage and used solely by the owner or occupant of the lot upon which erected, and which must be physically attached to the main residance.

(E) "Front Street" - as to any lot, the street upon which it abuts, provided that as to any corner lot it shall mean the street designated by deed of conveyance from the Developer to the lot Owner, or otherwise, as the Developer may elect.

(F) "Developer" - the present owners of the property in question or their heirs, administrators, successors, personal representatives and assigns.

(G) "Owner" - any one or more persons, individual or corporate, their heirs, personal representatives, successors and assigns, owning property subject to these provisions.

2. Use of Land:

(A) All of the land conveyed hereunder shall be used for residential purposes only, and no building of any kind whatsoever shall be erected upon or maintained thereon except private dwellings and garages (all as heretofore defined), and no temporary structure or accommodations of any kind shall be built

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er maintained. There shall not be more than one single family dwelling and one garage (single or double) per lot provided, however, that riparian owners shall have the right to erect piers when first approved by Developer in writing as to location and appearance, and by appropriate governmental authorities or agencies. No business or trade of any kind shall be conducted from any lot. Professional persons, however, may practice their professions from a private residence.

(B) No owner of any lot in "Blair Woods" shall acquire by reason of his ownership of property therein any right to erect ducking or other wild fowl blinds or to hunt or shoot ducks or other wild fowl upon any shore of "Blair Woods," or upon, in, or over the waters upon which "Blair Woods" abounds, except riparian owners who may use their own water front to the extent permitted by appropriate regulations, such rights being hereby expressly reserved to the Developer, its successors in interest or assigns.

(C) No trees shall be cut and no excavation shall be made on any lot except for the purpose of building thereon, and at the time when the building operations are commenced, and no earth, sand, or minerals shall be removed from said premises except as a part of such excavation.

(D) Any dwelling commenced as provided herein shall be commenced within one year from the date on which the property owner acquired title thereto, and shall be completed within two years from the taking of said title, unless time for commencing or completing the same shall be extended in writing by Developer.

(E) In order to preserve or improve the view of land and water and to promote the free movement of air and to prevent the harboring of insects, developer reserves the right to require the owner of any lot, upon thirty (30) days notice to trim any trees or shrubbery now or hereafter standing on any part of

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"Blair Woods," which may, in the opinion of Developer, destroy or interfer with the aesthetic appearance or enjoyment of the community, provided further that Developer may trim such trees and shrubbery at owner's expense in event owner shall fail to do so within the thirty (30) day notice period.

(F) No owner shall keep or permit the keeping or storage upon his premises of any gasolines, inflammables or other high explosives, except to the extent necessary for normal household and domestic uses.

3. Dwelling Quality and Size:

Only one story, one and one-half story and two story dwellings may be erected. Each such residence, regardless of the architectural type shall contain a minimum of fourteen hundred (1,400) square feet of heated area for a one story dwelling, a minimum of eighteen hundred (1,800) square feet for a one and one-half story dwelling, and a minimum of two thousand (2,000) square feet for a two story dwelling.

4. Building Location, Set Backs:

No dwelling or garage shall be located on any lot nearer to the front street than 50 feet, except where otherwise specified on Plat, in which cases those minimum set-back distances will apply. No dwelling or garage shall be located nearer than 25 feet to any side lot line. No dwelling shall be located within 50 feet of the rear lot line. Where the lot is a water front lot, all improvements, both house and attached garage, shall be set back from the water's edge (mean high water mark) not less than 75 feet. For purposes of this covenant, eaves and steps shall not be considered as a part of a building. No boundary fence shall be erected or maintained on any part of a lot, and no ornamental hedge or other boundary marker shall exceed a maximum of three and a half feet elevation.

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5. Architectural Control:

No building, including additions or accessories, well, garage, or other structure shall be commenced, erected, moved onto any lot, or maintained, nor shall any addition to or change or alteration therein be made until the written or printed plans and specifications showing the nature, kind, shape, height, material, floor plans, excavation, color scheme, decoration, landscaping plan, location of the building with respect to topography, and ground elevation, and approximate cost of such building have been submitted to and approved in writing by the Developer, and a copy thereof, as finally approved, filed permanently with Developer. No dwelling shall be occupied by Owner or any other person until the construction thereupon is completed in accordance with the plans as finally approved by Developer, and no garage or portion thereof shall ever be used as living quarters. No trailers or outbuildings other than garages shall be permitted upon any lot, either temporarily or permanently.

6. Easements:

Perpetual easements both above and below the ground for installation and maintenance of utilities and drainage facilities are reserved over and along the rear and side 10 feet of each lot. The Owner of each lot shall, at his own cost and expense, keep and preserve that portion of the easement and right of way within his own property lines at all times in a good condition of repair and maintenance, and neither erect nor permit the erection of any buildings or structures of any kind, nor permit any growth of any kind within said right of way, which would interfere in any way with the proper maintenance, use, operation, repair, reconstruction and patrolling of any of the services located therein. The Developer or any utility company with facilities located within said easements shall have the

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right to enter upon said reserved strips of land for any of the purposes for which said easements and rights of way are reserved, including the right to trim, top or cut down trees adjacent to any electric or telephone lines to provide for ample clearance.

7. Wells and Sewage Systems to be Approved:

No well or sewage system of any kind shall be installed, maintained, or permitted to remain on any lot unless the same has been approved by the appropriate authorities of Queen Anne's County, and also by the Developer.

8. Signs, Trash, Clothes, Drying:

No advertising sign of any kind shall be displayed to the public view on any lot or building thereon except one sign of not more than five square feet advertising the property for sale or rent, or the sign of a professional occupant of a residence, which latter sign shall be not more than one square foot in size and shall be affixed flatly to the face of the residence. Containers for disposal of trash, rubbish and garbage are required, and must be located within the residence or garage. Garbage shall never be burned on exterior of premises. Clothes drying and airing must be accomplished in rear yards only.

9. Animals, Livestock and Poultry:

No animal, livestock, poultry or other fowl or any kind shall be raised, bred or kept on any lot, except that dogs, cats, or other household pets may be kept, provided they are not kept, bred or maintained for any commercial purpose, and further provided that said household pets are not, in the opinion of Developer, dangerous or obnoxious to the health, peace and quiet of any lot owner, or the Developer.

10. Subdivision:

The Owner of any lot shall never sell, lease, mortgage, assign or in any manner transfer any portion of his lot

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less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Developer shall give written consent thereto.

11. Term:

All the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty (20) years from the date hereof, a majority of the then Owners of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of the lots may amend, cancel, annul or abrogate any and all the covenants, conditions and restrictions by a writing duly executed and properly recorded among the Land Records of Queen Anne's County.

12. Severability:

If any provisions of the covenants, conditions and restrictions herein contained or the application of such provisions to any person or circumstances shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

13. Enforcement:

The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by the Developer or the Owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any lot, their respective heirs, personal representatives, successors and assigns, and failure by the Developer or any lot Owner to enforce any restriction, condition, covenant or assignment herein contained, shall not in any event be deemed an approval of the violation or a waiver of the right to prosecute thereafter as to the same breach or as to one occurring prior or subsequent thereto.

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14. Right to Abate Violation:

Violation of any restriction or condition or breach of any covenant or agreement herein contained shall give the Developer, in addition to all other remedies, (1) the right to enter upon the land as to which such violation or breach exists and summarily to abate and remove, at the expense of the Owner thereof, any erection, thing, or condition that may be or exist thereon contrary to the intent and meaning of the provisions hereof, and the Developer shall not thereby be deemed guilty of any manner of trespass for such entry, abatement, or removal, or for any damages resulting therefrom; and (2) the right to apply for relief by injunction, since the parties hereto agree that any breach, as aforesaid, cannot be compensated adequately by recovery of damages.

15. Assignability:

Any and all of the rights and powers, titles, easements and estates reserved or given to the Developer by these covenants, conditions and restrictions may be willed, conveyed, or assigned to any one or more persons, corporations or associations that will agree to assume said rights, powers, duties and obligations and carry out and perform the same. Any such assignment or transfer shall be made by appropriate instrument, in writing, in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance of such rights and powers; which must be duly recorded among the County Land Records, and such assignee or transferee shall thereupon have the same rights and powers as are herein given to the Developer, and such succeeding heirs, administrators, personal representatives or assigns shall assume the title and place of the present Developer.

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16. Right to Modify:

The Developor hereby expressly reserves the right, in its absoluto discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein, so long as such changes do not substantially affect the rights of any Owner of any lot. Where any Owner's rights are so effected, before any such change can become operative, all affected Owners must indicate their consent and approval to the change by joining in an appropriate written agreement to be recorded among the Land Records of Queen Anne's County.

17. Streets not Dedicated:

It is hereby expressly provided that nothing herein contained shall constitute a dedication of any street or public area shown on the Plat entitled "Blair Woods", the title to all such streets and areas designated on said Plat being hereby expressly reserved to the Developer, nor shall any deed from the Developer hereafter made conveying any part of the land shown and included in said Plat be held to convey the title or to dedicate the bed of any street or public area except where expressly so conveyed or dedicated in the deed. The Developer hereby gives and grants to each Owner hereby, or hereafter acquiring title to any lot, the right to such use of the streets and public areas shown on said Plat as may be necessary for reasonable and convenient ingress and egress to and from the lot belonging to such Owner, but, subject to such uses by said Owners, the Developer expressly reserves to itself the title to both the surface and beds of all such streets and public areas, and the right to use and occupy the same or to allow others so to do in any manner that does not materially interfere with said user of ingress or egress; and it further expressly reserves the right to grade, change the grade of, regrade, change the location of, close or partly close any street, public area, or private

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lane shown on said Plat, but no change of location or closing shall be made that will materially interfere with the said right of convenient ingress and egress to any portion of any lot sold or conveyed by the Developer prior to such change of location of closing. The Developer reserves the right, however, to dedicate to public use, and the right to convey to any public authority or to any corporation having power to acquire the same, all its right, title and interest in and to any street or public area, subject to the rights of property owners as hereinbefore granted.

18. Developer's Rights of Maintenance:

Developer reserves the right to enter upon all sold but unimproved lots in this development, at any time, to cut grass or weeds, or to remove any debris, or to repair any unsightly or unhealthy conditions, at the expense of the lot Owner.

19. Parking:

All Owners shall provide adequate off street parking for their own vehicles and for those of their family and guests, and for their clientele, in the case of professional persons.

20. Annual Maintenance Charges:

Developer reserves the right, so long as Developer is the owner of the streets and community areas shown on said Plat, to assess and collect from each lot Owner an annual maintenance fee not to exceed Fifty ($50.00) Dollars per lot for the maintenance of community streets and public community areas as shown and designated on said Plat, Developer covenanting hereby to keep and maintain in a neat and orderly fashion all said community streets and areas during the time it is the Owner thereof, and to apply the maintenance fees so collected for these

CHILDS AND SALD
ATTORNEYS AT LAW
ANNAPOLIS, MD.

QUEEN ANNE'S COUNTY CIRCUIT COURT (Land Records) [MSA CE 58 228] Book CWC 14 p 0615

purposes, and to require similar maintanance and care by any other person, persons or corporation who shall hereafter succeed to the ownership thereof.

TOGETHER with the buildings and improvements thereon, and all and every the rights, roads, ways, waters, privilages and appurtenances to the same belonging, or in anywise apperteining.

TO HAVE AND TO HOLD said land and premises hereby conveyed, unto and to the proper use and benefit of the said SECOND PARTY, in Trust for the purpose of immediately reconveying the property hereby conveyed unto said FIRST PARTIES, their heirs and assigns, in fee simple, subject to the covenents, conditions and restrictions hereinbefore recited.

IN WITNESS WHERE, FIRST PARTIES have hereunto set their hands and seals.

TEST:

Robert Blair, Jr. (SEAL)

Evelyn M. Blair (SEAL)

Virginia B. Hughes

STATE OF MARYLAND, Anne Arundel COUNTY, TO WIT:

I HEREBY CERTIFY, that on this 26th day of April, 1965, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Robert Blair, Jr., and Evelyn M. Blair, his wife, and they each acknowledge the aforegoing Indenture to be their act.

WITNESS my hand and Noteriel Seal

Virginia B. Hughes
Virginia B. Hughes, Notary Public

VIRGINIA B. HUGHES NOTARY PUBLIC

My Commission expires July 1, 1965

CHILDS AND BALD
ATTORNEYS AT LAW
ANNAPOLIS, MD.

ASSIGNMENT SEE LIBER 226 PAGE 913

QUEEN ANNE'S COUNTY CIRCUIT COURT (Land Records) [MSA CE 58 228] Book CWC 14 p 0616

10 - 573

1986 DEC -8 A 11:18

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION
APPROVED FOR RECORD
12/8/86 at 11:18 a.m.

ARTICLES OF INCORPORATION
OF
BLAIR WOODS
COMMUNITY ASSOCIATION, INC.
A Non-Profit Maryland Corporation

SECTION 1 - INCORPORATOR: The undersigned, Thomas J. Keating, IV, whose post office address is 117 Lawyer's Row, Centreville, Maryland, 21617, being at least eighteen (18) years of age and acting as incorporator, hereby forms a corporation under and by virtue of the Nonstock Corporation Laws of the State of Maryland.

SECTION 2 - NAME AND ADDRESS: The name of the corporation (which is hereafter called the "Association") is BLAIR WOODS COMMUNITY ASSOCIATION, INC., and the post office address of the principal office of the Association in this State is c/o Raymond G. Tarrant, Route 1, Box 103, Queenstown, Maryland, 21658.

SECTION 3 - GOVERNING LAW: The Association is a corporation as defined in and authorized by Subtitle 2 of Title 5 of the Corporations and Associations Article of the Code of Public General Laws of Maryland, as amended from time to time.

SECTION 4 - RESIDENT AGENT: The name and post office address of the Resident Agent of the Association in this State is Raymond G. Tarrant, Route 1, Box 103, Queenstown, Maryland, 21658. Said Resident Agent is an individual actually residing in this State.

SECTION 5 - DEFINITIONS: The terms "Developer", "Lots" and "Owner" as used in these Articles of Incorporation shall have the meanings set forth in an Indenture creating certain Covenants, Conditions and Restrictions relating to the Blair Woods Subdivision dated April 26, 1965, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 14, at folio 606, et seq (which Indenture is hereinafter called the "Declaration"). The term "Association" shall mean the corporation formed by these Articles; the term "Common Area" shall refer to all land within the Blair Woods Subdivision other than Lots; and the term "Property" shall refer to all land within the Blair Woods Subdivision, as described in the Declaration.

SECTION 6 - PURPOSES AND POWERS: The Association shall not operate for pecuniary gain or profit, shall not issue capital stock, and no part of the net earnings of the Association shall inure to the benefit of any member or individual (except that reasonable compensation may be paid for services rendered), and the specific purposes for which it is formed are to provide for: (i) the use, improvement, maintenance, operation and repair of the Common Areas located in the Property including any improvements and amenities

In furtherance of these purposes, the Association, by action of its Directors unless otherwise noted in these Articles of Incorporation or in the Declaration, shall have full power and authority to:

A. Exercise all of the powers and privileges and to perform all of the duties and obligations of the Developer as set forth in the Declaration as the same may be amended from time to time as therein provided, the Declaration being incorporated herein by reference as if set forth at length;

B. Fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all other expenses incident to the conduct of the affairs of the Association, including all assessments, taxes or other governmental charges levied or imposed against the property of the Association;

C. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, subject, however, to the requirements of the Declaration;

D. Borrow money and, with the assent of two-thirds (2/3) of the votes of each class of members of the Association, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

E. Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility subject, however, to the requirements of the Declaration and to such conditions as may be agreed to by the members; and

F. Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property and open space, provided that, except as otherwise provided in the Declaration, any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the votes of each class of the members; and

G. Have and exercise any and all powers, rights and privileges which a non-stock corporation organized under the Corporation Law of the State of Maryland by law may now or hereafter have or exercise.

SECTION 7 - MEMBERSHIP AND VOTING: Every Owner shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members, however, for purposes of a quorum they shall be treated as a single member. The votes for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

SECTION 8 - BOARD OF DIRECTORS: The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

John W. Bernhardt
Rt. 1, Box 99
Queenstown, Maryland, 21658

John B. Webb
Rt. 1, Box 97A
Queenstown, Maryland, 21658

Raymond G. Tarrant
Rt. 1, Box 103
Queenstown, Maryland, 21658

These Directors, (hereinafter called "Charter Directors") shall serve until the first annual meeting of the members at which their successors are elected. In the event of death or resignation of a Charter Director during his term of office, the remaining Charter Directors shall elect a successor Charter Director to fill the unexpired term of such Charter Director.

SECTION 9 - DISSOLUTION: The Association may be dissolved with the written and signed assent of the holders of not less than two-thirds (2/3) of the votes of the members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that acceptance of such a dedication is refused, the assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to similar purposes.

SECTION 10 - PERPETUAL EXISTENCE: The Association shall exist perpetually, unless and until dissolved as herein or otherwise by law provided.

SECTION 11 - CHARTER AMENDMENTS: Amendment of the Articles of Incorporation shall require the written and signed assent of the holders of two-thirds (2/3) of the votes of members present in person or by proxy at the meeting at which the vote is taken.

IN WITNESS WHEREOF, the undersigned incorporator has signed these Articles of Incorporation this 4 TH day of DECEMBER, 1986, and hereby acknowledges the same to be his act.

Wm. T. Burke Jr.

10 577

Arts / Inc.

April 87 14 10:59 A

MCWM 10 Folio 573 Arts / Inc.

Marguerite A. Mankins

ARTICLES OF INCORPORATION
OF
BLAIR WOODS COMMUNITY ASSOCIATION, INC.

1987 APR 14 AM 10:59
QUEEN ANNE'S COUNTY

APPROVED AND RECEIVED FOR RECORD BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND DECEMBER 8, 1986 AT 11 18 O'CLOCK A. M. AS IN CONFORMITY WITH LAW AND ORDERED RECORDED.

ORGANIZATION AND CAPITALIZATION FEE PAID:	RECORDING FEE PAID:	SPECIAL FEE PAID:
$ 20	$ 20	$

D2246999

TO THE CLERK OF THE COURT OF QUEEN ANNE'S COUNTY

AR/INC 0#
RECD FEE 5.00

IT IS HEREBY CERTIFIED, THAT THE WITHIN INSTRUMENT, TOGETHER WITH ALL INDORSEMENTS THEREON, HAS BEEN RECEIVED, APPROVED AND RECORDED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND.

RETURN TO
THOMAS J. KEATING, IV, ESQ.
117 LAWYERS ROW
P.O. BOX 416
CENTERVILLE MD 21617 0416

111C3005586

A 217399

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND
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1632

RECORDED IN THE RECORDS OF THE
STATE DEPARTMENT OF ASSESSMENTS
AND TAXATION OF MARYLAND IN LIBER, FOLIO. 2871 0311

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DISCLOSURE STATEMENT

FOR

BLOODY POINT FARM

THIS DISCLOSURE STATEMENT is filed for Bloody Point Farm so as to fulfill the requirements of the Maryland Homeowners' Association Act as set forth in Title 11B of the Real Property Article of the Annotated Code of Maryland.

DESCRIPTION OF SUBDIVISION

Bloody Point Farm consists of nineteen (19) residential lots namely, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18 and 19, which are set forth and designated on Plats by Rauch, Walls and Lane, Inc. The original Plat, setting forth the 19 lots, was revised by a subsequent Plat covering lots 1 through 9. The applicable Plats are as follows:

A. Plat entitled "Plat Showing Bloody Point Farm, a Subdivision in the Fourth Election District, Queen Anne's County, Maryland", dated May, 1990, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 380, folio 21, and among the Plat Records of Queen Anne's County in Liber M.W.M. No. 17, folio 74A (being the final plat of record as of this date for lots 10 through 19).

B. Plat entitled "Plat Showing an Administrative Subdivision, Lots 1 through 9, Bloody Point Subdivision", dated December, 1991, revised January 20, 1992, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 390, folio 745, and in Plat Book M.W.M. No. 18, folio 27 (being the final plat of record as of this date for lots 1 through 9).

DECLARANT AND VENDOR

The Declarant is the person who subjected the lots within the subdivision to the Declaration of Covenants, Conditions and Restrictions. The Declarant and Vendor for Bloody Point Farm is:

Bloody Point Shores Partnership
716 Kentmorr Road
Stevensville, Maryland 21666

or business office:

Bloody Point Shores Partnership
6208 Higham Drive
Alexandria, Virginia 22310
(703) 971-5200

RECEIVED
CLERK, CIRCUIT COURT
92 APR -7 AM 11:50
QUEEN ANNE'S COUNTY

MISC # 0 #
RECD FEE 50.00

DESCRIPTION OF ASSOCIATION

There currently is not an Association for Bloody Point Farm since all the lots are currently owned by the Declarant and Vendor. It is not anticipated that there will be an incorporated Association since there are no common areas or private roads. The Declarant and Vendor has promised that within ninety (90) days of the sale of the last lot by the Declarant, its successors and assigns, agree to transfer the rights and responsibilities conferred under the Declaration by the virtue of these Declaration of Covenants, Conditions and Restrictions unto a Homeowners' Association provided that the Association provides that each lot shall have an equal vote and that any action of the Association shall be governed by a majority vote of the lot owners. See Declaration of Covenants, Conditions and Restrictions, Article VII, Paragraph 1.

DESCRIPTION OF DEVELOPMENT SIZE AND COMMON AREAS

The development consists of nineteen (19) residential lots set forth on the abovementioned plats by Rauch, Walls and Lane, Inc. The expansion of this development is not anticipated.

There are no common areas in this subdivision, however, approximately 71.47 acres of surrounding lands have been dedicated as open space by virtue of a Deed of Easement dated October 10, 1991, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 380, folio 22. This Deed of Easement is required by the Queen Anne's County Zoning Ordinance and is not meant to confer any property or easement rights upon owners of lots within the subdivision. The owners of lots within the subdivision shall also not be responsible for the care and maintenance of the open space areas. The open space provisions may be modified as per the terms and conditions of the written agreement and/or the Queen Anne's County Zoning Ordinance as may be modified from time to time.

LOT OWNERS' RESPONSIBILITIES

There are no streets, roads, paths, parking areas, curbs, sidewalks, lighting fixtures, stormwater management facilities, open areas, swimming pools, tennis courts, recreational areas or other facilities which are the responsibility of or to be maintained by the Homeowners' Association.

The roadway is being constructed to County specifications and will be deeded to and will become the property of the County Commissioners of Queen Anne's County. Subsequent

to the deeding and acceptance of the roadway, all maintenance shall be the responsibility of the County. The County has estimated the cost of the roadway construction and the Declarant and Vendor has posted a Letter of Credit in an amount specified by the County Department of Public Works and deemed sufficient to guarantee payment for all required construction. The Letter of Credit is deposited with the County and in the event the work is not performed in a timely fashion, the County shall have the right to demand payment under the Letter of Credit.

ASSOCIATION ASSESSMENTS

The Declaration of Covenants, Conditions and Restrictions provides for association assessments on an annual basis, the monies of which shall be used (a) to promote the recreational, health, safety and welfare of the residences, (b) to cover any operating expense for reviewing of plans and enforcing the restrictive covenants, and (c) to maintain any entrance sign and entrance landscaping. The annual assessment, together with interest, costs and reasonable attorney's fees shall be a charge on, and a continuing lien on, the lot against which each such assessment is made. Each such assessments, together with interest, costs of collection and reasonable attorney's fees, shall also be the personal obligation of the lotowner of such lot at the time when the assessment is due and payable.

The amount of the assessment shall be set annually by the Declarant and/or its successors and assigns. The assessment for the initial year shall not exceed $300.00. Thereafter, the assessment shall not exceed $300.00 annually plus the cost of living adjustment as determined by the Consumer Price Index for the nearest metropolitan area.

ZONING AND LAND USE REGULATIONS

Information regarding the zoning and land use regulations which apply to the subdivision as well as the individual lots is available for inspection at the office of the Department of Planning and Zoning, Queen Anne's County Office Building, 208 N. Commerce Street, Centreville, Maryland 21617 (410-758-1255).

EXPRESS WARRANTIES

There are no express warranties beyond the matters set forth on the plats of the subdivision above referred to as well as the Declaration of Covenants, Conditions and Restrictions.

RESTRICTIVE COVENANTS

The Declaration of Covenants, Conditions and Restrictions are attached hereto in their entirety. A careful review of these provisions should be made since they affect the rights of use to the individual lots. The Declarant and Vendor have established the restrictions in order to provide for the preservation and enhancement of the property values and to regulate and restrict the building structures, improvements, activities and conduct so as to contribute to the personal and general health, safety and welfare of the community.

The restrictions do provide for the establishment of an Architectural Review Committee which has been given subjective authority to review all proposed plans and specifications for improvements and use.

The restrictions also provide minimum requirements for landscaping and reserve easement for utilities as set forth in Articles IV and V.

The Declarant Vendor has also reserved the right to execute waivers to these restrictions provided the consent of the property owner of the lot affected also joins in the execution of a written agreement. The provisions relating to this waiver are set forth in Article IX, Paragraph 2.

WITNESS the hand and seals of the parties hereto this 6th day of April, 1992.

WITNESS:

BLOODY POINT SHORES PARTNERSHIP

_____ (SEAL)
General Partner

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

I HEREBY CERTIFY, that on this 6th day of April, 1992, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared John M. Sass, Jr., who acknowledged himself to be a Partner of BLOODY POINT SHORES PARTNERSHIP, a Maryland General Partnership, and that he, as such Partner, being authorized so to do, executed

the aforegoing Disclosure Statement for the purposes therein contained.

WITNESS my hand and Notarial Seal.

Notary Public
My Commission Expires: 5-1-93

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01/19/89

DISCLOSURE STATEMENT FOR

BLUE BAY FARM - PHASE TWO - LOVE POINT SUBDIVISION

This portion for depository with Circuit Court for Queen Anne's County.

RECEIVED
CLERK, CIRCUIT COURT
1989 JAN 19 AM 11: 31
QUEEN ANNE'S COUNTY

Prepared as of December 31, 1988.

r:589962.dis

DISCLOSURE PACKAGE FOR
BLUE BAY FARM - PHASE TWO - LOVE POINT SUBDIVISION

This portion for depository with Circuit Court for Queen Anne's County, 12 or fewer lots.

This disclosure is prepared pursuant to Section 11B-112 and 11B-106(B) of the Real Property Article of the Annotated Code of Maryland for Blue Bay Farm - Phase Two- Love Point Subdivision and for deposit for the Circuit Court for Queen Anne's County. It constitutes only that portion of the disclosure package which by the above law is required to be placed into the depository. Other disclosures may be required by Maryland Law.

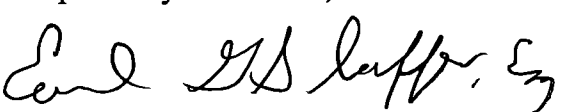
1. The name, address and telephone number of the agent of the homeowners association is Robert R. Price, III, Esquire, P.O. Box 460, Centreville, Maryland 21617, telephone number 301-758-1660. The agent is authorized by the homeowners association to provide members of the public, information regarding the homeowners association and the development.

2. The subdivision will be governed by a Management Committee. The Management Committee is an unincorporated entity and, consequently, there are no Articles of Incorporation or Bylaws. The only documents governing the Management Committee is the Declaration of Restrictions and Covenants for what was called "Wolf Farm" dated September 7, 1988, and recorded among the Land Records of Queen Anne's County in Liber 312 at page 572. This Declaration of Restrictions and Covenants is applicable to the lots now included in Blue Bay Farm - Phase Two - Love Point. The terms of the Declaration of Restrictions and Covenants are enforceable against an owner of a lot and the owner's tenants, if applicable.

Documents enclosed:

A. Declaration of Restrictions & Covenants dated 8/17/88, recorded in liber 312, page 572.

Respectfully submitted,



Earl G. Schaffer, Esquire
Attorney for Blue Bay Farm - Phase Two - Love Point Subdivision
4 Evergreen Road
Severna Park, MD 21146
December 31, 1988
(301) 544-0314

r:589962.dis

DOCUMENT NO. 148-133

312 572

Revised 8/17/88

ORIGINAL

DECLARATION OF RESTRICTIONS & COVENANTS

Wolf Farm

This Declaration of Restrictions and Covenants (Declaration) made this 7th day of September, 1988, by John V. Chamberlin and Gloria Chamberlin, (Declarant).

RECD FEE 146.00
POSTAGE .50

Witnesseth

WHEREAS Declarant is the owner of real property described in Article II hereof and desires to create and develop there on a residential community; and

WHEREAS the Declarant desires to provide for the preservation of values and amenities in said community and to dedicate the common areas to the use of lot owners, and to this end desires to impose upon the Property and Common Areas the covenants, restrictions, easements, obligations, assessments and equitable servitudes, hereinafter set forth, each and all of which are for the benefit of the Property and the owners thereof.

NOW THEREFORE, the Declarant hereby declares that the Property and Common Areas shall be held, conveyed, encumbered, used, occupied and improved subject to the covenants, restrictions, uses, limitations, obligations, easements, assessments and equitable servitudes (hereinafter sometimes referred to as "covenants and restrictions") hereinafter set forth, all of which are declared and agreed to be in aid of the plan for the improvement of the Property

1988 SEP -9 PM 4:11
QUEEN ANNE'S COUNTY

Earl G Schaffer, Esq
Attorney for Blue Bay Farm - Phone Two - Love Point Sold in

and Common Areas and shall issue to the benefit of and be enforceable by the Declarant, its successors and assigns, any person acquiring or owning an interest in the Property.

Article I

1. Definitions. The following words, when used in the Declaration shall have the following meanings:

(a) "Committee" shall mean and refer to the Management Committee established pursuant to Article III hereof.

(b) "Declarant" shall mean and refer to John V. Chamberlin and Gloria Chamberlin, and their heirs and assigns; and are binding upon John V. Chamberlin and Gloria Chamberlin their heirs and assigns.

(c) "Dwelling" shall mean and refer to any building or portion of a building used situated upon the Property and designed and intended for use and occupancy as a residence by a single person or family.

(d) "Lot" shall mean and refer to each of Lots 8 through 17 shown on the Plat.

(e) "Owner" shall mean and refer to the record owner of the fee simple title to any Lot. For the purposes hereof, each Lot shall be deemed owned by one (1) Owner and each Lot shall entitle the Owner thereof to one (1) vote.

(f) "Plat" shall mean and refer to a plat consisting of two (2) sheets, entitled Phase Two Wolf Farm - Love Point, prepared by McCrone, dated April 6, 1988, and recorded among the Plat Records of Queen Anne's County, Maryland in Plat

Book, M.W.M. No._____, folio _____.

(g) "Property" shall mean and refer to all property described in Article II hereof.

(h) "Common Areas" shall mean and refer to the areas designated as Open Space on the Plat.

(i) "Recreation Area" shall mean and refer to the areas described on a Plat entitled "Amended Major Subdivision Wolf Farm - Love Point" dated July, 1987 prepared by Alpha Engineering, Inc. and recorded among the Land Records of Queen Anne's County, Maryland in Plat Book M.W.M. No. 10, folio 38.

(j) "Access to Recreation Area" shall mean and refer to the 25 foot right of way on Lot 6 Phase One as described on a plat entitled "Amended Major Subdivision Wolf Farm-Love Point" dated July, 1987 prepared by Alpha Engineering, Inc. and recorded among the Land Records of Queen Anne's County, Maryland in Plat Book M.W.M. No. 10, folio 38.

(k) "Phase One" shall mean and refer to Lots 1, 2, 3, 4, 5 and 6 as shown on a plat entitled "Amended Major Subdivision Wolf Farm - Love Point" dated July, 1987 prepared by Alpha Engineering, Inc. and recorded among the Land Records of Queen Anne's County, Maryland in Plat Book M.W.M. No. 10, folio 38.

(l) "Phase Two" shall mean and refer to former Lot 7 of Phase One and now comprised of Lots 8-17 and open spaces as described on the Plat defined herein.

Article II

The Property which is, and shall be held, conveyed, encumbered, sold, leased, rented, used, occupied and improved subject to this Declaration consists of 46.574 acres, more or less, located in the Fourth Election District, Queen Anne's County, State of Maryland, being more particulary designated as Lots 8 thru 17 - Phase Two - Blue Bay Farm, as shown and described on the Plat, Being a part of the same lands granted unto the Declarant by deed from Richard T. Brice, IV, Personal Representative of the Estate of Florence E. Wolf, dated December 15, 1987 and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 295, folio 406.

The Common Area is that area designated as OPEN SPACE for the use and benefit of the Owners and Queen Anne's County.

Article III

1. Management Committee - Composition and Operation. The Management Committee shall be composed of three (3) persons and the following persons are designated as the original members:

a) Robert R. Price, III - Member #1
b) Gloria Chamberlin - Member #2
c) John V. Chamberlin - Member #3

The respective terms of office shall be as follows:

d) The term of Member No. 1 shall expire on January 1, 1990.
e) The term of Member No. 2 shall expire on January 1, 1991.
f) The term of Member No. 3 shall expire on January 1, 1992.

Upon expiration of each of the aforesaid terms of office, the Owners of the Lots, by a majority vote, shall appoint the new member of the Management Committee and such member Owner shall serve a three (3) year term of office. The affirmative vote of a majority of the members of the Management Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any findings, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in these Declaration of Restrictions and Covenants.

Any member of the Management Committee may at any time resign from the Committee upon written notice to other members of the Committee. Vacancies on the Committee, however, caused, shall be filled by a vote of a majority of the Owners of the Lots within 30 days of the creation of the vacancy. Any new members elected to the Committee to fill a vacancy shall serve the unexpired term the Committee member vacated.

A quorum required for any election shall be the presence at the Meeting of Owners or of proxies entitled to cast fifty (50) per cent of the total vote.

Article IV

Lot Regulation:

1. The covenants contained in this Article IV are different than those imposed in accordance with the Queen

Anne's County Zoning Ordinance; and no official, board, department, agency or other instrumentality of Queen Anne's County has any interest or authority with respect to the covenants contained in this Article IV.

2. The covenants in Article IV may be amended by the written consent of all Owners to an instrument to be recorded among the Land Records of Queen Anne's County.

1. Management Committee Approvals:

(a) Application. No building, dock, hedge, fence, wall, sign, bulkhead, jetty, seawall, swimming pool, or any other structure of any kind or nature whatsoever, or any addition or accessory thereto, shall be commenced, erected, or maintained, nor shall any addition to, change or alteration (including change of color of any exterior part) thereof be made until written or printed plans and specifications (showing the nature, kind, shape, heights, materials, floor plans, color scheme and location of the improvements with respect to plat plan, topography and ground elevation) shall have been submitted to, and approved in writing by, the Committee and copies of all building plans, specifications, alterations, plans, plat plans, etc., as above required are permanently lodged with the Committee.

The Committee shall have the right to refuse to approve any building plan and/or grading plat, or material contemplated to be used in the proposed building or improvement, either external or internal, which, in its sole

and uncontrolled opinion, is not considered suitable or desirable, whether for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvements, and the materials of which the same is to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Committee shall further have the right to establish such minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected in on a lot, and require a landscape plan to be submitted as part of a building or grading plan.

(b) Floor Area. The floor area of any dwelling house erected upon any parcel, exclusive of basement and attached porches, garages and breezeways, shall not be less than twenty-three hundred (2,300) square feet. No dwelling, garage, porch, or guest house shall be more than thirty-six (36) feet in elevation from ground level, provided, however, that the Committee reserves the right from time to time to amend or modify such requirements if, in its sole discretion, it deems it best so to do.

(c) Approvals, etc. Upon approval by the Management Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be

deposited among the permanent records of the Committee and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. In the event the Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within thirty (30) days after such plans and specifications (and all other materials and information required by the Management Committee) have been submitted to it in writing, then approval will not be required and the requirements of this article will be deemed to have been satisfied.

(d) Limitations. Construction or alterations in accordance with plans and specifications approved by the 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 Committee (whether by affirmative action or by forbearance from action, as in Paragraph c of this Article provided), and shall be substantially completed within twelve (12) months following the date of commencement, or within such other period as the Committee shall specify in its approval; provided, however, the time for completion shall be extended commensurate with the period of interruption of construction caused by war, acts of God or the public enemy, acts of government, fires, floods, epidemics, quarantine restrictions, strikes, lockouts, labor disputes or other matters beyond the control

of Owner. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required.

There shall be no material deviation from the plans and specifications approved by the Committee without the prior consent in writing of the Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the 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.

(e) Certificates. Upon the completion of any construction or alterations or other improvements in accordance with plans and specifications approved by the Committee in accordance with the provisions of this Article, the Committee shall, at the request of the Owner thereof, issue a certificate of compliance with shall be prima facie evidence that such construction, alteration or other improvements referenced in such certificate have been approved by the Committee and constructed or installed in full compliance with the provisions of this Article and with such other provisions and requirements of this Declaration as may be applicable.

(f) Rules & Regulations. The 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 and record such statements of policy, standards, guidelines and establish such criteria relative to architectural styles or details, fences, colors, set-backs, materials or other matters relative to architectural control and the protection of the environment, 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 Committee shall be final.

2. Prohibitions and Nuisances:

(a) No excavation or grading shall be made on the premises except after the approval of a building permit by the Management Committee.

(b) No noxious or offensive trade shall be carried on upon any Lot, nor shall anything be done thereon which may be or become a nuisance to the neighborhood or other Owners. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except for security purposes, shall be located, installed, maintained or operated upon the exterior of any dwelling or structure on the Lot. No snowmobiles, go-carts, motor bikes, trail bikes, or other loud recreational vehicles shall be run or operated upon any Lot or in the Common Areas.

(c) All Lots shall be for single family residential use only and no trade, business or profession whatsoever shall be conducted on any Lot.

(d) No Lot shall be subdivided except Declarant may subdivide any property they retain.

(e) No trailer, habitable motor vehicle, camper, bus, construction equipment, farm equipment, truck over 1/2 ton capacity, or other similar machinery or equipment (except for such equipment and machinery as may be reasonable and customary in maintenance of the Lot) shall be kept, parked or stored upon any Lot unless within a completely enclosed building.

(f) No junk vehicles, unlicensed or inoperable vehicles shall be kept, parked or stored upon any Lot.

(g) No boats, either on or off trailers, over 20 feet in length shall be stored or parked on any Lot except in completely enclosed buildings. No boat 20 feet or less in length shall be stored or kept on any Lot unless shielded from other Lots and the roads by evergreen shrubbery approved by the Committee.

(h) No satellite T.V. dishes, aerial or antenna equipment or solar panels and equipment shall be located on any Lot unless shielded from other lots and the road.

(i) No burning of trash shall be permitted on any Lot. All trash containers shall be stored, except on trash pick-up days, in such a manner that they cannot be seen.

(j) No exterior lighting shall be placed or fixed in such a manner as to cause a concentrated beam to extend outside the boundaries of the Lot.

(k) No animals, livestock, poultry or other fowl, of any kind, shall be raised, bred or kept on any Lot, provided, however, that no more than a total of three (3) dogs, cats or other household pets may be raised, bred or kept if not for commercial purposes.

(l) All oil and gas storage tanks, electric lines and other utility lines shall be underground.

3. Maintenance. Each Owner shall keep his Lot and all improvements therein and thereon, in good order and repair, including but not limited to, the seeding, watering and mowing of lawns, the pruning and cutting of trees and shrubbery, the painting and other external care of all buildings and other improvements, all in a manner and with such frequency as is consistent with good property management.

4. Enforcement - Right to Remove or Correct Violations. In the event any violation or attempted violation of any of the covenants or restrictions contained in this Article 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 this Declaration, then the same shall be considered to have been undertaken in violation of this Declaration and without the approval of

the Committee required herein, and, upon written notice from the Management 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 abate, 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, then the Management Committee shall have the right, through its agents and employees, to enter upon such Lot and to take such steps as may be necessary to remove or otherwise terminate or abate such violation and the cost thereof 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 a continuing lien upon such Lot, and a binding personal obligation of the Owner of such Lot. Any lien established upon a Lot by this Declaration shall have preference over any other assessments, liens, judgments or charges of whatever nature, except for: (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 assessment thereon of the lien or duly recorded on said Lot after receipt of a written statement from the Management Committee reflecting that payments on any lien

imposed pursuant to this Paragraph 5 were current as of the date of recordation of said deed of trust, mortgage instrument or encumbrance. Upon receipt of a written request, the Management Committee shall issue a written statement certifying as to the existence of any liens established pursuant to this Paragraph 5 within fourteen (14) days following receipt of such written request. In the event that the Management Committee shall fail to issue such a written certification within the aforesaid fourteen (14) day period, a presumption shall be established that no such lien exists and the person or entity requesting the written certification shall be entitled to rely upon such failure to issue a written certification as conclusive evidence of the absence of any such lien. The Management Committee shall have the further right, through its agents or employees, 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 Management Committee 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.

Article V

Common Areas: The Common Areas consist of Open Space as designated on the Plat.

1. Permitted uses.

(a) Except as permitted by subparagraph (b) or as prohibited by subparagraph (c), the Common Area may be used only for the following purposes:

i - Subdivision of the Common Area on the Plat will be permitted by Declarant for the sole purpose of creating one additional single family lot not to exceed one acre in size contiguous with the entire southerly line of lot 17 and Sillen Plantation Road. This additional lot if and when permitted by the zoning ordinance, in effect when subdivision approval is granted, shall be governed by all of the provisions of this Declaration of Restrictions and Covenants and the subdivision of any future lots shall not be allowed.

ii - The maintenance and protection of natural resources in the manner and to the extent required by Zoning Ordinances;

iii - Recreational uses which involve a structure, the creation or maintenance of more than very negligible impervious surface, or the establishment of formally defined areas, such uses including ballfields, jogging or cycling trails, totlots, playgrounds, outdoor swimming pools, tennis courts, shooting preserves, target ranges, and golf courses;

iv - Passive recreational uses which involves the maintenance of only negligible impervious surface, such uses including arboretumns, hiking, nature areas, wildlife

sanctuaries, picnic areas, public and private parks, garden plots and beaches.

v - Farming, diarying, pasturing, agriculture, horticulture, floriculture, viticulture, animal and poultry husbandry, but not any packing, treating or storing of produce or the business of garbage feeding of hogs or other animals, the raising of such animals as rats, mice, monkeys and the like for use in medical or other tests or experiments.

vi - Forestry, including commercial logging operations, clearing or destruction of forested or woodland areas, selective cutting or clearing for commercial purposes, clearing for agricultural or other prospective land uses, clearing of vegetation.

vii - Nurseries which involve the sale of plants grown on the Common Area, as well as accessory items (but not power equipment such as gas or electric lawnmowers and farm implements) directly related to the care and maintenance of such plants (including clay pots, potting soil, fertilizers, insecticides, hanging baskets, rakes and shovels).

(b) Subject to the provisions of subparagraph (c) and during any period when the Zoning Ordinance expressly permits a use of the Open Space other than that referred to in subparagraph (a), the Association may authorize such use of the Open Space. A use authorized under this subparagraph

may be maintained only to the extent and during such period as it is expressly authorized both by a Zoning Ordinance and by the Association.

(c) No provision of subparagraphs (a) and (b) shall be construed to enlarge, limit, supersede or otherwise affect application to the Open Space of any Zoning Ordinance or any law, ordinance, rule and regulation of the Federal government, the State of Maryland or Queen Anne's County. In case of any conflict between these provisions and any other such law, ordinance, rule or regulation, the more restrictive shall be applicable. Whether or not such is referred to in subparagraph (a), nothing in this paragraph shall be construed to authorize or permit the use of the Common Area for:

i - any activity which is not authorized by those provisions of a Zoning Ordinance which relate to the use of open space in the Common Area;

ii - any activity for which special or conditional exception or other specific approval is required under a Zoning Ordinance, unless such specific approval is given, or in a manner not authorized by such approval;

iii - except as may be necessarily implied with respect to uses authorized in clauses v, vi and vii of subparagraph (a) which inure to the benefit of Lot Owners or the Association, a business or commercial purpose or any

other activity not used primarily by the Lot Owners and their bona find tenants and guests.

(d) As used in this paragraph, Zoning Ordinance means (1) any zoning ordinance in effect in Queen Anne's County, Maryland, on the date of this instrument, and any amendments to that Ordinance and (2) any ordinance or law hereafter adopted by the County Commissioners under the authority of Article 66B of the Annotated Code of Maryland (or any amendments to that Article) or under the authority of any law or constitutional provision by which the County Commissioners are authorized to regulate the use of land throughout Queen Anne's County, Maryland, to the extent provided under the present provisions of Article 66B.

2. Owners Right of Use and Enjoyment. Subject to the foregoing restrictions as to their use, the Common Areas shall be used and maintained for the common benefit of all Owners as provided in these covenants. Each Owner shall have the right to use and enjoy the Common Areas to the extent provided in these covenants; and such right shall be appurtenant to and pass with the title to each Lot.

These covenants relating to the Common Areas shall inure to the benefit of the Owner(s) of each Lot, the Management Committee and Queen Anne's County. No person, other than the Owners from time to time of a Lot, shall acquire any interest in a Common Area without the prior written approval of the Queen Anne's County Planning

Commission or other agency or person duly authorized by the County Commissioners of Queen Anne's County to give such approval.

3. Title to the Common Areas. The Declarant may retain legal title to the Common Areas until such time as Declarant's ownership of Lots is reduced to zero (0) and upon the formation of a corporation chartered for the purposes of assuming Declarant's interest, obligations and responsibilities under these covenants and restrictions. Declarant upon the satisfaction of the above contingencies will upon request of the corporation execute such deeds and assignments to convey title. The corporation shall be a non-stock corporation and its members shall consist only of Owners.

4. Management of Common Areas. The Management Committee shall have the duty and authority to insure that the Common Areas are used an maintained (a) for the common benefit of all lot owners within the property, and (b) in such manner that the Common Areas will remain attractive and useful to Owners and will not be injurious to the health, safety and welfare of residents of surrounding areas or detrimental to property values of land and improvements within the subject or surrounding areas.

The management and use of the Common Areas shall be under the supervision and control of the Management Committee. The Committee shall establish all such rules and

regulations it shall deem necessary for the use, enjoyment, preservation and maintenance of the Common Areas, including the designation of lands for active or passive recreation or use, and shall have the right for this purpose to appoint such sub-committees as it deems necessary. No mature trees shall be harvested.

5. Maintenance Assessments. Each Owner of any Lot by acceptance of a deed therefore, including Lots owned by the Declarant, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Management Committee (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments together with legal interest thereon and the costs of collection thereof as hereinafter provided, shall be a charge on the Lot and shall be a continuing lien upon the property against which assessment is made. Each such assessment, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of said Lot at the time when the assessment fell due.

6. Use of Assessment Funds. The assessments levied under this Article shall be used exclusively for the purposes set forth in Paragraph 4 above.

7. Maximum of Annual Assessments. The maximum annual assessment payable to the Management Committee shall be $300.00 per Lot, and the actual assessment for any calendar year shall be fixed by the Management Committee. The maximum amount of the annual assessment may be changed by the assent of two-thirds (2/3) of the total vote of the Owners voting in person or by proxy at a meeting duly called for that purpose and written notice of such meeting shall be sent to all Owners at least thirty (30) days in advance and shall set forth the purpose of the meeting.

8. Special Assessment for Capital Improvements. In addition to the annual assessments authorized by section 5 of Article V the Management Committee may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of capital improvements, or the purchase of any fixtures or personal property required for the use of the Common Areas, subject to the following: In the case of any special assessment levied by the Management Committee, such assessment shall require the assent of a two-thirds (2/3) of the total vote of the Owners who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be sent to all Owners at least thirty (30) days in advance and shall set forth the purpose of the meeting.

9. Quorum for Action Authorized Under Section 7 and 8. The quorum required for any action authorized by Section 7 and 8 hereof shall be the presence at the meeting of Owners or of proxies entitled to cast two-thirds (2/3) of the total vote.

10. Date Annual Assessments Due: The annual assessments provided for herein shall commence on the first day of January, 1989, and on the same date of each succeeding year.

Written notice shall be sent to each Owner subject thereto. The Management Committee upon request at any time shall furnish an Owner liable for such annual assessment or a special assessment a certificate in writing setting forth whether all said assessments have been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

11. Effect of Non-Payment of Assessment: Personal Obligation of the Owner; The Lien; Remedies. If an assessment is not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, be a continuing lien on the property which shall bind such property in the hands of the then Owner. In addition to the lien rights, the personal obligation of the then Owner to pay such assessment shall

remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of ten (10) per centum per annum, and the Management Committee may bring legal action against the Owner personally obligated to pay the same or to foreclose the lien againts the property and there shall be added to the amount of such assessment the cost of a reasonable attorney's fee for bringing said action.

In addition thereto, the Management Committee may bring an action in accordance with the Maryland Contract Lien Account (now codified as Title 14, Subtitle 2, of the Real Property Article of the Annotated Code of Maryland).

Article VI

Lot Regulation:

1. The covenants contained in this Article VI are different than those imposed in accordance with the Queen Anne's County Zoning Ordinance; and no official, board, department, agency or other instrumentality of Queen Anne's County has any interest or authority with respect to the covenants contained in this Article VI.

2. The covenants in Article VI may be amended by the written consent of all Owners to an instrument to be recorded among the Land Records of Queen Anne's County.

Recreation Area: The Recreation Area shall be managed and maintained as follows:

The use of the Recreation Area shall be limited exclusively to members of the Homeowners Association.

Each Owner shall have the right to become a member of a Homeowners Association created for the benefit of the lot owners and shall use the Recreation Area in accordance with the purposes which are specified herein and subject to the conditions specified herein. This right and privilege shall be appurtenant to and pass with the title to each lot. The right and privilege to use and enjoy the Recreation Area shall not commence until an incorporated Homeowners Association is established and the right of way to said Recreation Area is improved. The Homeowners Association shall assess each lot owner an assessment for purposes of maintaining, insuring, improving, and policing the Recreation Area. The Recreation Area boundaries shall be clearly designated and marked so that its use will not create an encumbrance or trespass upon the abutting lands of Lot 6 Phase One. Prior to said use a gate shall be constructed across the right of way insuring limited access.

Any improvements of the Recreation Area shall be at the expense of the Homeowners Association.

The Homeowners Association shall also be responsible for the maintenance of the Recreation Area. In the event the owner of Lot 6 Phase One, their heirs or assigns shall determine that failure to maintain the Recreation Area, including but not limited to keeping it free from all debris and trash, is damaging their lot or creating a nuisance, or adversely disturbing the owner of Lot 6 Phase One enjoyment

of their property, they shall have the right, thirty (30) days after having given written notice of the nuisance or disturbance to Declarant, and to the Homeowners Association, to close the right of way into the Recreation Area. Unless said nuisance or disturbance is remedied by the Homeowners Association, within thirty (30) days after receipt of written notice, the right of way to the Recreation Area shall be extinguished and title to said Recreation Area shall revert back to the ownership of lot 6 and the Declarant automatically.

The Recreation area shall be used only between sunrise and sunset.

There shall be no illumination of any type permitted in the Recreation Area.

No motor vehicles shall be permitted in the recreation area except for the pickup and discharge of passengers and in no case shall any motor vehicles be parked or remain in the Recreation Area for longer than one hour. The speed limit on said right of way shall be ten miles per hour.

No motorcycles, motorbikes or scooters, go-carts, all terrain vehicles or the like shall be allowed or used on the right of way or in the recreation area.

No loud noises shall be permitted in the Recreation Area including but not limited to that created by electronic equipment or musical instruments.

No uses other than those allowed by Section 4003 of the Queen Anne's County Zoning Ordinance, as adopted on April 9, 1987, as a principal permitted use, shall be permitted in

the Recreation Area without the written consent of the owner of Lot 6 Phase One, or their successors and assigns. However, the owners of Lot 6 Phase One do consent to construction of a pier and/or launching ramp in the Recreation Area at the sole expense of the Homeowners Association.

No noxious or offensive activity shall be carried on upon the Recreation Area nor shall anything be done thereon which will become an annoyance or nuisance to the Property.

No person other than a lot owner or person actually residing on a lot shall be permitted in the Recreation Area at any time unless a guest of a lot owner and accompanied by the lot owner at all times.

Each lot owner shall lock the gated entrance to the right of way after entry and exit and said gate shall be locked at sunset.

Article VII

ACCESS TO RECREATION AREA

1. The covenants contained in this Article VII are different than those imposed in accordance with the Queen Anne's County Zoning Ordinance; and no official, board, department, agency or other instrumentality of Queen Anne's County has any interest or authority with respect to the covenants contained in this Article VII.

Access to the Recreation Area shall be by the twenty-five foot right of way over the Land of the owner of Lot 6 Phase One and designated 25' common use right of way.

The access shall be limited to those permitted to use

the Recreation Area and shall have a locked gate at the entrance and a key shall be required to open the gate to the right of way.

Each lot owner shall lock the gated entrance to the right of way after entry and exit and said gate shall be locked at sunset.

Improvement of the right of way, included but not limited to gate entrance, shall be at the expense of a Homeowners Association and use of the right of way and the Recreation Area shall be prohibited until said right of way is constructed.

A Homeowners Association shall also be responsible for the maintenance of the right of way. In the event the owner of Lot 6 Phase One, their heirs or assigns shall determine that failure to maintain the right of way, including but not limited to keeping it free from all debris and trash, is damaging their lot, creating a nuisance, causing a disturbance or is not used in conformance with the restrictions and conditions as set forth herein, the owner of Lot 6 Phase One shall have the right, after thirty days written notice of the damage, nuisance, disturbance or failure to conform, to Declarant, and Homeowners Association, or their representatives as appropriate, to close the right of way unless or until the condition is remedied.

Article VIII

1. Amendment. No covenant except those set forth in Article IV, VI, and VII may be amended or changed in any

manner without the prior written approval of the Queen Anne's County Planning Commission or other agency or person duly authorized by the County to approve such change or amendment.

2. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any of the covenants or restrictions, either to restrain or enjoin violation or to recover damages or both, and against any Lot to enforce the lien created hereby, and the failure or forbearance to enforce any covenant or restriction shall not be deemed a waiver of the right to do so thereafter.

These covenants may be enforced by the Management Committee or by the Owner of any Lot. In addition, these covenants (except those set forth in Article IV, VI, and VII) may be enforced by the County Commissioners by the County Commissioners of Queen Anne's County, The Queen Anne's County Planning Commission or other department, agency or other public body or person enpowered by law or ordinance to enforce the zoning laws of Queen Anne's of Queen Anne's County or otherwise duly authorized by the county Commissioners of Queen Anne's County, but the authority contained in this sentence is permissive only; and the County Commissioners, the Planning Commission or other designee of the County have no affirmative duty at any time to enforce any covenant.

There shall be and is hereby created and declared to be

conclusive presumption that any violation or breach or attempted violation or breach of any of the within covenants or restrictions cannot be adequately remedied by action at law or exclusively by recovery of damages.

3. Incorporation by Reference on Resale. In the event any Owner sells or otherwise transfers or subdivides any Lot, any deed purporting to effect such transfer shall contain a provision incorporating by reference the covenants, restrictions, servitudes and easements set forth in this Declaration. Notwithstanding the foregoing provision of this Paragraph 3, every person or other entity, who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property, is and shall be conclusively deemed to have consented and agreed to every restriction, covenant and obligation contained herein, whether or not any reference to this Declaration is contained in the instrument by which such person or entity acquired an interest in the Property.

4. Notices. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, by ordinary mail, postpaid, to the address of the Owner as reflected on the real estate tax assessment records of Queen Anne's County, Maryland at the time of such mailing.

5. Severability. In case any one or more of the covenants or restrictions contained in this Declaration shall for any reason be held to be invalid, illegal or unenforceable in any respect by judgment, decree or order,

such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Declaration shall be construed as if such invalid, illegal or unenforceable covenant or restriction had never been contained herein.

6. Subordination of Mortgagees. Annapolis Emergency Hospital Association, Inc. for the use of the Anne Arundel General Hospital, and North Arundel Hospital Association, Inc. for the use of the North Arundel Hospital, assignees of Richard T. Brice, IV, Personal Representative of the Estate of Florence E. Wolf, by assignment dated April 13, 1988 and recorded in Liber M.W.M. No. 302, folio 656, hold a first purchase money mortgage on the property from the Developer dated December 15, 1987, which is recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 295, folio 409, and said assignees join in this Declaration for the purpose of subordinating the mortgage to the legal operation and effect of this Declaration.

7. Rights of Mortgagees. No breach of any of the restrictions or covenants contained herein shall defeat or render invalid the lien of any mortgage now or hereafter executed upon any lot subject to this Declaration; provided, however, that if any Lot is sold under a foreclosure of any mortgage or is conveyed to the party so secured in lieu of foreclosure, any purchaser at such sale or any such grantee and his heirs, legal representatives, successors and assigns shall hold any lot so purchased or acquired subject to all of the restrictions and covenants of this Declaration.

8. 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.

9. Compensation of Declarant. Each Covenantor has been fully compensated for any restrictions or covenants which restrict or otherwise affect any land to which a covenant relates.

IN WITNESS WHEREOF, JOHN V. CHAMBERLIN and GLORIA CHAMBERLIN hereby acknowledge that they have been fully compensated for any restrictions or other covenants which restrict or otherwise affect any land to which any of these covenants relate.

These covenants (a) are made by the Declarant for themselves and for their heirs and assigns, (b) are binding upon the Declarant and their heirs and assigns and (c) shall run with and bind all of the property.

WITNESS:

_____ _____ (SEAL)
JOHN V. CHAMBERLIN

_____ _____ (SEAL)
GLORIA CHAMBERLIN

ANNAPOLIS EMERGENCY HOSPITAL ASSOCIATION, INC., assignee

_____ BY: _____ (SEAL)

NORTH ARUNDEL HOSPITAL ASSOCIATION, INC., assignee

_____ BY: _____ (SEAL)

LIBER 312 FOLIO 603

STATE OF MARYLAND)
Anne Arundel) TO WIT:
COUNTY OF ~~QUEEN ANNE'S~~)

I HEREBY CERTIFY, that on this 6th day of September, 1988, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared Carl A. Brunetto, who acknowledged himself to be the President of Annapolis Emergency Hospital Association, Inc., (Corporation) and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer and certified that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the corporation by the Grantee(s) herein.

WITNESS my hand and Notarial Seal.

Alicia B. McCabe
NOTARY PUBLIC
My Commission Exp: 7/1/90

STATE OF MARYLAND)
ANNE ARUNDEL) TO WIT:
COUNTY OF ~~QUEEN ANNE'S~~)

I HEREBY CERTIFY, that on this 6th day of September, 1988, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared Richard A. Burgan Jr., who acknowledged himself to be the President of North Arundel Hospital Association, Inc., (the Corporation) and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer and certified that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the corporation by the Grantee(s) herein.

WITNESS my hand and Notarial Seal.

Priscilla Burgan
NOTARY PUBLIC
My Commission Exp: 7/1/90

Revised 8/17/88

STATE OF MARYLAND)
)
COUNTY OF QUEEN ANNE'S)

TO WIT:

I HEREBY CERTIFY that on the 7th day of April, 1988, before me, the subscriber, a Notary Public of the aforesaid State, personally appeared John V. Chamberlin and Gloria Chamberlin, Declarant, known to me (or satisfactorily proven) to be the persons who executed the foregoing Declaration in this capacity and they acknowledged that they executed the same as the act and deed for the purposes therein contained and delivered the same as such.

WITNESS my hand and Notarial seal the year and day first above written.

Notary Public
My Commission Expires: 7/1/90

Approved as to legal sufficiency

Attorney to the Queen Anne's
County Planning Commission

9/8/88
Date

Approved:

Henry Counsman Chm.
The Queen Anne's County
Planning Commission

9-8-88
Date

RECEIVED
CLERK. CIRCUIT COURT
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QUEEN ANNE'S COUNTY

BY-LAWS OF

BRIDGE VIEW HOMEOWNERS ASSOCIATION, INC.

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ARTICLE I

Office

Section 1. Principal Office - The principal office of the Corporation shall be located at Love Point Road, Stevensville Maryland.

Section 2. Other Offices - The Corporation may also have an office or offices in such other place or places as the business of the Corporation may require and the Board of Directors may from time to time appoint.

ARTICLE II

Members

Section 1. Annual Meeting - The annual meeting of the members of the Corporation shall be held on a day duly designated by the Board of Directors in April of each year, for the purpose of electing directors to succeed those whose terms shall have expired as of the date of such annual meeting, and for the transaction of such other corporate business as may come before the meeting.

Section 2. Special Meetings - Special meetings of the members may be called at any time for any purpose or purposes by the Chairman of the Board, the President, by a Vice President, or by a majority of the Board of Directors, and shall be called forthwith by the Chairman of the Board, the President, by a Vice President, the Secretary or any director of the Corporation upon the request in writing of a majority of all the members entitled to vote on the business to be transacted at such meeting. Such request shall state the purpose or purposes of the meeting.

LAW OFFICES
HAEL R. FOSTER
ORGAN BUILDING
OPPING CENTER ROAD
P. O. BOX 367
VENSVILLE, MD. 21666
(301) 643-2141

Business transacted at all special meetings of members shall be confined to the purpose or purposes stated in the notice of the meeting.

Section 3. Place of Holding Meetings - All meetings of members shall be held at the principal office of the Corporation in the Bridge View Farm Subdivision, or elsewhere as designate by the Board of Directors.

Section 4. Notice of Meetings - Written notice of each meeting of the members shall be mailed, postage prepaid by the Secretary, to each member of record entitled to vote thereat at his post office address, as it appears upon the books of the Corporation, at least ten (10) days before the meeting. Each such notice shall state the place, day, and hour at which the meeting is to be held and, in the case of any special meeting, shall state briefly the purpose or purposes thereof.

Section 5. Quorum - The presence in person or by proxy of a majority of the members of the Corporation shall constitute a quorum at all meetings of the members except as otherwise provided by law, by the Articles of Incorporation or by these By-Laws. If less than a quorum shall be in attendance at the time for which the meeting shall have been called, the meeting may be adjourned from time to time by a majority vote of the members present or represented, without any notice other than by announcement at the meeting, until a quorum shall attend. At any adjourned meeting at which a quorum shall attend, any business may be transacted which might have been transacted if the meeting had been held as originally called.

Section 6. Conduct of Meetings - Meetings of members shall be presided over by the President of the Corporation or, if he is not present, by a Vice President, or, if none of said officers is present, by a chairman to be elected at the meeting.

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The Secretary of the Corporation, or if he is not present, any Assistant Secretary shall act as secretary of such meetings; in the absence of the Secretary and any Assistant Secretary, the presiding officer may appoint a person to act as Secretary of the meeting.

Section 7. Identity of Members - The members of the Corporation shall be composed of only those owners of real property set forth and designated as Parcels 2, 4, 5, 6, 7 and 8 of that Farm formerly known as the T. Walter White Farm, or Belle View.

Section 8. Voting - The voting rights of members shall be determined by allocating a voting strength to each parcel being parcels 2, 4, 5, 6, 7, and 8, paralleling the allocation responsibility for maintenance of the roadway as set forth in the Declaration of Maintenance of a Roadway dated June 21, 1979 and recorded among the Land Records of Queen Anne's County. Said allocation is as follows:

Parcel 2 - one vote

Parcel 4 - two votes

Parcel 5 - two votes

Parcel 6 - two votes

Parcel 7 - two votes

Parcel 8 - one vote

In the event ownership of any of the aforedescribed parcels is entirely vested in more than one person, such as by tenants by the entirety, tenants in common, or by joint tenants, then, and in that event, one of said co-tenants shall be designated as the voting representative for all the tenants.

In the event any of the aforedescribed parcels shall be subdivided so as to vest ownership in separate parties, then the aforementioned members votes shall be allocated on a pro rata

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basis according to acreage percentage.

Section 9. Directors as Members - The Board of Directors of the Corporation shall be the members and, when meeting as Directors may exercise the rights and powers of members if the Charter or these By-Laws do not provide for members of the Corporation or in fact the Corporation has no members.

ARTICLE III

Board of Directors

Section 1. General Powers - The property and business of the Corporation shall be managed under the direction of the Board of Directors of the Corporation.

Section 2. Number and Term of Office - The number of directors shall be three (3) or such other number, but not less than three (3) as may be designated from time to time by resolution of a majority of the entire Board of Directors. Directors must be members of the Corporation. The Directors shall serve for a period of one (1) year or until the next annual meeting. At each annual meeting the successor directors shall be elected to hold office for a term of one (1) year, plus the entire Board will be elected annually.

Section 3. Nomination and Election of Directors - At least thirty (30) days prior to the Annual Meeting of the members of the Corporation, the Nominating Committee shall decide upon a slate of directors, and shall present such slate to the Board of Directors of the Corporation not less than twenty (20) days prior to said Annual Meeting. And upon written request of at least one of the members of the Corporation, made to a member of the Nominating Committee not less than ten (10) days prior to said Annual Meeting, designating an additional slate or slates of directors the Nominating Committee shall present such slate or slates to the

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Board of Directors of the Corporation. Immediately thereafter, the Secretary shall apprise the members of the Corporation of said slate or slates.

The Nominating Committee shall thereafter present the said slate or slates of nominees to the members of the Corporation for election at the Annual Meeting.

Section 4. Place of Meeting - The Board of Directors may hold their meetings and have one or more offices, and keep the books of the Corporation, either within or outside the State of Maryland, at such place or places as they may from time to time determine by resolution or by written consent of all the directors The Board of Directors may hold their meetings by conference telephone or other similar electronic communications equipment in accordance with the provisions of the Maryland Corporation Law.

Section 5. Regular Meetings - Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by resolution of the Board, provided that notice of every resolution of the Board fixing or changing the time or place for the holding of regular meetings of the Board shall be mailed to each director at least three (3) days before the first meeting held pursuant thereto. The annual meeting of the Board of Directors shall be held immediately following the annual meeting of members at which a Board of Directors is elected. Any business may be transacted at any regular meeting of the Board.

Section 6. Special Meetings - Special meetings of the Board of Directors shall be held whenever called by any member of the Board of Directors. The Secretary shall give notice of each special meeting of the Board of Directors by mailing the same at least three (3) days prior to the meeting or by telegraphing the same at least two (2) days before the meeting to each

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director; but such notice may be waived by any director. Unless otherwise indicated in the notice thereof, any and all business may be transacted at any special meetings. At any meeting at which every director shall be present, even though without notice, any business may be transacted and any director may in writing waive notice of the time, place and objectives of any special meeting.

Section 7. Quorum - A majority of the whole number of directors shall constitute a quorum for the transaction of business at all meetings of the Board of Directors, but, if at any meeting less than a quorum shall be present, a majority of those present may adjourn the meeting from time to time, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by law or by the Articles of Incorporation or by these By-Laws.

Section 8. Required Vote - An affirmative vote of a majority of those present shall be necessary for the passage of any resolution.

ARTICLE IV
Officers

Section 1. Election, Tenure and Compensation - The officers of the Corporation shall be a President, a Secretary, and a Treasurer, and also such other officers including a Chairman of the Board and/or one or more Vice Presidents and/or one or more assistants to the foregoing officers as the Board of Directors from time to time may consider necessary for the proper conduct of the business of the Corporation. The officers shall be elected annually by the Board of Directors at its first meeting following the annual meeting of the members except where a longer term is

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expressly provided in an employment contract duly authorized and approved by the Board of Directors. The President and Chairman of the Board shall be directors and the other officers may, but need not be, directors. Any two or more of the above offices, except those of President and Vice President, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity if such instrument is required by law or by these By-Laws to be executed, acknowledged or verified by any two or more officer. The compensation or salary paid all officers of the Corporation shall be fixed by resolutions adopted by the Board of Directors.

In the event that any office other than an office required by law, shall not be filled by the Board of Directors, or, once filled, subsequently becomes vacant, then such office and all references thereto in these By-Laws shall be deemed inoperative unless and until such office is filled in accordance with the provisions of these By-Laws.

Except where otherwise expressly provided in a contract duly authorized by the Board of Directors, all officers and agents of the Corporation shall be subject to removal at any time by the affirmative vote of a majority of the whole Board of Directors, and all officers, agents, and employees, shall hold office at the discretion of the Board of Directors or of the officers appointing them.

Section 2. Powers and Duties of the Chairman of the Board - The Chairman of the Board shall preside at all meetings of the Board of Directors unless the Board of Directors shall by a majority vote of a quorum thereof elect a chairman other than the Chairman of the Board to preside at meetings of the Board of Directors. He may sign and execute all authorized bonds, contracts

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or other obligations in the name of the Corporation; and he shall be ex-officio a member of all standing committees.

Section 3. Powers and Duties of the President - The President shall be the chief executive office of the Corporation and shall have general charge and control of all its business affairs and properties. He shall preside at all meetings of the members.

The President may sign and execute all authorized bonds, contracts or other obligations in the name of the Corporation. He shall have the general powers and duties of supervision and management usually vested in the office of president of a corporation. The President shall be ex-officio a member of all the standing committees. He shall do and perform such other duties as may, from time to time, be assigned to him by the Board of Directors.

In the event that the Board of Directors does not take affirmative action to fill the office of Chairman of the Board, the President shall assume and perform all powers and duties given to the Chairman of the Board by these By-Laws.

Section 4. Powers and Duties of the Vice President - The Board of Directors shall appoint a Vice President and may appoint more than one Vice President. Any Vice President (unless otherwise provided by resolution of the Board of Directors) may sign and execute all authorized bonds, contracts, or other obligations in the name of the Corporation. Each Vice President shall have such other powers and shall perform such other duties as may be assigned to him by the Board of Directors or by the President. In case of the absence or disability of the President, the duties of that office shall be performed by any Vice President, and the taking of any action by any such Vice President in place

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of the President shall be conclusive evidence of the absence or disability of the President.

Section 5. Secretary - The Secretary shall give, or cause to be given, notice of all meetings of members and directors and all other notices required by law or by these By-Laws, and in case of his absence or refusal or neglect to do so, any such notice may be given by any person thereunto directed by the President, or by the directors or members upon whose written request the meeting is called as provided in these By-Laws. The Secretary shall record all the proceedings of the meetings of the members and of the directors in books provided for that purpose, and he shall perform such other duties as may be assigned to him by the directors or the President. He shall have custody of the seal of the Corporation and shall affix the same to all instruments requiring it, when authorized by the Board of Directors or the President, and attest the same. In general, the Secretary shall perform all the duties generally incident to the office of Secretary, subject to the control of the Board of Directors and the President.

Section 6. Treasurer - The Treasurer shall have custody of all the funds and securities of the Corporation, and he shall keep full and accurate account of receipts and disbursements in books belonging to the Corporation. He shall deposit all moneys and other valuables in the name and to the credit of the Corporation in such depository or depositories as may be designated by the Board of Direcotrs.

The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements. He shall render to the President and the Board of Directors, whenever either of them so requests, an account of all his transactions as Treasurer and of the financial condition of the Corporation.

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The Treasurer shall perform all the duties generally incident to the office of the Treasurer, subject to the control of the Board of Directors and the President.

ARTICLE V

Bank Accounts and Loans

Section 1. Bank Accounts - Such officers or agents of the Corporation as from time to time shall be designated by the Board of Directors and such officers or agents as from time to time shall be authorized by the Board of Directors may withdraw any or all of the funds of the Corporation so deposited in any such bank or trust company, upon checks, drafts or other instruments or orders for the payment of money, drawn against the account or in the name or behalf of this Corporation, and made or signed by such officers or agents; and each bank or trust company with which funds of the Corporation are so deposited is authorized to accept, honor, cash and pay, without limit as to amount, all checks, drafts or other instruments or orders for the payment of money, when drawn, made or signed by officers or agents so designated by the Board of Directors until written notice of the revocation of the authority of such officers or agents by the Board of Directors shall have been received by such bank or trust company. There shall from time to time be certified to the banks or trust companies in which funds of the Corporation are deposited, the signature of the officers or agents of the Corporation so authorized to draw against the same. In the event that the Board of Directors shall fail to designate the persons by whom checks, drafts and other instruments or orders for the payment of money shall be signed, as hereinabove provided in this Section, all of such checks, drafts and other instruments or orders for the payment of money shall be signed by the President or a

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Vice President and countersigned by the Secretary or Treasurer or an Assistant Secretary or an Assistant Treasurer of the Corporation

Section 2. Loans - Such officers or agents of this Corporation as from time to time shall be designated by the Board of Directors shall have authority to effect loans, advances or other forms of credit at any time or times for the Corporation from such banks, trust companies, institutions, corporations, firms or persons as the Board of Directors, shall from time to time designate, and as security for the repayment of such loans, advances, or other forms of credit to assign, transfer, endorse and deliver, either originally or in addition or substitution, any or all stocks, bonds, rights and interests of any kind in or to stocks or bonds, certificates of such rights or interests, deposits accounts, documents covering merchandise, bills and accounts receivable and other commercial paper and evidences of debt at any time held by the Corporation; and for such loans, advances or other forms of credit to make, execute and deliver one or more notes, acceptances or written obligations of the Corporation on such terms, and with such provisions as to the security or sale or disposition thereof as such officers or agents shall deem proper; and also to sell to, or discount or rediscount with, such banks, trust companies, institutions, corporations, firms or persons any and all commercial paper, bills receivable, acceptances and other instruments and evidences of debt at any time held by the Corporation, and to that end to endorse, transfer and deliver the same. There shall from time to time be certified to each bank, trust company, institution, corporation, firm or person so designated the signatures of the officers or agents so authorized; and each such bank, trust company, institution, corporation, firm or person is authorized to rely upon such certification until written notice

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of the revocation by the Board of Directors of the authority of such officers or agents shall be delivered to such bank, trust company, institution, corporation, firm or person.

ARTICLE VI

Any payments made to an officer or other employee of the Corporation, such as salary, commission, interest or rent, or entertainment expense incurred by him, which shall be disallowed in whole or in part as a deductible expense by the Internal Revenue Service, shall be reimbursed by such officer or other employee of the Corporation to the full extent of such disallowance. It shall be the duty of the Directors, as a Board, to enforce payment of each such amount disallowed. In lieu of payment by the officer or other employee, subject to the determination of the Board of Directors, proportionate amounts may be withheld from his future compensation payments until the amount owed to the Corporation has been recovered.

ARTICLE VII

Miscellaneous Provisions

Section 1. Fiscal Year - The fiscal year of the Corporation shall end on the last day of March.

Section 2. Notices - Whenever, under the provisions of these By-Laws, notice is required to be given to any director, officer or member it shall not be construed to mean personal notice, but such notice shall be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid seal wrapper, addressed to each member, officer or director at such address as appears on the books of the Corporation, or in default of any other address, to such director, officer or member at the general post office in the City of Centreville, Maryland, and such notice shall be deemed to be given at the time the same

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shall be thus mailed. Any member, director or officer may waive any notice required to be given under these By-Laws.

ARTICLE III

Amendments

Section 1. Amendments of By-Laws. The Board of Directors shall have the power and authority to amend, alter or repeal these By-Laws or any provision thereof, and may from time to time make additional By-Laws.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION, INC.
c/o Mrs. Mary N. Dougherty
150 Bay Drive
Stevensville, MD 21666

Bill to: Date:

Block Lot(s) Date Due:

ITEM	FEE	AMOUNT DUE
PAST BALANCE DUE		
ROAD MAINTENANCE	$10.00	
ADDITIONAL LOTS	$10.00 @	
ASSOCIATION FEE Includes: mosquito spraying, bulkhead upkeep, street light bill, care of common areas, copying costs of "The Gabby Gull", and general expenses.	$25.00	
GRASS CUTTING		
MAY	$18.00	
JUNE	$18.00	
JULY	$18.00	
AUGUST	$18.00	
SEPTEMBER	$18.00	
TOTAL (Make check payable to C.E.I.A.,Inc.)		

Please DETACH and RETURN with your payment to:

C.E.I.A.,Inc.
c/o Mary N.Dougherty
150 Bay Drive
Stevensville, MD 21666

Owner:

Block Lot(s)

Amount Paid:

RECEIVED
CLERK, CIRCUIT COURT
1988 DEC 27 PM 2:49
QUEEN ANNE'S COUNTY

MISC O#
RECORD FEE 50.00
RE: 151010

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

(Effective March 14, 1960)

The following are the restrictions, conditions, covenants, and agreements filed with the original deed and located in LIBER 54, PAGES 107 through 113, QUEEN ANNE'S COUNTY, MARYLAND.

1. All lots in Chesapeake Estates shall be for residential use and not for purposes of any trade or business whatsoever. Structures erected on any lot shall consist of the main dwelling or residence for the occupancy of one family only, together with private garage and other structures appurtenant to the main residence or to be used in connection therewith and on no lot shall there be more than one main dwelling and on no lot shall more than one family occupy the main dwelling or any structure appurtenant thereto. The main dwelling or residence on any lot shall have a setback from the front line of said lot to be determined by Guaranteed Reality Corporation when the Owner submits his building plans for approval as required by Restriction No.2. The main dwelling shall have setbacks from the dividing lines at least ten (10) feet from each side, and a setback from the rear line of at least ten (10) feet. The term "front line" shall be determined by Guaranteed Reality Corporation at the time building plans are submitted for approval.

1A. The right to construct, maintain, and use water fowl or duck blinds in or upon waters adjacent to and bordering said development hereby is reserved fully and exclusively to Guaranteed Reality Corporation, its successors and licensees. No such right shall accrue by reason of purchase or otherwise to any Owner of lots in said development. Upland game hunting by lot Owners is strictly prohibited in said development.

2. No residence, dwelling, garage or other structure appurtenant to the residence shall be erected or built on said land, nor shall any addition to or change or alteration therein be made, until the plans and specifications for such structure or alterations and location thereof are submitted to and approved by Guaranteed Reality Corporation, or its successors in the ownership or development of the entire tract, or its duly authorized agents. Written permission must be obtained from Guaranteed Reality Corporation to construct or maintain fences, walls, hedges, buildings, piers, boathouses, bulkheads, bathhouses, and outbuildings.

3. All detached garages and other outbuildings of any kind whatsoever shall be in the rear of the dwelling but shall not be within ten (10) feet of the rear boundary of the lot nor within ten (10) feet of the dividing lines of said lot.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

(Effective March 14, 1960)

4. No trees shall be cut and no excavations shall be made on the premises except for the purpose of building thereon and at the time when the building operations are commenced and no earth or sand shall be removed from said premises except as part of such excavations.

5. Free and open spaces shall be left on both sides and to the rear and to the front of every building, structure, dwelling, or part thereof, erected on the said lot, which free and open spaces shall extend the full length of all lots and shall be not less than ten (10) feet in width from the dividing lines from the front and from the rear of said lots.

6. No privy of any kind shall be allowed on said property, but each house shall have inside toilets with adequate water supply and septic tank installation for disposal of sewage approved by the Maryland State Board of Health.

7. No noxious or offensive trade shall be carried on or upon any lot nor shall anything be done or kept thereon which may be or become any annoyance or nuisance to the neighbors.

8. No trailer, basement, tent, shack, garage, barn or other outbuilding erected on the tract shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.

9. In order to preserve or improve the views of land and water, hills and valleys, obtainable on or from the various lots shown on the said plat, and to promote the free movement of breezes and prevent the harboring places for files, mosquitoes and other insects, Guaranteed Reality Corporation reserves the right to trim any trees or shrubbery now or hereafter standing in said tract which may, in its opinion, destroy or interfere with such views or the free movement of breezes, or furnish harboring places for flies, mosquitoes or other insects.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

(Effective March 14, 1960)

10. The land hereby conveyed shall, in respect to that part of it which comprises the beds of roads contained in said subdivision or bordering thereon, be subject to an easement in favor of the Owners and occupants of lots and houses bordering other parts of the said roar or roads in respect to the free and common use of the said road or roads, both for the purpose of passage to and from and for the laying or erecting of water pipes, gas pipes, electric poles or other public utilities to be used in common by the Owners and/or occupants of the entire tract, and further, that the Owners or Owner of any lot will join in a petition to the proper governmental authorities, that these roads be taken over by the County as public roads under a proper deed of dedication to be signed by such Owner or Owners at such time when two-thirds of the Owners of the lots along such roads shall demand.

11. Guaranteed Reality Corporation hereby reserves the right in its absolute discretion at any time to annul, waive, change or modify any of the restrictions, covenants, conditions, agreements or provisions contained herein, as to any part of said tract then owned, and with the consent of the Owner as to any other land included in said tract; and to grade, change the grade of, or regrade any street, road or land shown on said plat, and shall have the further right before sale to change the size of, locate or relocate any of the lots shown on the said plat.

12. Easements and rights of way are hereby expressly reserved in and over the strips of ground five feet in width along the front and rear lines of the lots for the purpose of erecting, constructing and maintaining wires and the necessary or proper attachments in connection therewith for the transmission of electricity and for telephones and other public utilities or functions, and the Guaranteed Reality Corporation, its successors or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth.

13. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by the Guaranteed Reality Corporation or the Owner of any land included in said tract, their respective personal representatives, heirs, successors, and assigns. Failure by the Guaranteed Reality Corporation or any land Owner to enforce any restriction, condition, covenant, or agreement herein contained shall in no event be deemed a waiver of the right to do so thereafter to one occurring prior or subsequent thereto; and the declared invalidity of any one or more of the provisions herein shall not affect the validity of the others.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

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14. Any or all of the rights and powers, titles, easements and estates reserved or given to the Guaranteed Reality Corporation in this agreement may be assigned to any one or more corporations or associations that will agree to assume the enforcement of said rights, powers, duties and obligations and carry out and perform the same. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such rights and powers; and such assignee or transferee shall thereupon have the same rights and powers and be subject to the same obligations and duties as are herein given to and assumed by the Guaranteed Reality Corporation, said Corporation thereupon being released therefrom.

15. The Purchaser. or successor in possession, covenants to pay to Guaranteed Reality Corporation, its successors or assigns, on March 1st of each year the sum of Ten Dollars ($10.00) for each and every lot purchased, to be used for construction, maintenance and repair of streets in the subdivision. At such time as Guaranteed Reality Corporation, its successors or assigns shall form an association of the purchasers and owners of the lots in this subdivision for the purpose of administering the road funds each purchaser or owner expressly agrees to join and maintain membership in such association and to accept and abide in all rules and regulations for the conduct of such Association, when formed.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

BYLAWS (Effective May 6, 1974)

ARTICLE I - ASSOCIATION NAME

Section 1. The name of this Association shall be the "Chesapeake Estates Improvement Association, Incorporated", hereafter referred to as the "Association".

ARTICLE II - PURPOSES

Section 1. To foster and advance matters deemed to be in the best interests of the community.

Section 2. To assist in establishing and maintaining high community standards and restrictions, to seek enforcement of the same, and to take whatever action is necessary and advisable in these respects.

Section 3. To consider and advocate or oppose any existing or proposed legislation and/or administrative action that may effect any or all property owners of the community and take whatever action may be deemed advisable.

ARTICLE III - MEMBERSHIP

Section 1. The Restrictions and Conditions applicable to property in Chesapeake Estates provide that each purchaser or owner of such property shall join and maintain membership in the purchasers and owners association and accept and abide by the rules and regulations for the conduct of such association. The Chesapeake Estates Improvement Association, Incorporated is the Association of purchasers and owners of property in Chesapeake Estates. Accordingly, all owners of property in Chesapeake Estates are obligated to join and maintain membership in the said Association and to pay the annual dues.

Section 2. Membership shall cease in respect to any member when he or she shall cease to be an owner within the meaning of that term as defined in Section 3 of this article. In the event of the death of a member, his or her membership shall descent to such deceased member's heir or heirs in accordance with the laws of the State of Maryland.

Section 3. The term "Owner" as used in this article, shall be construed to mean any person who is in fact the owner of one or more lots comprised in the tract of land known as Chesapeake Estates, but shall not include a mortgagee, lienor or holder of other encumbrances as such, or any lessee.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

BYLAWS (Effective May 6, 1974)

ARTICLE IV - MEETINGS OF MEMBERS

Section 1. An annual meeting of the members of this Association shall be held during the month of May each year, at which time directors and officers shall be elected, reports received, and other appropriate matters of business transacted. The membership shall be given at least two weeks written notice of the date, time and place of the annual meeting.

Section 2. A special meeting of the members of the Association may be called by the President or by the Board of Directors or upon written application by any seven members of the Association. Any call for a special meeting shall take the form of a written notice which shall state the purpose of the meeting and shall be mailed to the membership at least ten days in advance of such meeting. No business other than that stated in the notice shall be discussed at any special meeting.

Section 3. At any meeting of the members of this Association, the presence of fifteen members qualified to vote shall constitute a quorum; any number less than a quorum may adjourn the meeting to a later time.

Section 4. The order of business at annual meetings of members of the Association shall be as follows:

i. Call to order
ii. Reading of the minutes of the previous meeting
iii. Report of the President, including a report on meetings of the Board of Directors
iv. Report of the Secretary
v. Report of the Treasurer
vi. Reports of the Committees
vii. Communications and bills
viii. Unfinished business
ix. New business
x. Election of Directors and Officers
xi. Adjournment

Section 5. At all meetings of members of this Association each member shall be entitled to one vote regardless of the number of parcels of land owned by such member. This vote may be cast by the member or by any one person delegated by him or her by proxy in writing. Any such proxy shall be presented at the meeting where the vote by proxy is to be cast.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

BYLAWS (Effective May 6, 1974)

ARTICLE IV - MEETINGS OF MEMBERS (CONTINUED)

Section 6. When the legal title to one or more parcels of land contained within the geographical boundaries of the Association is held by two or more persons, the several owners shall collectively be entitled to one vote and may designate by proxy or otherwise the person entitled to cast said vote.

ARTICLE V - BOARD OF DIRECTORS

Section 1. The Board of Directors shall consist of the Officers, the immediate past President and five others, all of whom shall be members in good standing. The five others, as well as the Officers, shall be elected at the annual meeting of the members of the Association. The President of the Association shall serve as Chairman of the Board of Directors,but shall not have a vote at Board meetings except to break a tie.

Section 2. The Board of Directors shall have power to transact all business of the Association between the regular annual meetings of members. The Board shall meet from time to time as may be agreed upon by the Board or at the call of the Chairman.

Section 3. The Board shall have power to fill any vacancies of either officers or board members that may occur between annual elections.

Section 4. The Board of Directors shall authorize all large or unusual expenditures before they are made.

Section 5. Upon request of the Board, members of any committee or the Chairman of any committee shall meet with the Board to discuss matters assigned to such committee.

Section 6. At meetings of the Board of Directors, five members shall constitute a quorum.

Section 7. No director shall be eligible to succeed himself or herself more than once. However, this shall not preclude an individual from again being elected a director after the lapse of one full year from the end of his or her previous term of office.

Section 8. The President, in his capacity as Chairman of the Board, shall furnish a report to members of the Association at each annual meeting covering matters which have come before the Board since the preceding annual meeting and the action taken thereon.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

BYLAWS (Effective May 6, 1974)

ARTICLE VI - OFFICERS

Section 1. The officers of this Association shall consist of the President, a Vise-President, a Secretary, and a Treasurer. As provided in Articles IV and VIII of these Bylaws, the officers shall be elected at the regular annual meeting of the members of this Association for a term of one year, however, they shall serve until their successors have been duly elected and qualified. They shall assume office immediately upon election.

Section 2. The President shall be the principal executive officer of the Association and shall preside over all meetings of members of the Association and the Board of Directors. He or she shall conduct the affairs of the Association in accordance with the Bylaws and the policies promulgated by the Board of Directors. When the President leaves office at the end of his or her term, he or she shall automatically, as immediate Past President, become a member of the Board of Directors to serve until such time as he or she may be succeeded by the next Past President. The President shall approve all bills before payment by the Treasurer.

Section 3. The Vice-President shall assume the duties of the President in his absence and shall assist him in the conduct of the affairs of this Association. In the event of resignation or other permanent absence of the President, the Vice-President shall assume the duties of that office.

Section 4. The Secretary shall keep a complete list of all members of this Association and their addresses. The Secretary shall be responsible for receiving all correspondence sent to the Association and answering such correspondence under the general direction of the President or the Board of Directors as appropriate. The Secretary shall keep minutes of all meetings of the members of the Association and of meeting of the Board of Directors. The Secretary shall be custodian of all records, documents, and other property of this Association, and shall at the expiration of his or her term of office deliver them to his or her successor.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

BYLAWS (Effective May 6, 1974)

ARTICLE VI - OFFICERS (CONTINUED)

Section 5. The Treasurer shall collect and disburse all monies of the Association. All monies collected shall be deposited in a bank designated by the Board of Directors. Disbursements shall be made only (i) upon written approval of the President, or (ii) by order of the Board of Directors, or (iii) by order of the members of the Association in general meeting. All checks covering disbursements of Association funds shall be signed by the Treasurer and countersigned by either the President or Vice-President. The Treasurer shall be bonded if so directed by the Board of Directors. The Treasurer shall submit a report at each regular meeting of the Board of Directors and shall present a written report at each annual meeting of members. The report presented at the annual meeting of members shall be duly audited. The Treasurer shall send bills for dues and fees to all members at least two weeks prior to their due date and shall give receipts for payment upon request.

Section 6. No officer shall be eligible to serve more than two years continuously on any one office. However, this shall not preclude any individual from again being elected to any office after the lapse of one full year from the end of his or her term of office.

ARTICLE VII - COMMITTEES

Section 1. Except as otherwise provided herein, members of committees shall be appointed by the President. The following standing committees shall be part of the regular organization of the Association.

(i) Building Committee
(ii) Grounds Committee
(iii) Nominating Committee
(iv) Auditing Committee

Section 2. The Building Committee shall consist of the entire Board of Directors. Its function is to pass upon the plans of all structures proposed to be built in Chesapeake Estates to determine whether such structures comply with the building restrictions and other applicable criteria.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

BYLAWS (Effective May 6, 1974)

ARTICLE VII - COMMITTEES (CONTINUED)

Section 3. The Grounds Committee shall look after the roads, grass cutting, community beach and other related matters aimed at keeping Chesapeake Estates as attractive looking a residential community as possible.

Section 4. The Nominating Committee shall be composed of five members selected by the Board of Directors at least one month prior to the annual meeting of members of the Association. The Nominating Committee shall present at the annual meeting one candidate for each office to be filled by election. Such candidate shall have signified his or her willingness to accept the office if elected.

Section 5. The Auditing Committee shall examine the books and records of the Secretary and the Treasurer and report on the same at the annual meeting. With the approval of the Board of Directors, the President may appoint a single professionally qualified individual (that is, a Certified Public Accountant or a Licensed Public Accountant) as constituting the Auditing Committee.

Section 6. Other committees may be established by the President, with the approval of the Board of Directors, as determined to be required for the conduct of the affairs of the Association.

ARTICLE VIII - ELECTIONS

Section 1. Members of the Board of Directors and all Association officers shall be elected at annual meeting of members - see Articles IV, V, and VI above.

Section 2. No election shall be declared valid unless a candidate shall have received a majority of all votes cast. If appropriate, the presiding officer shall appoint a Chairman of Election and two tellers to preside over the details of the election.

Section 3. Members may be nominated for any office from the floor.

CHESAPEAKE ESTATES IMPROVEMENT ASSOCIATION
STEVENSVILLE, MARYLAND 21666

BYLAWS (Effective May 6, 1974)

ARTICLE IX - DUES AND FEES

Section 1. The dues of this Association shall be $10.00 per year, payable in advance on March 1st of each year. Any member whose dues shall be in arrears for twelve (12) months or more shall not be entitled to vote at any meeting of the Association, to hold office or to use the Community Beach, and the Treasurer shall notify such delinquent member to that effect.

Section 2. To pay the costs of maintaining the Community Beach, cutting grass and other Association expenses, to the extent these are not covered by Association dues, maintenance fees may be established and billed to property owners. The amounts of any such fees shall be established on a lot basis by majority vote of the members at the annual meetings.

ARTICLE X - RULES OF ORDER

Section 1. " Robert's Rules of Order" shall be the parliamentary authority for all matters of procedure not specifically covered by these Bylaws.

ARTICLE XI - AMENDMENTS OF BYLAW

Section 1. These Bylaws may be amended by a two-thirds vote of the members present at any meeting of the members of this Association, provided however, that notice of the proposed change must accompany the call for the meeting.

Chester River Beach Civic Association NEWSLETTER

March 1988

RECEIVED
CLERK, CIRCUIT COURT
1988 DEC 20 AM 8:50
QUEEN ANNE'S COUNTY

MISC 0#
RECD FEE 50.00
CHECK/MO 50.00
QUEEN ANNE'S COUNTY REC'D 708:47
12/20/88

Dear Neighbors:

Association Meetings

The first meeting of the **Chester River Beach Civic Association** will be held on **Thursday April 21 at 6:00 p.m.** The Association meetings are held on the **third Thursday** of the month **April through September.** The meetings for 1988 are April 21, May 19, June 16, July 21, August 18, and September 15. Unless otherwise notified the meetings will be held in the **Pavilion** at the community beach.

Boat Ramp

The lock on the boat ramp will be changed on **May 15, 1988.** In order to receive a key prior to May 15th we must receive a check for **$15.00** (Association dues) plus **$1.00** for the key before **May 1, 1988.**

Payment of Dues

Please use the enclosed return envelope. We request that all payments be made through the mail. To eliminate confusion and make record keeping easier do not hand carry any payment to Association officers.

Dredging of Channel

According to Mr. James Wright, of the County Department of Public Works the dredging of the Winchester Creek channel will be done this spring.

Dogs-at-Large

The county animal control ordinance defines a dog-at-large as one that is not under restraint. The ordinance also states that it is unlawful for an owner to permit an animal to run at-large. There has been many complaints from people in the community that they cannot walk the road without being harassed by loose dogs. Although these dogs may not harm anyone the owners should understand that it can be a terrifying experience to be charged by a loose dog. We will be contacting the county Animal Control Officer to have loose dogs removed from the community. **PLEASE CONTROL YOUR PETS.**

New Signs

As advised by our Lawyer, new signs will be posted at the beach. Please read the signs and abide by the rules. Also, "Childred at Play" signs are going to be placed at the entrance of the community. Please keep this in mind and protect our children.

Board of Directors

We need some interested members who are willing to attend the Association meetings, the Board of Directors meetings and put in a little extra time to serve the community by being on the Board of Directors.

News Letter

There will not be a monthly News Letter unless we have a volunteer to handle the editing and distribution.

Membership

We try to keep our mailing list up-to-date but I am quite sure that some people are left out. Please check with your neighbors and if they did not receive this letter we will gladly add them to the mailing list and send them a copy.

HAVE A SAFE SUMMER

Sincerely,

Tom Ogle
President - CRBCA

NAME _____

ADDRESS: _____

_____

	YES	NO
$15.00 Association Dues(1988)	____	____
$ 1.00 Ramp Key	____	____
$50.00 Boat Slip Fee	____	____

0021j

CURRENT

BY-LAWS

OF

CHESTER RIVER BEACH CIVIC ASSOCIATION, INC.

I.
MEMBERSHIP

(a.) Any person who owns, is a contract purchaser, or is a tenant of any such owner or contract purchaser, of real estate located in the tract known as "Chester River Beach" may, upon written application (on a form prescribed by the Membership Committee), and upon a favorable report to the entire active membership by the Membership Committee, have their application voted on at the next duly constituted meeting of the general membership. Said application shall be accepted upon a majority vote.

(b.) Membership Dues shall be in the amount of $5.00, and shall be due when billed therefore.

II.
OFFICERS

(a.) The Exectuve Officers of this Corporation shall be: President, Vice-President, Treasurer, Financial Secretary and Secretary. Each such Officer shall perform in his or her office until the next general election or until his or her successor has been elected.

(b.) The President shall be the chief executive officer of the Corporation, shall preside all all meetings of the members, may call Special Meetings when deemed necessary, shall call Special Meetings when requested to do so in writing by three or more paid up members, and shall perform such other duties as are assigned to him or her by the membership.

(c.) The Vice-President shall, in the absence of the President, perform all duties of the President and all other duties as may be assigned to him or her by the membership.

CURRENT

(d.) The Treasurer shall take charge of all assets of the Corporation and shall be responsible therefore, shall cause all monies belonging to the Corporation in an insured bank or other depository in the name of this Corporation, shall make disbursements approved at a meeting by a majority vote, shall maintain complete records, all disbursements shall be by check signed by the Treasurer and President, financial reports shall be made at all meetings, the Treasurer shall deliver over to his or her successor all records, books, assets of the Corporation in his or her possession.

(e.) The Financial Secretary shall assist the Treasurer in the preparation and mailing of bills, and in the preparation of Financial Reports.

(f.) Secretary shall record the minutes of all meetings, and at all meetings read the minutes of the preceeding meeting, shall attend to the writing of all correspondence of the Corporation, shall maintain a complete file of all correspondence either to or from the Corporation, shall give notice of all meetings to all members, and perform such other duties which are assigned to him or her by the membership.

(g.) A Special Meeting shall be called in the event any officer is either unable or unwilling to perform his or her duties for any reason, for the purpose of electing a successor for the remaining unexpired term of such officer.

PROPOSED

BY-LAWS

OF

CHESTER RIVER BEACVH CIVIC ASSOCIATION, INC.

I.

MEMBERSHIP

(a.) Any person who owns, is a contract purchaser, or is a tenant of any such owner or contract purchaser of real estate located in the tract known aa "Chester River Beach" ahall upon payment of dues become an active member of the Association.

(b.) Membership Dues shall be in the amount as set forth hy the Board of Directors and approved by the membership. Dues shall be due April 1st. of every year.

II.

OFFICERS

(a.) The Executive Officers of this Corporation shall be: President, Vice-President, Treasurer, Financial Secretary and Secretary. Each such Officer shall perform in his or her office until the next general election or until his or her succeasor has been elected. The term of office shall be for two years.

(b.) The President shall be the chief executive officer of the Corporation, shall preside at all meetings of the members, may call Special Meetings when deemed necessary, shall call Special Meetings when requeated to do so in writing by twelve or more paid up members, and shall perform such other duties as are assigned to him or her by the membership.

(c.) The Vice-President shall, in the absence of the President, perform all duties of the Preaident and all other dutiea as may be assigned to him or her hy the membership. The Vice-President shall be chairman of the membership committee.

PROPOSED

(d.) The Treasurer shall take charge of all assets of the Corporation and shall be responsible therefore, shall cause all monies helonging to the Corporation in an insured bank or other depository in the name of this Corporation, shall make disbursements approved at a meeting by a majority vote, shall maintain complete records, all dishursements shall be hy check signed by the Treasurer and President. Financial reports shall be made at all meetings, the Treasurer shall deliver over to his or her successor all records, books, assets of the Corporation in his or her posaession.

(e.) The Financial Secretary shall assist the Treasurer in the preparation and mailing of bills, and in the preparation of Financial Reports.

(f.) Secretary ahall record the minutes of all meetings, shall attend to the writing of all correspondence of the Corporation, shall maintain a complete file of all correspondence either to or from the Corporation, shall give notice of all special meetings to all members, and perform such other duties which are assigned to him or her by the membership.

(g.) A Special Meeting may be called in the event any officer is either unable or unwilling to perform his or her duties for any reason, for the purpose of electing a auccessor for the remaining unexpired term of such officer.

III.

MEETINGS

(a.) General meetings of the memberahip shall be held at 7:00 p.m. on the third Thursday of each month May through September at a meeting place designated hy the President.

(b.) Special meetings may be called by the President when he or she deems necessary, and shall be called when twelve or more paid up members request in writing that the President do so.

RESTRICTIONS AND CONDITIONS

1. All lots in Chester River Beach shall be for residential use only and not for purposes of any trade or business whatsoever unless otherwise approved by the Chester River Development Company, Inc. Structures erected on any one lot shall consist of the main dwelling or residence for the occupany of one family only, together with a private garage and other structures appurtenant to the main residence or to be used in connection therewith and on no lot shall there be more than one main dwelling and on no lot shall more than one family occupy the main dwelling or any structure appurtenant thereto. The foundation of the main dwelling or residence on any lot must be masonry enclosed and shall have a maximum setback of 150 feet distance between the front of building and rear of lot and shall have a setback from the dividing lines of said lot at least 7 feet.

2. No residence, dwelling, garage or other structure appurtenant to the residence shall be erected or built on said land, nor shall any addition to or change or alteration therein be made, until the plans and specifications for such structure or alterations and location thereof are submitted to and approved by The Chester River Development Company, Inc., or its successors in the ownership or development of the entire tract, or its duly authorized agents. Written permission must be obtained from the Company to construct or maintain fences, walls, hedges, buildings, piers, boathouses, bulkheads, bathhouses, and outbuildings.

3. No trees shall be cut and no excavations shall be made on the premises except for the purpose of building thereon and at the time when the building operations are commenced and no earth or sand shall be removed from said premises except as a part of such excavations.

4. No privy of any kind shall be allowed on said property, but each house shall have inside toilet with adequate water supply and septic tank installation for disposal of sewage approved by the Board of Health.

5. No noxious or offensive trade shall be carried on upon any lot nor shall anything be done or kept thereon which may be or become any annoyance or nuisance to the neighbors.

6. No trailer, basement, tent, shack, garage, barn or other outbuilding erected on the tract shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.

7. The land hereby conveyed shall, in respect to that part of it which lies in the bed of the road or roads harboring the property, be subject to an easement in favor of the owners and occupants of lots and houses bordering other parts of the said road or roads in respect to the free and common use of the said road or roads, both for the purpose of passage to and from and for the laying or erecting of water pipes, gas pipes, electric poles or other public utilities to be used in common by the owners and/or occupants of the entire tract, and further, that the owners or owner of any lot will join in a petition to the proper governmental authorities, that this road or roads bordering the property be taken over by the County as public roads under a proper deed or dedication to be signed by such owner or owners at such time when two thirds of the owners of the lots along such road or roads shall demand.

8. The Company hereby reserves the right in its absolute discretion at anytime to annual, waive, change or modify any of the restrictions, conditions, covenants, agreements or provisions contained herein, as to any part of said tract then owned by the Company, and with the consent of the owner as to any other land included in said tract, and to grade, change the grade of, or regrade any street, road or lane shown on said plat, and shall have the further right before a sale to change the size of, locate or relocate any of the lots shown on the said plat.

9. Easements and rights of way are hereby expressly reserved in and over the strips of ground five feet in width along the rear line of the lots for the purpose of erecting, constructing and maintaining wires and the necessary or peroper attachments in connection therewith for the transmission of electricity and for telephones and other public utilities or functions, and the Company, its successors, assigns, or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth.

10. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by the Company, or the owner of any land included in said tract, their respective personal representatives, heirs, successors, and assigns, and failure by the Company or any land owner to enforce any restriction, condition, covenant or agreement herein contained shall in no event be deemed a waiver of the right to do so thereafter to one occurring prior or subsequent thereto; and the declared invalidity of any one or more of the provisions herein shall not affect the validity of the others.

11. Any or all of the rights and powers, titles, easements and estates reserved or given to the Company in this agreement may be assigned to any one or more corporations or associations that will agree to assume said rights, powers, duties and obligations and carry out and perform the same. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purposes of evidencing its acceptance of such rights and powers; and such assignee or transferee shall thereupon have the same rights and powers and be subject to the same obligations and duties as are herein given to and assumed by the Company, the Company thereupon being released therefrom.

12. The Purchaser, or successor in possession, covenants to pay to The Chester River Development Company, Inc., its successors or assigns, on June first of each year the sum of Ten Dollars ($10.00) for each and every lot purchased, to be used for construction, maintenanace and repaor of streets in the subdivision. At such time as The Chester River Development Company, Inc., its successors or assigns, shall form an association of the purchasers and owers of the lots in this subdivision for the purpose of administering the road funds each purchaser or owner expressly agrees to join and maintain membership in such association and to accept and abide in all rules and regulations for the conduct of such Association when formed.

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QUEEN ANNE'S COUNTY

DISCLOSURE STATEMENT

FOR

CHESTER RIVER LANDING

THIS DISCLOSURE STATEMENT is filed for the Chester River Landing Subdivision so as to fulfill the requirements of the Maryland Homeowners' Association Act as set forth in Title 11B of the Real Property Article of the Annotated Code of Maryland.

DESCRIPTION OF SUBDIVISION

Chester River Landing consists of six (6) residential lots namely, Lots 4, 5, 6, 7, 8 and 9 which are set forth and designated on a Plat by McCrone, Inc., entitled, "Subdivision Plat of Chester River Landing, Fourth Election District, Queen Anne's County, Maryland," dated August, 1990, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 358, folio 658, and among the Plat Records of Queen Anne's County in Liber M.W.M. No. 16, folio 36A and 36B.

DECLARANT AND VENDOR

The Declarant is the person who subjected the lots within the subdivision to the Declaration of Covenants, Conditions and Restrictions. The Declarant and Vendor for Chester River Landing is:

David J. and Mardi A. Kiernan
803 Monroe Manor Road
Stevensville, Maryland 21666
(301) 643-

MISC # 0 #
RECD FEE 50.00
TOTAL 50.00

CHECK/MO 21.50
CHECK/MO 28.50

#058460 C001 R01 T14:17

DESCRIPTION OF ASSOCIATION

There currently is not an Association for the Chester River Landing Subdivision since all the lots are currently owned by the Declarant and Vendor. It is not anticipated that there will be an incorporated Association since there are no common areas or private roads. The Declarant and Vendor has promised that within ninety (90) days of the sale of the last lot by the Declarants, their and/or his successors and assigns, agree to transfer the rights and responsibilities conferred under the Declaration by the virtue of these Declaration of Covenants, Conditions and Restrictions unto a Homeowners' Association provided that the Association provides that each lot shall have an equal vote and that any action of the Association shall be governed by a majority vote of the lot owners. See Declaration

of Covenants, Conditions and Restrictions, Article VII, Paragraph 1.

DESCRIPTION OF DEVELOPMENT SIZE AND COMMON AREAS

The development consists of six (6) residential lots set forth on the abovementioned plat by McCrone, Inc. The expansion of this development is not anticipated.

There are no common areas in this subdivision, however, approximately 22.401 acres of surrounding lands have been dedicated as open space by virtue of a Deed of Easement dated December 10, 1990, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 358, folio 652. This Deed of Easement is required by the Queen Anne's County Zoning Ordinance and is not meant to confer any property or easement rights upon owners of lots within the subdivision. The owners of lots within the subdivision shall also not be responsible for the care and maintenance of the open space areas. The open space provisions may be modified as per the terms and conditions of the written agreement and/or the Queen Anne's County Zoning Ordinance as may be modified from time to time, provided, however, no additional residential lots shall be created in the area designated open space.

LOT OWNERS' RESPONSIBILITIES

There are no streets, roads, paths, parking areas, curbs, sidewalks, lighting fixtures, stormwater management facilities, open areas, swimming pools, tennis courts, recreational areas or other facilities which are the responsibility of or to be maintained by the Homeowners' Association.

The roadway known as Old Steamship Road is being constructed to County specifications and will be deeded to and will become the property of the County Commissioners of Queen Anne's County. Subsequent to the deeding and acceptance of the roadway, all maintenance shall be the responsibility of the County. The County has estimated the cost of the roadway construction and the Declarant and Vendor has posted a Letter of Credit in an amount specified by the County Department of Public Works and deemed sufficient to guarantee payment for all required construction. The Letter of Credit is deposited with the County and in the event the work is not performed in a timely fashion, the County shall have the right to demand payment under the Letter of Credit.

ASSOCIATION ASSESSMENTS

The Declaration of Covenants, Conditions and Restrictions does not provide for association assessments since there are not community common areas.

ZONING AND LAND USE REGULATIONS

Information regarding the zoning and land use regulations which apply to the subdivision as well as the individual lots is available for inspection at the office of the Department of Planning and Zoning, Queen Anne's County Office Building, 208 N. Commerce Street, Centreville, Maryland 21617 (301-758-1255).

EXPRESS WARRANTIES

There are no express warranties beyond the matters set forth on the plats of the subdivision above referred to as well as the Declaration of Covenants, Conditions and Restrictions.

RESTRICTIVE COVENANTS

The Declaration of Covenants, Conditions and Restrictions are attached hereto in their entirety. A careful review of these provisions should be made since they affect the rights of use to the individual lots. The Declarant and Vendor have established the restrictions in order to provide for the preservation and enhancement of the property values and to regulate and restrict the building structures, improvements, activities and conduct so as to contribute to the personal and general health, safety and welfare of the community.

The restrictions do provide for the establishment of an Architectural Review Committee which has been given subjective

authority to review all proposed plans and specifications for improvements and use.

The restrictions also provide minimum requirements for landscaping and reserve easement for utilities as set forth in Article V.

The Declarant Vendor has also reserved the right to execute waivers to these restrictions provided the consent of the property owner of the lot affected also joins in the execution of a written agreement. The provisions relating to this waiver are set forth in Article VIII, Paragraph 2.

WITNESS the hand and seals of the parties hereto this 20 day of October, 1991.

WITNESS:

Mary L. Rosendale

(SEAL)
David J. Kiernan

Mary L. Rosendale

Mardi A. Kiernan (SEAL)
Mardi A. Kiernan

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

I HEREBY CERTIFY, that on this 20th day of October, 1991, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared DAVID J. KIERNAN and MARDI A. KIERNAN, and each acknowledged the aforegoing Disclosure Statement for Chester River Landing to be their respective act.

WITNESS my hand and Notarial Seal.

JANET M. TRIMBLE
NOTARY
PUBLIC
QUEEN ANNE'S COUNTY, MARYLAND

Janet M. Trimble
Notary Public
My Commission Expires:
June 29, 1994

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2005 AUG 23 PM 3:03
QUEEN ANNE'S COUNTY

CLAYBORNE WOODS HOMEOWNERS ASSOCIATION, INC.
BYLAW AMENDMENT

Article VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS
Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:
(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
(2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.
(4) DEMAND PAYMENT OF THE REMAINING ANNUAL ASSESSMENT COMING DUE WITHIN THAT FISCAL YEAR FOR ANY OWNER WHO FAILS TO PAY ANY MONTHLY INSTALLMENT WHEN DUE.

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2005 AUG -5 AM 9:34
QUEEN ANNE'S COUNTY

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive of such payment;

RECORDING FEE 10.00
TOTAL 10.00
Rcpt # 82830
Blk # 814
Aug 05, 2005 09:34 am

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained.

RECORDING FEE 50.00
TOTAL 50.00
Rcpt # 83880
Blk # 3113
Aug 23, 2005 03:05 pm

Article IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE
Section 1. Number.

The affairs of the Association shall be managed by a Board of DIRECTORS CONSISTING OF A MINIMUM OF three (3) Directors AND A MAXIMUM OF FIVE (5) DIRECTORS, who shall be members of the Association.

Adopted – 04/02/02

File – byamend_chg

CERTIFICATE OF APPROVAL

I HEREBY CERTIFY that I Max Murray am the Secretary of the Clayborne Woods Homeowners Association, Inc. and that the records of the Association reflect that on April 2, 2002 at a duly called meeting of the membership of Clayborne Woods Homeowners Association, Inc. the foregoing Amendment to the Bylaws was adopted in accordance with the amendment provisions of the Association's Bylaws.

AS WITNESS my/our hand(s) and seal(s).

Signature

08 Jul 05
Date

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QUEEN ANNE'S COUNTY

MICHAEL S. NEALL
& ASSOCIATES, P.C.
ATTORNEYS AT LAW

Michael S. Neall
Daniel Collins
Timothy D. Murnane, *of counsel*
(410) 757-9454 *Annapolis*
(410) 974-8033 *Baltimore*

586 Bellerive Road, Ste. 2B
Annapolis, Maryland 21409

(410) 757-9660 *Facsimile*

Please reply to:
Post Office Box 488
Arnold, Maryland 21012

RECEIVED
2005 SEP -6 PM 3:23
QUEEN ANNE'S COUNTY
CLERK, CIRCUIT COURT

August 29, 2005

Clerk, Circuit Court for Queen Anne 's County
100 Court House Square
Centreville, Maryland 21617

Re: Clayborne Woods Homeowners Association, Inc.
HOA Depository Filing

Dear Clerk:

Please find enclosed the following documents for filing in the Queen Anne's County Circuit Court HOA Depository on behalf of Clayborne Woods Homeowners Association, Inc.

1. Clayborne Woods Homeowners Association, Inc. Bylaw Amendment
2. Clayborne Woods Architectural Rules
3. Clayborne Woods Architectural Rules Revised -April 2004
4. Clayborne Woods Automobile and Parking Rules
5. Chayborne Woods Homeowners Association, Inc. Procedure for Architectural Changes March 202
6. Clayborne Woods Homeowners Association, Inc. Notice of Adoption of Billing and Collection Procedures
7. Articles of Incorporation of Clayborne Woods Homeowners Association, Inc.
8. Declaration of Covenants, Conditions and Restrictions
9. By-Laws of Clayborne Woods Homeowners Association, Inc.

Because of the age of these documents, the originals cannot be located. As such, we are submitting copies of the above-referenced documents. Thank you for your assistance with this matter. Should you have any questions, please do not hesitate to contact us.

Sincerely,

Wynel S. Neall
Legal Assistant

WSN/s
enclosures: documents as noted
Check [$25.00]

comanco inc.

Post Office Box 3637
Crofton, Maryland 21114

Annapolis (410) 721-7171
Baltimore (410) 793-0034
Washington Metro (301) 261-6400

Facsimile (410) 721-3842 or (410) 721-4537

CLAYBORNE WOODS HOMEOWNERS
ASSOCIATION, INC.
BYLAW AMENDMENT

RECEIVED
CLERK, CIRCUIT COURT
2005 SEP -6 PM 4:33
QUEEN ANNE'S COUNTY

Article VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS
Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:
(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
(2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.
(4) DEMAND PAYMENT OF THE REMAINING ANNUAL ASSESSMENT COMING DUE WITHIN THAT FISCAL YEAR FOR ANY OWNER WHO FAILS TO PAY ANY MONTHLY INSTALLMENT WHEN DUE.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

RECORDING FEE 25.00
TOTAL 25.00
Rec# QA01 Rcpt # 84552
SM JGG Blk # 453
Sep 06, 2005 03:22 PM

(g) cause the Common Area to be maintained.

Article IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE
Section 1. Number.

The affairs of the Association shall be managed by a Board of DIRECTORS CONSISTING OF A MINIMUM OF three (3) Directors AND A MAXIMUM OF FIVE (5) DIRECTORS, who shall be members of the Association.

Adopted – 04/02/02

File – byamend_chg

CLAYBORNE WOODS
ARCHITECTURAL RULES

1. **LAWN ORNAMENTS** - Except for Holiday decorations, all figurines, statues, fountains, birdbaths and furniture shall be permitted only in side and back yards. Small ornaments and figurines shall be permitted in the front garden area (not front lawn).

2. **DRIVEWAYS** – Any change in driveway material must be approved by the ACC. Any expansion of the existing driveway or parking pad shall be consistent in paving material with the existing driveway and must be approved by the ACC. The inlet and outlet ends of the lot driveway pipes may be finished with split block, fieldstone or other materials subject to ACC approval.

3. **PLAY EQUIPMENT** - Children's play structures shall be located behind the rear elevation of the house. Permanent type basketball hoops (in-ground or attached to house) are not allowed. Portable basketball hoops which are well maintained and in good condition are allowed, and must be located on the top half of the driveway no further than fifteen (15) feet from the house.

4. **FLAGS** - Flags may only be displayed on a pole attached to the house. Flag and pole size may be limited by the ACC.

5. **GARDENS** - Vegetable gardens are limited to side and rear yards.

6. **FIREWOOD** - Firewood must be stored outside at the farthest point back from the rear of the home on the lot. A maximum of one cord of wood can be stored. The wood storage will not exceed 4 feet high by 4 feet wide by 8 feet long. The firewood must be stacked and maintained in a neat and orderly fashion.

7. **CLOTHESLINES** - No exterior clothes dryer, clothes pole or similar equipment shall be erected, installed, or maintained on any lot, nor shall articles of clothing, bedding, or similar articles be hung outside.

8. **EXTERIOR WALL DECORATIONS** – Except for holiday decorations, prominent exterior wall decorations on the front and side elevations must be approved by the ACC.

9. **SUNROOMS** - Sunrooms must be clad with vinyl siding that matches the house color. The siding must be installed below the windows and within the roof gable if applicable. Any air conditioning unit must be located on the rear elevation of the subject sunroom. If the room is elevated off the ground more than one foot, a skirt must be installed. A skirt can be pressure treated or cedar boards or lattice or shrubbery of sufficient size to screen from the ground to the bottom of the sunroom.

10. **STORM DOORS** – Front doors may be covered with either a full or half view storm door, providing the color matches the door color or the trim color. No crossbuck or scalloped edge doors shall be permitted.

11. **DECKS** –

MATERIALS	-	Pressure treated wood, cedar, or redwood material shall be permitted. Decks may also be constructed of artificial composite materials designed for use on decks.
FINISH	-	Decks may be finished with a translucent, natural stain.

RAILINGS - The rail system used shall be consistent with the style and design used by Foster Communities in their Deck construction in the community. Vinyl railings are also permitted.

SKIRTING - If the deck is elevated off the ground more than one foot, skirting must be installed. Skirting can be constructed from pressure treated wood, cedar or redwood boards or lattice or shrubbery of sufficient Size to screen from the ground to the bottom of the deck.

11. **AWNINGS** - No window awnings shall be permitted on the front or sides of homes. Awnings may be permitted on rear of homes with ACC approval.

13. **SHEDS** –

LOCATION - Behind rear elevation of house. Must be staked out on the lot and approved by the ACC. In accordance with county regulations, sheds must be at least six feet from the house and no closer than three feet from the property line.

SIZE - Approved size will depend on individual lot size. In any event, the maximum size will be 8ft. X 10ft. single story.

STYLE - Consult ACC picture file for acceptable designs.

MATERIALS - Vinyl siding is preferable – color to match house, roof shingles to match house. Alternate materials are subject to ACC approval.

SHUTTERS - If shed has shutters, the color of shutters must match shutters on house.

DOORS - No overhead garage-type doors. Doors must close tightly and remain closed when not in use. Location of doors will depend on location of shed.

LANDSCAPING - Landscaping may be required for approval.

14. **FENCES** – No chain link fencing is allowed. No dog runs are allowed. All other fencing styles must be approved by the ACC. Picket fencing will be permitted to be installed in line with the front elevation of the house. Post and rail fencing cannot be installed any further forward on the lots than the rear of the house.

*Formally Adopted by the Board on May 16, 2002
*Item 3 revised on October 28, 2004

File – revisedarc_rls

Clayborne Woods Architectural Rules
Revised - April 2004

Rules Requiring Pre-approval by ACC:

1) **Awnings** - No window awnings shall be permitted on the front or sides of homes. Awnings may be permitted on rear of homes with ACC approval.
2) **Decks** - Must have prior approval of the ACC.
   a) Materials - Pressure treated wood, cedar, or redwood material shall be permitted. Decks may also be constructed of artificial composite materials designed for use on decks.
   b) Finish - Decks may be finished with a translucent, natural stain
   c) Railings - The rail system to be used must be included in the application. Vinyl railings are permitted.
   d) Skirting - If the deck is elevated off the ground more than one foot, skirting must be installed. Skirting can be constructed from pressure treated wood, cedar or redwood boards or lattice or shrubbery of sufficient size to screen from the ground to the bottom of the deck.
3) **Driveways** - Any change in driveway material must be approved by the ACC. Any expansion of the existing driveway or parking pad shall be consistent in paving material with the existing driveway and must be approved by the ACC. The inlet and outlet ends of the driveway pipe may be finished with split block, or fieldstone. Any other material is subject to ACC approval.
4) **Exterior Wall Decorations**- Except for holiday decorations, prominent exterior wall decorations on the front and side elevations must be approved by the ACC.
5) **Fences** - Must have prior approval of the ACC. No chain link fencing is allowed. No dog runs are allowed. Picket fencing will be permitted to be installed in line with the front elevation of the house. Post and rail fencing cannot be installed any further forward on the lots than the rear of the house. When possible, fences on adjoining properties should be connected.
6) **Pools** -No above ground pools. In ground pools must have prior ACC approval.
7) **Sheds** - Must have prior approval of the ACC.
   a) Location - Behind rear elevation of house. Must be staked out on the lot and approved by the ACC. Approved size will depend on individual lot size. Queen Anne's County regulations as of November 2nd, 2003, dictate that sheds must be located at least six feet from the house and no closer than three feet from the property line. Please check with current County regulations before building.
   b) Materials - Vinyl siding is preferable - color to match house, roof shingles to match house. Sheds made of any type of rubber material will not be allowed. Alternate materials are subject to ACC approval.
   c) Shutters - If shed has shutters, the color of shutters must match shutters on the house.
   d) Doors - No overhead garage-type doors. Doors must close tightly and remain closed when not in use. Location of doors will depend on location of shed.
   e) Landscaping - Landscaping may be required for approval.
8) **Sunrooms/Screen Porches** - Must have prior approval of the ACC.
   a) Materials - Sunrooms must be clad with vinyl siding that matches the house color. The siding must be installed below the windows and roof gable if applicable.
   b) Roof - The slope of the roof should match the slope of the roof on the home or be gabled as appropriate. No flat roofs will be approved. Roof shingles to match house.

c) Air conditioning units - Any air conditioning unit must be located on the rear elevation of the subject sunroom.
d) Skirting - If the room is elevated off the ground more than one foot, skirting must be installed. Skirting can be constructed from pressure treated wood, cedar or redwood boards or lattice or shrubbery of sufficient size to screen from the ground to the bottom of the sunroom.

9) **Completion Time** - A maximum of six months will be permitted for the completion of all approved architectural changes. provided however that the ACC could grant extensions.
10) **Compliance** - The homeowner is solely responsible for ensuring any change, modification or addition, complies with current Declarations of Covenants, Conditions, and Restrictions and By-Laws of Clayborne Woods Homeowners Association, Inc., Queen Anne's County, State, and Federal regulations, including obtaining a building permit when applicable. ACC approval does not replace the homeowner's obligation by law, to comply with any government regulations.

Rules to Follow:

11) **Clotheslines**- No permanent exterior clothes dryer, clothes pole or similar equipment shall be erected, installed, or maintained on any lot. Temporary equipment must be located behind the rear elevation and stored out of sight when not in use.
12) **Firewood**- Firewood must be stored behind the rear elevation, as far from the house as practical. A maximum of 2 cords of wood may be stored. The wood must be stacked and maintained in a neat and orderly fashion. If covered, the color of the material must be brown.
13) **Flags**- Flags may only be displayed on a pole attached to the house; flag and pole size may be limited by the ACC.
14) **Gardens**- Tools and materials must be stored out of sight when not in use. Vegetable gardens are limited to the side or rear yards.
15) **Lawn Ornaments** - Except for Holiday decorations, figurines, statues, fountains, birdbaths and furniture shall be permitted in the front and side garden areas, if less than 3'x2'x2'. Exceptions may be approved by the ACC upon appropriate application.
16) **Play Equipment**- Play structures, including swing sets, trampolines, play houses, etc., shall be located behind the rear elevation of the house.
17) **Basketball Hoops**: Permanent type (in the ground or attached to house) are NOT allowed. Portable basketball hoops that are well maintained and in good condition are allowed, and must be located on the top half of the driveway no further than 15 feet from the house.
18) **Satellite Dishes** – Because satellite dishes fall under the "changing structure" category of the Declarations of Covenants, Conditions, and Restrictions and By-Laws of Clayborne Woods Homeowners Association, Inc., an application regarding the size and location may be submitted to the ACC. Screening may be required for dishes installed in front or side yards.
19) **Storm Doors**- Front doors may be covered with either a full or half view storm door, providing the color matches the door color or the trim color. No cross buck or scalloped edge doors shall be permitted.

CLAYBORNE WOODS
AUTOMOBILE AND PARKING RULES

In order to enhance the safety of the community residents as well as enhance the exterior appearance of the community, the following parking regulations apply to every homeowner, owner's family, occupants, servants, employees, agents, visitors, guests, invitees, and licensees:

1. PROHIBITED VEHICLES – The following vehicles may not be parked on streets, shoulders, Open Spaces, lots or driveways.

   (a) Any vehicle with visible commercial advertising of any nature.

   (b) Any vehicle with work implements or materials (pipes, ladders, etc.) on, or attached to the exterior.

   (c) Any vehicle used for commercial purposes whatsoever that is of a size that cannot fit into a standard single vehicle garage. The ACC may, upon written request, exempt residents with commercial vehicles as of the effective date of this rule who cannot fit those vehicles within their garage. Said request for an exemption shall include the resident's name, address, description and dimensions of vehicle, registration of vehicle, and a brief explanation of why the resident cannot comply with the rule.

   (d) Any unregistered unlicensed, improperly maintained, or inoperable vehicle.

   (e) Any farm vehicles, backhoes, graders, ditchers, stump grinders or similar vehicles.

   (f) Nothing herein shall be construed to prevent the homeowner from parking such vehicles at the home for purposes of servicing, loading and unloading.

2. OTHER

   (a) Residents shall not operate any unregistered vehicle in the community. This includes but is not limited to unregistered motorcycles, mini-bikes, go carts, all terrain vehicles, dune buggies, stock cars, or other racing vehicles.

   (b) Minor vehicle maintenance and repair shall be permitted only in driveways or garages. No vehicle maintenance shall be permitted on any common area.

   (c) Resident vehicles shall be parked in driveways or in garages. Resident vehicles shall not be parked on streets or shoulders on a regular and/or continuing basis. This includes all-day and overnight parking. No vehicles shall be parked at any time in yards, common areas, or open spaces.

*Formally Adopted by the Board on May 16, 2002

CLAYBORNE WOODS HOMEOWNERS ASSOCIATION, INC.

PROCEDURE FOR ARCHITECTURAL CHANGES

MARCH 2002

The procedure for submitting an architectural change request is as follows:

1. Applications for architectural changes will be accepted only from homeowners in good standing.

2. Obtain an architectural change application form from our management company, COMANCO, Inc. at P.O. Box 3637, Crofton, MD 21114 or contact them at (410) 721-7171 to request the form.

3. Fill out application and include pictures of the style, materials, color sample, etc. for your request. The more details you give us, the easier the approval will be.

4. If you are requesting approval of a structure, the four corners of the proposed structure must be staked out on the lot prior to submission of application.

5. Return application and any attachments to COMANCO, Inc., P.O. Box 3637, Crofton, MD 21114. Your request will be logged in and sent to the architectural committee. **WHEN IT IS RECEIVED BY THE ARCHITECTURAL COVENANTS COMMITTEE (ACC) IT WILL BE DATED AND THE COMMITTEE THEN HAS THIRTY (30) DAYS IN WHICH TO RESPOND TO YOUR REQUEST.**

6. The ACC reviews your request and inspects the site location, makes a decision, and sends response to COMANCO, Inc. COMANCO logs in the response and sends a letter to the homeowner.

7. All ACC decisions may be appealed to the Board of Directors by sending a letter to COMANCO, enclosing the decision, and asking for the Board to review it.

8. Homeowner applies for a county permit and displays it during construction.

File – prouduceforACHfor_lst

CLAYBORNE WOODS HOMEOWNERS ASSOCIATION, INC.

c/o COMANCO, Inc.
P.O. Box 3637
Crofton, Maryland 21114

Ann. (410) 721-7171
Balto. (410) 793-0034
D.C. (301) 261-6400

April 26, 2002

RE: Adoption of Billing and Collection Procedures

Dear Resident(s):

Effective immediately, a new policy will be implemented for the collection of delinquent monthly assessments. This policy has been adopted by the Board of Directors to provide for the prompt and effective collection of delinquent accounts.

All assessments are due on the 1st day of each month. Any assessment not paid within thirty (30) days after the due date, shall bear interest from the due date at the rate of twelve percent (12%) per annum. If the assessment is not received by the 30th of the month you will receive a notice of acceleration. A $10.00 charge will be added to the delinquent account for preparation of the notice. Failure to bring the account current within 30 days of that notice will result in the acceleration of the remaining installments of the annual assessment. The board of directors will forward your account to an attorney for collection without further warning. A demand will be made for the accelerated balance and the owner will be served with notice of intent to create a lien. The account will be charged with the accrued interest, collection costs and attorneys fees associated with the lien action. Failure to bring the account current will result in the recordation of the lien and the accrual of additional collection costs and attorney's fees.

This policy may seem harsh to some people, however prompt payment of assessments is essential to the good fiscal management of the Association. Everyone must pay their share for the services provided.

If you are unable to pay your account as required, you must notify the managing agent (COMANCO, Inc.) in writing of the reason for your failure to pay. You must also provide a written proposal for repaying the delinquent balance. The board will consider your request and if possible will cooperate with you to arrange a payment schedule.

Should you have any questions concerning these changes please call Lorie Holt, our COMANCO representative at 721-7171, extension 132.

Respectfully,

Your Board of Directors
Clayborne Woods Homeowners
Association, Inc

file – collectionprocdure_not

ARTICLES OF INCORPORATION

OF

CLAYBORNE WOODS HOMEOWNERS ASSOCIATION, INC.

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

APPROVED FOR RECORD

8/25/98 at 8:38 a.m.

In compliance with the requirements of the general laws of the State of Maryland, Bruce C. Foster, who is a resident of the state of Maryland, and is of legal age, has this day formed this corporation not for profit and do hereby certify:

ARTICLE I

The name of the corporation is Clayborne Woods Homeowners Association, Inc., hereafter called the "Association".

ARTICLE II

The principal office of the Association is located at 1121 Maiden Choice Lane, Baltimore, Maryland 21229.

ARTICLE III

Bruce C. Foster, whose post office address is 1121 Maiden Choice Lane, Baltimore, Maryland 21229, is hereby designated the registered agent of the Association.

82388015

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and common area within that certain tract of property described as:

Lots 1 through 120, all located in the subdivision known as Clayborne Woods, to be recorded among the Land Records for Queen Anne's County, Maryland.

and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for the purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded among the Land Records of Queen Anne's County, Maryland, as may amended from time to time as provided for therein, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the

affairs of the Association;

(d) borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale, or transfer;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members;

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Maryland by law may now or hereafter have or exercise;

(h) this is a not for profit, non stock corporation and the corporation is not authorized to issue capital stock.

ARTICLE V

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessments by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

ARTICLE VI

VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B membership shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the B membership; or

(b) on December 31, 2003.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors, who need not be members of the Association. The number of directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

Bruce C. Foster President	1121 Maiden Choice Lane Baltimore, Maryland 21229
Joseph Addison II Vice-President	P.O. Box 309 Upper Marlboro, Maryland 20773
Peter Herring Secretary/Treasurer	P.O. Box 309 Upper Marlboro, Maryland 20773

At the first annual meeting the members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years, and one (1) director for a term of three (3) years; thereafter, the members shall elect each director for a term of three (3) years.

ARTICLE VIII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

DURATION

The corporation shall exist perpetually.

ARTICLE X

AMENDMENTS

Amendment of these Articles shall require the assent of seventy five percent (75%) of the entire membership.

4062 0005

ARTICLE XI

FHA/DVA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Department of Veterans Affairs: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and enforcement of these Articles.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Maryland, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 20th day of AUGUST, 1998.

WITNESS:

Richard R. Gaudy

Bruce C. Foster

Bruce C. Foster, Incorporator

LIBER 625 FOLIO 804

DOC. NO. 238067

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made this 15th day of June 1998, by FOSTER COMMUNITIES OF MARYLAND, INC., a Maryland corporation, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Queen Anne's County, Maryland, which is more particularly described as:

Being 37.83 acres of land, more or less, all as more particularly described on The Major Subdivision plat of "Clayborne Woods".

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

RECEIVED
CLERK, CIRCUIT COURT
98 JUL -9 PM 2:31
QUEEN ANNE'S COUNTY

INF FD SURE $ 2.00
RECORDING FEE 75.00
TOTAL 77.00
Rec# 04491 Rcpt # 55416
SM RCB Blk # 669
Jul 09, 1998 02:34 PM

ARTICLE I

DEFINITIONS

Section 1. "Annual Assessment" means the assessments levied by the Association in each of its fiscal years, pursuant to Article V.

Section 2. "Assessments" means the Annual Assessments and Special Assessments.

Section 3. "Association" shall mean and refer to "Clayborne Woods Homeowners Association, Inc., a non stock corporation, its successors and assigns.

Section 4. "Board of Directors" means the Board of Directors of the Association and the governing body of any successor or assign of the Association.

Section 5. "Class A Members" = defined in Article III.

Section 6. "Class B Members" are defined in Article III.

Section 7. "Open Space" means undeveloped land required by the Queen Anne's County Zoning Ordinance (or any subsequent amendment thereto) to be restricted to resource protection or recreational uses and designated as "Open Space" on the plat of "Major Subdivision Clayborne Woods", dated June 1998 and prepared by McCrone, Inc., sheet 2 of 4, and further designated as landscape area/open space = 24.335 acres ±, which plat is or is intended to be recorded simultaneously herewith.

Section 8. "Declarant" shall mean and refer to FOSTER COMMUNITIES OF MARYLAND, INC. its successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development and/or construction.

Section 9. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Open Space.

Section 10. "Owner" shall mean and refer to the record homeowner, whether one or more persons or entities, of a fee simple title to any lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 11. "Party Wall" is defined as a wall built during original construction as a division wall common to structures built on adjoining lots.

Section 12. "Property" or shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 13. "Zoning Ordinance" means (1) any zoning ordinance in effect in Queen Anne's County, Maryland, on the date of this instrument, and any amendments to that ordinance and (2) any ordinances or law hereinafter adopted by the County Commissioners under the authority of Article 66(b) of the Annotated Code of Maryland (or any amendments to that article) or under the authority of any law or constitution provision by which the County Commissioners are authorized to regulate the use of land throughout Queen Anne's County, Maryland, to the extent provided under the present provisions of Article 66(b).

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Open Space 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 admission and other fees for the use of any recreational facility situated upon the Open Space;

[b] the right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

[c] the right of the Association to dedicate or transfer all or any part of the Open Space to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two thirds (2/3) of each class of members has been recorded.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Open Space and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

SPECIFIC PROVISIONS

Section 1. Area Designated "Open Space" on the Major Subdivision plat shall cousist of 24.335 acres, more or less;

Section 2. Specific Provision Relating to "Open Space" Area. The Queen Anne's county Zoning Ordinance requires that lands designated "Open Space" be restricted as to use in accordance with its provisions, including any amendments thereto. The provisions of this Deed of Easement are designed to satisfy these requirements and are not to be construed as covenants or conditions which confer any substantive rights and/or responsibilities on the lot owners except as provided herein. The "Open Space" areas shall not be further subdivided at any time in the future and shall not be used for residential purposes, including farm employee dwelling, at any time in the future.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of every lot which is subject to assessment shall be a member of the Association. The Association has been or will be organized as a non stock corporation under the laws of the state of Maryland to provide for:

[a] The acquisition, construction, management, maintenance and care of the Open Space facilities;

[b] To obtain, manage and maintain services of the Properties, or sections thereof, including, as necessary, refuse collections;

[c] To take other action which will promote the health, safety or welfare of the Owners and residents.

[d] The Association is assigned such powers as are prescribed by law and as set forth in the Articles of Incorporation of the Association and in this Declaration, as may be amended from time to time.

[e] Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

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

Class A. Class A members shall be all Homeowners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

[a] when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or

[b] on December 31, 2003.

Section 3. Board of Directors. The business and affairs of the Association shall be managed by a Board of Directors elected by the members without regard to class of membership.

[a] Until the first annual meeting of the Members, the initial Board of Directors shall consist of three (3) directors named in the Articles of Incorporation who shall serve until their respective successors are elected and qualified.

[b] The Board of Directors may make whatever rules and regulations, consistent with the terms of this Declaration and the Association's Articles of Incorporation and By-Laws, it deems advisable with respect to any meeting of Members, proof of membership in the Association, evidence of right to vote, appointment and duties of inspectors of votes, registration of members for voting purposes, voting by proxy and other matters concerning the conduct of meetings and voting.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Open Space and community entrance landscaping, lighting and signage.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following conveyance of the first Lot to an Owner, the maximum annual assessment shall be Four Hundred dollars ($400) per year. In addition, there shall be a one time fee of One Hundred dollars ($100.00) due when each lot is sold to a homeowner. This fee will be used to cover to establish a Working Capital Fund and this fee will not be considered advance payment of any other assessments allowed to be levied by the Association and is not refundable.

[a] From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership.

[b] From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above five percent (5%) by a vote of two thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

[c] The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Open Space, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall by one half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all of the Lots and may be collected on a monthly, semi annual, or annual basis.

Section 7. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence in the following manner:

[a] when the first lot is sold in each phase (as defined in Article I, Section 12 hereof) to a class A member, all of the lots in that phase will be subject to the assessment, provided, however, that if the lots within a phase that are subject to an assessment are owned by a class B member, then the rate of assessment shall be twenty-five percent (25%) of the maximum annual assessment. Nothing in this section, however, relieves the Declarant of his responsibility to make up any deficit funding of the Association, if one should occur, while there is class B membership outstanding.

[b] The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot has been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay

the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Open Space or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage. The sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such 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.

Section 10. Reserves. The Association shall establish and maintain a reserve fund for repair and replacement of the Open Space facilities by the allocation and payment to the reserve fund of an amount to be determined from time to time by the Board of Directors. The reserve fund may be expended only for the purpose of [a] repair and replacement of Open Space facilities; [b] repairs to sidewalks, parking areas, or roadways; and [c] equipment replacement.

ARTICLE VI

ARCHITECTURAL CONTROL; COVENANTS COMMITTEE

Section 1. Composition and Appointment. A Covenants Committee shall be appointed by the Board of Directors. The Committee shall consist of as many members as the Board deems appropriate. Members of the Committee shall serve for a term of one year. Any vacancy in the terms of a Member shall be filled by the Board for the remaining portion of the term.

Section 2. Powers and Duties. The Committee shall serve as an architectural review board and regulate the external design, color scheme, location, and appearance of all structures so as to enforce the architectural provisions of this Declaration, preserve and enhance property values, and maintain a harmonious relationship among structures.

[a] Any decision or determination of the Committee may be appealed by the affected member to the Board of Directors.

Section 3. Submission of Plans to Committee for Approval. No building, fence, wall or other structure shall be commenced, erected, or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, color of 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 by the Committee.

Section 4. Approval of Plans and Specifications. Any approval or disapproval of a proposed action by the Committee shall be in writing. In denying any application, the Committee shall specify the reasons for the denial. The Committee may approve an application subject to conditions or qualifications that it deems necessary or appropriate to enforce this Declaration.

Section 5. Failure of the Committee to Act. If the Committee fails to act within thirty (30) days after submission, the request shall be deemed approved as submitted.

Section 6. Rules, Regulations, and Policy Statements. The Committee may adopt from time to time, subject to the approval of the Board of Directors, reasonable rules and regulations pertaining to its authorized

duties and activities. It may from time to time issue statements of policy with respect to architectural standards and other matters on which it is authorized to act. It shall adopt rules of procedure, subject to the approval of the Board of Directors, which shall include provisions substantially to the following effect:

[a] The Committee shall hold regular monthly meetings and more frequently, if necessary. Meetings may be called by the Chairman of the Board, or a majority of the Committee members.

[b] A majority of the members of the Committee present at any meeting shall constitute a quorum.

[c] The Committee shall maintain minutes of its meetings and a record of the votes taken.

[d] All Committee meetings shall be open to the Members of the Association and any vote taken shall be at an open meeting.

[e] A copy of all minutes, rules, regulations and policy statements of the Committee shall be filed with the Association. Copies shall be made available to Members.

Section 7. Land Development Activity. Notwithstanding any other provision of this Declaration, no land development activity shall require the approval of, or be subject to review, by the Committee.

GENERAL RESTRICTIONS ON USE

ARTICLE VII

Section 1. Zoning Regulations. The right to limit or restrict the use of a particular lot, in addition to the restrictions imposed by the Title 18 of the Queen Anne's County Code, as amended from time to time, is reserved to the Covenants Committee under the provisions of this Declaration.

Section 2. No Use Contrary to Law and No Nuisances. No noxious or offensive trade, service or activity may be conducted on any portion of the Property nor shall anything be done on the Property which may become a continuing annoyance, hazard, or nuisance to owners or residents. No use of any lot or structure shall be made, nor shall any materials or products be manufactured, processed or stored on a lot or in a structure, in violation of federal, state or local laws or regulations or causing undue fire hazard to adjoining lots or structures.

Section 3. Structures. The architectural character of all structures and alterations or additions or improvements to them (other than interior alterations not affecting external appearance), when visually related to each other and the surrounding natural environment, shall be, in the opinion of the Covenants Committee, harmonious in terms of type, size, scale, form, color, and material. No structure shall be painted, stuccoed, or surfaced with any material unless approved in writing by the Covenants Committee.

Section 4. Screens and Fences. Fences, walls, and screens shall be of material and height necessary to accomplish stated objectives of the owner appropriate to the type of land use on a lot. Fence, wall, and screen location, height, material, treatment and color shall be subject to written approval by the Covenants Committee, which will consider the uses intended and the impact on the neighborhood and adjacent lots.

Section 5. Outside Storage or Operations. No outside storage of lumber, metals, or bulk materials of any kind, except building materials stored during the course of construction of an approved structure, shall be

permitted and no refuse or trash shall be kept, stored, or allowed to accumulate on any lot.

Section 6. Commercial Vehicles. No commercial truck, commercial bus, or other commercial vehicle of any kind shall be permitted to be kept or parked overnight upon any portion of the Open Spaces without the written approval of the Covenants Committee. For purposes of this section, a commercial vehicle means any vehicle that meets one of the following criteria:

[a] with more than four wheels; more than one axle; that is towed; more than twenty feet in length, not including trailer hitches; with a gross vehicle weight of over twelve thousand pounds; or a with a height of over seven feet.

Section 7. Recreational Vehicles. No boat, trailer, tent, or any structure of a temporary character, motor home or portable vehicle other than automobiles shall remain parked in a location visible from a roadway for a period exceeding four days in any consecutive seven day period, without the written approval of the Covenants Committee.

Section 8. Animals. No livestock, poultry, or other animals shall be kept on any lot, and in no event shall any stable, barn, crop or other shelter for animals or for the storage of materials be placed or maintained upon any lot, except as approved in writing by the Covenants Committee. However, household pets, cats and dogs, a maximum of 2 each per household, may be kept on the property provided that they are not raised for commercial purposes.

Section 9. Satellites and Antenna's. No antenna for the transmission or reception of radio or television signals shall be erected or permitted on any Lot, building or other parcel of the property. It shall be each Owner's responsibility to install indoor antennas, if he or she so desires. Satellite dishes under 24" in diameter may be erected with prior approval of the Covenants Committee.

Section 10. Maintenance of the Premises and Improvements. Each owner or resident shall at all times keep his premises, buildings, improvements and appurtenances in a safe, clean, neat and sanitary condition. Appropriate maintenance shall include the seeding, watering, and mowing of all lawns, the pruning of trees and shrubbery and the painting of external buildings, in a manner, and with a frequency, consistent with good property management. The owner or resident shall comply with all laws, ordinances, and regulations pertaining to health, safety and pollution, and shall provide for storage and removal of trash and rubbish from his premises in a manner to be approved by the Covenants committee.

Section 11. Enforcement of Maintenance. The Covenants Committee, or its agent, shall have the right to do any and all maintenance work reasonably necessary in the written opinion of the Committee, to keep any lot, whether vacant or not, in a neat and good order. Before doing any such work, the Committee shall give the affected owner fifteen (15) days written notice describing the work to be done, and shall proceed with the work only if the owner has not taken reasonable steps to do it or have it done before the fifteen (15) day period expires. The costs and expense of the work shall be paid by the owner to the Committee upon written demand, and if not paid within thirty (30) days, will become a lien on the lot, and shall be enforceable as the lien of the Annual Assessment.

ARTICLE VIII

RESTRICTIONS & USE OF "OPEN SPACE"

Section 1. Permitted Uses.

(a) Except as permitted by subparagraph (b) or as prohibited by subparagraph (c), the open space may be used only for the following purposes:

i. The maintenance and protection of natural resources in the manner and to the extent required by the zoning ordinance;

ii. Passive recreational uses which involves the maintenance of only negligible impervious surface, such uses including hiking paths and picnic areas.

(b) Subject to the provisions of subparagraph (c) and during any period when a Zoning Ordinance expressly permits a use of open space other than that referred to in subparagraph (a), the Grantor may authorize such other use of the open space. A use authorized under this subparagraph may be maintained only to the extent and during such period as it is expressly authorized both by a Zoning Ordinance and by the Grantor.

(c) No provision of subparagraphs (a) and (b) shall be construed to enlarge, limit, supersede or otherwise affect application to the open space area of any Zoning Ordinance or any low, ordinance, rule, or regulations of the Federal government, the State of Maryland, or Queen Anne's County. In case of any conflict between these provisions and any other such law, ordinance, rule or regulations, the more restrictive shall be applicable. Whether or not such is referred to in subparagraph (a), nothing in the paragraph shall be construed to authorize or permit the use of the open space for:

i. Any activity which is not authorized by those provisions of a Zoning Ordinance which relate to the use of open space;

ii. Any activity for which special or conditional exception or other specific approval is required under a Zoning Ordinance, unless such specific approval is given, or in a manner not authorized by such approval.

ARTICLE IX

PARTY WALLS AND PARTY FENCES

Section 1. Definition. Each wall and fence built during original construction as a division wall common to structures or fences built on adjoining Lots shall be a "Party Wall" or "Party Fence." Each of the owners of adjoining lots shall own his lot, subject to the covenants, easements and restrictions provided for in this Declaration. A Party Wall shall not include the decorated surface within a home or any finishing materials or items applied to that surface (including paint, wallpaper, tile, carpeting or paneling).

Section 2. Covenant, Easement and Restrictions. The following covenants, easements and restrictions shall govern use, maintenance, reconstruction and improvement of Party Walls:

[a] Easement Use. The owner of a structure shall have the right and easement to use so much of any Party Wall as is owned by an adjoining owner for any purpose not inconsistent with joint use of the wall or prohibited in the Declaration. This right of use shall include the right to enter the lot and structure of an adjoining owner at reasonable times and as reasonably necessary to maintain, repair, reconstruct, or improve the party Wall or structure.

[b] Maintenance of Structural Integrity. The expense of repair and maintenance for the purpose of maintaining the structural integrity of a Party Wall shall be borne equally by the owners of the structures divided by it. However, if an owner or anyone for whose act an owner would be legally liable causes a Party Wall to be exposed to the elements, then that owner shall bear the entire cost of the Party Wall.

[c] Damage or Destruction. In the event of damage or destruction of a Party Wall, then the repair or reconstruction shall be undertaken as provided for in this Article. The expense or repair or reconstruction of a Party Wall shall be borne equally by owners of the structures divided by it, regardless of each owners interest in the Party Wall. Nothing in this Article shall be construed to release an owner from liability for damages caused by him or his negligence or willful misconduct.

[d] Prohibited Uses. No one subject to this Declaration may make openings in a Party Wall, decrease or increase the thickness of a Party Wall, add to or extend a Party Wall or place or construct chimney flues or fireplaces against a Party Wall without the consent of both the Association and adjoining owners.

ARTICLE X

DAMAGE OR DESTRUCTION OF STRUCTURES; INSURANCE

Section 1. Required Insurance. The Association shall procure and maintain the following insurance coverages:

[a] Coverage of all Open Space facilities and other structures located on land owned by the Association, against loss or damage by fire, lightening, and such other perils as are comprehended within the term "extended coverage," including, but not limited to vandalism and malicious mischief, debris removal, and windstorm and water damage. The named insured shall be the Association, and, as to any property the Association has mortgaged, the mortgagee of that property, as its interests may appear. The coverage shall be in an amount not less than one hundred percent (100%) of the current replacement costs of the insured structures.

[b] Comprehensive general liability coverage insuring the Association against liability or bodily injury, disease, illness, or death of persons and for injury to or destruction of property occurring upon or arising from the authorized or unauthorized use of any Open Space or other property owned or controlled by the Association. Such insurance coverage shall also include protection against legal liability arising out of the law suits related to employment contracts of the Association. The coverage shall be in whatever amounts and subject to whatever deductibles and exclusions the Board of Directors deems prudent; provided, however, that such coverage shall be for at least $1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence.

[c] All other bonds and insurance coverage required by the Federal National Mortgage Association, Government National Mortgage Association, or Federal Home Loan Mortgage Corporation, for so long as each of them is an owner or first mortgagee of any lot.

(d) The Association shall maintain whatever other insurance coverage the Board of Directors considers necessary or appropriate.

Section 2. Uninsured Loss or Insufficient Proceeds. If a structure owned by the Association is not insured against or the insurance proceeds from which are not sufficient to pay all costs of repair or reconstruction, then the repair or reconstruction shall constitute a capital improvement for which a Special Assessment may be made.

ARTICLE XI

EASEMENTS

Section 1. Utility Easements. There is hereby reserved an easement upon, across, over, through, and under the "Easement Areas" (those easements shown on the record plat) of any Open Space for ingress, egress, installation, replacement, repair, and maintenance of all utility and service lines and systems including, but not limited to water, sewer, gas, telephone, electricity, television, cable, or communication lines and systems and for other land development activity. By virtue of this easement, the Developer or the providing utility or service company may install and maintain facilities and equipment on the property, excavate for such purposes and affix and maintain wires, circuits, conduits on, in and under the roofs and exterior walls of homes providing the company restores disturbed areas substantially to the conditions in which they were found.

Section 2. Developer's Easement to Correct Drainage. For a period of two (2) years from the date of conveyance of each lot, the Developer reserves an easement and right on, over, and under the ground within that lot to maintain and to correct drainage of surface water in order to maintain reasonable standards of health, safety and appearance. This right includes the right to cut any trees, bushes or shrubbery, make any grading of the soil, or to take similar action reasonably necessary. The Developer shall restore the affected property to its original condition as nearly as is practicable.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The provisions of this instrument, contained in Articles I, III, and VIII, may be enforced by the County Commissioners, the Queen Anne's County Planning Commission or other department, agency or other public body or person duly authorized by the County Commissioners. The authority and rights contained in this paragraph are permissive only; and the County Commissioners, the Planning Commission or other designee of the County Commissioners have no affirmative duty at any time to enforce any provision contained herein.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgement or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants, restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date the 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 twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy five percent (75%) of the Lot Owners. Any amendment must be recorded.

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Section 4. Annexation. Additional residential property and Open Space may be annexed to the Properties with the consent of two thirds (2/3) of each class of members.

Section 5. FHA/DVA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Department of Veterans Affairs: Annexation of additional properties, dedication of Open Space, and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 15th day of June, 1998.

WITNESS:

FOSTER COMMUNITIES
OF MARYLAND, INC.
Maryland Corp., Declarant

By: _____
Bruce C. Foster, President

State of Maryland:
County of Queen Anne's:

On this 15th day of June, 1998. before me, the undersigned officer, personally appeared Bruce C. Foster, who acknowledged himself to be the president of FOSTER COMMUNITIES OF MARYLAND, INC., the Declarant named herein.

My Commission Expires: 01/28/2002

LAURIE A. MILLAR HANLEY
NOTARY PUBLIC
QUEEN ANNE'S CO., MD.

_____
Notary Public

Laurie A. Millar Hanley

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Approved as to legal sufficiency:
as to Articles I, III, VIII, and XII, Section 1

Christoper F. Drummond
Attorney to the Planning Commission

6/26/98
Date

BY-LAWS

OF

CLAYBORNE WOODS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Clayborne Woods Homeowners Association, Inc., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 1121 Maiden Choice Lane, Baltimore, Maryland 21229, but meetings of members and directors may be held at such places within the State of Maryland, County of Queen Anne's, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to "Clayborne Woods Homeowners Association, Inc.", its successors and assigns.

Section 2. "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 part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Clayborne Woods, Inc., its successors and assigns if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

Section 7. Declaration shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the Land Records of Queen Anne's County, Maryland, as may be amended from time to time.

Section 8. Member shall mean and refer to those persons entitled to membership as provided for in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Assòciation, and each subsequent regular meeting of the members shall be held on the same day of the same month of each year, at the hour of seven o'clock, p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meeting. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call a meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed by a Board of three (3) directors, who need not be members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect one director for a term of one year; one director for a term of two years; and one director for a term of three years; and at each annual meeting thereafter the members shall be elected for three years.

Section 3. Removal. Any director may be removed from Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be

suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(C) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;

(C) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth

whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The Officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and

treasurer may be held by the same person. No person shall simultaneously hold more than one of the other offices except in the case of special offices created pursuant to Section 4 of the Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all check and promissory notes.

(b) Vice President. The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(C) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association, keep proper books of account; cause and annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased as a reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall become delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or the abandonment of his Lot.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: CLAYBORNE WOODS HOMEOWNERS ASSOCIATION, INC.

ARTICLE XIII

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Department of Veterans Affairs shall have the right to veto amendments while there is Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the Clayborne Woods Homeowners Association, Inc., have hereunto set our hands and seals this 15 day of June, 1998.

Joseph Addison II

Bruce C. Foster

Peter Herring, Secretary

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Clayborne Woods Homeowners Association, Inc., a Maryland nonprofit corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 15 day of June, 1998.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Clayborne Woods Homeowners Association, Inc. this 15 day of June, 1998.

Secretary (SEAL)

RECEIVED
CLERK, CIRCUIT COURT
99 AUG 30 PM 2:55
QUEEN ANNE'S COUNTY

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC.
BYLAWS

ARTICLE I NAME

The name of this organization shall be Cloverfields Property Owners Association, Inc. hereinafter referred to as The Association.

ARTICLE II OFFICES

The principal office of the corporation shall be located at Stevensville, Maryland at the Cloverfields Club House.

ARTICLE III OBJECT

The object of The Association, as successor to the original developer of the Cloverfields Community, shall be:

1. To take title to and operate the recreational facilities of the Cloverfields community as more particularly described in a deed between B. Bentley Bell and Associates, Inc., and Cloverfields Improvement Association, Inc. dated March 30, 1965 and recorded among the Land Records of Queen Anne's County at Liber C.W.C. 14, Folio 499.

RECORDING FEE 25.00
TOTAL 25.00
Rcpt # 73437
Bk # 2936
AUG 30, 1999 02:56 PM

2. To be and act as an association of all purchasers and owners property in the Cloverfields community to which all such purchasers and owners have expressly agreed to join, to maintain membership in and to accept and abide in all rules and regulations for the conduct of the corporation as more fully provided in a deed among Guaranteed Realty Corporation, Aurora Federal Savings and Loan Association, Federated Corporation of Maryland and Helen B. Ryan dated March 26, 1959 and recorded among the Land Records of Queen Anne's County at Liber T.S.P. 46, Folio 529.

3. To promote and protect the general welfare and interests of the property owners of the development known as Cloverfields on Kent Island, Queen Anne's County, Maryland, including the right to affiliate with other civic organizations for the benefit of said property owners.

ARTICLE IV MEMBERS

Section 1. Membership in The Association shall consist of two types: Full and Associate memberships. A full member must be an owner of property in Cloverfields and must comply with the bylaws of The Association and be current in fees. Owners of multiple lots titles in two or more names are limited to two memberships from among those named as owners. There shall be no voting by proxy.

An associate member must be a resident, but not a property owner, in Cloverfields, must be presented for membership to the Board of Directors by a full member and accepted by majority vote. Associate members have no voting rights and cannot be elected to office but may serve as a member of a committee. No more than two associate members will be eligible from a single property.

Section 2. In addition to the provisions for suspension or revocation of membership interests for the failure to pay annual assessments when due as provided in Article IX. The Association may suspend or revoke the privilege of using and enjoying the recreational facilities extended to any full member, associate member, family member or guest pursuant to the following procedure:

A. Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying: a.) the action required to abate the violation; and b.) a time period, not more than ten days, during which the violation may be abated without further sanction, if such violation is a continuing one; or c.) a statement that any further violation of the same rule may result in the imposition of sanctions after notice and hearing if the violation is not continuing.

B. Notice. Within fifteen days of such demand, if the violations continue past the period allowed in the demand for abatement, or if the same rule is subsequently violated, the Board shall serve the violator with written notice that his or her use privileges for the recreational facilities have been suspended for a minimum of thirty days.

ARTICLE V OFFICERS

Section 1. The officers of The Association shall be a President, a first Vice President, a second Vice President, a Recording Secretary, a Corresponding Secretary, a Treasurer, Financial Recorder, and four Members-at-Large.

Section 2. At the April Board of Directors meeting a Nominating Committee of five full members shall be elected. It shall be the duty of this committee to nominate candidates for offices to be filled at the annual meeting. Candidates must state their willingness to serve if elected. The committee shall submit the list of nominees to the Board of Directors at the August meeting for inclusion in the Call to the annual meeting.

Additional nominations may be made from the floor provided the consent of the nominee shall have first been obtained, and provided the nominee is a full member in good standing.

Section 3. The officers shall be elected by ballot at the annual meeting of The Association. A majority vote shall elect. In the event of three or more candidates running for an office, no one of whom receives a majority, there shall be a run off between those two candidates receiving the most votes. Should there be only one candidate for each office the Recording Secretary may be instructed by a two thirds vote to cast the ballot for The Association.

Section 4. Officers, with the exception of the Treasurer and Financial Recorder, shall serve for one year, or until their successors are elected, and their term of office shall begin the day after the annual meeting at which they were elected. The term of the Treasurer and the Financial Recorder shall begin November 1 in the year in which they are elected and shall end October 31 of the next election year.

Section 5. In case of a vacancy in the office of President, the First Vice President shall assume that office. The Board of Directors shall elect a new First Vice President. In the case of a vacancy among the other offices, the Board of Directors shall elect a person to serve until the next election.

ARTICLE VI DUTIES OF OFFICERS

Section 1. The officers shall perform the duties prescribed by these bylaws and by the parliamentary authority adopted by The Association.

Section 2. The President shall preside at all meetings of The Association, and shall be its chief executive officer, responsible for the general management and direction of the business of The Association within the scope of general policy established by the general membership and the Board of Directors. He/she shall appoint the chairman and member of all committees, except the members of the nominating committee. He/she shall be a member ex-officio of all committees except the nominating committee. He/she may co-sign checks and shall co-sign all legal binding documents.

Section 3. In the absence of the President, the Vice Presidents in their order shall perform the duties pertaining to that office. They shall perform such other duties as assigned by the President.

Section 4. The Recording Secretary shall publish in the community newsletter the minutes of all Board and special meetings with the final outcome of all motions adopted and a listing of significant topics discussed. Also to be included is a listing of income and expenditures from the previous report to date.

Section 5. The Corresponding Secretary shall be custodian of The Association seal, shall notify board members of meetings, shall conduct such correspondence as may be requested by the President or The Association. He/she may co-sign checks.

Section 6. The Treasurer shall receives all funds of The Association and deposit same in a financial institution approved by the Board. He/she shall disburse these funds subject to the budget approved by the General Membership provided that no bill shall be paid until approved by the Board of Directors. He/she may sign checks, which shall be co-signed by any one of the other officers so designated. He/she shall keep accurate records of all receipt and disbursements.

Reports shall be submitted to the regular meetings of the Board of Directors and The Association.

The Treasurer's accounts shall be reviewed each November by a person or persons appointed by the Board.

Section 7. The Financial Recorder shall work with the Treasurer as required. In November of each year the current County Tax records for that year must be reviewed to assess current owners of all lots. Association records shall be adjusted accordingly. He/she shall keep accurate records of all association members and names and addresses of lot owners in the sub-division of Cloverfields. He/she shall bill all lot owners for Association assessments in January of each year.

Section 8. No husband and wife serving on the Board at the same time can be allowed to sign the same check.

ARTICLE VII GENERAL MEMBERSHIP MEETINGS

Section 1. The general membership meeting of The Association shall be held the third Sunday of April and the third Sunday of September unless otherwise ordered by the Board. Notice of these meetings shall be sent at least ten days prior to the meeting.

Section 2. The general membership meeting in September shall be know as the annual meeting and shall be for the purpose of electing officers, receiving reports of officers and committees, and for any other business that may arise.

Section 3. Special meetings may be called by the President or the Board of Directors and shall be called upon with the written request of twenty five percent of the members in good standing of The Association. The purpose of the meeting shall be stated in the Call. Except in cases of emergency at least ten days notice shall be given.

Section 4. Fifteen full members of The Association shall constitute a quorum.

ARTICLE VIII BOARD OF DIRECTORS

Section 1. The officers of The Association shall constitute the Board of Directors.

Section 2. The Board of Directors shall have all power and authority over the affairs of The Association during the interim between the meetings of The Association, except that of modifying any action taken by The Association other than amendments to the budget, and be responsible for all operations involving financial obligation on the part of The Association.

Section 3. The regular meeting of the Board shall be on the second Tuesday of each month unless otherwise ordered by the President.

Special meetings of the Board may be called by the President, and shall be called upon the written request of three members of the Board.

Section 4. Whenever a Board member is absent from three consecutive meetings He/she may be dropped from the Board and a successor elected as specified in the bylaws.

Section 5. Six members of the Board shall constitute a quorum, except for special Board meetings when five members shall constitute a quorum.

ARTICLE IX ANNUAL MEMBERSHIP ASSESSMENT

Section 1. Each owner of any lot in Cloverfields by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to abide by and follow the rules and regulations of The Association.

Section 2. An annual membership assessment shall be imposed upon each property owner in Cloverfields by The Association in the amount of $50.00 per property owner, regardless of the number of lots owned. This annual membership assessment shall be in addition to the annual recreation fee imposed upon all lot owners pursuant to the deed referred to in Article III, Section 2 of these bylaws.

All such assessments, together with charges, interest, costs and reasonable attorney's fees, in the maximum amount permitted by law shall be a charge on the lot and shall be a lien upon the lot against which each assessment is made. Such amounts shall be the personal obligation of the person who was the owner of such unit at the time when the assessment fell due. Each owner shall be liable for his/her portion of each assessment coming due while He/she is the owner of a lot and his/her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance.

Failure to pay the annual assessment within thirty days shall result in immediate suspension of all use privileges of the recreational facilities for each full member, associate member, family member or guest associated with the lot, as well as the immediate suspension of each full member's good standing in The Association.

Section 3 . The fiscal shall begin November 1 and end October 31.

ARTICLE X COMMITTEES

Section 1. The Cloverfields Women Association shall provide for the social and fund raising activities for the youth of Cloverfields. The CWA shall submit the name of its nominee to The Association president who shall appoint that nominee as chairman of the CWA committee.

The CWA shall elect and/or appoint any additional members to handle the internal business of the committee. It shall promulgate its own rules and regulations so long as they do not conflict with the bylaws and policies of The Association.

Section 2. The Boat Basin committee shall have the responsibility for supervision, operation and maintenance of the boat basin, ramp and inlet.

Section 3. The Clubhouse committee shall have the responsibility for supervision, operation and maintenance of the Clubhouse.

Section 4. The Community Betterment committee shall have the responsibility for all matters affecting the welfare of the community (such as zoning, street signs, removal of eyesores, drainage, etc.)

Section 5. The Finance committee shall prepare a budget for presentation to the Board at the August meeting and to The Association at its annual meeting for adoption.

Section 6. The Pool committee shall have the responsibility for supervision, operation and maintenance of the pool.

Section 7. The Recreational Facilities committee shall have the responsibility for the supervision, operation and maintenance of the facilities of The Association except for the boat basin, the beach and the pool.

Section 8. The Beach committee shall have the responsibility for the supervision and maintenance of the beach area.

Section 9. The Construction Review committee shall have the responsibility for review and approval of building plans.

Section 10. Such other committees shall be appointed by the President as The Association or the Board deem necessary.

ARTICLE XI PARLIAMENTARY AUTHORITY

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern The Association in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rule of order The Association may adopt.

ARTICLE XII AMENDMENTS TO THE BYLAWS

These bylaws may be amended by a two thirds vote at any general membership meeting provided the amendment has been sent to the membership with the Call to the meeting.

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION
GENERAL MEMBERSHIP MEETING
SUNDAY, APRIL 20, 1997

Meeting called to order at 2:10 P M.
Present were Fred Mattes, Rick Ervin, Len Morrison, Angie Hunt, Kim Evanco, Anne Marie Cutter, Courtney Chambliss, Elaine Butler, Penny Waller, and twenty-eight community members.

Minutes of April 21, 1996 and September 15, 1996 were approved. Lauren Vermont made the motion to accept, Larry Dipetro seconded that motion.
Rick Ervin gave a brief update on the pool. Opening day will be soon. We are looking for more latitude to be given for impervious surfaces. Mention was made to moving the old pavilion down to the beach area.

Elaine Butler gave a treasury report. She gave a Cash Flow Report for a twelve month period which indicated that there is sufficient income to cover all budgeted expenses based on 95% compliance of dues collected.

Anne Marie Cutter gave a financial report as of April 20, 1997. There has been $38,700.00 collected thus far, Balance of $24,100.00 remains to be collected. That gives a 61 1% compliance ratio

Kim Evanco suggested that we use a 45 day calendar for printing of our newsletters. This way we can anticipate events further in advance

Marina update was given. The bulkhead and sidewalks are complete. The gate will be locked from 11-6 AM on weekends to prevent drug use or other illicit activities.

Len Morrison gave a brief explanation of what Crime Watch is and its goal for Cloverfields. He gave a few helpful hints for homeowners. "Don't leave garage doors open, Don't park in the street." He announced that towing of vehicles without the proper identification will be strictly enforced this year. Boaters will be issued a 2nd sticker for trailer/vehicle. Use of the beach will be as follows Sept16-May 14 6AM-9PM
May 15-Sept15 6AM-11PM.

Anne Marie Cutter will issue parking passes for guests that will be accompanied residents to the beach/pool parking areas. Joanne Lanning will be issued a parking pass for her daughter living with her for 6 months.

Ronnie Valentine was asked to be our pool manager this year. She has our lifeguards lined up Opening day is slated for May 17, 1997. With a celebration from 12-3 PM that day Pool schedule is to be as follows. Closed Mondays. Tues.-Sat 10AM-8PM
Sun 12PM-8PM. Red Cross will be offering swimming lessons.

BY-LAWS

Al Kepley, Harriet Morrison, Danny Mayes, Bo Otto, and Joe McGeeney comprised the committee that reviewed and modified the By-laws for adoption. Their proposals were submitted to the Board of Directors for approval, then submitted to the General Membership for review. The General Membership then proceeded to vote on the by-laws as they were presented.

The proposed changes were amended and debated at length. While there were many amendments made to the proposals, and several friendly amendments to the amendments, Rick Ervin informed all those present that according to our existing Bylaws we are not able to amend proposed By-Law changes without prior notice of those amendments to the General Membership. In other words no amendments could be made from the floor and then voted on at today's meeting. Those present began with the original proposals and voted on them as they were written. The outcome is as follows:

1. Article IV -carried
2. Article IV -carried
3. Article IV - carried
4. Article V -carried
5. Article V - carried
6. Article V - carried
7. Article V - carried
8. Article VI - carried
9. Article IX - carried
10. Article IX - carried
11. Article X - carried
12. Article X - Nullified (proposal sent to General Membership had typo)
13. Article X - carried
14. Article X - carried
15. Article X - carried
16. Article XI - carried
17. Article XII - carried
18. Article XI - carried

New Business: Fred Mattes gave a report on the proposed water and sewage rate increase proposed by the County. Mrs. Ernestine Kepley brought up concerns she had regarding a license for a Liquor store. She mentioned that there were petitions circulating.

Anne Marie Cutter motioned to adjourn, Len Morrison seconded.
Meeting adjourned at 5:55 PM.

CLOVERFIELDS
PROPERTY OWNERS ASSOCIATION, INC.
POST OFFICE BOX 488
STEVENSVILLE, MARYLAND 21666

To: All Cloverfields Property Owners Association members

From: CPOA Board of Directors

Date: April 3, 1997

All members of the Cloverfields Property Owners Association in good standing are hereby called to attend the General Membership meeting on April 20, 1997. The meeting will be held at Christ Episcopal Church on Route 8 (just past the American Legion on the right) in Stevensville, Maryland beginning at 2:00 pm. The agenda for the meeting is as follows:

Agenda

Opening remarks / Review of minutes of prior meeting

Officer / Committee Reports

New pool construction update

Marina update

CrimeWatch Committee update

Pool Committee: registration and usage policies

Bylaw Review Committee: recommended changes

Old business

New business

Please review the attached Bylaw change recommendations. Bring this document to the meeting for reference during the discussion. Each proposed change will be voted on separately. A two-thirds majority is required for passage. Associate members (renters) are welcome to attend but are not eligible to vote.

Proposed changes
CLOVERFIELDS PROPERTY OWNER ASSOCIATION, INC
BYLAWS
3/26/97

1. ARTICLE IV MEMBERS, Section 1 , first paragraph reads

....and be current in fees. Owners of multiple lots titled in two or more names ....

is changed to read

....and be current in fees. Owners of(single or) multiple lots titled in two or more names... those named as owners. (Full membership priveledges, including the right to vote and the use of recreational facilities, are not transferable.) There shall be no voting by proxy.

2. ARTICLE IV MEMBERS, SECTION 2 A., Demand reads

....after notice and hearing if the violation is not continuing. ....

is changed to read

....After notice(and/or) hearing if the violation is not discontinued. ....

3. ARTICLE IV MEMBERS, Section 2 B Notice reads

....have been suspended for a minum of thirty days.

is changed to read

....have been suspended (for a period up to thirty days).

3. ARTICLE IV MEMBERS, Section 2. Add

C. Hearing. A hearing for violator's possible presentation must be conducted by the Board of Directors for a suspension for thirty days or more.

4. ARTICLE V OFFICERS, Section 1 Reads

....and four Members- at - Large.

is changed to read

.....,Member - at - Large I, Member -at - Large II, Member -at - Large III, and Member - at - Large IV.

5. ARTICLE V OFFICERS, SECTION 4 Reads

Officers , with the exception of the Treasurer and Financial Recorder, shall serve for one year, or until their successors are elected, and their term of office shall begin the day after the annual meeting at which they were elected. The term of the Treasurer and the Financial Recorder shall begin November 1 in the year in which they are elected and shall end October 31 of the next election year.

is changed to read

All officers shall be elected to serve a two year term, or until their successors are elected. During odd calender years the following officers will be elected: President , Second Vice President, Financial Recorder, Corresponding Secretary, Member at Large I and Member at Large II. During even calender years the following officers will be elected: First Vice President, Treasurer, Recording Secretary, Member at Large III and Member at Large IV. During the 1997 calender year the following will be elected for one year: First Vice President, Treasurer, Recording Secretary, Member at Large III and Member at Large IV.

6. ARTICLE V OFFICERS Change Section 5. to read Section 6.

7. ARTICLE V OFFICERS ADD

Section 5. Officers, with the exception of the Treasurer and Financial Recorder, shall begin their office the day after the annual meeting at which they were elected. The term of the Treasurer and the Financial Recorder shall begin November 1 in the year in which they are elected and shall end October 31 of the next election year.

8. ARTICLE VI DUTIES OF OFFICERS ADD

Section 9. All officers and Members at Large will serve on at least one standing committtee as a member or chairperson as designated by the President.

9. ARTICLE IX ANNUAL MEMBERSHIP ASSESSMENT,Section 2 ,par 3. reads

Failure to pay the annual ....
....good standing in the Association.

is changed to read

Failure to pay the annual assessment within thirty days of due date shall result in immediate syspension of all community recreational priviliges as well the member's good standing in the community.

10. ARTICLE IX ANNUAL MEMBERSHIP ASSESSMENT ADD

Section 4. An additional membership assessment, in the amount of $50.00, shall be imposed upon an eligible Associate Member, non-owner resident, payable by the Associate Member.

11. ARTICLE X COMMITTEES, Section 1. DELETE

Section 1. The Cloverfields Women .... chairman of the CWA committe.

The CWA shall ....policies of The Association.

change to read

Section 1. The Youth Activities Committee shall have the responsibility for the development, supervision and operation of youth activities.

12. ARTICLE X COMMITTEES, Section 9 reads

The Construction Review Committee shall have the responsibility for review and approval of building plans.

is changed to read

The Construction Review Committee shall have the responsibility for reviewing all site improvements and building plans in accordance with Board policy

13 ARTICLE X COMMITTEES Section 10 is changed to read Section 12.

14. ARTICLE X COMMITTEES Add

Section 10. The Crime Watch Committee shall have the responsibility for the organization, supervision and operation of a Crime Watch Program, within the confines of the CPOA, in conjunction with the Queen Anne's County Sheriff's Department, Maryland State Police, the Maryland Department Of Natural Resources Police.

15. ARTICLE X COMMITTEES Add

Section 11. Each Vice President will coordinate the activities of four standing committees as designated by the President.

16. ARTICLE XI PARLIAMENTARY AUTHORITY

CHANGE TO READ

ARTICLE XII PARLIAMENTARY AUTHORITY

17 ARTICLE XII AMENDMENTS TO THE BYLAWS

CHANGE TO READ

ARTICLE XIII AMENDMENTS TO THE BYLAWS

18 ARTICLE XI AFFILIATED ORGANIZATIONS

Add

Section 1. The Cloverfields Women's Association (CWA) shall foster fellowship among the residents of Cloverfields by providing for social and fund raising activities in support of The Cloverfields Property Owners Association (CPOA). The CWA shall submit the name of its nominee to The CPOA president who shall appoint that nominee as chairperson of the CWA. The CWA shall elect and /or appoint any additional members to handle the internal business of CWA. It shall promulgate its own rules and regulations so long as they do not conflict with the bylaws and policies of The CPOA.

Section 2. The Cloverfields Men's Association (CMA) shall foster fellowship among the residents of Cloverfields by providing for social and fund raising activities in support of The Cloverfields Property Owners Association (CPOA). The CMA shall submit the name of its nominee to The CPOA president who shall appoint that nominee as chairperson of the CMA. The CMA shall elect and/or appoint any additional members to handle the internal business of CMA, It shall promulgate its own rules and regulations so long as they do not conflict with the bylaws and policies of The CPOA.

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION
GENERAL MEMBERSHIP MEETING

SUNDAY, APRIL 19, 1998

Meeting was called to order at 2:02 PM.
Present were: Al Kepley, John Benton, Anne Marie Cutter, Courtney Chambliss, Tim Trible, Tim Forrest, Annie Hartsock, Peter Pupshis, Kim Evanco and 30 community members.

TOPIC	DISCUSSION	ACTION
Minutes	Motion to Approve	➢ Al recommended minutes be approved as presented. ➢ Tim Forrest motioned. ➢ Steve O'Donovan seconded. ➢ All in favor. Minutes accepted.
Officer Reports: Courtney Chambliss	Pool Photo ID	• A photo ID will be required for pool admission. A number of dates have been set. One card per person. Replacement cards cost $5.00.
Officer Reports: Peter Pupshis	Annual Dues	• Dues have been paid for 575 out of 910 properties. • Peter is sending letters and attaching late fees to those who have not paid.
	CPOA Financial Status	• The financial status has been reviewed. Report from CPA Joseph C. Zimmerman reviewed.
Tim Forrest for Boat Basin Report	Lighting	• Working on the lighting, which is almost finished.
	Boat Stickers	• If you need a boat sticker, call Tim at 410-643-8503.
	Fishing Pier	• Plans are being implemented to put a fishing pier where pylons are at the right of the jetty. Estimated cost: $800.00. Plan on paying for it with donations by selling boards for $10.00 a piece. A plaque will then be displayed saying the pier was paid for by private donations.
	Beach Curfew	• Tim reminded everyone that no one is to be in the beach after 11 PM.
Tim Trible for Construction Review	Compliance Issues	• The Committee is still having problems with builders; residents have been in compliance. • Have received 30 submissions. • Have 22 violations–primarily from builders.
	Committee Meetings	• Meetings are held on the second and fourth Tuesdays of each month at 7 PM at the Clubhouse.
John Benton for Crime Watch	Vandalism	• The biggest problem in Cloverfields is vandalism. Patrols have caught several trespassers.
	Non-Residents	• Another problem is with non-residents utilizing the pool and marina area.
	Sticker Requirements	• Reviewed Cloverfields car sticker requirements. Stickers are to be placed on the left rear side of the vehicle. The Sticker # and Tag # must match. Any car without a sticker will be towed.

	Chain across pool parking lot.	• General discussion of issues with chain across the pool parking lot.
Courtney Chambliss for Ronnie Valentine: Pool Committee	Pool Information	• The pool will be closed on Mondays. Regular hours are from 10 AM to 8 PM, Tuesday through Friday, and from Noon to 8 PM on Saturday and Sunday. • Adult swim will be every hour for fifteen minutes. In addition, there will be adult swims on Tuesdays, Wednesdays and Thursdays from 8 PM to 9 PM. • There will be adult water aerobics and swim lessons, TBD. • Youth aged 13 and above can attend the pool without adult supervision so long as such individuals will be 13 within this calendar year. • Committee is going over revised pool rules, to be approved by the Board.
Danny Mayes for Citizen Advisory Committee	Stevensville Community Plan	• Reviewed the Stevensville Community Plan, which included the following components: ➢ Town Center ➢ Growth Areas ➢ Existing neighborhoods outside Town Center ➢ Rural Areas
New Business	Amendments to By-Laws: Article V	• Recommendation to amend Article V as follows: "Additional nominations for any position may be made in advance of the annual meeting by presentation to the Recording Secretary of the declaration of intent to be a candidate signed by the candidate and two sponsoring full members, all in good standing." • Bruce Chambliss motioned to make amendment as stated April 3 letter to all residents. • Tim Trible seconded. • Elaine Butler motioned to impose 24-hour notice. • Courtney Chambliss seconded. • Elaine Butler withdrew motion. • Courtney Chambliss seconded withdrawal. • 31 in favor. 7 opposed. Motion passed. Article V amended as requested.
	Article X	• Recommendation to amend Article X as follows: "The Construction Review Committee shall have the responsibility for reviewing all site improvements and building plans in accordance with Board policy." • Tim Trible motioned to accept amendment. • Bruce Chambliss seconded. • 36 in favor. 2 opposed. Motion passed. Article X amended as requested.
	Article IX	• Recommendation to amend Article IX that would, in summary, waive the membership assessment for Association Officers and Chair persons of the Boat Basin Committee, Construction Review Committee, Crime Watch

		Committee, and Pool Committee in office on November 1 prior to an on the billing date. • James Davis motioned to present. • Peter Pupshis seconded. • Discussion and dispute on wording of the proposed amendment. • James Davis and Peter Pupshis accept withdrawal of motion.
	Commercial Advertising Signs on Residential Property	• General Discussion
	Mosquito Control	• Motion presented to have Cloverfields pay for County Mosquito Control Program, which would involve the County spraying insecticide to control mosquitoes throughout all properties in Cloverfields. • Peter Pupshis motioned to have Cloverfields pay for the program. • Carol Mulligan seconded. • 3 in favor. 35 opposed. Motion denied.
Meeting End	Motion to Adjourn	• Tim Forrest motioned to adjourn. • Joe McGeeney seconded. • Meeting adjourned at 4:43 PM

Proposed changes
CLOVERFIELDS PROPERTY OWNER ASSOCIATION, INC
BY-LAWS
4/19/98

1. ARTICLE V OFFICERS Section 2, second paragraph reads

"Additional nominations may be made from the floor provided the consent of the nominee shall first been obtained, and provided the nominee is a full member in good standing."

is changed to read

"Additional nominations for any position may be made in advance of the annual meeting by presentation to the Recording Secretary of the declaration of intent to be a candidate signed by the candidate and two sponsoring full members, all in good standing."

2. ARTICLE X COMMITTEES Section 9 reads

"The Construction Review committee shall have the responsibility for review and approval of building plans."

is changed to read

"The Construction Review Committee shall have the responsibility for reviewing all site improvements and building plans in accordance with Board policy."

3.ARTICLE IX ANNUAL MEMBERSHIP ASSESSMENT Section 2 reads

"An annual membership assessment shall be imposed upon each property owner in Cloverfields by the Association in the amount of $50.00 per property, regardless of the number of lots owned. This annual membership assessment shall be in addition to the annual recreation fee imposed upon all lot owners pursuant to the deed referred to in Article III, Section 2 of these bylaws."

is changed to read

"An annual membership assessment shall be imposed upon each property owner in Cloverfields by the Association in the amount of $50.00 per property, regardless of the number of lots owned. This annual membership assessment shall be in addition to the annual recreation fee imposed upon all lot owners pursuant to the deed referred to in Article III, Section 2 of these bylaws. The membership assessment shall not be imposed upon the Association Officers and the Chairpersons of the Boat Basin Committee,Construction Review Committee, Crime Watch Committee and Pool Committee in office on November 1 prior to and on the billing date."

CPOA GENERAL MEMBERSHIP MEETING

Sunday, September 20, 1998, Clubhouse, 2:00 PM

1:30 PM Membership voting for Board Officers for 2 year term of 1998 - 2000, except 2 positions vacant for remaining term of 1 year of a 2 year term.

Candidates:

Two Year Term

1st Vice President - Joe McGeeney Unopposed

Treasurer Linda Tucker Unopposed

Recording Secretary - Shirley Leiby Unopposed

Member at Large III - John Benton and Colleen Donahue

Member at Large IV - Tim Trible - Unopposed

One Year Term

Financial Recorder - Phyllis Riggin - Unopposed

Member at Large - Tammy Dresser and Bill Reem -

Results:

Member at Large III

John Benton ----------26 votes

Colleen Donahue ----------61 votes

Member at Large I

Tammy Dresser ----------43 votes

Bill Reem ----------41 votes

Meeting began at 2:00 PM - Roll of Officers:

Al Kepley - President (Presiding)

Joe McGeeney - 1st Vice President

Anne Marie Cutter 2nd Vice President

Member - at - Large I Danny Mayes

Member - at - Large II Courtney Chambliss

Member - at - Large III John Benton

Member - at - Large IV Scott Ross

Treasurer - Tammy Dresser

Membership Attendance: 48 in attendance at meeting (larger attendance at voting)

Opening Remarks:

Al Kepley talks about boat basin lock problem and the Crab Feast, and New Year's Eve Party being planned. Also addressed were problems with membership cards and Crime watch.

Minutes, as distributed, were passed unanimously after a motion from Penny Waller and seconded by Phyllis Riggin.

Distribution of Financial Report to all in attendance. Reviewed both reports.

No questions.

1999 Budget proposal report is distributed and reviewed.

No Questions.

1st Vice President Grounds Committee: Report by Joe McGeeney.

Spoke on clean - up. Pavilion moving. Basketball Court clean - up. old duck house tear down. Horseshoes Pits. Volleyball Court, Youth Club and The Grant.

2nd Vice President / Social Committee: Report by Anne Marie Cutter

Spoke on Crab Feast success and the planned New Years Eve party. John Benton gave appreciation to Anne Marie and the committee for a great job on the crab feast.

Recording Secretary/Welcome Committe: Annie Hartsock, absent. Al Kepley advised of Annie Hartsocks resignation and of appointment of Shirley Leiby.

continued on page 8

Corresponding Secretary / News Letter: Kim Evanco, absent.
Financial Recorder: Peter Pupshis, absent. Al Kepley advised of his resignation.
Member - at - Large 1: Danny Mayes reported on Pavilion moving and spoke about the new barbecue grilles planned and approved.
Member - at - Large 11 / Women's Club: Courtney Chambliss reports the swim party of the kids with hand painting was a great success. Planned is a second annual Breakfast with Santa.
Member - at - Large 111 / Community action: John Benton reports on meeting with County Roads on flooding Real Estate signs, street signs traffic poll, paving of roads, human waste increase plans, new roads planned marking of water channels with DNR and boat right of way to incoming vessels. Question on kids throwing 2 large rocks in jetty and ditch problems and Stevensville Development Plan with discussion.
Member - Large 1V / Recreational Facilities: Scott Ross gave report: Spoke on Pavilion moving and free mulch from County during October work week. Distribution of Cloverfields fishing deck plans for spring.
***Boat Basin** - Tim Forrest gave report: on slips and lights out. Contributions to be sought through Civic Organizations for Fishing Pier. John Benton speaks about Boat Basin Review of rules and regulations.
*Al Kepley interrupts meeting to announce that it is 3:00 PM and the voting polls are now closed.
Continuation of discussion on Boat Basin Review Plans. Meeting that commences will be posted.
***Construction Review Committee:** Tim Trible is absent. Al Kepley advises that guidelines will be reviewed.
***Crime Watch Committee**: No Chairman. Al Kepley announces the need for a new chairman.
***Pool Committee:** Ronnie Valentine is absent. Al Kepley announces Ronnie Valintine's resignation at conclusion of pool year.
Old Business:
Commercial advertisement on residential property discussed by Al Kepley.
Old bath house discussed that doors are open and kids are hanging inside.
Trash removal discussed.
Questions on quality of drinking water...Advised that we need to contact County.
Citizens Advisory Committee report by Danny Mayes. much discussion.
New Business:
By-Law Recommended changes Article 1V (Members defined) Courtney Chambliss moves to approve as distributed. 2nd by Scott Ross...discussion follows. Joe McGeeney motions to table for further review and brought back at April 1999 Meeting , 2nd. by Joann Lanning tabled motion passed unanimously.
John Benton motions to accept proposal of Article 1X (Annual Membership Fees) , 2nd by Tom Wood . Discussion follows... 27 for and 12 against motion passes.
1998-99 Budget: Motion by Roy Riggins to accept 2nd by Terry Anderson.
Penny Waller made a motion to raise the playground funds from $1500 to $2000 and to reduce the bulletin board fund from $2500 to $2000, 2nd by Darla Forrest. vote passed.
Roy Riggin makes a motion to accept Alternate A budget, Phylis Riggin 2nds, 19 for and 12 against, motion passed. **Meeting adjourns.**

Cloverfields
Property Owners Association, Inc.
Post Office Box 488
Stevensville, MD 21666

To: All Cloverfields Property Owners Association members

From: CPOA Board of Directors

Date: September 3, 1998

All members of the Cloverfields Property Owners Association in good standing are hereby called to attend the General membership meeting on September 20, 1998. The meeting will be held at the clubhouse on Nichols Manor Road in Cloverfields beginning at 2:00 pm. Voting for Officers will be during the time span of 1:30 pm to 3:00 pm. Only Full Members in good standing will be eligible to vote ; Associate Members have no voting rights. The agenda for the meeting is as follows:

Agenda

Opening remarks / Review of minutes of prior meeting/approval of prior minutes
Officer / Committee Reports
- Treasurer / Finance Committee
- 1st Vice-President / Youth Activities Committee
- 2nd Vice-President / Social Committee / Nominating Committee
- Recording Secretary / Welcome Committee
- Corresponding Secretary / Newsletter
- Financial Recorder
- Member-at-Large I / Beach Committee
- Member-at-Large II / Cloverfields Women's Association
- Member-at-Large III / Community Action Committee
- Member-at-Large IV / Recreational Facilities Committee

Other Committee Reports
- Boat Basin Report / Review of Boat Basin Regulations
- Construction Review Committee Report / Review of Guidelines for Construction
- Crime Watch Committee Report / towing policies
- Pool Committee Report / registration and usage policies

Old Business
- Commercial advertising signs on residential property

New Business
- By-law recommended changes
- 1998-1999 Budget

Adjournment

Please review the attached recommended By-law changes. Bring this document to the meeting for reference during the discussion. Each proposed change will be voted on separately. A two thirds majority is required for passage.

Notice Sep '98 Gen Mem Mtg cont.

The following have been nominated by the Board of Directors as candidates for the following positions and length of time:

2 yr Term

1st Vice-President : Joe McGeeney
Treasurer : Linda Tucker
Recording Secretary : Shirley Leibey
Member -at-Large III : John Benton Bob Colleen
Member-at-Large IV : Tim Trible

1 yr Term

Financial Recorder : Phyllis Riggen
Member-at-Large I : Tammy Dresser

ARTICLE V OFFICERS Section 2 states

"Additional nominations for any position may be made in advance of the annual meeting by presentation to the Recording Secretary of the declaration of intent to be a candidate signed by the candidate and two sponsoring full members, all in good standing."

Proposed changes
CLOVERFIELDS PROPERTY OWNER ASSOCIATION, INC
BY-LAWS
September 20, 1998

ARTICLE IV MEMBERS

Existing

Section 1. Membership in The Association shall consist of two types: Full and Associate memberships. A full member must be an owner of property in Cloverfields and must comply with the by-laws of The Association and be current in fees. Owners of single or multiple lots titles in two or more names are limited to two memberships from those named as owners. Full membership privileges, including to right to vote and the use of recreational facilities are not transferable. There shall be no voting by proxy.

An associate member must be a resident, but not a property owner, in Cloverfields, must be presented for membership to the Board of Directors by a full member and accepted by majority vote. Associate members have no voting rights and cannot be elected to office but may serve as a member of a committee.No more than two associate members will be eligible from a single property.

Section 2. In addition to the provisions for suspension or revocation of membership interests for the failure to pay annual assessments when due as provided in Article IX, The Association may suspend or revoke the privilege of and enjoying the recreational facilities extended to any full member, associate member, family member or guest pursuant to the following procedure:

A. Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying: a) the action required to abate the violation; and b) a time period, not more than ten days, during which the violation may be abated without further sanction, if such violation is a continuing one; or c) a statement that any further violation of the same rule may result in the imposition of sanctions after notice and/or hearing if the violation is not discontinued

B. Notice. Within fifteen days of such demand, if the violations continue past the period allowed in the demand for abetment, or if the same rule is subsequently violated, the Board shall serve the violator with written notice that his or her privileges for the recreational facilities have been suspended for a period up to thirty days.

Proposed

Change Section 2 to read Section 3

Add new Section 2

Tabled for further review and presentation @ April 1999 General Mtg.

The following definitions apply to families of Full Members and Associate Members

a)Family - Father and /or Mother with any children under 21 years of age residing in their home with legal custody or legal guardianship within his/her control.

b)Resident - Person listed as property owner or Associate Member living in a house located in the Cloverfields Community.

c) Guest - Person who does not meet the definition of family member or resident, as identified above, and accompanied by a Full Member oar Associate Member in good standing.

Cont. Proposed changes to By-Laws

ARTICLE IX ANNUAL MEMBERSHIP ASSESSMENT

Existing

....

Section 2. An annual membership assessment shall be imposed upon each property owner in Cloverfields by the Association in the amount of $50.00 per property owner, regardless of the number of lots owned. This annual membership assessment shall be in addition to the annual recreation fee imposed upon all lot owners pursuant to the deed referred to in Article III Section 2 of these by-laws.

....

Section 4. An additional membership assessment in the amount of $50.00 shall be imposed upon an eligible Associate Member, non-owner resident, payable by the Associate Member.

Proposed

Passed

....

Section 2. An annual membership assessment shall be imposed upon each property owner in Cloverfields by the Association in the amount of $ 60.00 per property owner, regardless of the number of lots owned. This annual membership assessment shall be in addition to the annual recreation fee imposed upon all lot owners pursuant to the deed referred to in Article III Section 2 of these by-laws.

....

Section 4. An additional membership assessment in the amount of $60.00 shall be imposed upon an eligible Associate Member, non-owner resident, payable by the Associate Member.

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CLOVERFIELDS PROPERTY OWNERS ASSOCIATION INC.
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE- CASH BASIS
OCTOBER 31, 1998

	GENERAL ACCOUNT	MARINA ACCOUNT	TOTAL
CURRENT ASSETS			
Cash- Centerville checking	$ 146.80	$ -	$ 146.80
Cash- Queenstown checking	3,327.04	-	3,327.04
Cash- Queenstown savings	59,872.64	5,726.72	65,599.36
Petty cash	50.00		50.00
Due from other fund	-	7,890.97	7,890.97
Total current assets	$ 63,396.48	$ 13,617.69	$ 77,014.17
PROPERTY IMPROVEMENTS			
Pool and bathhouse	224,924.63		224,924.63
Marina	-	104,601.00	104,601.00
Total property improvements	$ 224,924.63	$104,601.00	$329,525.63
TOTAL ASSETS	**$ 288,321.11**	**$118,218.69**	**$406,539.80**
LIABILITIES AND FUND BALANCE			
Current portion of long term debt	$ 4,276.84	$ 3,975.61	$ 8,252.45
Payroll withholding taxes	$ -		$ -
Due to other fund	7,890.97	-	7,890.97
Total current liabilities	$ 12,167.81	$ 3,975.61	$ 16,143.42
LONG TERM DEBT			
Mortgages (net of current portion)	131,211.17	89,649.29	220,860.46
TOTAL LIABILITIES	**$ 143,378.98**	**$ 93,624.90**	**$237,003.88**
Fund balance (unrestricted)	144,942.13	24,593.79	169,535.92
TOTAL LIABILITIES AND FUND BALANCE	**$ 288,321.11**	**$118,218.69**	**$406,539.80**

See accountant's compilation report

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION INC.
STATEMENT OF REVENUES, EXPENSES, AND FUND BALANCE - CASH BASIS
FOR THE YEAR ENDED OCTOBER 31, 1998

	GENERAL ACCOUNT	MARINA ACCOUNT	TOTAL
INCOME			
Property owner assessments	$ 64,688.06	$ -	$ 64,688.06
Interest	1,600.76	470.48	2,071.24
Slip rent and ramp fees		14,260.00	14,260.00
Other income	9,275.13		9,275.13
TOTAL	**$ 75,563.95**	**$ 14,730.48**	**$ 90,294.43**
EXPENSES			
General and administrative	23,308.81	-	23,308.81
Clubhouse maintenance	1,777.82	-	1,777.82
Beach maintenance	161.43	-	161.43
Marina maintenance	-	269.20	269.20
Community activities	4,750.71	-	4,750.71
Crime prevention	1,891.71	-	1,891.71
Grounds maintenance	3,897.74	-	3,897.74
Interest	11,698.68	8,127.84	19,826.52
Playground	79.32	-	79.32
Pool operations	28,490.21	-	28,490.21
TOTAL	**$ 76,056.43**	**$ 8,397.04**	**$ 84,453.47**
SURPLUS (DEFICIT)	**$ (492.48)**	**$ 6,333.44**	**$ 5,840.96**
BEGINNING FUND BALANCE	145,434.61	18,260.35	163,694.96
ENDING FUND BALANCE	**$144,942.13**	**$24,593.79**	**$169,535.92**

See accountant's compilation report

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QUEEN ANNE'S COUNTY

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION INC.
STATEMENT OF BUDGET VERSUS ACTUAL- BUDGETARY BASIS
FOR THE YEAR ENDED OCTOBER 31, 1998

	BUDGET	ACTUAL	UNDER (OVER)	%
INCOME				
MEMBER ASSESSMENT	63,000	64,688.06	(1,688.06)	102.68%
RAMP & SLIP FEES	13,000	14,260.00	(1,260.00)	109.69%
MARINA INTEREST		470.48	(470.48)	
ADVERTISING	1,000	975.00	25.00	97.50%
CLUBHOUSE RENTAL		475.00	(475.00)	
INTEREST		1,600.76	(1,600.76)	
GO CCP GRANT		1,313.00	(1,313.00)	
MISCELLANEOUS		628.40	(628.40)	
COMMUNITY ACTIVITIES		1,939.38	(1,939.38)	
POOL INCOME	2,000	3,944.35	(1,944.35)	197.22%
TOTAL INCOME	**79,000**	**90,294.43**	**(11,294.43)**	**114.30%**
EXPENSES				
ELECTRIC	6,500	6,515.29	(15.29)	100.24%
INSURANCE	4,600	3,912.00	688.00	85.04%
LEGAL/ACCOUNTING	1,500	975.00	525.00	65.00%
POSTAGE	2,500	3,245.95	(745.95)	129.84%
PRINTING & SUPPLIES	4,000	4,881.79	(881.79)	122.04%
TELEPHONE	1,000	543.82	456.18	54.38%
WATER & SEWAGE	1,600	1,585.91	14.09	99.12%
COMPUTER UPGRADE	200		200.00	0.00%
WASTE DISPOSAL		1,511.19	(1,511.19)	
OTHER	300	137.86	162.14	45.95%
GENERAL & ADMINISTRATIVE	**22,200**	**23,308.81**	**(1,108.81)**	**104.99%**
CLUBHOUSE MAINTENANCE	**2,000**	**1,777.82**	**222.18**	**88.89%**
BEACH MAINTENANCE	**1,500**	**161.43**	**1,338.57**	**10.76%**
MARINA MAINTENANCE	**1,000**	**269.20**	**730.80**	**26.92%**
COMMUNITY ACTIVITIES	**1,200**	**4,750.71**	**(3,550.71)**	**395.89%**

See accountant's compilation report

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION INC.
STATEMENT OF BUDGET VERSUS ACTUAL- BUDGETARY BASIS
FOR THE YEAR ENDED OCTOBER 31, 1998

	BUDGET	ACTUAL	UNDER (OVER)	%
CRIME PREVENTION	**1,000**	**1,891.71**	**(891.71)**	**189.17%**
GROUNDS MAINTENANCE	**2,000**	**3,897.74**	**(1,897.74)**	**194.89%**
MARINA- INTEREST	8,050	8,127.84	(77.84)	100.97%
MARINA- PRINCIPLE	3,950	3,631.56	318.44	91.94%
POOL- INTEREST	11,450	11,698.68	(248.68)	102.17%
POOL- PRINCIPLE	4,150	3,899.16	250.84	93.96%
MORTGAGES	**27,600**	**27,357.24**	**242.76**	**99.12%**
PLAYGROUND	**1,700**	**79.32**	**1,620.68**	**4.67%**
ATTENDANT WAGES	2,500	4,334.59	(1,834.59)	173.38%
BATHHOUSE MAINTENANCE	400	55.66	344.34	13.92%
BATHHOUSE SUPPLIES	200	-	200.00	0.00%
LIFEGUARD WAGES	8,000	9,546.14	(1,546.14)	119.33%
PAYROLL TAXES	500	1,606.55	(1,106.55)	321.31%
POOL EQUIPMENT		4,034.76	(4,034.76)	
POOL MAINTENANCE	4,200	8,912.51	(4,712.51)	212.20%
POOL OPERATIONS	**15,800**	**28,490.21**	**(12,690.21)**	**180.32%**
CONTINGENCY	**3,000**	**-**	**3,000.00**	**0.00%**
TOTAL EXPENSES	**79,000**	**91,984.19**	**(12,984.19)**	**116.44%**
SURPLUS (DEFICIT)	**-**	**(1,689.76)**	**1,689.76**	

See accountant's compilation report

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CLERK, CIRCUIT COURT
99 AUG 30 PM 2:55
QUEEN ANNE'S COUNTY

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION INC.
STATEMENT OF BUDGET VERSUS ACTUAL- BUDGETARY BASIS
FOR THE MONTH ENDED NOVEMBER 30, 1998

	BUDGET	ACTUAL	UNDER (OVER)	%
INCOME				
MEMBER ASSESSMENT	72,325	150.00	72,175.00	0.21%
ADVERTISING	1,000	80.00	920.00	8.00%
CLUBHOUSE RENTAL	500	-	500.00	0.00%
INTEREST	1,500	168.62	1,331.38	11.24%
GO CCP GRANT		-	-	
MISCELLANEOUS	350	-	350.00	0.00%
COMMUNITY ACTIVITIES		224.00	(224.00)	
POOL INCOME	3,000	-	3,000.00	0.00%
TOTAL INCOME	**78,675**	**622.62**	**78,052.38**	**0.79%**
EXPENSES				
ELECTRIC	1,670	131.64	1,538.36	7.88%
INSURANCE	4,600	-	4,600.00	0.00%
LEGAL/ACCOUNTING	2,500	150.00	2,350.00	6.00%
POSTAGE	3,700	229.13	3,470.87	6.19%
PRINTING & SUPPLIES	2,500	299.25	2,200.75	11.97%
TELEPHONE	1,000	345.53	654.47	34.55%
WATER & SEWAGE	1,600	-	1,600.00	0.00%
COMPUTER UPGRADE	1,000	-	1,000.00	0.00%
WASTE DISPOSAL	1,200	72.25	1,127.75	6.02%
BULLETIN BOARDS	2,000	-	2,000.00	0.00%
OTHER	500	36.00	464.00	7.20%
GENERAL & ADMINISTRATIVE	**22,270**	**1,263.80**	**21,006.20**	**5.67%**
CLUBHOUSE MAINTENANCE	**2,500**	**50.00**	**2,450.00**	**2.00%**
BEACH MAINTENANCE	**1,000**	**-**	**1,000.00**	**0.00%**

See accountant's compilation report

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION INC.
STATEMENT OF BUDGET VERSUS ACTUAL- BUDGETARY BASIS
FOR THE MONTH ENDED NOVEMBER 30, 1998

	BUDGET	ACTUAL	UNDER (OVER)	%
COMMUNITY ACTIVITIES	**1,200**	**-**	**1,200.00**	**0.00%**
CRIME PREVENTION	**1,500**	**3.00**	**1,497.00**	**0.20%**
GROUNDS MAINTENANCE	**2,200**	**-**	**2,200.00**	**0.00%**
POOL- INTEREST	11,351	978.11	10,372.89	8.62%
POOL- PRINCIPLE	4,249	321.71	3,927.29	7.57%
MORTGAGE	**15,600**	**1,299.82**	**14,300.18**	**8.33%**
PLAYGROUND	**2,000**	**-**	**2,000.00**	**0.00%**
ELECTRIC	3,830	53.28	3,776.72	1.39%
ATTENDANT WAGES	5,000	-	5,000.00	0.00%
BATHHOUSE MAINTENANCE	475	-	475.00	0.00%
LIFEGUARD WAGES	11,000	-	11,000.00	0.00%
PAYROLL TAXES	1,600	-	1,600.00	0.00%
POOL EQUIPMENT	1,000	-	1,000.00	0.00%
POOL MAINTENANCE	7,500	-	7,500.00	0.00%
POOL OPERATIONS	**30,405**	**53.28**	**30,351.72**	**0.18%**
TOTAL EXPENSES	**78,675**	**2,669.90**	**76,005.10**	**0**
SURPLUS (DEFICIT)	**-**	**(2,047.28)**	**2,047.28**	

See accountant's compilation report

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION INC.
STATEMENT OF BUDGET VERSUS ACTUAL- BUDGETARY BASIS
FOR THE MONTH ENDED NOVEMBER 30, 1998

	BUDGET	ACTUAL	UNDER (OVER)	%
MARINA FUND				
RAMP & SLIP FEES	13,000	-	13,000.00	0.00%
INTEREST	325	12.77	312.23	3.93%
TOTAL INCOME	**13,325**	**12.77**	**13,312.23**	0.10%
MAINTENANCE	565	51.68	513.32	9.15%
ELECTRIC	1,000	57.92	942.08	5.79%
		-		
INTEREST	7,805	675.90	7,129.10	8.66%
PRINCIPLE	3,955	304.05	3,650.95	7.69%
TOTAL MORTGAGE	**11,760**	**979.95**	**10,780.05**	8.33%
TOTAL EXPENSES	**13,325**	**1,089.55**	**12,235.45**	8.18%
SURPLUS	**-**	**(1,076.78)**	**1,076.78**	

See accountant's compilation report

#41,82

LIBER 45 PAGE 501

RECEIVED FOR RECORD Jan 27, 1959

THIS GIVES 3 PARCELS OF LAND TO GUARANTEED REALTY TO MAKE TSP 46-529

(A)

THIS DEED, Made this 2nd day of January in the year one thousand nine hundred and fifty-nine, by and between David M. Nichols and Olive J. Nichols, his wife of Baltimore City in the State of Maryland, of the first part, and Guaranteed Realty Corporation, a body corporate of the State of Maryland of the second part.

Witnesseth, That in consideration of the sum of Five ($5.00) Dollars and other good and valuable considerations, the receipt of which is hereby acknowledged, the said David M. Nichols and Olive J. Nichols, his wife do grant and convey unto the said Guaranteed Realty Corporation, its successors and assigns, in fee simple, all those three (3) tracts or parcels of land and premises situate and lying in Fourth Election District of Queen Anne's County, State of Maryland, on the east side of the County Road leading from Stevensville to Love Point, and known as the Old Love Point Road.

MISC 0#
RECD FEE 50.00
CHECK/MO 50.00
#270170 C001 R00 T15:01
10/20/89

PARCEL NO. 1

ALL that farm or tract of land known as "FAIRVIEW," "THE SKINNER HOME FARM," "CLOVERFIELD", or by whatsoever other name or names the same may be known, which may be described as follows, according to a survey thereof made by John C. Fisher, Surveyor, under date of October 24th and 28th, 1942, to wit: BEGINNING for the outlines thereof at the southeast corner, being the northeast corner for the John Benton Farm at the low water mark of Chester River, thence binding with the John Benton Land to a point within about 75 feet of the bank, thence north 84 degrees 30 minutes west 1230 feet to a stake, thence south 6 degrees 15 minutes west 555 feet to a stake on the bank of an old fence row, thence south 85 degrees 30 minutes west 481 feet to a large fence post, thence with land of Phillip Grollman (being the land hereafter described as Parcel No. 2) north 6 degrees east 190 feet, thence north 11 degrees west 254 feet, thence north 57 degrees 30 minutes west 55 feet, thence north 13 degrees 30 minutes west 198 feet, thence north 16 degrees 30 minutes west 710 feet to a fence post on the south side of a private road, thence with the south side of said road or right of way south 63 degrees 15 minutes west 2298 feet to the east side of the Old County Road leading from Stevensville to Love Point and known as the "Old Love Point Road," thence north 20 feet to the north side of said right of way, thence north 63 degrees 15 minutes east 1687 feet to a fence post, thence north 21 degrees 15 minutes west 1890 feet to a fence post on line of the Henry Grollman land, thence with same south 85 degrees 45 minutes east 1429 feet to a fence post, thence south 85 degrees 15 minutes east 1170 feet to

CLERK, TIMES
1989 OCT 20 PM 3:05
QUEEN ANNE'S COUNTY

THIS AQUIRE LAND TO MAKE UP LIBER [illegible]

P. 504 WE ASSUME HE TRANSFERED DOCKS TO [illegible] REAL,

the aforesaid Chester River, thence continuing the same course to mean low water mark, thence with the mean low water mark of said river to the place of beginning; containing 124 acres of land, more or less.

BEING the same tract of land described in a Deed dated November 5, 1942, recorded among the Land Records of Queen Anne's County in Liber A.S.G. Jr. No. 7 folio 13, from Bessie B. Neavitt unto the Grantors herein.

Two parcels of land, containing in the aggregate 19.6 acres, more or less, were sold off and conveyed from the above described tracts or farm by the said David Monroe Nichols and Olive Jane Nichols, his wife by Deeds recorded among the aforesaid Land Records in Liber A.S.G. Jr. No. 7 at folios 14 and 16. These parcels were later re-acquired by the said Mortgagors by a Deed from Louis O. Faber et ux., dated October 3, 1945, and recorded among the aforesaid Land Records in Liber A.S.G. Jr. No. 12, folio 128, and are, therefore, properly included in the survey description set forth above.

SAVING AND EXCEPTING THEREFROM, NEVERTHELESS, all those parts or parcels of said farm or tract of land which have been sold off and conveyed therefrom by a Deed from David Monroe Nichols and wife unto George H. Barker and Catherine L. Barker, his wife, by Deed dated October 26, 1949, and recorded among the aforesaid Land Records in Liber N.B.W. No. 4 folio 346, and which said parts or parcels are described by a survey thereof made by John C. Fisher, surveyor, on January 16, 1948, as follows:

BEGINNING for the outlines of the first thereof at a stake at the northwest corner of the John Benton Land, thence with same south 84 degrees east 1000 feet to a stake on bank of Chester River, thence continuing on same course to low water mark of said river, thence in a northerly direction 150 feet, thence north 84 degrees west to a post on bank of said river, thence north 84 degrees west 880 feet to a post on the east side of a 20 foot private road, thence with same south 6 degrees 15 minutes west 150 feet to the place of beginning; containing 3.8 acres more or less.

BEGINNING for the outlines of the second thereof at a post on the east side of a 20 foot private road 150 feet north of the corner of the John Benton Land, thence south 84 degrees east 880 feet binding on the lot of ground herein firstly described, to a post on the bank of the Chester River, thence continuing the same course to the low water mark of said river, thence in a northerly direction 150 feet, thence north 84 degrees west to a post on bank of said river, thence north 84 degrees west 792 feet to a post on the east side of a 20 foot private road, thence with same south 6 degrees 15 minutes west 150 feet to the place of beginning; containing 3.6 acres more or less.

TOGETHER with the right and privilege for the use in common with other properties binding thereon of a right of way 20 feet wide for the purposes of ingress and egress to and from the two properties hereinabove described, and the County Road, and described as follows, that is to say:

BEGINNING for the outlines thereof at a stone at the northwest corner of the Phillip Grollman Store, and on the east side of the Old County Road leading to Love Point Wharf, thence with same north 16 degrees 45 minutes west 20 feet to a stake, thence north 83 degrees 30 minutes

east 1092 feet to a stake, thence north 84 degrees 30 minutes east 1102 feet to a stake, thence north 85 degrees 30 minutes east 461 feet to a stake, thence north 6 degrees 15 minutes east 835 feet to a stake, thence south 84 degrees east 20 feet to a stake, thence south 6 degrees 15 minutes west 855 feet to a stake, thence south 85 degrees 30 minutes west 481 feet to a stake, thence south 84 degrees 30 minutes west 1102 feet to a stake, thence north 83 degrees 30 minutes west 1092 feet to the place of beginning. Leaving a net acreage contained in Parcel No. 1 and hereby conveyed as such Parcel No. 1 of 116.6 acres of land, more or less.

PARCEL NO. 2

ALL that lot, tract or parcel of land which may be described as follows, according to a survey thereof made by John C. Fisher, Surveyor, under date of November 2, 1943, as follows:

BEGINNING for the outlines thereof at the northwest corner for this land and at the south side of a 20 foot right of way and in the center of the County Road above referred to, thence with the center of said County Road south 17 degrees 15 minutes east 702 feet to the corner of other land of Phillip Grollman, thence with same (and with Parcel No. 3 hereafter described) north 83 degrees 15 minutes east 1097 feet to a stone, thence north 84 degrees 30 minutes east 1102 feet to a fence post, thence with Parcel No. 1 above described, north 6 degrees east 190 feet, north 11 degrees west 254 feet, north 57 degrees 30 minutes west 55 feet, north 13 degrees 30 minutes west 198 feet, north 16 degrees 30 minutes west 710 feet to the south side of a 20 foot right of way, thence with same, south 63 degrees 15 minutes west 2298 feet to the place of beginning. Containing 53.7 acres of land, more or less.

BEING the same tract or lot of land described in a Deed dated December 29, 1943, and recorded among the Land Records of Queen Anne's County in Liber A.S.G. Jr. No. 9 folio 112, from Phillip Grollman unto the Grantors herein.

PARCEL NO. 3

ALL that farm or tract of land known as "CLOVERFIELD," "THE CARODINE FARM," "THE RACE TRACK FARM," "THE NANNIE M. LEGG FARM," or by whatsoever other name or names the same may be called or known, which is described according to a survey thereof made by John C. Fisher, Surveyor, on November 14th and 17th, 1944 as follows:

BEGINNING for the outlines thereof in the center of the Old Love Point Road and at the southwest corner of the Phillip Grollman Store Lot, thence with the center of said road south 16 degrees 45 minutes east 821 feet to a curve in said road, thence south 28 degrees 30 minutes west 2640 feet to the northwest corner of the Colored Church Lot, thence with same south 58 degrees 45 minutes east 577 feet to the center of a County Road, thence with same the three following courses, north 68 degrees 45 minutes east 261 feet, north 77 degrees east 487 feet, north 60 degrees 15 minutes east 439 feet to the end of said road, thence with the west side of a private road the two following courses, north 50 degrees east 1475 feet to a stake, thence north 66 degrees east 626 feet to a fence post on the east side of a large ditch, thence with the east side of same and land of John Benton, north 15 degrees 45 minutes west 341 feet to a

stake, thence north 1/2 degree east 363 feet to a stake, thence north 7 degrees east 518 feet to a stake, thence leaving said ditch south 86 degrees 30 minutes east 297 feet to a fence post, thence north 6 degrees 15 minutes east 850 feet to a stake, being a corner for Parcel No. 1 above described, thence with same south 85 degrees 30 minutes west 481 feet to a fence post on the south side of a 20 foot right of way (once used in connection with the 19.6 acres portion of Parcel No. 1 prior to its reacquisition by David Monroe Nichols and wife as aforesaid) said last named fence post marking the southeast corner of Parcel No. 2 above described, thence with said Parcel No. 2 south 84 degrees 30 minutes west 1102 feet to a stone, thence south 83 degrees 30 minutes west 972 feet to the northeast corner for the aforesaid Phillip Grollman Store Lot, thence with same south 16 degrees 45 minutes east 50 feet to a stake, thence south 83 degrees 30 minutes west 125 feet to the place of beginning; containing 167.36 acres of land, more or less.

BEING the same tract or lot of land (except for the said Store Lot which is not included in the above description) which was described in a Deed dated December 26, 1944, and recorded among the Land Records of Queen Anne's County in Liber A.S.G. Jr. No. 10 folio 362, from Phillip Grollman unto the Grantors herein.

A tract or parcel of land, from the above mentioned Parcel No. 3, containing 98.9 acres of land, more or less, according to a survey of John C. Fisher, Surveyor, dated May 28, 1948, was sold and conveyed therefrom by deed from David M. Nichols and Olive J. Nichols, his wife to J. Benjamin Bright and Jean A. Bright, his wife, by deed dated June 25, 1948, and recorded among the Land Records of Queen Anne's County in Liber N.B.W. No. 1 folio 108. The said J. Benjamin Bright and Jean A. Bright, his wife, re-conveyed said parcel unto David M. Nichols and Olive J. Nichols, his wife, by deed dated the 27th day of November, 1951, recorded among the Land Records aforesaid in Liber T.S.P. No. 3 folio 376, and therefore, the above mentioned tract or parcel is properly included in the survey description above set forth.

337.66
98.9
238.76

The above 3 parcels of land contain an aggregate of 337.66 acres of land, more or less.

DOES THIS INCLUDE THE DOCK & BLINDS?

Together with the buildings and improvements thereupon erected, made or being and all and every the rights, alleys, ways, waters, privileges, appurtenances and advantages, to the same belonging, or anywise appertaining.

To have and to hold the said lots of ground and premises, above described and mentioned, and hereby intended to be conveyed; together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining unto and to the proper use and benefit of the said Guaranteed Realty Corporation, its successors and assigns, in fee simple.

And the said parties of the first part hereby covenant that they have not done or suffered to be done any act, matter or thing whatsoever, to encumber the property hereby conveyed; that they will warrant specially the property granted and that they will execute such further assurances of the same as may be requisite.

WITNESS the hands and seals of said grantors

TEST:

David M. Nichols (SEAL)
David M. Nichols

Dorothy C. Sipes
DOROTHY C. SIPES

Olive J. Nichols (SEAL)
Olive J. Nichols

STATE OF MARYLAND, CITY OF BALTIMORE, to wit:

I HEREBY CERTIFY, That on this 2nd day of January in the year one thousand nine hundred and fifty-nine, before me, the subscriber, a Notary Public of the State of Maryland, in and for Baltimore City aforesaid, personally appeared David M. Nichols and Olive J. Nichols his wife the above named grantors, and they acknowledged the foregoing Deed to be their act.

AS WITNESS my hand and Notarial Seal.

Dorothy [illegible]

ORIGINAL RESTRICTIONS (1)

#1 #42,063 T.S.P. LIBER 46 PAGE 529 ** SEE NOTES ON 529, 533, 535. THIS ESTABLISHED THE LAND AND RESTRICTIONS.

RECEIVED FOR RECORD Mar 26, 1959

THIS DEED, Made this 25th day of March, 1959, by and between GUARANTEED REALTY CORPORATION, a body corporate, duly incorporated under the laws of the State of Maryland, party of the first part, AURORA FEDERAL SAVINGS AND LOAN ASSOCIATION, a body corporate, duly incorporated under the laws of the U. S. of America, Mortgagee, party of the second part, FEDERATED CORPORATION OF MARYLAND, a body corporate, duly incorporated under the laws of the State of Maryland, Mortgagee, party of the third part, BART INVESTORS CORP., a body corporate, duly incorporated under the laws of the State of New York, Mortgagee, party of the fourth part, and HELEN B. RYAN, Unmarried, of the City of Baltimore, State of Maryland, party of the fifth part, hereinafter called "Grantee".

WHEREAS, the Guaranteed Realty Corporation is the owner of all of the lands hereinafter described, and the parties of the second, third, and fourth parts are the holders of mortgages on part or all of the lands hereinafter described; and said Guaranteed Realty Corporation intends to subdivide all of the property hereinafter described, said subdivision to be known as "Cloverfields", and it is the desire of the parties to this deed, including the party of the fifth part, to impose the restrictions, covenants, conditions, and agreements hereinafter set forth. NOTE

WITNESSETH, That for and in consideration of the sum of Five Dollars ($5.00) and other good and valuable considerations, the receipt whereof is hereby acknowledged, the said Guaranteed Realty Corporation does grant and convey unto the said Helen B. Ryan, Unmarried, her heirs, personal representatives and assigns, in fee simple, all those lots or parcels of ground situate, lying and being in the Fourth Election District of Queen Anne's County, State of Maryland, to wit: and described as follows: WHO IS THIS

BEGINNING FOR THE FIRST: ALL That farm or tract of land known as "FAIRVIEW", "THE SKINNER HOME FARM," "CLOVERFIELD," or by whatsoever other name or names the same may be known, which may be described as follows; according to a survey thereof made by John C. Fisher, Surveyor, under date of October 24th and 28th, 1942, to wit:

BEGINNING for the outlines thereof at the southeast corner, being the northeast corner for the John Benton Farm at the low water mark of Chester River, thence binding with the John Benton Land to a point within about 75 feet of the bank, thence north 84 degrees 30 minutes west 1230 feet to a stake, thence south 6 degrees 15 minutes west 555 feet to a stake on the bank of an old fence row, thence south 85 degrees 30 minutes west 481 feet to a large fence post, thence with land of Phillip Grollman (being the land hereafter described as Parcel No. 2) north 6 degrees east 190 feet thence north 11 degrees west 254 feet, thence north 57 degrees 30 minutes west 55 feet, thence north 13 degrees 30 minutes west 198 feet, thence north 16 degrees 30 minutes west 710 feet to a fence post on the south side of a private road, thence with the south side of said road or right of way south 63 degrees 15 minutes west 2298 feet to the east side of the old County Road leading from Stevensville to Love Point and known as the "Old Love Point Road," thence north 20 feet to the north side of said right of way, thence north 63 degrees 15 minutes east 1687 ft. to a fence post, thence north 21 degrees 15 minutes west 1890 feet to a fence post on line of the Henry Grollman Land, thence with same south 85 degrees

45 minutes east 1429 feet to a fence post, thence south 85 degrees 15 minutes east 1170 feet to the aforesaid Chester River, thence continuing the same course to mean low water mark, thence with the mean low water mark of said river to the place of beginning; containing 124 acres of land, more or less.

NICHOLS GAVE TO GUAR-REAL,

BEING the same tract of land described in a deed dated January 2, 1959, from David M. Nichols and Olive J. Nichols, his wife, to Guaranteed Realty Corporation, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 45, folio 501.

SAVING AND EXCEPTING THEREFROM, NEVERTHELESS, all those parts or parcels of said farm or tract of land which have been sold off and conveyed therefrom by a Deed from David Monroe Nichols and wife unto George H. Barker and Catherine L. Barker, his wife, by Deed dated October 26, 1949, and recorded among the aforesaid Land Records in Liber N.B.W. No. 4, folio 346, and which said parts or parcels are described by a survey thereof made by John C. Fisher, Surveyor, on January 16, 1948, as follows:

BEGINNING for the outlines of the first thereof at a stake at the northwest corner of the John Benton Land, thence with same south 84 degrees east 1000 feet to a stake on bank of Chester River, thence continuing on same course to low water mark of said river, thence in a northerly direction 150 feet, thence north 84 degrees west to a post on bank of said river, thence north 84 degrees west 850 feet to a post on the east side of a 20 foot private road, thence with same south 6 degrees 15 minutes west 150 feet to the place of beginning; containing 3.8 acres more or less.

BEGINNING for the outlines of the second thereof at a post on the east side of a 20 foot private road 150 feet north of the corner of the John Benton Land, thence south 84 degrees east 880 feet binding on the lot of ground herein firstly described, to a post on the bank of the Chester River, thence continuing the same course to the low water mark of said river, thence in a northerly direction 150 feet, thence north 84 degrees west to a post on bank of said river, thence north 84 degrees west 792 feet to a post on the east side of a 20 foot private road, thence with same south 6 degrees 15 minutes west 150 feet to the place of beginning; containing 3.6 acres, more or less.

TOGETHER with the right and privilege for the use in common with other properties binding thereon of a right of way 20 feet wide for the purposes of ingress and egress to and from the two properties hereinabove described, and the County Road, and described as follows, that is to say:

BEGINNING for the outlines thereof at a stone at the northwest corner of the Phillip Grollman Store, and on the east side of the Old County Road leading to Love Point Wharf, thence with same north 16 degrees 45 minutes west 20 feet to a stake, thence north 83 degrees 30 minutes east 1092 feet to a stake, thence north 84 degrees 30 minutes east 1102 feet to a stake, thence north 85 degrees 30 minutes east 461 feet to a stake, thence north 6 degrees 15 minutes east 835 feet to a stake, thence south 84 degrees east 20 feet to a stake, thence south 6 degrees 15 minutes west 855 feet to a stake, thence south 85 degrees 30 minutes west 481 feet to a stake, thence south 84 degrees 30 minutes west 1102 feet to a stake, thence north 83 degrees 30 minutes west 1092 feet to the place of beginning. Leaving a net acreage contained in Parcel No. 1 and hereby conveyed as such Parcel No. 1 of 116.6 acres of land, more or less.

BEGINNING FOR THE SECOND: ALL That lot, tract or parcel of land which may be described as follows, according to a survey thereof made by John C. Fisher, Surveyor, under date of November 2, 1943, as follows:

BEGINNING for the outlines thereof at the northwest corner for this land and at the south side of a 20 foot right of way and in the center of the County Road above referred to, thence with the center of said County Road south 17 degrees 15 minutes east 702 feet to the corner of other land of Phillip Grollman, thence with same (and with Parcel No. 3 hereafter described) north 83 degrees 15 minutes east 1097 feet to a stone, thence north 84 degrees 30 minutes east 1102 feet to a fence post, thence with Parcel No. 1 above described, north 6 degrees east 190 feet, north 11 degrees west 254 feet, north 57 degrees 30 minutes west 55 feet, north 13 degrees 30 minutes west 198 feet, north 16 degrees 30 minutes west 710 feet to the south side of a 20 foot right of way, thence with same, south 63 degrees 15 minutes west 2298 feet to the place of beginning; containing 53.7 acres of land, more or less.

BEING the same tract of land described in a deed dated January 2, 1959, from David M. Nichols and Olive J. Nichols, his wife, to Guaranteed Realty Corporation, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 45, folio 501.

BEGINNING FOR THE THIRD: ALL That farm or tract of land known as "CLOVERFIELD," "THE CARODINE FARM," "THE RACE TRACK FARM," "THE NANNIE M. LEGG FARM," or by whatsoever other name or names the same may be called or known, which is described according to a survey thereof made by John C. Fisher, Surveyor, on November 14th and 17th, 1944, as follows:

BEGINNING for the outlines thereof in the center of the Old Love Point Road and at the southwest corner of the Phillip Grollman Store Lot, thence with the center of said road south 16 degrees 45 minutes east 821 feet to a curve in said road, thence south 28 degrees 30 minutes west 2640 feet to the northwest corner of the Colored Church Lot, thence with the same south 58 degrees 45 minutes east 577 feet to the center of a County Road, thence with same the three following courses, north 68 degrees 45 minutes east 261 feet, north 77 degrees east 487 feet, north 60 degrees 15 minutes east 439 feet to the end of said road, thence with the west side of a private road the two following courses, north 50 degrees east 1475 feet to a stake, thence north 66 degrees east 626 feet to a fence post on the east side of a large ditch, thence with the east side of same and land of John Benton, north 15 degrees 45 minutes west 341 feet to a stake, thence north 1/2 degree east 363 feet to a stake, thence north 7 degrees east 518 feet to a stake, thence leaving said ditch south 86 degrees 30 minutes east 297 feet to a fence post, thence north 6 degrees 15 minutes east 850 feet to a stake, being a corner for Parcel No. 1 above described, thence with same south 85 degrees 30 minutes west 481 feet to a fence post on the south side of a 20 foot right of way (once used in connection with the 19.6 acres portion of Parcel No. 1 prior to its reacquisition by David Monroe Nichols and wife as aforesaid) said last named fence post marking the southeast corner of Parcel No. 2 above described, thence with said Parcel No. 2 south 84 degrees 30 minutes west 1102 feet to a stone, thence south 83 degrees 30 minutes west 972 feet to the northeast corner for the aforesaid Phillip Grollman Store Lot, thence with the same south 16 degrees 45 minutes east 50 feet to a stake, thence south 83 degrees 30 minutes west 125 feet to the place of beginning; containing 167.36 acres of land, more or less.

BEING the same tract of land described in a deed dated January 2, 1959, from David M. Nichols and Olive J. Nichols, his wife, to Guaranteed Realty Corporation, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 45, folio 501.

The above three parcels of land contain an aggregate of 337.66 acres of land, more or less.

BEGINNING FOR THE FOURTH: ALL That tract of land located in the Fourth Election District of Queen Anne's County, Maryland, bounded on the north by Chester River Road, on the east by the property of A. Grollman and other lands of David M. Nichols and Olive J. Nichols, on the south by other lands of David M. Nichols and Olive J. Nichols, and on the west by the following properties: T. Walter White, et al, Old Love Point Road and John W. Hawkins and Audrey V. Hawkins and more particularly described as follows:

1. BEGINNING AT A POINT on Chester River Road where the south right of way line of Chester River Road intersects the east property line of the adjoining John W. Hawkins, et ux., property (established by the James H. Ludlow Associates survey of April, 1957); said point of beginning being north 77 degrees 16 feet east a distance of 751.09 feet from the point of intersection of the south right of way line of Chester River Road with the east right of way line of Old Love Point Road (the present right of way of each road being 50 feet in width); said point of beginning also marking the northeast corner of the John W. Hawkins et ux. property, and the northwest corner of the tract being described:

2. Thence north 77 degrees 16 feet east a distance of 776.40 feet to a point in the center of the drainage ditch dividing the tract being described from the land of A. Grollman;

3. Thence leaving the south right of way line of Chester River Road and turning south along the centerline of the above mentioned drainage ditch the following two courses (established by the James H. Ludlow Associates survey of April, 1957):

a. South 19 degrees 10 feet east a distance of 529.88 feet,
b. South 25 degrees 58 feet east a distance of 150.85 feet to an iron pipe in the bottom of above mentioned drainage ditch marking the southwest corner of the adjoining A. Grollman property, and the northwest corner of other lands (Cloverfield Farm) of David M. Nichols and Olive J. Nichols, his wife.

4. Thence South 21 degrees 19 feet east a distance of 1831.80 feet to an iron pipe marking the southeast corner of the tract being described; this course marking the line of division between the tract being described and other lands of David M. Nichols and Olive J. Nichols, his wife (Cloverfield Farm) the location of said line of division having been established by the James H. Ludlow Associates survey of April, 1957;

5. Thence south 67 degrees 21 feet west a distance of 1117.80 feet to an iron pipe marking the southwest corner of the tract being described;

6. Thence north 14 degrees 50 feet west a distance of 422.61 feet to an iron pipe corner marker;

7. Thence north 84 degrees 53 feet west a distance of 579.51 feet to a point on the east right of way line of Old Love Point Road;

8. Thence following the east right of way line of Old Love Point Road North 18 degrees 35 feet west a distance of 54.61 feet to an iron pipe corner marker;

9. Thence leaving the east right of way line of Old Love Point Road and turning south 84 degrees 53 feet east a distance of 579.51 feet to an iron pipe corner marker;

10. Thence north 71 degrees 25 feet east a distance of 200.00 feet to an iron pipe corner marker;

11. Thence north 18 degrees 35 feet west a distance of 2190.89 feet to a point on the south right of way line of Chester River Road, this being the place first mentioned and point of beginning. The above tract of land as described contains 51.88 acres, more or less.

BEING all of the same lands conveyed by Charles B. Kelly and Mary A. Kelly, his wife, to Guaranteed Realty Corporation, by Deed recorded among the Land Records of Queen Anne's County on January 22, 1959, in Liber T.S.P. No. 45, folio 498.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lots or parcels of land and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said Grantee, her heirs, personal representatives and assigns, in fee simple, forever, SUBJECT, HOWEVER, to the following restrictions, conditions, covenants, and agreements:—

HELEN B RYAN

NOTE W

1. All lots in Cloverfields shall be for residential use only and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with private garage and other structures appurtenant to the main residence or to be used in connection therewith and on no lot shall there be more than one main dwelling and on no lot shall more than one family occupy the main dwelling or any structure appurtenant thereto. The main dwelling or residence on any lot shall have a setback from the front line of said lot to be determined by Guaranteed Realty Corporation when the Owner submits his building plans for approval as required by Restriction No. 2. The main dwelling shall have setbacks from the dividing lines at least ten (10) feet from each side, and a setback from the rear line of at least ten (10) feet. The term "front line" shall be determined by Guaranteed Realty Corporation at the time building plans are submitted for approval.

1-A. The right to construct, maintain and use water fowl or duck blinds in or upon waters adjacent to and bordering said development hereby is reserved fully and exclusively to Guaranteed Realty Corporation, its successors and licensees. No such right shall accrue by reason of purchase or otherwise to any Owner of lots in said development. Upland game hunting by lot Owners is strictly prohibited in said development.

2. No residence, dwelling, garage or other structure appurtenant to the residence shall be erected or built on said land, nor shall any addition to or change or alteration therein be made, until the plans and specifications for such structure or alterations and location thereof are submitted to and approved by Guaranteed Realty Corporation, or its successors in the ownership or development of the entire tract, or its duly authorized agents. Written permission must be obtained from Guaranteed Realty Corporation to construct or maintain fences, walls, hedges, buildings, piers, boathouses, bulkheads, bathhouses, and outbuildings.

3. All detached garages and other outbuildings of any kind whatsoever shall be in the rear of the dwelling but shall not be within ten (10) feet of the rear boundary of the lot nor within ten (10) feet of the dividing lines of said lot.

4. No trees shall be cut and no excavations shall be made on the premises except for the purpose of building thereon and at the time when the building operations are commenced and no earth or sand shall be removed from said premises except as a part of such excavations.

5. Free and open spaces shall be left on both sides and to the rear and to the front of every building, structure, dwelling, or part thereof, erected on the said lot, which free and open spaces shall extend the full length of all lots and shall be not less than ten (10) feet in width from the dividing lines from the front and from the rear of said lots.

6. No privy of any kind shall be allowed on said property, but each house shall have inside toilets with adequate water supply and septic tank installation for disposal of sewage approved by the Maryland State Board of Health.

7. No noxious or offensive trade shall be carried on or upon any lot nor shall anything be done or kept thereon which may be or become any annoyance or nuisance to the neighbors.

8. No trailer, basement, tent, shack, garage, barn or other out-building erected on the tract shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.

9. In order to preserve or improve the views of land and water, hills and valleys, obtainable on and from the various lots shown on the said plat, and to promote the free movement of breezes and prevent the harboring places for flies, mosquitos and other insects, Guaranteed Realty Corporation reserves the right to trim any trees or shrubbery now or hereafter standing in said tract which may, in its opinion, destroy or interfere with such views or the free movement of breezes, or furnish harboring places for flies, mosquitos or other insects.

10. The land hereby conveyed shall, in respect to that part of it which comprises the beds of roads contained in said subdivision or bordering thereo be subject to an easement in favor of the Owners and occupants of lots and houses bordering other parts of the said road or roads in respect to the free and common use of the said road or roads, both for the purpose of passage to and from and for the laying or erecting of water pipes, gas pipes, electric poles or other public utilities to be used in common by the Owners and/or occupants of the entire tract, and further, that the Owners or Owner of any lot will join in a petition to the proper governmental authorities, that these roads be taken over by the County as public roads under a proper deed of dedication to be signed by such Owner or Owners at such time when two-thirds of the Owners of the lots along such road or roads shall demand.

11. Guaranteed Realty Corporation hereby reserves the right in its absolute discretion at any time to annul, waive, change or modify any of the restrictions, covenants, conditions, agreements or provisions contained herein, as to any part of said tract then owned, and with the consent of the Owner as to any other land included in said tract; and to grade, change the grade of, or regrade any street, road or lane shown on said plat, and shall have the further right before a sale to change the size of, locate or relocate any of the lots shown on the said plat.

12. Easements and rights of way are hereby expressly reserved in and over the strips of ground five feet in width along the front and rear lines of the lots for the purpose of erecting, constructing and maintaining wires and the necessary or proper attachments in connection therewith for the transmission of electricity and for telephones and other public utilities or functions, and the Guaranteed Realty Corporation, its successors or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth.

13. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by the Guaranteed Realty Corporation or the Owner of any land included in said tract, their respective personal representatives, heirs, successors, and assigns. Failure by the Guaranteed Realty Corporation or any land Owner to enforce any restriction, condition, covenant, or agreement herein contained shall in no event be deemed a waiver of the right to do so thereafter to one occurring prior or subsequent thereto; and the declared invalidity of any one or more of the provisions herein shall not affect the validity of the others.

14. Any or all of the rights and powers, titles, easements and estates reserved or given to the Guaranteed Realty Corporation in this agreement may be assigned to any one or more corporations or associations that will agree to assume the enforcement of said rights, powers, duties and obligations and carry out and perform the same. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purposes of evidencing its acceptance of such rights and powers; and such assignee or transferee shall thereupon have the same rights and powers and be subject to the same obligations and duties as are herein given to and assumed by the Guaranteed Realty Corporation, said Corporation thereupon being released therefrom.

15. Guaranteed Realty Corporation or its successor, in the enforcement of these restrictions, shall be entitled to collect from the Contract Purchaser or the Owner of any lot in Cloverfields a sum not to exceed Twenty Dollars ($20.00) per year for each and every lot sold, accounting from January 1, 1960; said sum to be used for the management, supervision, and maintenance of the recreational facilities at Cloverfields.

NOTE

At such time as Guaranteed Realty Corporation or its successor shall form an association of the Purchasers and Owners of the lots in this subdivision for the purpose of taking title to and operating the recreational facilities, each Purchaser or Owner expressly agrees to join and maintain membership in such association and to accept and abide in all rules and regulations for the conduct of such association.

Guaranteed Realty Corporation or its successors, however, reserves the right to the management, supervision and control of all of the facilities at Cloverfields, recreational and otherwise, until such time as seventy-five percent (75%) of all of the lots in Cloverfields have been sold.

AND the said Guaranteed Realty Corporation will warrant specially the property hereby granted and conveyed, and it will execute such further assurances of the same as may be requisite.

THE parties of the second part, third part, and fourth part, Mortgagees, join in the execution of this Deed for the purpose of consenting to the imposition of the above recited restrictions, covenants, conditions, and agreements, on the property named herein, which is covered by their respective mortgages.

NOTE

WITNESS the hand of David M. Nichols, President of Guaranteed Realty Corporation, a body corporate, duly incorporated under the laws of the State of Maryland, and its corporate seal hereto affixed, both duly attested.

WITNESS: GUARANTEED REALTY CORPORATION

Rose L. Kulmer By: [signature] President

WITNESS the hand of John L. Fisher, President of Aurora Federal Savings and Loan Association, a body corporate, duly incorporated under the laws of the U. S. of America, and its corporate seal hereto affixed, both duly attested.

WITNESS: AURORA FEDERAL SAVINGS AND LOAN ASSOCIATION

Elsie Curtis By: [signature] President

Elsie Curtis John L. Fisher

WITNESS the hand of JOSEPH BLAU, President of Federated Corporation of Maryland, a body corporate, duly incorporated under the laws of the State of Maryland, and its corporate seal hereto affixed, both duly attested.

WITNESS: FEDERATED CORPORATION OF MARYLAND

[signature] By: [signature] President

WITNESS the hand of LOUIS L. ALTMAN, President of Bart Investors Corp., a body corporate, duly incorporated under the laws of the State of New York, and its corporate seal hereto affixed, both duly attested.

WITNESS: BART INVESTORS CORP.

[signature] By: [signature] President

STATE OF , to wit:

CITY ~~OR COUNTY~~ OF Baltimore

I HEREBY CERTIFY, That on this 20th day of March, 1959, before me, the subscriber, a Notary Public of the State of Maryland, in and for the City or County aforesaid, personally appeared David M. Nichols, President of Guaranteed Realty Corporation, a body corporate, duly incorporated under the laws of the State of Maryland, the above named Grantor, and he made oath in due form of law that the above deed is the act of said body corporate.

WITNESS my hand and Notarial Seal.

Rose L. Kulmer
NOTARY PUBLIC

LIBER 46 PAGE 537

STATE OF Maryland
to wit:
CITY OR COUNTY OF Baltimore ,

I HEREBY CERTIFY, That on this 26th day of March, 1959, before me, the subscriber, a Notary Public of the State of Maryland, in and for the City or County aforesaid, personally appeared John L. Fisher, President of Aurora Federal Savings and Loan Association, a body corporate, duly incorporated under the laws of the U. S. of America, the within named Mortgagee, and he made oath in due form of law that the above deed is the act of said body corporate.

WITNESS my hand and Notarial Seal.

ELSIE CURTIS
NOTARY PUBLIC
BALTIMORE MD.

Elsie Curtis
NOTARY PUBLIC
Elsie Curtis
My commission expires May 4, 1959

STATE OF New York,
to wit:
CITY OR COUNTY OF Westchester,

I HEREBY CERTIFY, That on this 24th day of MARCH, 1959, before me, the subscriber, a Notary Public of the State of NEW YORK, in and for the City or County aforesaid, personally appeared JOSEPH BLAU, President of Federated Corporation of Maryland, a body corporate, duly incorporated under the laws of the State of Maryland, the within named Mortgagee, and he made oath in due form of law that the above deed is the act of said body corporate.

WITNESS my hand and Notarial Seal.

NOTARY PUBLIC
WILLIAM D. CROLL
NOTARY PUBLIC, State of New York
No. 03-[illegible]
Qualified in Bronx County
Cert. Filed in Westchester County
Term Expires March 30, 195[illegible]

STATE OF New York ,
to wit:
CITY OR COUNTY OF Westchester

I HEREBY CERTIFY, That on this 24TH day of MARCH, 1959, before me, the subscriber, a Notary Public of the State of New York, in and for the City or County aforesaid, personally appeared Louis L. ALTMAN, President of Bart Investors Corp., a body corporate, duly incorporated under the laws of the State of New York, the within named Mortgagee, and he made oath in due form of law that the above deed is the act of said body corporate.

WITNESS my hand and Notarial Seal.

NOTARY PUBLIC
WILLIAM D. CROLL
NOTARY PUBLIC, State of New York
No. 03-[illegible]
Qualified in Bronx County
Cert. Filed in Westchester County
Term Expires March 30, 195[illegible]

ASSIGNMENT recorded in Liber C.W.C. No. 14, folio 505, a Land Record for Queen Anne's County.

~~ATTEST: [illegible]~~
~~THURMAN T. JEFFERSON, CASHIER~~

EX

LIBER 52 PAGE 393

RECREATION AREA

(3)

#43,597
RECEIVED FOR RECORD Dec 18, 1959

THIS DEED, Made this 11th day of December, 1959, by and between GUARANTEED REALTY CORPORATION, a body corporate of the State of Maryland, party of the first part, hereinafter called Grantor; and CLOVERFIELDS CLUB, INC., a body corporate of the State of Maryland, party of the second part, hereinafter called Grantee.

WITNESSETH, That for and in consideration of the sum of Five Dollars ($5.00), and other good and valuable considerations, the receipt whereof is hereby acknowledged, the said party of the first part, Guaranteed Realty Corporation, does hereby grant and convey unto the said party of the second part, Cloverfields Club, Inc., its successors and assigns, in fee simple, the following described real estate, to wit:

PARCEL NO. 1

ALL That lot or parcel of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, and more particularly described as follows, to wit:

BEGINNING for the same on the southernmost line of Nichols Manor Drive 50 feet wide as shown on Plat 4 of Cloverfields recorded among the Land Records of Queen Anne's County, Maryland, in Liber T.S.P. No. 47, folio 57, 131.15 feet easterly from the end of a curve to the right connecting the easternmost line of Petinot Place with said southernmost line of Nichols Manor Drive said point of beginning also being the northernmost corner of Lot 1, Block G, shown on aforesaid Plat 4 of Cloverfields and running thence binding along said southernmost line of Nichols Manor Drive the three following courses and distances:

(1) North 44 degrees 30' 30" East 180.57 feet,

(2) 277.35 feet by the arc of a curve to the right having a radius of 377.08 feet, and

(3) North 86 degrees 39' 00" East 471.36 feet, thence 47.66 feet by the arc of a curve to the right having a radius of 25 feet to the westernmost line of Monroe Manor Road 50 feet wide, thence binding along said westernmost line of Monroe Manor Road South 15 degrees 52' 10" West 59.95 feet, thence leaving said westernmost line of Monroe Manor Road South 68 degrees 22' 10" West 793.48 feet to the easternmost corner of said Lot 1, Block G, thence binding along the northeasternmost line of said lot North 45 degrees 29' 30" West 161.98 feet to the place of beginning, containing 3.764 acres of land, more or less.

BEING a part of the same lands conveyed by deed dated January 2, 1959, from David M. Nichols and Olive J. Nichols, his wife, unto the Grantor named herein, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 45, folio 501.

PARCEL NO. 2

ALL That lot or parcel of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, and more particularly described as follows, to wit:

BEGINNING for the same on the easternmost side of Monroe Manor Road where it is intersected by the northernmost line of Lot No. 33, Block H, shown on Plat No. 4 of Cloverfields, recorded among the Land Records of Queen Anne's County, Maryland, in Liber T.S.P. No. 47, folio 57, and running thence binding along the easternmost line of Monroe Manor Road in a northerly direction the three following courses and distances, viz.:

(1) 386.81 feet by the arc of a curve to the left having a radius of 400.71 feet,

(2) North 47 degrees 35' 20" West 64.77 feet, and

(3) 123.34 feet by the arc of a curve to the right having a radius of 793.51 feet to the southwesternmost corner of Lot 84, Block B, shown on the aforementioned plat, thence binding along the southernmost outline of said Lot No. 84 South 85 degrees 21' 00" East 226.57 feet and North 66 degrees 09' 00" East 195.00 feet to the waters of the Chester River, thence binding along the waters of the Chester River the four following courses and distances, viz.:

(1) South 28 degrees 09' 45" East 207.74 feet,

(2) South 66 degrees 00' 00" East 140.00 feet,

(3) South 27 degrees 00' 00" West 120.00 feet, and

(4) South 12 degrees 17' 00" East 74.13 feet to the northernmost line of Lot 35, Block H, shown on the aforementioned Plat No. 4 of Cloverfields, thence binding along the northernmost lines of Lots 33, 34 and 35, Block H, South 69 degrees 30' 00" West 355.00 feet to the place of beginning, containing 3.758 acres of land, more or less, including the Boat Basin.

SUBJECT TO a 20 foot Right of Way for use in common with others entitled thereto, north of, adjacent, contiguous and parallel to the last line of the above description; subject also to a Right of Way for use in common with others entitled thereto, located at the northwesternmost corner of the above described parcel of land and more particularly described as follows:

BEGINNING for the same at the end of the third line of the above described parcel of land said point lying on the easternmost line of Monroe Manor Road at its intersection with the southernmost line of Lot No. 84, Block B, shown on Plat No. 4 of Cloverfields recorded as aforesaid and running thence binding along part of the fourth line of the above description South 85 degrees 21' 00" East 4.93 feet, thence South 22 degrees 47' 40" West 4.05 feet to intersect the third line of the above described parcel of land 5.32 feet from the end thereof, thence in a northwesterly direction binding along the easternmost line of Monroe Manor Road and along part of the third line of the above described parcel of land 5.32 feet by the arc of a curve to the right having a radius of 793.51 feet to the place of beginning.

BEING all that land indicated as Boat Basin Recreation Area on Plat No. 4 of Cloverfields recorded among the Land Records of Queen Anne's County, Maryland, in Liber T.S.P. No. 47, folio 57.

BEING FURTHER a part of the same lands conveyed by deed dated January 2, 1959, from David M. Nichols and Olive J. Nichols, his wife, unto the Grantor named herein, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 45, folio 501.

SUBJECT, Nevertheless, to the restrictive covenants and conditions contained in a deed from Guaranteed Realty Corporation to Helen B. Ryan, dated the 26th day of March, 1959, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 46, folio 529, said restrictive covenants and conditions being hereby incorporated in this deed by reference as a part hereof, as is evidenced by the execution of these presents and by the acceptance by the Grantee of its delivery.

"ITS" STATING THE RESTRICTIONS

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lots or parcels of land and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said party of the second part, Cloverfields Club, Inc., its successors and assigns, in fee

simple, forever.

, 1959 52 PAGE 395

AND the said party of the first part does hereby covenant that it has not done or suffered to be done any act, matter or thing whatsoever, to encumber the property hereby conveyed; that it will warrant specially the property hereby granted and conveyed; and that it will execute such further assurances of the same as may be requisite.

WITNESS:

GUARANTEED REALTY CORPORATION

Rose T. Kulmes

By: David M. Nichols

David M. Nichols, President

ATTEST:

(Place Corporate Seal here)

William R. Nichols, Secretary

STATE OF MARYLAND
CITY ~~OR COUNTY~~ OF Baltimore, to wit:

I HEREBY CERTIFY. That on this 11th day of December, 1959, before me, the subscriber, a Notary Public of the State of Maryland, in and for the City or County aforesaid, personally appeared David M. Nichols, President of Guaranteed Realty Corporation, a body corporate of the State of Maryland, the above named Grantor, and he made oath in due form of law that the above deed is the act of said body corporate.

WITNESS my hand and Notarial Seal.

Rose T. Kulmes
Notary Public

Tax 48601 RECREATION AREA ... THE RIGHT TO MANAGE ONLY. LAT

R. 61963 RECEIVED FOR RECORD Nov 5 1962

THE LAND WENT TO CIA IN (#8) TSP-14-499

#7

TSP LIBER 69 PAGE 96

ASSIGNMENT

This assignment made this 3rd day of November, 1962, by and between Cloverfields Club, Inc., a body corporate of the State of Maryland, and party of the first part and Cloverfields Improvement Association, Inc., a body corporate of the State of Maryland, party of the second part.

WITNESSETH:

That in consideration of the sum of $5.00 and other valuable considerations Cloverfields Club, Inc. party of the first part does hereby grant and assign unto Cloverfields Improvement Association, Inc. party of the second part, all of its right, title, interest and estate in the operation and maintenance of club and recreational facilities in the development known as Cloverfields and the right to collect the annual maintenance fee provided for in the restrictive covenants heretofore recorded with reference to the said development of Cloverfields as the same have been previously set forth in favor of Cloverfields Club Inc., party of the first part in a deed from Guaranteed Realty Corporation, et al to B. Bently Bell and Associates, Inc. dated September 19, 1961, and recorded among the land records of Queen Annes County on September 20, 1961. TSP 62-377

And in consideration of the sum of $5.00 and other valuable considerations the said Cloverfields Improvement Association, Inc., party of the second part, agrees to operate and maintain the said club and recreational facilities and to perform all the obligations and duties concerned in the management, supervision and maintenance of the said facilities for the benefit of the purchasers and owners of lots in said development.

WITNESS the seal of Cloverfields Club, Inc. and the signature of its president and the seal of Cloverfields Improvement Association, Inc. and the signature of its president the day and year first above written.

WITNESS:

[signature]
Secretary

[signature]
Secretary

CLOVERFIELDS CLUB, INC.

By [signature]
David M. Nichols, President

CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC.

By [signature]
Ralph Harris, President

RALPH HARRIS

SEE CONFIRMATORY DEED 14-499 FROM SHIMMEL

#10-D

THIS IS THE BOTTOM TOP OF PAGE 96.

STATE OF MARYLAND
COUNTY OF QUEEN ANNES

TO WIT:

I, the undersigned, a Notary Public of the State of Maryland, hereby certify that on this 3rd day of November, 1962,

personally appeared before me David W. Nichols, President of Cloverfields Club, Inc. and acknowledged the foregoing assignment to be the act and deed of the said corporation and further acknowledged that he is duly authorized to execute the same and to make this acknowledgment.

Ruth B. Smith
Notary Public

STATE OF MARYLAND
COUNTY OF QUEEN ANNES

TO WIT:

I, the undersigned, a Notary Public of the State of Maryland, hereby certify that on this 27 day of November, 1962, personally appeared before me Ralph Harris, President of Cloverfields Association, Inc., and acknowledged the foregoing assignment to be the act and deed of the said corporation and further acknowledged that he is duly authorized to execute the same and to make this acknowledgement.

Ruth B. Smith
Notary Public

loverfields Club Inc. hereby assigns unto Cloverfields Improvement ssociation, Inc. all of its right to collect the recreational fees n arrears and due by owners of lots in the Cloverfields development nose names and amounts of arrearages are shown on the attached list nis day of November, 1962.

CLOVERFIELDS CLUB INC.

By David W. Nichols
David W. Nichols, President

~~Cloverfields Improvement Association, Inc. hereby assigns and agrees to pay the indebtedness hereinafter incurred by Cloverfields Club, Inc.~~

THIS IS THE BOTTOM LINE 69 PAGE 97.

Cloverfields Improvement Association, Inc. hereby assumes and agrees to pay the indebtedness heretofore incurred by Cloverfields Club, Inc. on the following accounts:

Hecht-May Company for furniture etc. in the Cloverfields Club House	$1,095.89
Montgomery Ward for fencing	265.51
	$1,361.40

It is agreed that these indebtedness are assumed for the benefit of Cloverfields Club, Inc. and for the benefit of the creditors named as if the agreement to pay were made directly with them.

LIBER 69 PAGE 98

CLOVERFIELDS IMPROVEMENT ASSOCIATION,

By Ralph Harris

Ralph Harris, President

THIS ASSIGNMENT made the _____ day of October, 1978, by and between SEABREEZE PROPERTIES, INC., a Maryland Corporation, first party, and CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC., a Maryland Corporation, second party, and

WITNESSETH, that in accordance with the Amended Decree passed by the Circuit Court for Queen Anne's County, in Chancery Cause No. 5419 on April 3, 1978, and the Decree passed by the Circuit Court for Queen Anne's County on October 27th, 1978, in Chancery Cause # 6458, and for the reasons and consideration mentioned in those proceedings, Seabreeze Properties, Inc., does hereby set over, transfer and assign to Cloverfields Improvement Association, Inc., its successors and assigns all of the following:

> "THE RIGHT to collect from the Contract Purchaser or the Owner of any lot in Cloverfields a sum not to exceed Twenty Dollars ($20.00) per year for each and every lot sold, accounting from July 2, 1971; said sum to be used for management, supervision, and maintenance of the recreational facilities at Cloverfields".

BEING one of the rights, powers, titles, easements and estates originally reserved to Guaranteed Realty Corporation under and by virtue of three (3) Deeds - hereafter referred to as the "Ryan Deeds" - creating the reservations, restrictions, conditions, agreements, etc., in the subdivision known as Cloverfields from Guaranteed Realty Corporation to Helen B. Ryan, being: (a) a Deed dated March 26, 1959, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 46, Folio 529, and (b) a Deed dated May 6, 1959, recorded among the Land Records in Liber T.S.P. No. 47, Folio 479, and (c) a Deed dated August 31, 1959, recorded among such Land Records in Liber T.S.P. No. 50, Folio 520.

BEING also one of the rights, powers, titles, easements and estates assigned to Seabreeze Properties, Inc., under the terms of a Deed, Assignment and Assumption from Olive J. Nichols and Catherine C. Wallman, Surviving Directors, dated July 2, 1971, and recorded among the Land Records of Queen Anne's County, Maryland in Liber C.W.C. 56, Folio 622.

RESERVING, HOWEVER, to Seabreeze Properties, Inc., all other rights, powers, titles, easements and estates heretofore granted, conveyed and assigned to it and the enforcement of all such other rights, powers, titles, easements and estates.

AND Cloverfields Improvement Association, Inc., in accordance with the provisions of the Ryan Deeds hereby joins in the execution hereof for the purpose of formally agreeing to assume and accept the enforcement of such right to collect the annual lot charges and to carry out and perform the same as provided under the terms of the Ryan Deeds.

AS WITNESS the corporate seal of Seabreeze Properties, Inc. and the signature of Morris H. Wolf, its President, and the corporate seal of Cloverfields Improvement Association, Inc. and the signatures of Audrey Kerr, its President and of Stephen Garland, its Vice-President.

ATTEST:

Betty B. Cary — 11/28/78
Secretary — Date

SEABREEZE PROPERTIES, INC.
By: Morris H. Wolf [SEAL]
Morris H. Wolf, President

ATTEST:

Jean W. Guertler — 12/5/78
Jean W. Guertler, Secretary — Date

CLOVERFIELDS IMPROVEMENT ASSOCIATION
By: Audrey Kerr
Audrey Kerr, President
and

Jean W. Guertler — 12/5/78
Jean W. Guertler, Secretary — Date

By: Stephen F. Garland
Stephen Garland, Vice-President

This DECLARATION is made this 24th day of February, 1978, by Cloverfields Improvement Association, Inc., a Maryland corporation.

Explanatory Statement

By Deed and Partial Release of Deed of Trust dated March 30, 1965, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. 14, folio 499, (the "Deed and Partial Release") B. Bentley Bell and Associates, Inc., et al., conveyed to Cloverfields Improvement Association, Inc., a parcel of land containing 3.764 acres of land, more or less (there and here referred to as "Cloverfields House Recreation Area") and another parcel of land containing 3.758 acres of land, more or less (there and here referred to as "Boat Basin Recreation Area").

FEB 24-78 * 21524 ******7 00
FEB 24-78 A 21524 ******7 00

It was, at all times, agreed and understood by Cloverfields Improvement Association, Inc. that the Cloverfields House Recreation Area and the Boat Basin Recreation Area together with all buildings and improvements thereon erected, to be made or in being were to be held by it in trust and operated as recreational facilities for all owners, from time to time, of all those lots of land in the subdivision known as "Cloverfields", Fourth Election District, Queen Anne's County, Maryland, which are subject to the payment of a charge or assessment of Twenty Dollars ($20.00) per year as more fully set forth under the terms and provisions of three (3) deeds from Guaranteed Realty Corporation being: (a) a deed dated March 26, 1959, and recorded in Liber T.S.P. 46, folio 529; (b) a deed dated May 6, 1959, and recorded in Liber T.S.P. 47, folio 479; and (c) a deed dated August 31, 1959, and recorded in Liber T.S.P. 50, folio 520. The last three instruments are hereafter referred to as "the Deeds of Restrictions".

The purpose of this Declaration is to confirm and to provide a permanent written memorial of the facts recited in the preceding paragraphs.

NOW, THEREFORE, Cloverfields Improvement Association, Inc., for itself and its successors and assigns, does hereby acknowledge and declare that it holds the Cloverfields House Recreation Area and the Boat Basin Recreation Area, together with all buildings and improvements thereon erected, to be made or in being (which will be operated by Cloverfields Improvement Association,

CLERK, CIRCUIT COURT
1978 FEB 24 PM 2:43
QUEEN ANNE'S COUNTY

Inc., its successors and assigns, only as recreation facilities) in trust to and for the use and benefit in common of all the owners, from time to time, of those lots of land in the subdivision known as "Cloverfields", Fourth Election District, Queen Anne's County, Maryland, which are subject to the payment of a charge or assessment of Twenty Dollars ($20.00) per year under the terms of the Deeds of Restrictions.

Nothing in this Declaration shall be construed to limit or to effect the terms, provisions and conditions of the Deed and Partial Release dated March 30, 1965, under and subject to which B. Bentley Bell and Associates, Inc., et al, granted and conveyed the Cloverfields House Recreation Area and the Boat Basin Recreation Area and the buildings and improvements thereon erected, to be made or in being, to Cloverfields Improvement Association, Inc., including, but not limited to, the rights, powers, easements and the right of reverter contained therein.

The provisions of this Declaration shall run with and bind all of the lands herein above described as the Cloverfields House Recreation Area and the Boat Basin Recreation Area.

AS WITNESS the corporate seal of Cloverfields Improvement Association, Inc., and the signature of its President, attested by its Secretary.

Attest:

Patricia A. Dixon
Secretary

CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC.

By: Eric Erhart (SEAL)
Eric Erhart
President

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S:

On this the 24th day of February, 1978, before me, the undersigned officer, personally appeared Eric Erhart, who acknowledged himself to be the President of Cloverfields Improvement Association, Inc., a corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Dorothy B. Morrow
Notary Public

My commission expires: July 1, 1978

STATE OF MARYLAND)
County OF BALTIMORE) SS:

I HEREBY CERTIFY that on this 28th day of November, 1978, before me, the undersigned officer, personally appeared MORRIS H. WOLF, who acknowledged himself to be the President of SEABREEZE PROPERTIES, INC., a Maryland corporation, and that as such President, being authorized so to do, executed the aforegoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and Notarial Seal.

NOTARY PUBLIC C. JACOBS BALTIMORE COUNTY, MD.

Notary Public
My Commission Expires: 7-1-82

STATE OF MARYLAND)
COUNTY OF ANNE ARUNDEL) SS:

DEC -8-78 * 23065 ******8 00
DEC -8-78 A 23065 ******8 00

I HEREBY CERTIFY that on this 5th day of DECEMBER, 1978, before me, the undersigned officer, personally appeared AUDREY KERR, who acknowledged herself to be the President of CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC., a Maryland corporation, and that as such President, being authorized so to do, executed the aforegoing instrument for the purposes therein contained by signing the name of the corporation by herself as President.

IN WITNESS WHEREOF, I hereunto set my hand and Notarial Seal.

ELSWORTH B. NOWELL NOTARY PUBLIC Anne Arundel County, Md.

Notary Public
My Commission Expires: 7-1-82

STATE OF MARYLAND)
COUNTY OF ANNE ARUNDEL) SS:

I HEREBY CERTIFY that on this 5th day of DECEMBER, 1978, before me, the undersigned officer, personally appeared Stephen Garland, who acknowledged himself to be the Vice-President of CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC., a Maryland corporation, and that as such Vice-President, being authorized so to do, executed the aforegoing instrument for the purposes therein contained by signing the name of the corporation by himself as Vice-President.

IN WITNESS WHEREOF, I hereunto set my hand and Notarial Seal.

ELSWORTH B. NOWELL NOTARY PUBLIC Anne Arundel County, Md.

Notary Public
My Commission Expires: 7-1-82

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QUEEN ANNE'S COUNTY

DOCUMENT NO. 14278 LIBER 293 FOLIO 340

THIS ASSIGNMENT AND ASSUMPTION made this 30th day of October, 1987 by and betwen SEABREEZE PROPERTIES, INC., a Maryland Corporation, party of the first part, and CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC., a Maryland Corporation, party of the second part,

WITNESSES:

WHEREAS, by Deed, Assignment and Assumption from Olive J. Nichols and Catherine C. Wallaman, surviving directors of Guaranteed Realty Corporation and Cloverfields Clubs, Inc. dated July 2, 1971 and recorded among the Land Records of Queen Anne's County at Liber C.W.C. 56, folio 622, Seabreeze Properties, Inc. was assigned and did assume all of the rights, powers, titles, easements and agreements affecting a subsdivision in Queen Anne's County, Maryland commonly known as "Cloverfields" which rights, powers, titles, easements and estates were reserved or given to the said Guaranteed Realty Corporation under and by virtue of three deeds being (a) a deed dated March 26, 1959 and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 46, folio 529 and (b) a deed dated May 6, 1959 recorded among said Land Records in Liber T.S.P. 47, folio 479 and (c) a deed dated August 31, 1959 recorded among said Land Records in Liber T.S.P. 50, folio 520, and

WHEREAS, the above said Deed, Assignment and Assumption fully empowered Seabreeze Properties, Inc. to be and act as successor to the original developer, Guaranteed Realty Corporation, with all rights and powers originally reserved or given to said Guaranteed Realty Corporation, and

WHEREAS, Cloverfields Improvement Association, Inc. was incorporated in September, 1961 with the specific purpose and intent of working for the betterment of the conditons of the "Cloverfields" community, and

WHEREAS, Cloverfields Improvement Association, Inc. owns property in the "Cloverfields" community by virture of a Deed from B. Bentley Bell and Associates, Inc., dated March 30, 1965 and recorded among the Land Records of Queen Anne's County at Liber C.W.C. 14, folio 499, and

WHEREAS, Cloverfields Improvement Association, Inc.'s property rights in the "Cloverfields" community are subject to the reservations, restrictions, conditions and agreements assumed by Seabreeze Properties, Inc. in the aforesaid Deed, Assignment and Assumption, and

WHEREAS, Seabreeze Properties, Inc. has acted as the developer of the "Cloverfields" community since 1971 but has now conveyed many of the

Orig. mailed to: Christopher J. Drummond, Esq.
French + Jarashow
7 Kent Towne Market
Chester, Md. 21619

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remaining unimproved lots in "Cloverfields" to others for development and is desirous of relieving itself of the responsibilities of enforcing the reservations, restrictions, conditions and agreements assumed by it in the aforesaid Deed, Assignment and Assumption, and

WHEREAS, as assignee of the surviving directors of Guaranteed Realty Corporation and successor to the original developer, Guaranteed Realty Corporation, and under and by virtue of the aforesaid Deed, Assignment and Assumption, Seabreeze Properties, Inc. has the right, power and discretion to assign the enforcement of the aforesaid reservations, restrictions, conditions and easements to any one or more corporations or associations that will agree to assume the enforcement of said reservations, restrictions, conditions and agreements and carry out and perform same, and

WHEREAS, Cloverfields Improvement Association, Inc., has expressed its willingness to assume said responsibilities from Seabreeze Properties, Inc. to provide for the continued and orderly development of the "Cloverfields" community.

NOW THEREFORE, in consideration of the sum of Two Thousand Five Hundred Dollars ($2,500.00), and other good and valuable considerations, receipt of which is hereby acknowledged, SEABREEZE PROPERTIES, INC. does hereby set over, transfer and assign unto CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC., its successors and assigns, all of the following rights, powers, titles, easements and estates assigned to and assumed by it under and by virtue of a Deed, Assignment and Assumption from Olive J. Nichols and Catherine C. Wallman, surviving directors of Guaranteed Realty Corporation and Cloverfields Clubs, Inc., dated July 2, 1971 and recorded among the Land Records of Queen Anne's County at Liber C.W.C. 56, folio 622, to wit:

(a) The right to approve and disapprove all construction, plans and specifications and, side yard and set back lines of any structures, buildings, homes, residences, garages, outbuildings or other buildings or structures of any kind and nature proposed to be built in the "Cloverfields" community and, any change, addition, alteration or rebuilding of the foregoing on any land(s) or lot(s) in the development.

(b) The right to approve or disapprove the right to construct and maintain fences, walls, hedges, buildings, piers, boathouses, bulkheads, boathouses and outbuildings on any land(s) or lot(s) in the development.

(c) The right in its absolute discretion, at any time, to annul, waive, change or modify any of the restrictions, covenants, conditions, agreements or provisions assumed by said CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC. herein and contained in three (3) deeds from Guaranteed Realty Corporation, et. al., Grantors, to Helen B. Ryan, unmarried,

Grantee, being: a Deed dated March 26, 1959, recorded among the Land Records of Queen Anne's County, in Liber T.S.P. No. 46, Folio 529, and, a Deed dated May 6, 1959, recorded among such Land Records, as aforesaid, in Liber T.S.P.No. 47, Folio 479; and a Deed dated August 31, 1959, recorded among such Land Records, as aforesaid, in Liber T..S.P. No. 50, Folio 520 as to any part of the Cloverfields subdivision then owned by CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC. and with the consent of the Onwer as to any other land included in said subdivision; and to grade, change the grade of, or regrade any street, road or lane now owned by CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC. under and by viture of a deed from SEABREEZE PROPERTIES, INC. dated March 12, 1981 and recorded among the Land Records of Queen Anne's County at Liber C.W.C. 229, folio 27.

(d) The right, as successor to and assignee of SEABREEZE PROPERTIES, INC. and Guaranteed Realty Corporation to form an association of the Purchasers and Owners of the lots in the "Cloverfields" subdivision for the purpose of taking title to and operating the recreational facilities in the community which association each Purchaser and Owner has expressly agreed to join, to maintain membership in and to accept and abide in all rules and regulations for the conduct of such association as provided for in a Deed from Guaranteed Realty Corporation, et. al, Grantors, to Helen B. Ryan, unmarried, Grantee, dated March 26, 1959 and recorded among the Land Records of Queen Anne's County at Liber T.S.P. 46, folio 529.

AND CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC. joins in the execution hereof the purpose of formally agreeing to assume and accept the enforcement of such rights, powers, duties and obligations as are transferred, assigned and set over unto it herein by SEABREEZE PROPERTIES, INC.

AS WITNESS the hands and seal of the parties as of the date first above written.

ATTEST: Sharon E. Hinkley

SEABREEZE PROPERTIES, INC.

By: _____
Morris H. Wolf, President

CLOVERFIELDS IMPROVEMENTS ASSOCIATION, INC.

Barbara A. Weisloff

By: _____
Robert Mifto, President

STATE OF MARYLAND, Cecil County, ss:

I HEREBY CERTIFY, That on this 20th day of October, 1982, before me the subscriber, a Notary Public of the state and County aforesaid, personally appeared Morris H. Wolf, known to me or satisfactorily proven to be the person(s) whose name(s) subscribed to the within instrument and acknowledge that he is the President of SEABREEZE PROPERTIES, INC. and is fully authorized and empowered to

execute the within instrument on behalf of said corporation and he further acknowledged that he has executed the same for the purpose therein contained.

AS WITNESS: my hand and notarial seal.

My commission expires: July 1, 1990

Notary Public

STATE OF MARYLAND, Queen Anne's County, ss:

I HEREBY CERTIFY, That on this 25th day of October, 1987, before me the subscriber, a Notary Public of the state and County aforesaid, personally appeared Robert Mirta, known to me or satisfactorily proven to be the person(s) whose name(s) subscribed to the within instrument and acknowledge that he is the President of CIA, INC. and is fully authorized and empowered to execute the within instrument on behalf of said corporation and he further acknowledged that he has executed the same for the purpose therein contained.

AS WITNESS: my hand and notarial seal.

My commission expires: July 1, 1990

Notary Public

RECORDED
CLERK OF THE CIRCUIT COURT
1987 NOV 16 PM 1:38
QUEEN ANNE'S COUNTY

ASSIGN 0#
RECD FEE 18.00
POSTAGE .50
SUBTOTAL 18.50
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ARTICLES OF INCORPORATION
OF
CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC.

(A non-stock, non-profit corporation)

We, the undersigned residents of the State of Maryland, and members of the Board of Directors of Cloverfields Improvement Association, Inc., being eighteen (18) years or more of age, do hereby associate ourselves together for the purpose of forming a nonprofit corporation under the provisions of the Maryland General Corporation Law (MD. CODE ANN. Corporations and Associations Section 1-101 et. seq.)

ARTICLE ONE
NAME AND LOCATION

The name of the corporation shall be Cloverfields Property Owners Association, Inc., and its address shall be Cloverfields Club House, Nichols Manor Road, Stevensville, Maryland 21666 and its principal office shall be located in Stevensville, Maryland 21666 in Queen Anne's County.

ARTICLE TWO
DURATION

The period of duration of this nonprofit corporation shall be in perpetuity.

ARTICLE THREE
PURPOSE CLAUSE

The business and purpose of this corporation shall be:

1. to take title to and operate the recreational facilities of the Cloverfields community as more particularly described in a deed between

B. Bentley Bell and Associates, Inc., and Cloverfields Improvement Association, Inc. dated March 30, 1965 and recorded among the Land Records of Queen Anne's County at Liber C.W.C. 14, folio 499.

2. to be and act as an association of all purchasers and owners of property in the Cloverfield community to which all such purchasers and owners have expressly agreed to join, to maintain membership in and to accept and abide in all rules and regulations for the conduct of the corporation as more fully provided in a deed among guaranteed Realty Corporation, Aurora Federal Savings and Loan Association, Federated Corporation of Maryland and Helen B. Ryan dated March 26, 1959 and recorded among the Land Records of Queen Anne's County at Liber T.S.P. 46, Liber 529.

3. to work for the betterment of the conditions of the Cloverfields community generally and the recreational facilities specifically.

4. to purchase, lease or otherwise acquire, hold, develop, improve, mortgage, sell, exchange, let or in any manner encumber or dispose of real property wherever situated.

5. to perform any and all other lawful acts as authorized or permitted by the Maryland General Corporation Law.

ARTICLE FOUR
NONSTOCK CORPORATION

The corporation shall be nonstock, the corporation shall have no authority to issue stock and no dividends or pecuniary profits shall be declared or paid to the members thereof.

ARTICLE FIVE
RESIDENT AGENT

The resident agent of the corporation shall be Christopher F. Drummond, whose address is 7 Kent Towne Market, Chester, Maryland 21619 and who is a citizen of this State and who resides within this State.

ARTICLE SIX
DIRECTORS

All directors of the corporations shall also be members as set forth in Article Ten herein. The number of directors constituting the initial board of directors of the corporation is three (3), and the names and addresses of the persons who are to serve as initial directors are as follows:

Name	Address
Robert Mirto	6 Kimberly Court Stevensville, Md. 21666
Henry Schwartz	725 Kimberly Way Stevensville, Md. 21666
Steven Cover	6 Dixon Court Stevensville, Md. 21666

The Corporation shall have a total of nine (9) members on the board of directors.

ARTICLE SEVEN
ELECTION OF DIRECTORS

The manner in which the directors are to be elected is to be governed by the by-laws of the Corporation.

ARTICLE EIGHT
CORPORATE OFFICERS AND THEIR FUNCTIONS

The general officers of the corporation shall be president, first and second vice-presidents, recording and corresponding secretaries, and treasurer and financial recorder.

ARTICLE TEN
MEMBERSHIP

The corporation shall have full and associate members who shall be the owners or non-owner residents of property in the Cloverfields Community whose rights and responsibilities shall be as set forth in the by-laws of the Corporation.

ARTICLE ELEVEN
LIMITATION OF LIABILITY
FOR DIRECTORS, OFFICERS, AGENTS OF THE CORPORATION

The corporation shall purchase, carry and maintain appropriate liability insurance as provided in MD. CODE ANN. Courts and Judicial Proceedings Section 5-312, as amended from time to time, to protect the directors, officers and agents of the corporation from personal liability for damages caused by their acts or omissions in providing services or performing duties on behalf of the Corporation.

IN WITNESS WHEREOF, we, the corporators, set our hands and seals as of this 28th day of February, 1989.

_____ (Seal)

_____ (Seal)

_____ (Seal)

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC.
BY LAWS

ARTICLE I NAME

The name of this organization shall be Cloverfields Property Owners Association, Inc., hereinafter referred to as The Association.

ARTICLE II OFFICES

The principal office of the corporation shall be located at Stevensville, Maryland at the Cloverfields Club House.

ARTICLE III OBJECT

The object of The Association, as successor to the original developer of the Cloverfields community, shall be:

1. To take title to and operate the recreational facilities of the Cloverfield community as more particularly described in a deed between B. Bentley Bell and Associates, Inc., and Cloverfields Improvement Association, Inc. dated March 30, 1965 and recorded among the Land Records of Queen Anne's County at Liber C.W.C. 14, folio 499.

2. To be and act as an association of all purchasers and owners property in the Cloverfield community to which all such purchasers and owners have expressly agreed to join, to maintain membership in and to accept and abide in all rules and regulations for the conduct of the corporation as more fully provided in a deed among Guaranteed Realty Corporation, Aurora Federal Savings and Loan Association, Federated Corporation of Maryland and Helen B. Ryan dated march 26, 1959 and recorded among the Land Records of Queen Anne's County at Liber T.S.P. 46, Liber 529.

3. To promote and protect the general welfare and interests of the property owners of the development known as Cloverfields on Kent Island, Queen Anne's County, Maryland, including the right to affiliate with other civic organizations for the benefit of said property owners.

ARTICLE IV MEMBERS

Section 1. Membership in The Association shall consist of two types: Full and Associate memberships.

A full member must be an owner of property in Cloverfields and must comply with the bylaws of The Association and be current in fees. Owners of multiple lots titled in two or more names are limited to two memberships from among those named as owners. There shall be no voting by proxy.

An associate member must be a resident, but not a property owner, in Cloverfields, must be presented for membership to the Board of Directors by a full member and accepted by majority vote, Associate members have no voting rights and cannot be elected to office but may serve as a member of a committee. No more than two associate member will be eligible from a single property.

Section 2. In addition to the provisions for the suspension or revocation of membership interests for the failure to pay annual assessments when due as provided in Article VIII. The Association may suspend or revoke the privilege of using and enjoying the recreational facilities extended to any full member, associate member, family member or guest pursuant to the following procedure:

A. Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying: a.) the action required to abate the violation; and b.) a time period, not more then ten days, during which the violation may be abated without further sanction, if such violation is a continuing one; or c.) a statement that any further violation of the same rule may result in the imposition of sanctions after notice and hearing if the violation is not continuing.

B. Notice. Within fifteen days of such demand, if the violations continues past the period allowed in the demand for abatement, or if the same rule is subsequently violated, the board shall serve the violator with written notice that his or her use privileges for the recreational facilities have been suspended for a minimum of thirty days.

ARTICLE V. OFFICERS

Section 1. The officers of The Association shall be a president, a first vice president, a second vice president, a recording secretary, a corresponding secretary, a treasurer, financial recorder and four members-at-large.

Section 2. At the April Board of Directors meeting a Nominating Committee of five full members shall be elected.

It shall be the duty of this committee to nominate candidates for the offices to be filled at the annual meeting. Candidates must state their willingness to serve if elected. The committee shall submit the list of nominees to the Board of Directors at the August meeting for inclusion in the Call to the annual meeting.

Additional nominations may be made from the floor provided the consent of the nominee shall have first been obtained, and provided the nominee is a full member in good standing.

No member and spouse shall serve on the Board of Directors for the same term.

Section 3. The officers shall be elected by ballot at the annual meeting of The Association. A majority vote shall elect. In the event of three or more candidates running for an office, no one of whom receives a majority, there shall be a run off between those two candidates receiving the most votes. Should there be only one candidate for each office the recording secretary may be instructed by a two thirds vote to cast the ballot for The Association.

Section 4. Officers serve for one year, or until their successors are elected and their term of office shall begin the day after the annual meeting.

Section 5. In case of a vacancy in the office of president the recording secretary shall serve as chairman pro-tem to convene the Board of Directors for the purpose of electing a person from within the Board of Directors to serve until the next election.

In the case of a vacancy among the other offices the board of directors shall elect a person to serve until the next election.

ARTICLE VI. DUTIES OF OFFICERS

Section 1. The officers shall perform the duties prescribed by these bylaws and by the parliamentary authority adopted by The Association.

Section 2. The president shall preside at all meetings of The Association, and shall be its chief executive officer, responsible for the general management and direction of the business of The Association within the scope of general policy established by the general membership and Board of Directors. He shall appoint the chairman and members of all committees, except the members of the nominating committee. He shall be a member ex-officio of all committees except the nominating committee. He may co-sign checks and shall co-sign all legal binding documents.

Section 3. In the absence of the president, the vice presidents, in their order shall perform the duties pertaining to that office. They shall perform such other duties as assigned by the president.

Section 4. The Recording Secretary shall keep a record of all meetings of The Association.

Section 5. The Corresponding Secretary shall be custodian of The Association seal, shall notify board members of meetings, shall conduct such correspondence as may be requested by the president or The Association. He/she may co-sign checks.

Section 6. The Treasurer shall receive all funds of The Association and deposit same in a financial institution approved by the board. He/she shall disburse these funds subject to the budget approved by the general membership provided that no bill shall be paid until approved by the Board of Directors. He/she may sign checks, which shall be co-signed by any one of the other officers so designated. He/she shall keep accurate records of all receipts and disbursements.

Reports shall be submitted to the regular meetings of the Board of Directors and The Association.

The Treasurer's accounts shall be audited each September by a person or persons appointed by the president.

Section 7. The Financial Recorder shall work with the treasurer as required. In November of each year the current County tax records for that year must be reviewed to assess current owners of all lots. Association records shall be adjusted accordingly. He/she shall keep accurate records of all association members and names and addresses of lot owners in the sub-division of Cloverfields. He/she shall bill all lot owners for Association assessments in January of each year.

ARTICLE VII. GENERAL MEMBERSHIP MEETINGS.

Section 1. The general membership meeting of The Association shall be held the third Sunday of April and the third Sunday of September unless otherwise ordered by the board. Notice of these meeting shall be sent at least ten days prior to the meeting.

Section 2. The general membership meeting in September shall be known as the annual meeting and shall be for the purpose of electing officers, receiving reports of officers and committees, and for any other business that may arise.

Section 3. Special meetings may be called by the president and shall be called upon the written request of twenty-five percent of the members in good standing of The Association. The purpose of the meeting shall be stated in the Call. Except in cases of emergency at least ten days notice shall be given.

Section 4. Fifteen full members of The Association shall constitute a quorum.

ARTICLE VIII BOARD OF DIRECTORS

Section 1. The officers of The Association shall constitute the Board of Directors.

Section 2. The Board of Directors shall have all power and authority over the affairs of The Association during the interim between the meetings of The Association, except that of modifying any action taken by The Association other than amendments to the budget, and be responsible for all operations involving financial obligation on the part of The Association.

Section 3. Regular meeting of the Board shall be on the second Tuesday of each month.

Special meetings of the Board may be called by the president, and shall be called upon the written request of three members of the board.

Section 4. Whenever a Board member is absent from three consecutive meetings he/she may be dropped from the Board and a successor elected as specified in these bylaws.

Section 5. Six members of the Board shall constitute a quorum, except for special board meetings when five members shall constitute a quorum.

ARTICLE IX ANNUAL MEMBERSHIP ASSESSMENT

Section 1. Each owner of any lot in Cloverfields by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to abide by and follow the rules and regulations of The Association.

Section 2. An annual membership assessment shall be imposed upon each lot in Cloverfields by The Association in the amount of $20.00. The annual membership assessment shall be in addition to the annual recreation fee imposed upon all lot owners pursuant to the deed referred to in Article III, Section 2 of these bylaws.

All such assessments, together with charges, interest, costs and reasonable attorney's fees, in the maximum amount permitted by law shall be a charge on the lot and shall be a lien upon the lot against which each assessment is made. Such amounts shall be the personal obligation of the person who was the owner of such unit at the time when the assessment fell due. Each owner shall be liable for his or her portion of each assessment coming due while he or she is the owner of a lot and his or her grantee shall be jointlly and severally liable for such portion therof as may be due and payable at the time of conveyance.

Failure to pay the annual assessment within thirty days shall result in immediate suspension of all use privileges of the recreational facilities for each full member, association member, family member or guest associated with the lot, as well as the immediate suspension of each full member's good standing in The Association.

ARTICLE X COMMITTEES

Section 1. The Cloverfields Women's Association shall provide for the social and fund raising activities for the youth of Cloverfields. The CWA shall submit the name of its nominee to The Association president who shall appoint that nominee as chairman of the CWA committee.

The CWA shall elect and/or appoint any additional members to handle the internal business of the committee. It shall promulgate its own rules and regulations so long as they do not conflict with the bylaws and polices of The Association.

Section 2. The Boat Basin committee shall have the responsibility for supervision, operation and maintenance of the boat basin, ramp and inlet.

Section 3. The Clubhouse committee shall have the responsibility for supervision, operation and maintenance of the clubhouse.

Section 4. The Community Betterment committee shall the responsibility for all matters affecting the welfare of the community (such as zoning, street signs, removal of eyesores, drainage, etc.)

Section 5. The Finance committee shall prepare the annual financial statement in cooperation with the treasurer; shall prepare a budget for presentation to the board at the August meeting and to The Association at its annual meeting for adoption.

Section 6. The Pool committee shall have the responsibility for supervision, operation and maintenance of the pool.

Section 7. The Recreational Facilities committee shall have the responsibility for the supervision, operation and maintenance of the facilities of The Association except for the boat basin, the beach and the pool.

Section 8. The Mens Club shall have the responsibility of fostering fellowship among the residents of Cloverfields by promoting social affairs. The Mens Club shall elect and/or appoint any additional members to handle the internal business of the committee. It shall promulgate its own rules and regulations son long as they do snot conflict with the bylaws and policies of The Association. The Mens Club shall submit the name of its nominee to The Association president who shall appoint that nominee as chairman of The Mens Club.

Section 9. The Beach committee shall have the responsibility for the supervision and maintenance of the beach area.

Section 10. The Construction Review Committee shall have the responsibility for review and approval of building plans.

Section 11. Such other committees shall be appointed by the president as The Association or the board deem necessary.

ARTICLE XI PARLIAMENTARY AUTHORITY

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern The Association in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rule of Order The Association may adopt.

ARTICLE XII AMENDMENTS TO THE BYLAWS

These bylaws may be amended by a two thirds vote at any general membership meeting provided the amendment has been sent to the membership with the Call to the meeting.

CALL AND WAIVER OF NOTICE

We the undersigned, the Directors named in the Articles of Incorporation of Cloverfields Property Owners Association, Inc., a Maryland Corporation, do hereby call the first meeting of the Board of Directors of the Corporation to be held at the office of the Corporation in Stevensville, Maryland for the purpose of adopting bylaws, electing officers and directors andtransacting such other business as may be necessary or advisable in connection with the organization of the Corporation or the promotion of its contemplated business, and we hereby waive notice of the time, place and purpose of the meeting and consent to the transaction of any and all business pertaining to the affairs of the Corporation.

DATED: May 30, 1989

Robert Mirto

Henry Schwartz

Steve Cover

MINUTES OF THE ORGANIZATIONAL MEETING
OF CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC.

The first meeting of the Board of Directors of Cloverfields Property Owners Association, Inc. was held on Tuesday, May 30, 1989 at 7 P.M. at the offices of the Corporation in Stevensville, Maryland pursuant to the Waiver of Notice signed by all of the directors named in the Articles of Incorporation, which Waiver of Notice is attached to these minutes.

MINUTES

The following directors, all of whom are named as original members of the Board of Directors in the Articles of Incorporation, were present at the organizational meeting, Robert Mirto, Henry Schwartz and Steven Cover, in addition to Christopher F. Drummond, counsel to the Corporation.

Robert Mirto acted as chairman of the meeting and Henry Schwartz acted at secretary thereof.

The Chairman presented to the meeting a copy of the Articles of Incorporation of the Corporation and stated that the same had been received and approved by the State Department of Assessment and Taxation on April 10, 1989 as being in conformity with law and that the fees required by law for incorporating the Corporation have been paid and that the Articles of Incorporation will be recorded among the records of the Circuit Court for Queen Anne's County in the near future. The secretary was directed to cause a copy of the Articles of Incorporation to be inserted in the Minute Book with the Certificate of Approval by the State Department of Assessments and Taxation attached thereto.

Mr. Mirto nominated himself, Mr. Schwartz and Mr. Cover to serve as directors of the Corporation during the organizational meeting for the purpose of adopting bylaws for the Corporation, electing other directors and officers, and transacting such other business as may be necessary to organize the Corporation. The three directors named in the Articles of Incorporation were unanimously elected to serve as directors during the organizational meeting.

The chairman stated that since February 1, 1989, he, together with the directors of Cloverfields Improvement Association, Inc., had been under the impression that the Corporation had been established and approved by the State Department of Assessments and Taxation. Given that understanding, certain actions have been taken in the name of the Corporation, including the delivery of notices to all property owners in Cloverfields to pay the annual $20.00 membership fee due to the Corporation. Approximately $6,000.00 has been received as a result of that notice. Those funds have been segregated and kept in a separate account from funds of Cloverfields Improvement Association, Inc. After some discussion of the matter, upon motion duly made and unanimously carried, it was RESOLVED:

> That all acts performed by Robert Mirto and the Directors of Cloverfields Improvement Association, Inc., in the name of Cloverfields Property Owners Association, Inc. acting as a defacto Corporation, be and they are hereby ratified and approved as the acts of this Corporation.

The Secretary presented and read article by article a form of bylaws regulating the government of the Corporation and for the administration of its affairs, and upon motion duly made and unanimously carried it was RESOLVED:

> That the bylaws submitted and read to meeting be and the same are hereby adopted as set forth the bylaws of the Corporation.

Thereafter, the secretary was directed to cause a copy of said bylaws to be inserted in the Minute Book.

The following persons were nominated as Officers of the Corporation to serve until the next annual meeting of the general membership of the Corporation and thereafter until their respective successors are chosen and qualified, and no other nominations having been made, were unanimously elected:

President - Robert F. Mirto
First Vice President - Henry Schwartz
Second Vice President - Steven R. Cover
Recording Secretary - Jean O'Gorman
Corresponding Secretary - Terry Otto
Treasurer - Barbara Neighoff
Financial Recorder - Fred Mattes
Members At Large - Rod Halanick, Scott Shaklee, Rick Ervin, Keith Siburt

The Chairman noted that Article VIII of the Bylaws adopted for the Corporation provided that the Officers of the Corporation shall also constitute the Board of Directors. As a result, Mr. Mirto nominated those persons elected as Officers to serve as Directors of the Corporation until the next annual meeting of the General Membership of the Corporation and thereafter until their respective successors are chosen and qualified. Those persons were unanimously elected to serve as

members of the Board of Directors.

There followed a general discussion of the salaries or other compensation to be paid to the Officers and Directors of the Corporation. It was determined that the Officers and Directors would serve without compensation.

There followed a discussion as to the duties and authorities of the President of the Corporation. It was unanimously RESOLVED that the President shall have full authority to operate the business of the Corporation in his discretion, unless such authority may be limited by the bylaws or by specific action of the Board of Directors.

Thereafter, upon motion duly made and unanimously carried it was RESOLVED:

> That the seal, and impression of which is hereto affixed, is hereby adopted as the Corporate seal of the Corporation.

Upon motion duly made and unanimously carried, it was RESOLVED:

> That the Equitable Bank, N.A., Tidewater Branch of Stevensville, Maryland, be designated as a depository for funds of the Corporation and that the President is directed to execute such forms as may be required to establish an account with said bank. Funds may be withdrawn from said account upon the signature of the President and Treasurer. The Secretary is directed to prepare a duplicate copy of the resolution establishing Equitable Bank, N.A. as a depository for funds of the Corporation, a copy of which is attached to these Minutes for presentation to said bank.

Mr. Drummond informed the Directors that a Form SS-4 requesting a federal identification number had been directed to the Internal Revenue Service. The federal identification number should be received by the Corporation within the next few weeks.

There followed a general discussion as to the management of the recreational facilities in the community. Mr. Drummond reviewed the history of the management of the recreational facilities, the provisions of the restrictive covenants established for the community in 1959, the history of ownership of the recreational facilities and the history of those with authority to enforce the restrictive covenants and annual recreational assessment. Mr. Drummond presented to the Directors a Deed between Cloverfields Improvement Association Inc. and the Corporation under which the Corporation would take title to the recreational facilities. Mr. Drummond also presented an Assignment under which the Corporation would receive authority to collect the $20.00 annual fee for the maintenance of the recreational facilities. Mr. Drummond also presented to the Directors an Assignment and Assumption under which the Corporation would assume responsibility for enforcement of the architectural review and control covenants assumed by Cloverfields Improvement Association, Inc. from Seabreeze Properties, Inc. in 1987. Mr. Drummond explained that these documents were intended to invest the Corporation with full power and control over the recreational facilities and the further and future development of the community. Mr. Drummond further explained to the Directors that the establishment of the Corporation by Cloverfields Improvement Association, Inc. under the theory that Cloverfields Improvement Association, Inc. was the successor to the original developer, was a novel idea that should, but may not be, defensible in a court of law.

After further discussion, upon motion duly made and unanimously carried it was RESOLVED:

> That the President of the Corporation is authorized and directed to execute the Deed, Assignment and Assignment and Assumption presented by counsel to the Corporation and that counsel to the Corporation is hereby authorized and directed to cause the Deed, Assignment and Assignment and Assumption to be recorded among the Land Records of Queen Anne's County upon execution of the documents by an authorized officer of Cloverfields Improvement Association, Inc.

There followed a general discussion of future business of the Corporation and the maintenance and operation of the recreational facilities, but there being no further business to come before the Directors, the meeting was thereupon adjourned.

May 30, 1989
Date

Henry C. Schwartz, Jr.
Secretary

ASSIGNMENT

THIS ASSIGNMENT made this 30th day of May, 1989 by and between CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC., a Maryland non-stock corporation, party of the first part, and CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC., a Maryland non-stock corporation, party of the second part,

WITNESSES:

WHEREAS, by virtue of an ASSIGNMENT between Seabreeze Properties, Inc. and Cloverfields Improvement Association, Inc. dated November 28, 1978 and recorded among the Land Records of Queen Anne's County at Liber MWM 144, folio 274, Cloverfields Improvement Association, Inc. was assigned the right to collect a twenty dollars ($20.00) per year assessment against each and every lot sold in the Cloverfields Community for the management, supervision and maintenance of recreational facilities at Cloverfields; and

WHEREAS, Cloverfields Property Owners Association, Inc. has been created and established under and by virtue of the laws of the State of Maryland for the purpose of taking title to and operating, managing and supervising the recreational facilities at Cloverfields as the association of property owners contemplated in certain restrictive covenants and conditions created for the Cloverfields Community by the original developer, Guaranteed Realty Corporation, under and by virtue of three (3) deeds - known as the "Ryan Deeds" - being: (a) a deed dated March 26, 1959 recorded among the Land Records of Queen Anne's County TSP 46, folio 529, and (b) a deed dated May 6, 1959 recorded among the Land Records of Queen Anne's County in Liber TSP 47, folio 479 and (c) a deed dated August 31, 1959 recorded, among the Land Records of Queen Anee's County in Liber TSP 50, folion 520;

NOW WHEREFORE, in consideration of good and valuable consideration, receipt of which is hereby acknowledged, CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC. does hereby set over, transfer and assign to CLOVERFIELD PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns all of the following:

The right to collect from the Contract Purchaser or the Owner on any lot in Cloverfields a sum not to exceed twenty dollars ($20.00) per year; said sum to be used for management, supervision, and maintenance of the recreational facilities in Cloverfields.

BEING the right, power and estate assigned to Cloverfields Improvement Association, Inc. by Seabreeze Properties, Inc. under the terms of an Assignment dated November 28, 1978 and recorded among the Land Records of Queen Anne's County at Liber MWM 144, folio 274.

AND, Cloverfields Property Owners Association, Inc. in accordance with the provisions of the Ryan Deeds hereby joins in the execution hereof for the purpose of formally agreeing to assume and accept the enforcement of such right to collect the annual lot charges and to carry out and perform the same as provided in the terms of the Ryan Deeds.

IN WITNESS WHEREOF, the parties have set their hands and corporate seals as of the date first above written.

WITNESS

CLOVERFIELDS IMPROVEMENT ASSSOCIATION, INC.

WITNESS

By: _____
Robert Mirto, President

WITNESS

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC.

WITNESS

By: _____
Robert Mirto, President

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, ss:

I HEREBY CERTIFY, that on this 30th day of May, 1989, before me, the subscriber, a Notary Public of the state and County aforesaid, personally appeared Robert Mirto, who acknowledged himself to be the president of Cloverfields Improvement Association, Inc. a Maryland non-stock corporation, and that as such president, being authorized to do so, he executed the aforegoing instrument for the purposes therein contained by signing the name of the corporation by himself as president.

AS WITNESS the hands and seal of the parties as of the date first above written.

Roberta Landon
Notary Public

My Commission expires: July 1, 1990

I HEREBY CERTIFY, that on this 30th day of May, 1989, before me, the subscriber, a Notary Public of the state and County aforesaid, personally appeared _____, who acknowledged himself to be the president of Cloverfields Property Owners Association, Inc., a Maryland non-stock corporation, and that as such president, being authorized to do so, he executed the aforegoing instrument for the purposes therein contained by signing the name of the corporation by himself as president.

AS WITNESS the hands and seal of the parties as of the date first above written.

Roberta Landon
Notary Public

My Commission expires: July 1, 1990

THIS AGREEMENT AND ASSUMPTION made on this 30th day of May, 1989 by and between CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC., a Maryland Corporation, party of the first part, and CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC., a Maryland Corporation, party of the second part,

WITNESSES:

WHEREAS, by virtue of an Assignment and Assumption from Seabreeze Properties, Inc. dated _____, 1987 and recorded among the Land Records of Queen Anne's County at Liber MWM 293, folio 340, Cloverfields Improvement Association, Inc. was assigned and did assume certain rights, powers, titles, easements and estates affecting a subdivision in Queen Anne's County, Maryland commonly known as "Cloverfields" which rights, powers, titles, easements and estates were reserved or given to Guaranteed Realty Corporation under and by virtue of three deeds being (a) a deed dated March 26, 1959 and recorded among the Land Records of Queen Anne's County in Liber TSP 46, folio 529 and (b) a deed dated May 6, 1959 recorded among said Land Records in Liber TSP 47, folio 479 and (c) a deed dated August 31, 1959 recorded among the Land Records in Liber TSP 50, folio 520, and assigned to the said Seabreeze Properties, Inc. by virtue of a Deed, Assignment and Assumption dated July 2, 1971 and recorded among the Land Records of Queen Anne's County at Liber CWC 56, folio 622, and

WHEREAS, the above said Assignment and Assumption fully empowered Cloverfields Improvement Association, Inc. to be and act as successor to the original developer, Guaranteed Realty Corporation, with all rights and powers originally reserved or given to said Guaranteed Realty Corporation, and

WHEREAS, Cloverfields Property Owners Association, Inc. was incorporated in April, 1989 by the directors of Cloverfields Improvement Association, Inc. as the association of property owners contemplated by the provisions of that deed dated March 26, 1959 and recorded among the Land Records of Queen Anne's County at Liber TSP 46, folio 529 and with the specific purpose and intent of working for the betterment of the conditions of the

"Cloverfields" community, and

WHEREAS, Cloverfields Improvement Association, Inc. owns property in the "Cloverfields" generally known as the Clubhouse and Boat Basin properties by virtue of a Deed from B. Bentley Bell and Associates, Inc. dated March 30, 1965 and recorded among the Land Records of Queen Anne's County at Liber C.W.C. 14, folio 499 which property has been granted and conveyed to Cloverfields Property Owners Association, Inc. by deed dated _____, 1989 to be recorded simultaneously with this Assignment and Assumption, and

WHEREAS, as assignee of the successor developer of "Cloverfields," Cloverfields Improvement Association, Inc. has the right, power and discretion to create an association to which all property owners in "Cloverfields" must belong and the right, power and discretion to assign the enforcement of the aforesaid reservations, restrictions, conditions and easements to any one or more corporations or associations that will agree to assume the enforcement of said reservations, restrictions, conditions and easements and carry out and perform same, and

WHEREAS, Cloverfields Property Owners Association, Inc., has expressed its willingness to assume said responsibilities from Cloverfields Improvement Association, Inc. to provide for the continued and orderly development of the "Cloverfields" community.

NOW THEREFORE, for no consideration other than the Grantee's promise to faithfully perform the duties and exercise the rights assumed hereunder, CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC. does hereby set over, transfer and assign unto CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns, all of the following rights, powers, titles, easements and estates assigned to and assumed by it under and by virtue of an Assignment and Assumption from Seabreeze Properties, Inc. dated _____, 1987 and recorded among the Land Records of Queen Anne's County at Liber MWM 293 folio 340, to wit:

(a) The right to approve and disapprove all construction, plans and specifications and side yard and set back lines of any structures, buildings, homes, residences, garages, outbuildings or other buildings or structures of any kind and nature proposed to be built in the Cloverfields community and, any change, addition, alteration or rebuilding of the foregoing on any land(s) or lot(s) in the development.

(b) The right to approve or disapprove the right to construct and maintain fences, walls, hedges, buildings, piers, boathouses, bulkheads, boathouses and outbuildings on any land(s) or lot(s) in the development.

(c) The right in its absolute discretion, at any time, to annul, waive, change or modify any of the restrictions, covenants, conditions, agreements or provisions assumed by said CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC. herein and contained in three (3) deeds from Guaranteed Realty Corporation, et. al, Grantors, to Helen B. Ryan, unmarried Grantee, being: a Deed dated March 26, 1959, recorded among the Land Records of Queen Anne's County, in Liber TSP No. 46 folio 529, and, a Deed dated May 6,1959, recorded among such Land Records, as aforesaid, in Liber TSP No. 47, folio 479; and a Deed dated August 31, 1959, recorded among such land Records, as aforesaid, in Liber TSP No. 50, folio 520 as to any part of the Cloverfields subdivision then owned by CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC. and with the consent of the Owner as to any other land included in said subdivision; and to grade, change the grade of, or regrade any street, road or lane now owned by CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC. under and by virtue of a deed from SEABREEZE PROPERTIES, INC. dated March 12, 1981 and recorded among the Land Records of Queen Anne's County at Liber CWC 229, folio 27.

AND CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC. joins in the execution hereof for the purpose of formally agreeing to assume and accept the enforcement of such rights, powers, duties and obligations as are transferred, assigned and set over unto it herein by CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC.

AS WITNESS the hands and seal of the parties as of the date first above written.

ATTEST: _____

CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC.

By: _____, Pres.

CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC.

By: _____, Pres

_____

STATE OF MARYLAND Queen Anne County, ss:

I HEREBY CERTIFY, that on this 30th day of May, 19 89, before me the subscriber, a Notary Public of the state and county aforesaid, personally appeared ROBERT MIRTO, known to me or satisfactorily proven to be the person(s) whose Name(s) is subscribed to the within instrument and acknowledge that he is the President of CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC. and is fully authorized and empowered to execute the within instrument on behalf of said corporation and he further acknowledged that he has executed the same for the purpose therein contained.

AS WITNESS: my hand and notarial seal.

My commission expires: July 1, 19 90

Roberta Landon
Notary Seal

STATE OF MARYLAND Queen Anne County, ss:

I HEREBY CERTIFY, that on this 30th day of May, 19 89, before me the subscriber, a Notary Public of the state and county aforesaid, personally appeared ROBERT MIRTO, known to me or satisfactorily proven to be the person(s) whose Name(s) is subscribed to the within instrument and acknowledge that he is the President of CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC. and is fully authorized and empowered to execute the within instrument on behalf of said corporation and he further acknowledged that he has executed the same for the purpose therein contained.

AS WITNESS: my hand and notarial seal.

My commission expires: July 1, 19 90

Roberta Landon
Notary Seal

NO TITLE EXAMINATION
NO CONSIDERATION

DEED

THIS DEED, Made this 30th day of May, 1989 by and between CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC. (Grantor) and CLOVERFIELDS PROPERTY OWNERS ASSOCIATION, INC. (Grantee),

WITNESSETH, that for no consideration, the said Grantor grants and conveys unto the said Grantee, it successors and assigns, in fee simple, all those lots of ground, situate, lying and being in the Fourth Election District of Queen Anne's County, Maryland and more particularly described as follows that is to say:

PARCEL NO. 1

ALL that lot or parcel of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, and more particularly described as follows, to wit:

BEGINNING for the same on the southernmost line of Nichols Manor Drive 50 feet wide as shown on Plat 4 of Cloverfields recorded among the Land Records of Queen Anne's County, Maryland, in Liber TSP No. 47, folio 57, 131.15 feet easterly from the end of a curve to the right connecting the easternmost line of Petinot Place with said southermost line of Nichols Manor Drive said point of beginning also being the northernmost corner of Lot 1, Block G, shown on aforesaid Plat 4, of Cloverfields and running thence binding along said southernmost line of Nichols Manor Drive the three following courses and distances:

1. North 44 degrees 30 minutes 30 seconds East 180.57 feet,

2. 277.35 feet by the arc of a curve to the right having a radius of 377.08 feet, and

3. North 86 degrees 39 minutes 00 seconds East 471.36 feet, thence 47.66 feet by the arc of a curve to the right having a radius of 25 feet to the westernmost line of Monroe Manor Road 50 feet wide, thence binding along said westernnmost line of Monroe Manor Road south 15 degrees 52 minutes 10 seconds West 59.95 feet, thence leaving said westernmost line of Monroe Manor Road 68 degrees 22 minutes 10 seconds West 793.48 feet to the easternmost corner of said Lot 1, Block G, thence binding building along the northeasternmost line of said lot North 45 degrees 29 minutes 30 seconds West 161.98 feet to the place of beginning, containing 3.764 acres of land, more or less.

PARCEL NO. 2

ALL that lot or parcel of land situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, and more particularly described as follows, to wit:

BEGINNING for the same on the easternmost side of Monroe Manor Road where it is intersected by the northernmost line of Lot No. 33, Block N, shown on Plat No. 4 of Cloverfields, recorded among the Land Records of Queen Anne's County, Maryland, in Liber T.S.P. No. 47, folio 57, and running thence binding along the easternmost line of Monroe Manor Road in a northerly direction the three following courses and distances, viz:

1. 386.81 feet by the arc of a curve to the left having a radius of 400.71 feet,

2. North 47 degrees 35 minutes 20 seconds West 64.77 feet, and

3. 123.34 feet by the arc of a curve to the right having a radius of 793.51 feet to the southwesternmost corner of Lot 84, Block B, shown on the aforementioned plat, thence binding along the southernmost outline of said Lot No. 84, South 83 degrees 21 minutes 00 seconds East 226.57 feet and North 66 degrees 09 minutes 00 seconds East 195.00 feet to the waters of the Chester River, thence binding along the waters of the Chester River the four following courses and distances, viz.:

1. South 28 degrees 09 minutes 45 seconds East 267.74 feet,

2. South 66 degrees 00 minutes 00 Seconds 140.00 feet,

3. South 27 degrees 00 minutes 00 seconds West 120.00 feet, and

4. South 12 degrees 17 minutes 00 seconds East 74.13 feet to the northernmost line of Lot 35, Block H, shown on the aforementioned Plat No. 4 of Cloverfields, thence binding along the northernmost lines of Lots 33, 34 and 35, Block H, South 69 degrees 30 minutes 00 seconds West 355.00 feet to the place of beginnning, containing 3.758 acres of land, more or less, including the Boat Basin.

SUBJECT to a 20 foot right-of-way for use in common with others entitled thereto, north of, adjacent, contiguous and parallel to the last line of the above description subject also to a right-of-way for use in common with others thereto entitled; located at the northwesternmost corner of the above described parcel of land and more particularly described as follows:

BEGINNING for the same at the end of the third line of the above described parcel of land said point lying on the easternmost line of Monroe Manor Road at its intersection with the southern most line of Lot No. 84, Block B, shown on Plat No. 4 of Cloverfields, recorded as aforesaid and running thence binding along part of the fourth line of the above description South 85 degrees 21 minutes 00 seconds East 4.93 feet, thence South 22 degrees 47 minutes 40 seconds West 4.05 feet to intersect the third line of the above described parcel of land 5.32 feet from the end thereof, thence in a northwesterly direction binding along the easternmost line of Monroe Manor Road and along part of the third line of the above described parcel of land 5.32 feet by the arc of a curve to the right having a radius of 793.51 feet to the place of beginning.

BEING all that land indicated as Boat Basin Recreation Area on Plat No. 4 of Cloverfields, recorded among the Land Records of Queen Anne's County, Maryland, in Liber T.S.P. No. 47, folio 57.

BEING all that property granted and conveyed to the within Grantor by B. Bentley Bell and Associates, Inc. by deed dated March 30, 1965 and recorded among the Land Records of Queen Anne's County at Liber C.W.C. 14, folio 499.

TOGETHER with the buildings thereupon, and the rights, alley, ways, waters, privileges, appurtenances and advantages thereto belonging, or in anywise appertaining.

TO HAVE AND TO HOLD the said described lot of ground and premises to the said Cloverfields Property Owners Association, Inc., its successors and assigns in fee simple.

AND the said Grantor hereby covenants that it has not done or suffered to be done any act, matter or thing whatsoever, to encumber the property hereby conveyed; that it will warrant specially the property hereby granted; and that it will execute such further asurances of the same as may be requisite and necessary.

WITNESS the hand and seal of said Grantor.

WITNESS

Cloverfields Imp. Assoc. Inc. (SEAL)
CLOVERFIELDS IMPROVEMENT ASSOCIATION, INC.

By: _____
Robert Mirto, President

STATE OF MARYLAND, County of Queen Anne's, to wit:

I HEREBY CERITFY, That on this 25th day of May, 1989 the subscriber, a Notary Public of the State aforesaid, personally appeared Robert Mirto, President of Cloverfields Improvement Association, Inc., known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument as president of the Grantor and who acknowledged that he has authority to execute the within instrument on behalf of the Grantor and that no actual consideration was paid for the within transaction.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Roberta Landon
Notary Public

My Commission expires:
July 1, 1990

DISCLOSURES BY

THE COVECREEK CLUB, INC.

UNDER THE MARYLAND HOMEOWNERS ASSOCIATION ACT,

TITLE 11B OF THE REAL PROPERTY ARTICLE OF

THE ANNOTATED CODE OF MARYLAND

MISC 0#
RECD FEE 50.00
CHECK/MO 50.00
#158400 C001 R00 T15:03
01/18/89

RECEIVED
CLERK, CIRCUIT COURT
1989 JAN 18 PM 3:07
QUEEN ANNE'S COUNTY

I. The name, principal address and telephone number of the Declarant is:

The CoveCreek Club, Inc.
P.O. Box 1000
Stevensville, Maryland 21666
301-643-4868

II. The Declarant is a body corporate of the State of Maryland and the Maryland resident agent is Timothy E. Sage, whose address is CoveCreek Club, Box 1000, Stevensville, Maryland (21666).

III. The names and addresss of the principal officers of the corporation are:

President:	DANIEL J. CALLAHAN, III CoveCreek Club Box 1000 Stevensville, Maryland 21666
Vice-President:	LEO WILLIAM DUNN CoveCreek Club Box 1000 Stevensville, Maryland 21666
Secretary:	SHARON JARENSKI CoveCreek Club Box 1000 Stevensville, Maryland 21666
Treasurer:	LEWIS F. BOND, JR. CoveCreek Club Box 1000 Stevensville, Maryland 21666

IV. The subdivision known as Cove Creek is located on Kent Island, near Romancoke, in the Fourth Election District of Queen Anne's County, Maryland, and is composed of two tracts of land containing 333.894 acres, more or less, as described by deed from Stanley B. Giraitis, et.al., dated April 18, 1973, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 72, folio 791, a copy of said deed being attached hereto as Exhibit No. 1.

There are a total of 114 lots in the subdivision and shown in subdivision plats recorded among the Land Records of Queen Anne's County.

V. Copies of the Articles of Incorporation of The CoveCreek Club, Inc., are attached hereto as Exhibit No. 2.

VI. Copies of the bylaws of The CoveCreek Club, Inc., are attached hereto as Exhibit No. 3.

VII. Copies of the recorded covenants and restrictions are attached hereto as Exhibit No. 4. Such restrictive covenants and restrictions are enforceable against an owner of a lot within the subdivision and also against the tenants of any owner, if applicable.

VIII. The CoveCreek Club, Inc., owns numerous parcels of lands within said subdivision all as more particularly described by deed attached hereto marked Exhibit No. 5, to wit:

1. Deed from Milton E. Kettler, et.ux., dated January 12, 1981, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 172, folio 1.

2. Deed from Kettler Brothers, Inc., dated December 2, 1985, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 242, folio 633.

3. Deed from Kettler Brothers, Inc., dated December 27, 1988, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 319, folio 353.

4. Deed from Kettler Brothers, Inc., dated December 27, 1988, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 319, folio 356.

IX. A copy of the estimated annual budget for calendar year 1989 is attached hereto as Exhibit No. 6.

X. The current mandatory annual fees and assessments charged each lot owner for the use, maintenance and operation of common areas and for other purposes related to the operation of the club and enforcement of restrictive covenants and conditions are as follows:

Annual charge established by restrictions - $1,800.00 per lot.

Special Assessment approved December 31, 1988 - $1,000.00 per lot.

Persons using boat slips pay an annual fee of $450.00 per slip which also includes storage facilities.

XI. All subdivided lots within said development are zoned under the "Neighborhood Conservation-1" classification by the Queen Anne's County Zoning Ordinance. Said ordinance and zoning maps are available for inspection in the office of the Queen Anne's County Planning and Zoning Commission, County Office Building, Centreville, Maryland 21617.

XII. All lots within the subdivision have been conveyed by the original developers and the charges and assessments hereinabove set forth are now being charged to lot owners.

A total of 1 lot within the subdivision is owned by Kettler Brothers, Inc., successor in interest to the original developers.

XIII. Article V of the Declaration of Covenants, Conditions and Restrictions provides for a maximum annual assessment of $1,200.00 which may be increased by action of the Board of Directors in conformity with increases in the Consumer Price Index of the Federal Bureau of Labor Statistics, or lowered by action of the Board of Directors. The basis, aforesaid, of such annual charge may also be altered from time to time with the assent of two-thirds of the total membership.

XIV. Article V, Section 8, of the aforementioned Declaration of Covenants, Conditions and Restrictions provides that: (a) unpaid charges and assessments are a lien on the lot a a delinquent owner as well as a continuing personal obligation of such delinquent owner; (b) that eight (8%) interest may be charged for charges and assessments that are thirty (30) days delinquent; (c) that unpaid charges and assessments may be enforced by suitable legal action including the imposition of a lien under the terms of the Maryland Contract Lien Act, and (d) if such legal action is necessary to enforce collection of delinquent assessments and charges a delinquent owner shall further be responsible for the cost of preparing and filing such legal action, interest on any judgement obtained as a result thereof, reasonable attorney's fees and reasonable late payment fees determined by the Board of Directors of The CoveCreek Club, Inc., and that such collection procedures do include foreclosure type action and the public sale of a lot.

XV. The Board of Directors, as part of the pension plan of George Scheiner, club manager, entered into an agreement in 1987, with Mr. Scheiner, wherein annual charges and special assessments would not be charged against Lot No. 31, CoveCreek Club, so long as said properties were owned by Mr. and Mrs. Scheiner. Mr. Scheiner died in 1988, but the exemption continues by virtue of Board action and the aforesaid agreement.

XVI. The CoveCreek Club, Inc., has the right to engage in construction activities within the development only on its own lands and is exempt from the architectural control provisions of the aforementioned restrictive covenants and conditions.

XVII. The CoveCreek Club, Inc., maintains an office within its club house and has a mailing address of P.O. Box 1000, Stevensville, Maryland 21666. The current designated club manager is Timothy E. Sage.

XVIII. As of the date of this disclosure, there are no known unsatisfied judgments or pending law suits against The CoveCreek Club, Inc.

XIX. A list of the Cove Creek subdivision plats is attached hereto as Exhibit No. 7 and reference is made thereto for the purpose of incorporating herein by reference said plats as the same are recorded among the Land Records of Queen Anne's County.

COVCK4

EXHIBIT NO 1

Tr. 21 993
L. 51112 RECEIVED FOR RECORD Apr. 18 1973 1:45 P.M.

THIS DEED, Made this 18 day of April 1973, by and between STANLEY B. GIRAITIS and ANNE W. GIRAITIS, his wife, and FREDRICA M. McDORMAN and MARGARET M. BROGAN, of the first part; and MILTON E. KETTLER and BARBARA W. KETTLER, his wife of the second part;

WITNESETH: that for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, the receipt of which is hereby acknowledged, the said parties of the first part do hereby grant and convey unto the said parties of the second part, Milton E. Kettler and Barbara W. Kettler, his wife, as tenants by the entireties, their heirs and assigns, in fee simple, the following described lands, to wit:

PARCEL NO. 1: ALL that tract of land and farm situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, located on Eastern Bay, and more particularly described as follows, to wit:

BEGINNING for the same at a stake on Eastern Bay at the southeastern corner of said tract and running North 78 degrees 30 minutes West, 148 perches to Cove Creek, thence with the shore line of said Creek, North 57.5 perches, thence North 41 degrees 30 minutes West, 10 perches, thence North 12 perches, thence West 5 perches, thence South 15 degrees West, 17 perches, thence South 43 degrees West, 13 perches, thence South 22 degrees East, 21.5 perches, thence South 45 degrees West, 9 perches, thence South 6 degrees 30 minutes West, 24 perches, thence South 44 degrees 30 minutes West, 14 perches, thence South 26 degrees East, 20 perches, thence South 30 degrees West, 9 perches, thence South 9 degrees East, 13.5 perches, thence North 86 degrees 30 minutes West, 22 perches, thence North 18 degrees 30 minutes West, 17 perches with Long Creek, thence North 11 degrees West, 22 perches, thence North 4 degrees 19.5 perches, thence North 9 degrees East, 7-1/4 perches thence North 23 degrees 30 minutes East, 12 perches, thence North 28 degrees West, 9.5 perches, thence North 8 degrees 30 minutes West, 30 perches, thence North 30 degrees East, 9.5 perches, thence North 37 degrees West, 8 perches, thence North 26 degrees East, 12 perches, thence North 35 degrees East, 10 perches, thence North 33 degrees West, 12 perches, thence North 10 degrees East, 28 perches, thence North 7 degrees 30 minutes West, 24 perches, thence North 26 degrees West, 12 perches, thence North 2 degrees

6/11/73 Original mailed to Grantee, Stevensville, Md.

RECORDATION TAX ACT OF 1947 $110.00

CWC

30 minutes East, 23 perches to a post in the middle of a stream, thence with the division fence East 170 perches to Eastern Bay, thence with the shore line of said Bay, South 27 degrees 15 minutes East, 26.5 perches, thence South 39 degrees East, 16 perches, thence South 24 degrees 30 minutes East, 52 perches, thence South 11 degrees 30 minutes East, 56 perches, thence South 55 degrees 30 minutes West, 9 perches, thence South 7 degrees 30 minutes West, 66 perches, thence South 39 degrees 45 minutes East, 9 perches, thence South 33 degrees 30 minutes West, 11 perches to the place of beginning, containing 261 acres, 2 roods and 2 perches of land, more or less.

TOGETHER with the right to use in common a right of way described in accordance with a survey made by J. B. Metcalfe, surveyor, May, 1949, as set forth in deed from Kinnamon, et. ux., to Metcalfe, et. al., recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 4 folio 418, hereinafter mentioned, as follows, to wit:

BEGINNING for a 40 foot wide way at a point in the center of the Matapeake-Romancoke State Road, 602 feet West from the west end of the Romancoke Ferry Wharf and running (1) thence by and with the center line of the said 40 foot way through the Bullen and Cockey farms, South 9 degrees 11 minutes West, 612.31 feet to the line of the lands of the Cockey Farm, thence continuing the same course through the Cockey farm a distance of 1,984.31 feet (total distance 2,596.61 feet) to the line of the lands of the Joseph Legg Farm and to the beginning of the 25 foot wide way leading to the Bolgiano lands, (2) thence by and with the center line of said 40 foot wide way through the Joseph Legg farm, the two following courses and distances, South 4 degrees 48 minutes West, 2,402.21 feet to a point, thence South 8 degrees 42 minutes West, 1,068.41 feet to a point in the line of the said Bolgiano lands.

BEING the same tract or farm conveyed by Nellie G. Meredith unto Harry A. Kinnamon, et. ux., (to the extent of an undivided one-half interest), Joseph Brown Metcalfe (as to the extent of an undivided one-quarter interest), and Stanley G. Giraitis (to the extent of an undivided one-quarter interest) by deed dated the 3rd day of July, 1951, and recorded among the Land Records of Queen

Anne's County, Maryland, in Liber T.S.P. No. 2 folio 127.

BEING also the same tract or farm conveyed by Harry A. Kinnamon, et. ux., (as to his one-half interest) unto Joseph Brown Metcalfe and Stanley B. Giraitis, as tenants in common by deed dated the 12th day of April, 1952, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 4 folio 418.

PARCEL NO. 2: ALL that piece or parcel of ground situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County aforesaid, and described as follows, that is to say:

BEGINNING for the same on the eastern side of a cove emptying into Long Creek, and running thence South 78 degrees 30 minutes, 116 perches to the Bay, thence bounding on the waters of Eastern Bay and the aforesaid Cove, the following courses and distances, viz: South 25 degrees West 6 perches, thence South 36 degrees West, 144 perches, thence South 33 degrees 30 minutes West 10 perches, thence South 28 degrees West 26 perches, thence South 17 degrees West 38 perches, thence South 40 degrees West 21-1/2 perches, thence North 83 degrees West 26 perches, thence North 52 degrees West 20 perches, thence North 21 degrees West 24 perches, thence North 21 degrees 30 minutes East 34 perches, thence North 41 degrees East 12 perches, thence North 68 degrees 30 minutes East 6 perches, thence North 23 degrees 30 minutes West 8 perches, thence North 65 degrees West 17 perches, thence North 7 degrees 30 minutes East 14 perches, thence North 39 degrees 30 minutes West 14 perches, thence North 27 degrees East 9-1/2 perches, thence North 14 degrees 30 minutes East 8 perches, thence North 37 degrees East 10 perches, thence North 46 degrees 30 minutes East 14 perches thence North 58 degrees East 20 perches, thence North 24 degrees 3 minutes West 16 perches, thence North 4 degrees East 15 perches, thence North 36 degrees East 26 perches, thence North 54 degrees 30 minutes East 20 perches to the place of beginning. Containing 129 acres, 3 rods and 8 perches, more or less.

TOGETHER with the right of way leading from the above described property to the Romancoke Road described all as set forth in the deed from Bolgiano to Metcalfe, et. al., recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 9 folio 539, hereinafter mentioned, as follows:

BEGINNING for the easternmost side of the right of way now being described on the southernmost side of the Romancoke Road at the distance of 596 feet westerly from the westernmost end of

of the bridge used as an approach to the ferry, running thence southerly as now laid out approximately at right angles to the said Romancoke Road and with a width of 25 feet 1.4 miles, more or less, to the northernmost boundary of the tract of land hereby conveyed. Said right of way to be used in common with other lands abutting thereon for the purpose of ingress and egress and the extension of public utilities.

BEING the same tract or farm conveyed by J. Walton Bolgiano, et. ux., unto J. Brown Metcalfe and Helen Metcalfe, his wife, as tenants by the entireties, (to the extent of one-half undivided interest) and Stanley B. Giraitis and Anne W. Giraitis, his wife, as tenants by the entireties (to the extent of a one-half undivided interest), by deed dated the 21st day of March, 1953, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber T.S.P. No. 9 folio 538. Upon the death of Helen Metcalfe on November 28, 1959, the one-half interest held by J. Brown Metcalfe and Helen Metcalfe passed to J. Brown Metcalfe, surviving tenant by the entirety.

The said J. Brown Metcalfe departed this life on or about the 17th day of June, 1970, devising his undivided interest in said property unto Fredrica M. McDorman and Margaret M. Brogan, by his Last Will and Testament, dated the 2nd day of March, 1965, and recorded among the Will Records of Kent County, State of Maryland, in Liber E.R.B. No. 6 folio 9; and as provided by Article 93 of the Annotated Code of Maryland, the said Fredrica M. McDorman and Margaret M. Brogan, as Personal Representatives of the Estate of J. Brown Metcalfe, did convey the undivided interest unto said devisees by deed dated February 11, 1972, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 63 folio 534.

For further reference to the rights of ways hereinabove mentioned, reference is made to the following deeds, to wit: (a) deed from Theodore Cooke, Jr., unto J. Walton Bolgiano, et. ux., dated July 3, 1947, recorded among the Land Records aforesaid in Liber A.S.G., Jr. No. 18 folio 84, (b) deed from Theodore Cooke, Jr. unto the Partners Holding Company dated January 24, 1949, recorded among the Land Records aforesaid in Liber N.B.W. No. 2 folio 428, and by the plat of the "Bullen Farm" filed therewith, (c) deed from Theodore C. Waters, surviving executor of the Last Will and Testament of Theodore Cooke, Jr., unto Harry Kinnamon, dated July 18, 1949, recorded among the Land Records aforesaid in Liber N.B.W. No. 3 folio 474, and (d) deed from Theodore C. Waters, surviving executor as aforesaid, to Guaranteed Realty Corporation, dated January 20, 1950, recorded among the Land Records aforesaid in Liber N.B.W. No. 5 folio 154.

The estate of J. Brown Metcalfe was administered by the Orphans' Court for Kent County in Administration No. 3549.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said parties of the second part, Milton E. Kettler and Barbara W. Kettler, his wife, as tenants by the entireties, their heirs and assigns, in fee simple.

AND the said parties of the first part do hereby covenant that they have not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that they will warrant specially the property hereby granted and conveyed; and that they will execute such further assurances of the same as may be requisite.

WITNESS the hands and seals of said Grantors.

WITNESS:

Robert L. Downes Jr. — Stanley B. Giraitis (SEAL)
Stanley B. Giraitis

Robert L. Downes Jr. — Anne W. Giraitis (SEAL)
Anne W. Giraitis

Robert L. Downes Jr. — Fredrica M. McDorman (SEAL)
Fredrica M. McDorman

Robert L. Downes Jr. — Margaret M. Brogan (SEAL)
Margaret M. Brogan

STATE OF Maryland

CITY OR COUNTY OF Queen Anne's to wit:

I HEREBY CERTIFY, that on this 17 day of April, 1973, before me, the subscriber, a Notary Public as aforesaid, personally appeared Stanley B. Giraitis and Anne W. Giraitis, his wife, and they did each acknowledge the aforegoing Deed to be their act.

AS WITNESS my hand and Notarial Seal.

Robert L. Downes Jr.
NOTARY PUBLIC

My Commission Expires: 7-1-1974

LIBER 725 FOLIO 795

LIBER 72 PAGE 796

STATE OF Maryland

CITY OR COUNTY OF Queen Anne's to wit:

I HEREBY CERTIFY, that on this 19th day of April, 1973, before me, the subscriber, a Notary Public as aforesaid, personally appeared Fredrica M. McDorman, and she did acknowledge the aforegoing Deed to be her act.

AS WITNESS my hand and Notarial Seal.

Rachel L. Downes Jr.
NOTARY PUBLIC

My Commission Expires: 7-1-1974

STATE OF MARYLAND

~~CITY OR~~ COUNTY OF Queen Anne's to wit:

I HEREBY CERTIFY, that on this 18 day of April, 1973, before me, the subscriber, a Notary Public as aforesaid, personally appeared Margaret M. Brogan, and she did acknowledge the aforegoing Deed to be her act.

AS WITNESS my hand and Notarial Seal.

Rachel L. Downes Jr.
NOTARY PUBLIC

My Commission Expires: 7-1-1974

TAX $ 5550.00 REC. # 5112 APR 18 73
STATE PROPERTY TRANSFER CLERK

EXHIBIT NO 2.

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A 89299

MARYLAND
State Department of Assessments and Taxation
William L. Shoemaker, Director

301 WEST PRESTON STREET
BALTIMORE, MARYLAND 21201

YOU ARE ADVISED THAT THE ARTICLES OF INCORPORATION

OF

THE COVECREEK CLUB, INC.

HAVE BEEN RECEIVED AND APPROVED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION THIS 11th DAY OF September, 1979 at 10:00 a. m. AND WILL BE RECORDED.

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND

BY: William L. Shoemaker

No. 34547 A

STATE OF MARYLAND

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION
301 WEST PRESTON STREET
BALTIMORE 21201

THIS IS TO CERTIFY THAT the within instrument is a true copy of the

ARTICLES OF INCORPORATION

OF

THE COVECREEK CLUB, INC.

as approved and received for record by the State Department of Assessments and Taxation of Maryland, September 11, 1979

at 10:00 o'clock A. M.

AS WITNESS my hand and official Seal of the said Department at Baltimore this 24th day of September, 1979.

William J. Simmons
Corporate Administrator

ARTICLES OF INCORPORATION

OF

THE COVECREEK CLUB, INC.

FIRST: We, the undersigned, MILTON E. KETTLER, L. FRANK BOND, JR., and ALLEN JONES, JR., all of whom are residents of Montgomery County, Maryland, and all of whom are at least twenty-one (21) years of age, do under and by virtue of the General Laws of the State of Maryland authorizing the formation of corporations, associate ourselves as incorporators with the intention of forming a non-stock, non-profit corporation.

SECOND: The name of the corporation is

THE COVECREEK CLUB, INC.

THIRD: The purposes for which the corporation is formed are:

To promote the health, safety and welfare of the residents of The CoveCreek Club which is located in the fourth election district of Queen Anne's County, Maryland, and as described and defined in applicable Declaration of Covenants, Conditions and Restrictions recorded or to be recorded in the land records for Queen Anne's County, Maryland, and in accordance with such Supplementary Declarations of Covenants, Conditions and Restrictions as may thereafter be recorded in said land records.

To own, acquire, build, operate and maintain parks, play areas, and other recreational facilities, open spaces, commons and walkways, including buildings, structures and personal properties incident thereto and to provide such facilities and services in connection therewith as permitted by law and including, but not limited to, the following:

1. Maintenance of properties within The CoveCreek Club;

2. Maintenance of unkempt lands or trees; and

3. Such other supplemental municipal services or other services as may be deemed necessary.

To fix assessments or charges to be levied against the Private Lots located within The CoveCreek Club and the Owners thereof.

To enforce any and all covenants, conditions, restrictions and agreements applicable to The CoveCreek Club.

To carry out all or any part of the foregoing objects as principal, factor, agent, contractor, or otherwise, either alone or through or in conjunction with any person, firm, association or corporation, and, in carrying on its business and for the purpose of attaining or furthering any of its objects and purposes, to make and perform any contracts and to do any acts and things, and to exercise any powers suitable, convenient or proper for the accomplishment of any of the objects and purposes herein enumerated or incidental to the powers herein specified, or which at any time may appear conducive to or expedient for the accomplishment of any of such objects and purposes.

The foregoing objects and purposes shall, except when otherwise expressed, be in no way limited or restricted by reference to or inference from the terms of any other clause of this or any other article of these Articles of Incorporation or any amendment thereto, and shall each be regarded as independent, and construed as powers as well as objects and purposes.

The corporation shall be authorized to exercise and enjoy all of the powers, rights and privileges granted to, or conferred upon, corporations of a similar character by the General Laws of the State of Maryland now or hereafter in force, and the enumeration of the foregoing powers shall not be deemed to exclude any powers, rights or privileges so granted or conferred.

FOURTH: This corporation is not authorized to issue capital stock.

FIFTH: Every person or entity who is a record Owner of a fee or undivided fee interest in any Private Lot located within The CoveCreek Club which is subject to the applicable Declaration of Covenants, Conditions and Restrictions recorded or to be recorded in the land records for Queen Anne's County, Maryland shall automatically be a Member of this corporation, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member. Provided, however, the Owner of a Private Lot that is not fully served by finished streets and utilities is not subject to any assessments or charges provided for in said Declaration of Covenants, Conditions and Restrictions.

SIXTH: The corporation shall have the following two classes of voting membership:

> Class A. Class A Members shall be all those Owners (including Declarants and Developer) as defined in paragraph FIFTH above. Class A Members shall be entitled to one (1) vote for each Private Lot in which they hold the interests required for membership under paragraph FIFTH above. When more than one person holds such interest or interests in any Private Lot, all such persons shall be Members, and the vote for such Private Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Private Lot.

Class B. The Developer shall be the sole Class B Member. The Class B Member shall be entitled to four hundred (400) votes in The CoveCreek Club, Inc. The Class B membership shall cease and terminate upon the conveyance of the eightieth (80th) Private Lot within The CoveCreek Club to an Owner other than Declarants or Developer or on January 1, 1985, whichever shall first occur.

At no time shall the vote of the Class B Member be cast or utilized for the purpose of permitting the use of the Community Properties by non-members or to establish or impose admission and other fees for the use of the Community Properties by either Members or non-members, which rights are specifically reserved to The CoveCreek Club, Inc. under Article IV, Section 3 (d) of the Declaration of Covenants, Conditions and Restrictions.

SEVENTH: The post office address of the principal office of the corporation is 19110 Montgomery Village Avenue, Gaithersburg, Maryland 20760. The name of the resident agent of the corporation is M.E. Kettler, a citizen of this State actually residing therein, and the post office address of the resident agent is 5510 Pollard Road, Bethesda, Montgomery County, Maryland 20016.

EIGHTH: The affairs of the corporation shall be managed by a Board of five (5) Directors who need not be Members of the corporation. The initial Board of Directors shall consist of five (5) Directors who shall hold office until the election of their successors for the terms hereinafter set forth. Beginning with the first annual meeting to be held on or before December 31, 1980, the Members, at the first such annual meeting shall elect two (2) Directors for a term of three years; at the second annual meeting the Members shall elect two (2) Directors for a term of three years; and at the third annual meeting, the Members shall elect one (1) Director for a term of three years; and at each subsequent annual meeting the Members shall elect the applicable number of Directors to those terms then expiring in accordance with the foregoing schedule.

The names and addresses of those persons who are to act as Directors until the election of their successors and their terms of office are:

To serve until the first annual meeting to be held on or before December 31, 1980:

Name	Address
L. Frank Bond. Jr.	9813 Gartrel Place Kensington, Maryland 20795
Allen Jones, Jr.	7014 Old Cabin Lane Rockville, Maryland 20852

To serve until the next succeeding annual meeting:

Name	Address
Milton E. Kettler	5510 Pollard Road Washington, D.C. 20016
Charles V. Phillips, Jr.	7301 Venice Street Falls Church, Virginia 22043

To serve until the next succeeding annual meeting:

Name	Address
John F. Ryon	Queen Anne Colony Stevensville, Maryland 21666.

NINTH: The corporation may be dissolved only upon the assent of two-thirds (2/3) of the total votes of all classes of Members of those voting upon written ballot which shall be sent to all Members at least thirty (30) days in advance of the canvass thereof and which notice shall set forth the reasons for such dissolution and the disposition to be made of the assets (which shall be consonant with paragraph TENTH hereof).

TENTH: Upon dissolution of the corporation, the assets of the corporation, both real and personal, shall be dedicated, granted or otherwise fully conveyed to the Queen Anne's County Government or such public agency or authority as the said Queen Anne's County Government may deem appropriate, to be devoted to purposes as nearly the same as practicable as those to which they were required to be devoted by the corporation. In the event that such dedication, grant or conveyance is refused acceptance, then said assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the corporation.

ELEVENTH: These Articles may be amended only upon the assent of two-thirds (2/3) of the total votes of all classes of Members of those voting upon written ballot which shall be sent to all Members at least thirty (30) days in advance of the canvass thereof and which notice shall set forth the proposed amendment to these Articles, provided that no amendment shall be effective to impair or dilute any rights of Members that are covered by the recorded covenants, conditions and restrictions applicable to the properties located within The CoveCreek Club (as, for example, membership and voting rights) which are part of the property rights and interests created thereby.

TWELFTH: The quorum required for any action authorized by Articles NINTH and ELEVENTH hereof shall be as follows: A return at the first canvass of ballots representing sixty (60) percent of the total votes of all classes of membership shall constitute a quorum. If the required quorum is not forthcoming at the first canvass, another canvass may be taken, subject to the notice

requirements set forth in said Articles NINTH and ELEVENTH, and the required quorum at any such subsequent canvass shall be one-half (1/2) of the required quorum at the preceding canvass, provided that no such subsequent canvass shall be taken more than sixty (60) days following the preceding canvass.

THIRTEENTH: The duration of the corporation shall be perpetual.

IN WITNESS WHEREOF, we have signed these Articles of Incorporation on this 7th day of September, 1979.

Milton E. Kettler

L. Frank Bond, Jr.

Allen Jones, Jr.

WITNESS AS TO ALL:

STATE OF MARYLAND)
) ss:
COUNTY OF MONTGOMERY)

I hereby certify that on Sept. 7, 1979 before me the subscriber, a notary public in and for the state and county aforesaid, personally appeared Milton E. Kettler, L. Frank Bond, Jr. and Allen Jones, Jr., and severally acknowledged the foregoing Articles of Incorporation to be their act as the incorporators named therein.

WITNESS my hand and notarial seal or stamp the day and year last above written.

Notary Public

My commission expires: 7/1/82.

EXHIBIT NO 3

THE COVECREEK CLUB, INC.

* * * *

BY-LAWS

* * * *

ARTICLE I

Definitions

Section 1. The following words when used in these By-laws (unless the context shall prohibit) shall have the following meanings:

(a) "Corporation" shall mean and refer to The CoveCreek Club, Inc., a non-stock, non-profit Corporation organized and existing under the laws of the State of Maryland.

(b) "Declaration of Covenants" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions (and all supplements thereto) applicable to The CoveCreek Club and recorded by the Declarants or Developer in the land records for Queen Anne's County, Maryland on the 1st day of November, 1979, in Liber 156 at Folio 715 and wherein The CoveCreek Club, Inc. is granted or charged with property rights or obligations for the described area.

(c) "The CoveCreek Club" shall mean and refer to a community situated within the Fourth Election District of Queen Anne's County, Maryland and made up of such existing properties as are subject to the Declaration of Covenants and as are described in Article II thereof as being located within The CoveCreek Club.

(d) "Community Properties" shall mean and refer to all land, improvements and other properties heretofore or hereafter owned by The CoveCreek Club, Inc.

(e) "Private Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat or map of The CoveCreek Club and permitting the construction of a residential living unit thereon, excepting Community Properties.

(f) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Private Lot situated within The CoveCreek Club but, notwithstanding any applicable theory of the

mortgage, shall not mean or refer to the mortgagee unless or until such mortgagee has acquired title pursuant to foreclosure or any procedure in lieu of foreclosure.

(g) "Declarants" shall mean and refer to Milton E. and Barbara W. Kettler, or their heirs, legal representatives, successors and assigns, owners of the real property described in Article II of the Declaration of Covenants.

(h) "Developer" shall mean and refer to Kettler Brothers, Inc., or such other construction company that undertakes the development of real estate in The CoveCreek Club under an agreement with the owners of the land.

(i) "Member" shall mean and refer to members of The CoveCreek Club, Inc.

ARTICLE II

Office

Section 1. The principal office of the Corporation shall be located at 19110 Montgomery Village Avenue, Gaithersburg, Maryland, 20760.

ARTICLE III

Membership

Section 1. Every person or entity who is a record Owner of a fee or undivided fee interest in any Private Lot located within The CoveCreek Club shall automatically be a Member of the Corporation, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member. Provided, however, the Owner of a Private Lot that is not fully served by finished streets and utilities is not subject to any assessments or charges hereinafter provided for.

Section 2. The rights of membership are subject to the payment of annual and special assessments levied by the Corporation. The obligation for said assessments is imposed against each Owner of and becomes a lien upon the property against which such assessments are made as provided by Article V of the Declaration of Covenants. Article V provides in part that the maximum annual assessment payable to the Corporation shall be $ 1,200.00 per Private Lot subject to such maximum annual assessment being increased by the Board of Directors for any given year in conformance with a like increase in the consumer price index and that, in the case of any special assessment levied by the Corporation, such assessment shall require the assent of two-thirds (2/3) of the total votes of all classes of Members who are voting in person or by proxy

at a meeting duly called for that purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 3. The membership rights of any person whose interest in The CoveCreek Club is subject to assessments or charges under Article III, Section 2 hereof, whether or not he be personally obligated to pay such assessments, may be suspended by action of the Board of Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If the Directors have adopted and published rules and regulations governing the use of the Community Properties and facilities, and the personal conduct of any person thereon, as provided in Article IX, Section 1 hereof, they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed ninety (90) days.

ARTICLE IV

Voting Rights

Section 1. The Corporation shall have two classes of voting membership:

Class A. Class A Members shall be all those Owners (including Declarants and Developer) as defined in Article III, Section 1 hereof. Class A Members shall be entitled to one (1) vote for each Private Lot in which they hold the interests required for membership under Article III, Section 1 hereof. When more than one person holds such interest or interests in any Private Lot, all such persons shall be Members, and the vote for such Private Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Private Lot.

Class B. The Developer shall be the sole Class B Member. The Class B Member shall be entitled to four hundred (400) votes in the Corporation. The Class B membership shall cease and terminate upon the conveyance of the eightieth (80th) Private Lot within The CoveCreek Club to an Owner other than Declarants or Developer or on January 1, 1985, whichever shall first occur.

Section 2. At no time shall the vote of the Class B Member be cast or utilized for the purpose of permitting the use of the Community Properties by non-members or to establish or impose admission and other fees for the use of the Community Properties by either Members or non-members, which rights are specifically reserved to The CoveCreek Club, Inc. under Article IV, Section 3 (d) of the Declaration of Covenants, Conditions and Restrictions.

ARTICLE V

Property Rights in the Community Properties

Section 1. Each Member shall be entitled to the use and enjoyment of the Community Properties as provided by deed of dedication and the Declaration of Covenants.

Section 2. Every Member may delegate his rights of enjoyment in the Community Properties to each of his tenants and to each member of his family who resides with him within The CoveCreek Club and to such other persons as may be permitted under duly adopted Rules and Regulations of this Corporation. Such Member shall notify the secretary of the Corporation in writing of the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension under Article III, Section 3 hereof, to the same extent as those of the Members.

ARTICLE VI

Corporation Purposes and Powers

Section 1. The Corporation has been organized for the purposes set forth within the paragraph designated "THIRD" of its Articles of Incorporation.

Section 2. The Corporation shall have the power to mortgage its properties only to the extent authorized under the Declaration of Covenants.

The total debts of the Corporation, including the principal amount of such mortgages, outstanding at any time, shall not exceed the total of two (2) years' assessments or charges current at that time, provided that authority to exceed said maximum in any particular case may be given by an affirmative vote of two-thirds (2/3) of the total votes of all classes of Members of those voting upon written ballot which shall be mailed or personally delivered to all Members at least thirty (30) days in advance of the canvass thereof. The balloting shall be done as provided in Article XIV hereof.

Section 3. The quorum required for any action governed by Section 2 of this Article shall be as follows:

> A return at the first canvass of ballots representing sixty (60) percent of the total votes of all classes of Members shall constitute a quorum. If the required quorum is not forthcoming at any canvass, another canvass may be taken, subject to the notice requirements

set forth in said Section, and the required quorum at any subsequent canvass shall be one-half (1/2) of the required quorum at the preceding canvass, provided that no such subsequent canvass shall be taken more than sixty (60) days following the preceding canvass.

Section 4. The Corporation shall have power to dispose of its real properties only as authorized under the Declaration of Covenants or its Articles of Incorporation.

ARTICLE VII

Board of Directors

Section 1. The business and affairs of the Corporation shall be managed by a Board of five (5) Directors who need not be Members of the Corporation. The initial Board of Directors shall consist of five (5) Directors who shall hold office until the election of their successors for the terms stated in the Articles of Incorporation. Beginning with the first annual meeting to be held on or before December 31, 1980, the Members, at the first such annual meeting shall elect two (2) Directors for a term of three years; at the second annual meeting the Members shall elect two (2) Directors for a term of three years; and at the third annual meeting, the Members shall elect one (1) Director for a term of three years; and at each subsequent annual meeting the Members shall elect the applicable number of Directors to those terms then expiring in accordance with the foregoing schedule.

Section 2. Vacancies in the Board of Directors shall be filled by a majority vote of the remaining Directors. Any such Director so elected shall hold office during the unexpired term of his predecessor. Should three (3) or more vacancies occur simultaneously due to resignation, death, or for other cause, then, and in that event, a Special Meeting of the Members shall be called for the purpose of electing Directors to such vacancies for the unexpired terms thereof.

ARTICLE VIII

Nomination and Election of Directors

Section 1. Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall be one of the standing committees of the Corporation. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Corporation. The members of the Nominating Committee shall be appointed by the Board of Directors at least thirty (30) days prior to each annual meeting of the Members to serve until their successors are appointed.

Section 2. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled and such nominations may be made from among Members or non-members of the Corporation.

Section 3. All elections to the Board of Directors shall be made by secret written ballot which shall: (a) describe the vacancies to be filled; (b) set forth the names of those nominated by the Nominating Committee for such vacancies; and (c) contain space for a write-in vote by the Members for each vacancy. Such ballots shall be prepared and mailed to the Members at least fifteen (15) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the annual meeting or special meeting called for elections).

Section 4. The Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration of Covenants. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 5. An Election Committee which shall consist of three (3) members shall be appointed by the Board of Directors and shall be responsible for maintaining the safekeeping of the written ballots once collected by the Secretary or such other officer of the Corporation deemed responsible therefor and shall be required to follow such verification procedures as may be adopted by the Board of Directors regarding votes cast, genuineness of signatures, validity of proxies and such other matters as will insure a fair election.

ARTICLE IX

Powers and Duties of the Board of Directors

Section 1. The Board of Directors shall have power:

(a) To call special meetings of the Members whenever it deems necessary and in such other instances as provided in Article XIII, Section 2 hereof.

(b) To appoint and remove at pleasure all officers, agents and employees of the Corporation, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-laws shall be construed to prohibit the employment of any Member, officer or Director of the Corporation in any capacity whatsoever.

(c) To establish, levy and assess and collect the assessments or charges referred to in Article III, Section 2 hereof.

(d) To establish, levy and assess and collect reasonable admission and other fees or charges for the use of certain of the Community Properties by either Members or non-members of the Corporation.

(e) To adopt and publish rules and regulations governing the use of the Community Properties and facilities and the personal conduct of the Members and their guests thereon and to establish penalties for any violation thereof.

(f) To exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation, except those reserved to the Members.

(g) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board.

Section 2. It shall be the duty of the Board of Directors:

(a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the total voting membership or one-fourth (1/4) of the Class A membership, as more specifically provided in Article XIII, Section 2 hereof.

(b) To supervise all officers, agents and employees of this Corporation, and to see that their duties are properly performed.

(c) To prepare a roster of all properties within The CoveCreek Club and assessments or charges applicable thereto which shall be kept in the office of the Corporation.

(d) To fix the amount of the assessment or charge against each Private Lot for each assessment period at least thirty (30) days in advance of such date or period and, at the same time, send written notice of each assessment or charge to every Owner subject thereto, all as otherwise more fully provided herein and in the Declaration of Covenants.

(e) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment or charge has been paid. A reasonable charge may be made by the Board for the issuance of the certificate. Such certificate shall be conclusive evidence of any assessment or charge therein stated to have been paid.

(f) To procure and maintain adequate liability insurance covering the Corporation, its Directors, officers, agents and employees and to procure and maintain adequate hazard insurance on such of the Corporation's real and personal properties as deemed appropriate by the Board.

ARTICLE X

Directors' Meetings

Section 1. A regular meeting of the Board of Directors shall be held at such time and place as determined by the Board and not less frequently than on a quarterly basis.

Section 2. Notice of such regular meeting is hereby dispensed with. If the day for the regular meeting shall fall upon a legal holiday, the meeting shall be held at the same hour on the first day following which is not a Saturday, Sunday or legal holiday, and no notice thereof need be given.

Section 3. Special meetings of the Board of Directors shall be held when called by the president or vice-president of the Corporation or by any two (2) Directors after not less than three (3) days' notice in writing to all Directors which shall be delivered personally or mailed to the Directors at their addresses appearing on the Corporation's records. Notice by mail shall be deemed given at time of mailing.

Section 4. A majority of the Board of Directors shall constitute a quorum thereof and the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 5. The Board of Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE XI

Officers and Their Duties

Section 1. The officers shall be a president, a vice-president, a secretary, a treasurer and such other officers as the Board may deem appropriate to create by resolution. The president and vice-president shall be members of the Board of Directors.

Section 2. The officers shall be chosen by majority vote of the Directors.

Section 3. All officers shall hold office for such terms as designated by the Board of Directors and may be relieved of office at any time as may be determined by the Board.

Section 4. The president shall be the chief executive officer of the Corporation, shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and shall sign such documents as determined by resolution of the Board of Directors.

Section 5. The vice-president shall perform all the duties of the president in his absence.

Section 6. The secretary shall be, ex officio, the secretary of the Board of Directors, and shall record the votes and keep the minutes of all proceedings of the Board in a book to be kept for that purpose. The secretary shall sign all certificates of membership, keep the records of the Corporation and shall record in an appropriate book the names of all Members of the Corporation together with their addresses as registered by such Members (see Article XIII, Section 3 hereof).

Section 7. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors, provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. All checks and notes of the Corporation shall be prepared and signed as determined by resolution of the Board of Directors.

Section 8. The treasurer shall keep proper books of account and cause an annual audit of the Corporation books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement, as adopted by the Board of Directors, shall be presented to the membership at its regular annual meeting.

Section 9. In addition to those specific duties listed above in this Article, each officer shall perform such other duties as the Board of Directors may, by resolution, determine to be appropriate.

ARTICLE XII

Committees

Section 1. The standing committees of the Corporation shall be:

The Nominating Committee
The Recreation Committee
The Maintenance Committee
The Communications Committee
The Audit Committee.

Unless otherwise provided herein, each committee shall consist of a chairman and two (2) or more members and shall include a member of the Board of Directors for Board contact. The committees shall be appointed by the Board of Directors at its first meeting following each annual meeting of the Members and members of the committees shall serve until their successors are appointed. The Board of Directors may appoint such other committees as it deems desirable.

Section 2. The Nominating Committee shall have the duties and functions described in Article VIII hereof.

Section 3. The Recreation Committee shall advise the Board of Directors on all matters pertaining to the recreational programs and activities of the Corporation.

Section 4. The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Community Properties and facilities of the Corporation, including the Eastern Bay Shore Erosion Protection and maintenance of channels in adjacent waters.

Section 5. The Communications Committee shall inform the Members of significant activities of the Corporation and shall, after receiving approval from the Board of Directors, make such public releases and announcements as are in the best interests of the Corporation.

Section 6. The Audit Committee shall supervise the annual audit of the Corporation's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting as provided in Article XI, Section 8 hereof. The treasurer shall be an ex officio member of the Committee.

Section 7. With the exception of the Nominating Committee, each committee shall have power to appoint a subcommittee from among its membership and may delegate to any such subcommittee any of its powers, duties and functions.

Section 8. It shall be the duty of each committee to receive suggestions from Members on any matter involving Corporation functions, duties and activities within its field of responsibility. It shall handle suggestions as it deems appropriate or refer them to such other committee, officer or Director of the Corporation as is further concerned with the matter presented.

Section 9. In addition to those specific duties listed above in this Article, each committee shall perform such other duties as the Board of Directors may, by resolution, determine to be appropriate.

ARTICLE XIII

Meetings of Members

Section 1. There shall be an annual meeting of the Members held at such time and place within Queen Anne's County, Maryland, as determined by the Board of Directors.

Section 2. Special meetings of the Members may be called for any purpose at any time by the president or vice-president or by any two or more members of the Board of Directors, or upon written request of the Members or representatives who have a right to vote one-fourth (1/4) of the total votes of all classes of Members or who have a right to vote one-fourth (1/4) of the total votes of the Class A Members.

Section 3. Notice of any meeting, regular or special, shall be given to the Members by, or at the direction of, the secretary. Notice may be given to a Member either personally, or by sending a copy of the notice through the mail, postage prepaid, to his address appearing on the books of the Corporation. Each Member shall register his address with the secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall set forth the general nature of the business to be transacted and shall be mailed or personally delivered not less than fifteen (15) days in advance of the meeting unless such other notice requirements be set forth in the Articles of Incorporation, Declaration of Covenants or these By-laws.

Section 4. Unless otherwise provided in these By-laws, the Articles of Incorporation or the Declaration of Covenants, the presence at any meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the total votes of all classes of Members shall constitute a quorum for any action governed by these By-laws. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in Section 3 of this Article, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5. When a quorum is present at any meeting of Members, the vote of a majority of the votes of all classes of Members present in person or by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provision of the Declaration of Covenants, the Articles of Incorporation or elsewhere within these By-laws a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 6. At all meetings of Members, each Member may vote in person or by proxy.

Section 7. All proxies shall be in writing and filed with the secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease and terminate upon sale or transfer by the Member of his private lot or other interest in The CoveCreek Club.

ARTICLE XIV

Written Ballot in Special Cases

Section 1. Whenever the vote of the Members is required to be taken by written ballot under the provisions of these By-laws, the Articles of Incorporation or Declaration of Covenants, all Members shall vote in person or by proxy upon such written ballot. The mechanics of such balloting shall conform to the provisions of Article VIII hereof, provided that when a vote is on an issue, such issue shall be plainly stated upon the ballot or accompanying circular.

ARTICLE XV

General Provisions

Section 1. The fiscal year of the Corporation shall begin on January 1 and end on December 31 of every year, except that the first fiscal year shall begin on the date of incorporation, namely, September 11, 1979.

Section 2. The books, records and papers of the Corporation shall at all times, during reasonable business hours, be subject to the inspection of any Member.

Section 3. The Corporation shall have a seal in circular form having inscribed within its circumference the full name of the corporation, the year of its organization and the words "Corporate Seal, Maryland."

Section 4. Every person who acts as a Director or officer of the Corporation shall be indemnified by the Corporation for any judgment or award obtained against him as well as expenses actually and necessarily incurred by him, including legal fees if counsel not provided by the Corporation, in connection with the defense of any claim, action, suit or proceeding in which he is made a party by reason of his being or having been a Director or officer of the Corporation, except in relation to matters as to which he shall be adjudged or determined in such claim, action, suit or proceeding to have acted in bad faith and outside the scope of his authority or to have acted in a grossly negligent manner or with willful misconduct. In the event any such claim, action, suit or proceeding is instituted against a Director or officer of the Corporation, the Corporation shall have the right to enter into such settlement or compromise in regard thereto as may be deemed advisable by the Board of Directors.

The right of indemnification provided in this Article shall be in addition to any rights to which any such Director or officer may otherwise be entitled by contract or as a matter of law. Further, nothing herein contained shall be deemed to restrict the right of the Corporation to indemnify the Directors, officers or any agents or employees of the Corporation in such cases as it deems appropriate even though not specifically provided in this Article.

Section 5. As provided in Article IX hereof, the Corporation shall maintain a liability insurance policy with a company authorized to transact business in the State of Maryland. In the event said insurance policy provides a greater degree of protection to the Corporation's Directors, officers, agents and employees, for example, to the extent of covering acts of gross negligence and willful misconduct, nothing in Section 4 of this Article shall be construed as prohibiting such additional protection and indemnification to said Directors, officers, agents and employees, or of relieving the insurance company of the duty to provide the full normal coverage of its policy to said Directors, officers, agents and employees.

Section 6. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; and in the case of any conflict between the Articles of Incorporation, these By-laws and the Declaration of Covenants, the Declaration of Covenants shall control.

ARTICLE XVI

Amendments

Section 1. These By-laws may be altered, amended or repealed at a regular or special meeting of the Members, by a vote of a majority of a quorum (as provided in Article XIII, Section 4 hereof) of all classes of Members present in person or by proxy, provided that any different voting and/or quorum requirements specified for any action under any provision of these By-laws shall apply also to any amendment of such provision; and provided further that any matter stated herein to be or which is in fact governed by the Articles of Incorporation or by the Declaration of Covenants may not be amended except as provided in such Articles of Incorporation or Declaration of Covenants.

DOCUMENT NO. 1, 178

EXHIBIT NO 4 (A)

DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS
(THE COVECREEK CLUB)

THIS DECLARATION, made this 1st day of November, 1979, by MILTON E. and BARBARA W. KETTLER, hereinafter called "Declarants," and KETTLER BROTHERS, INC., hereinafter called "Developer,"

W I T N E S S E T H :

WHEREAS, Declarants are the owners of the real property described in Article II of this Declaration and together with the Developer desire to create thereon an exclusive residential community to be named "THE COVECREEK CLUB" with permanent parks, play areas, open spaces, walkways and other facilities for the benefit of the said community through the granting of specific rights, privileges and easements of enjoyment which may be shared and enjoyed by all residents of The CoveCreek Club; and

WHEREAS, Declarants and Developer desire to insure the attractiveness of the individual lots and community facilities within The CoveCreek Club and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of the said property and to provide for the maintenance of said parks, play areas, open spaces, walkways and other community facilities; and, to this end, desire to subject the real property described in Article II to the covenants, conditions, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Declarants and Developer have deemed it desirable, for the efficient preservation, protection and enhancement of the values and amenities in The CoveCreek Club and to insure the residents' enjoyment of the specific rights, privileges and easements in the community properties, facilities, and services to create an organization to which should be delegated and assigned the powers of owning, maintaining and administering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarants and Developer have caused to be incorporated under the laws of the State of Maryland, as a non-profit corporation, THE COVECREEK CLUB, INC., for the purpose of exercising the functions aforesaid within The CoveCreek Club;

NOW, THEREFORE, the Declarants and Developer declare that the real property described in Article II is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I

Definitions

Section 1. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

Re: 57512

CLERK	64.00
STAMP	—
TOTAL	64.00

(a) "The CoveCreek Club" shall mean and refer to all such existing properties as are subject to this Declaration and any Supplemental Declaration under the provisions of Article II hereof.

(b) "Community Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of The CoveCreek Club, including improvements heretofore or hereafter made thereon, designated on the face of said plat or plats as intended to be owned and/or maintained by The CoveCreek Club, Inc.

(c) "Private Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat or map of The CoveCreek Club and permitting the construction of a residential living unit thereon, excepting Community Properties.

(d) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Private Lot situated within The CoveCreek Club but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any procedure in lieu of foreclosure.

(e) "Declarants" shall mean and refer to Milton E. and Barbara W. Kettler, or their heirs, legal representatives, successors and assigns, owners of the real property described in Article II of this Declaration.

(f) "Developer" shall mean and refer to Kettler Brothers, Inc., or such other construction company that undertakes the development of real estate in The CoveCreek Club under an agreement with the owners of the land.

(g) "Member" shall mean and refer to members of The CoveCreek Club, Inc.

(h) "General Plan of Development" shall mean and refer to either the preliminary plan or the recorded plat for a particular area of The CoveCreek Club as specifically designated by Declarants or Developer.

ARTICLE II

Property Subject To This Declaration:

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in the Fourth Election District, Queen Anne's County, Maryland, and is more particularly described in metes and bounds description attached hereto as EXHIBIT A and incorporated by reference as fully as if specifically repeated herein and all of which real property shall hereinafter be referred to as "Existing Property."

ARTICLE III

Membership and Voting Rights in The CoveCreek Club, Inc.

Section 1. Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Private Lot located within The CoveCreek Club, shall automatically be a Member of The CoveCreek Club, Inc., provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member. Provided, however, the Owner of a Private Lot that is not fully served by finished streets and utilities is not subject to any assessments or charges hereinafter provided for.

Section 2. Voting Rights. The CoveCreek Club, Inc. shall have two classes of voting membership:

Class A. Clasa A Members shall be all thoae Owners (including Declarants and Developer) as defined in Article III, Section 1 hereof. Class A Members shall be entitled to one (1) vote for each Private Lot in which they hold the intereats required for membership under Section 1. When more than one person holds such interest or interests in any Private Lot, all such persons shall be Members, and the vote for auch Private Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Private Lot.

Class B. The Developer shall be the sole Class B Member. The Class B Member shall be entitled to four hundred (400) votea in The CoveCreek Club, Inc. The Class B membership shall cease and terminate upon the conveyance of the eightieth (80th) Private Lot within The CoveCreek Club to an Owner other than Declarants or Developer or on January 1, 1985, whichever shall first occur.

Section 3. Restriction of Clasa B Vote. At no time shall the vote of the Claaa B Member be cast or utilized for the purpose of permitting the use of the Community Properties by non-members or to establish or impose admission and other fees for the use of the Community Properties by either Members or non-members, which rights are specifically reserved to The CoveCreek Club, Inc. under Article IV, Section 3 (d) of this Declaration of Covenants, Conditions and Restrictions.

ARTICLE IV

Property Rights in the Community Properties

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3 below, every Member of The CoveCreek Club, Inc. shall have a right and easement of enjoyment in and to the Community Properties and such easement shall be appurtenant to and shall pass with the title to every Private Lot situated within The CoveCreek Club.

Section 2. Title to Community Properties. The Declarants or Developer may retain the legal title to the Community Properties until such time aa they have completed improvements thereon and until such time as, in the opinion of the Declarants or Developer, The CoveCreek Club, Inc. is able to maintain the same but, notwithstanding any other provision herein, the Declarants and Developer hereby covenant, for themselves, their heirs, legal representatives, successors and assigna, that they shall convey the Community Properties to The CoveCreek Club, Inc. not later than twelve (12) months following the delineation of any such property upon a recorded plat of subdivision, reserving by appropriate language in the deed of conveyance the right to complete the improvements thereon (if not then complete) to Declarants or Developer, at their own expense, and the right to enter upon, over and across said lands as necessary to complete the development of other adjacent lands and facilities within The CoveCreek Club.

Section 3. Extent of Members' Eaaements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Declarants or Developer and of The CoveCreek Club, Inc. in accordance with its By-laws, to borrow money for the purpose of

improving the Community Properties and in aid thereof to mortgage or otherwise burden or encumber said properties. In the event of a default upon any such mortgage or other burden or encumbrance, the lender shall have a right, after taking possession of such properties (where such right to possession exists), to charge admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage or other debt is satisfied whereupon the possession of such properties shall be returned to The CoveCreek Club, Inc. and all rights of the Members hereunder shall be fully restored; and

(b) The right of The CoveCreek Club, Inc. to take such steps as are reasonably necessary to protect the above-described properties against foreclosure; and

(c) The right of The CoveCreek Club, Inc., as provided in its By-laws, to suspend the enjoyment rights of any Member for any period during which any assessment remains unpaid, and for such period as it considers appropriate for any infraction of its published rules and regulations; and

(d) The right of The CoveCreek Club, Inc., if it so determines, to permit the use of the Community Properties by non-members and to charge reasonable admission and other fees for the use of the Community Properties to either Members or non-members; and

(e) The right of The CoveCreek Club, Inc. to dedicate or transfer all or any part of the Community Properties to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless the following requirements have first been met: an instrument signed by Members of The CoveCreek Club, Inc. entitled to cast two-thirds (2/3) of the total votes of all classes of Members has been recorded, agreeing to such dedication, transfer, purpose or condition, and written notice of the proposed agreement and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken.

(f) The right of The CoveCreek Club, Inc. to grant such easements and rights of way to such utility companies or public agencies or authorities as it shall deem necessary.

(g) The right of the Declarants or Developer to impose reasonable covenants and restrictions in respect to such Community Properties, in addition to those set forth herein, at the time of conveyance of such Properties to The CoveCreek Club, Inc. and such covenants and restrictions are hereby incorporated by reference and made part of this Declaration.

(h) The right of the Declarants or Developer, their successors and assigns to designate certain of the Community Properties, due to their physical size, shape, location or characteristics, as being limited to the use of limited numbers of the Owners of Private Lots within The CoveCreek Club.

Section 4. Extension of Rights and Benefits. Every Member of The CoveCreek Club, Inc. shall have the right to extend the rights and easements of enjoyment vested in him under this Article to each of his tenants and to each member of his family who resides with him within The CoveCreek Club and to such other persons as may be permitted by The CoveCreek Club, Inc.

ARTICLE V

Covenants for Maintenance Assessments

Section 1. Creation of the Lien and Peraonal Obligation for Assessments. Each Owner of any Private Lot within The CoveCreek Club by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, and the Declarants or Developer, through a recorded subdivision plat, shall be deemed to covenant and agree to pay to The CoveCreek Club, Inc.: (1) annual assessments or charges; (2) special assessments for capital improvements, such aasessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special aasessments together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied under this Article shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of The CoveCreek Club and in particular for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto and for the cost of labor, equipment, materials, management and supervision thereof and for such other needs as may arise.

Section 3. Basis and Maximum of Annual Assessments. The maximum annual assessment payable to The CoveCreek Club, Inc. shall be $1,200.00 per Private Lot; provided however, that such maximum annual assessment may be increased by action of the Board of Directors of said corporation for any year, so that the maximum assessment for that year ahall bear the same ratio to the Bureau of Labor Statiatics, Conaumer Price Index, All Urban Consumers, All Items, Washington, D.C. Area, issued by the U.S. Department of Labor for the month of July immediately preceding the calendar year in which such assessment shall become effective as $1,200.00 bears to 220.4 and rounded to a whole dollar amount for administrative purposes.

The Board of Directors of The CoveCreek Club may, after consideration of current maintenance costs and future needs of the corporation, fix the actual assessments for any year at a lesser amount.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3 hereof, The CoveCreek Club, Inc. may levy in any sssessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon its Properties or such other Property for which the corporation is charged with the maintenance thereof, including the necessary fixtures and personal property related thereto, subject, however, to the following: in the case of any special assessment levied by The CoveCreek Club, Inc., such assessment shall require the assent of two-thirds (2/3) of the total votes of all classes of Members who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Annual Assessments. The basis and maximum of the annual assessments provided for in Section 3 above may

be changed by the assent of two-thirds (2/3) of the total votes of all classes of Members voting in person or by proxy at a meeting duly called for that purpose and written notice of such meeting shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 6. Quorum for Any Action Authorized Under Sections 4 and 5. The quorum required for any action authorized by Sections 4 and 5 hereof shall be as follows:

At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of Members or of proxies entitled to cast sixty (60) percent of the total votes of all classes of Members shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in Sections 4 and 5, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence on the first day of the month designated by the Board of Directors of The CoveCreek Club, Inc. to be the date of commencement. The first annual assessments shall be adjusted according to the number of months remaining in the calendar year and such assessments shall thereafter be on a full calendar year basis. The Board of Directors shall fix the amount of the annual assessmenta against each Private Lot at leaat thirty (30) days in advance of each such annual aaaessment period and the due dates for such assessments shsll be established by the Board of Directors. Separate due dates may be established by the Board for partial annual assessments as long as made thirty (30) days in advance thereof. Further, in the event the Board establishes separate due dates for partial annual assessments, it may also make a ressonable charge for the privilege of paying the annual asseasmenta on a partial or installment basis. Written notice of the annual assessments shall be sent to every Owner subject thereto. The CoveCreek Club, Inc. shall, upon demand at any time, furnish to any Owner liable for such assessment a certificate in writing signed by an officer of the corporation setting forth whether said assessment has been paid. A reasonable charge, as determined by the Board of Directors, may be made for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; The Lien; Remedies of The CoveCreek Club, Inc. If an assessment is not paid on the date when due (being the dates specified in Section 7 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns. In sddition to the lien rights, the personal obligation of the then Owner to pay such sssessment shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of eight (8) percent per annum, and The CoveCreek Club, Inc. may bring legal action against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the coat of preparing and filing the complaint or bill in equity in such action, and in the event a judgment is obtained, such judgment shall include interest on the asaessment as above provided and a reasonable

attorney's fee to be fixed by the court together with the cost of the action. In addition to the aforeaaid, the Board of Directors may charge a reasonable late payment fee on all delinquent assessment accounts.

Section 9. Subordination of the Lien to Mortgages. The lien of the asseasments provided for herein ahall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any aaseasments thereafter becoming due, nor from the lien of any such subsequent aasesament. The term mortgage or mortgegea shall include deed of trust or deeds of trust.

ARTICLE VI

Architectural Control Committee

Section 1. Review of Committee. No building, fence, wall or other structure shall be commenced, erected or maintained within The CoveCreek Club, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications ahowing the nature, kind, shape, height, materials, color 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 by the Declarants or Developer. Such right of review and approval may be assigned by the Declarants or Developer to the Board of Directors of The CoveCreek Club, Inc., who may in turn assign such functions to an Architectural Control Committee composed of three (3) or more persons appointed by the Board. In the event said Declarants, Developer, Board, or its designated Committee, fails to approve or disapprove such design and location within sixty (60) daya 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 hereunder shall in no way be construed as pssaing judgment or making a determination with respect to the correctness of the location, structural design, suitsbility of water flow or drainage, location of utilities or other qualities of the item being reviewed. The CoveCreek Club, Inc. shall have the right to chsrge a reasonable fee for reviewing each application in an amount not to exceed $100.00. Provided that nothing herein contained shall apply to sny buildings, fences, wslls or other structures commenced, erected, maintained or to be erected upon land within The CoveCreek Club as long as title to such land is held by the Declsrants or Developer. Any such 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 may be required to be restored to the original condition at Owner's cost.

ARTICLE VII

Exterior Maintenance

Section 1. Exterior Maintenance. In addition to maintenance upon the Community Properties, The CoveCreek Club, Inc. may, upon agreement with the Owner, provide exterior maintenance upon esch Private Lot which is subject to asseasment under Article V hereof, as follows: paint, repair, replace and csre for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks and other exterior improvements.

Section 2. Assessment of Cost. The cost of such exterior maintenance shall be aasessed against the Private Lot upon which such maintenance is done

and shall be added to and become part of the annual maintenance assessment or charge to which such Private Lot is subject under Article V hereof and, as part of such annual assessment or charge, it shall be a lien and obligation of the Owner and shall become due and payable in all respects as provided in Article V hereof. Provided that the Board of Directors of The CoveCreek Club, Inc. when establishing the annual assessment against each Private Lot for any assessment year as required under Article V hereof, may add thereto the estimated cost of the exterior maintenance for the year but shall, thereafter, make such adjustment with the Owner as is necessary to reflect the actual cost thereof. Provided fnrther, however, that the assessments or charges provided for hereunder shall not be considered for computation purposes as part of the maximum annual assessments under said Article V.

Section 3. Access at Reasonable Hours. For the purpose solely of performing the exterior maintenance authorized by this Article, The CoveCreek Club, Inc. through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Private Lot at reasonable hours on any day except Sunday.

ARTICLE VIII

General Provisions

Section 1. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by The CoveCreek Club, Inc., or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded. Said covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless otherwise terminated or changed by the same requirements as hereinafter provided for amendments to the covenants and restrictions. The covenants and restrictions may be amended during the first twenty-five (25) years by an instrument signed by not less than three-fourths (3/4) of the Owners of all Private Lots within The CoveCreek Club, and thereafter by an instrument signed by not less than two-thirds (2/3) of the Owners of all Private Lots within The CoveCreek Club. For purposes of meeting the aforementioned three-fourths (3/4) and two-thirds (2/3) requirements, an Owner shall be counted once for each Private Lot which he owns. Provided, however, that any such amendment of these covenants and restrictions must be in full compliance with all applicable laws and regulations and shall not become effective until the instrument evidencing such change has been duly recorded and unless written notice of the proposed amendment is sent to every Owner of a Private Lot at least ninety (90) days in advance of any action taken; and provided further, that prior to January 1, 1985, no amendment of these covenants and restrictions shall become effective until approved in writing by Declarants or Developer.

Section 2. Use and Other Conditions and Restrictions. Declarants and Developer reserve the right to file additional covenants, conditions and restrictions pertaining to use and other conditions and restrictions prior to the sale and settlement of any land embraced by these covenants, conditions and restrictions.

Section 3. The CoveCreek Club, Inc. Use of Community Properties. The CoveCreek Club, Inc. shall have the right to use all Community Properties including easements for community use, within The CoveCreek Club for purposes of providing the services which it performs in The CoveCreek Club.

Section 4. Easements and Rights of Way. The CoveCreek Club, Inc. is hereby given the right to grant within the Community Properties such easements

and rights of way to such utility companies and public agencies or authorities as it shall deem necessary.

Section 5. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as Member or Owner on the records of The CoveCreek Club, Inc. at the time of such mailing.

Section 6. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants and restrictions; and failure by the Declarants, the Developer, The CoveCreek Club, Inc. or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 7. Assignability. The Declarants and Developer, their heirs, legal representatives and successors, notwithstanding any other provision herein to the contrary, shall at all times have the right to fully transfer, convey and assign all of their right, title and interest under this Declaration, provided that such transferee, grantee or assignee shall take such rights subject to all obligations also contained herein.

Section 8. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions, all of which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the Declarants and Developer herein, have hereunto set their hands and seals this 1st day of November, 1979.

DECLARANTS

Milton E. Kettler

Barbara W. Kettler

DEVELOPER

KETTLER BROTHERS, INC.

By Charles V. Phillips, Jr.
Charles V. Phillips, Jr.
Senior Vice President/Residential

ATTEST:

Phyllis H. Bowman, Secretary

(CORPORATE SEAL)

STATE OF MARYLAND)
) ss:
COUNTY OF QUEEN ANNE'S)

I hereby certify that on this 1st day of November, 1979, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Milton E. Kettler, who acknowledged himself to be the Declarant referred to in the foregoing Declaration of Covenants, Conditions and Restrictions and that he has signed such document for the purposes therein contained by signing his name as the Declarant and delivering the same as such.

WITNESS my hand and notarial seal the day and year first above written.

Judith C. [illegible]
Notary Public

My commission expires 7-1-1980

STATE OF MARYLAND)
) ss:
COUNTY OF QUEEN ANNE'S)

I hereby certify that on this 1st day of Novembe, 1979, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Barbara W. Kettler, who acknowledged herself to be the Declarant referred to in the foregoing Declaration of Covenants, Conditions and Restrictions and that she has signed such document for the purposes therein contained by signing her name as the Declarant and delivering the same as such.

WITNESS my hand and notarial seal the day and year first above written.

Judith C. [illegible]
Notary Public

My commission expires 7-1-1980

STATE OF MARYLAND)
) ss:
COUNTY OF MONTGOMERY)

I hereby certify that on this 22 day of October, 1979 before me, the subscriber, personslly appeared Charles V. Phillips, Jr., who acknowledged himself to be the Senior Vice President of Kettler Brothers, Inc., Developer, and that he as such Senior Vice President, being authorized so to do, signed the name of the corporation to the within instrument for the purposes therein contained by himself as such officer.

WITNESS my hand and notarial seal the day and year first above written.

Diana B. Howarth
Notary Public

My commission expires 7/1/82.

Dewberry, Nealon & Davis
ENGINEERS · ARCHITECTS · PLANNERS · SURVEYORS

2594 RIVA ROAD – ANNAPOLIS, MARYLAND 21401 – 261-8707 – (301) 841-6811

19201 Montgomery Village Ave.
Gaithersburg, Md. 20760
301-948-4120

8411 Arlington Boulevard
Fairfax, Va. 22030
703-560-1100

113 South Chestnut Street
Marion, Va. 24354
703-783-7271

PARTNERS
Sidney O. Dewberry
James D. Nealon, Retired
Richard N. Davis
Harold Williams
Vernon R. Gingell
Ernest M. Jennelle
Paul J. Temples

ASSOCIATES
Robert J. DiAlso
John T. Monaghan
Lester O. Nyce
Lawrence Rehfield
Thomas L. Wiley

ASSISTANTS TO PARTNERS
Douglas R. Fahl
Carl E. Keisler
Robert E. Poehner
Archie L. Whisonant
Warren H. Zimmerman

September 27, 1979

DESCRIPTION OF 333.894 Ac±,
MILTON E. KETTLER PROPERTY AT COVE CREEK CLUB,
4TH ELECTION DISTRICT
QUEEN ANNE'S COUNTY, MD

BEGINNING for the same at a point on the shoreline of Eastern Bay at the southeasternmost corner of Lot 38, Block C, as shown on the plat of Romancoke On The Bay filed among the plat records of Queen Anne's County, Maryland in plat book T.S.P. 1 plat 13; thence leaving said Lot 38 and the outline of said Romancoke On The Bay and running with the conveyance by M and B Corporation to Milton E. Kettler and wife by deed dated April 18, 1973 and recorded among the land records of Queen Anne's County, Maryland in liber CWC 73 folio 7, with the shoreline of Eastern Bay at mean high tide or 1 foot elevation and with meridian referred to Maryland State Grid North as now surveyed;

(1) South 04° 54' 01" East 24.63',
(2) South 03° 00' 46" East 38.05',
(3) South 13° 35' 47" East 221.20',
(4) South 18° 56' 47" East 70.84',
(5) South 26° 49' 09" East 201.70',

(6) South 19° 17' 24" East 42.38',
(7) South 23° 57' 45" East 98.49',
(8) South 27° 38' 46" East 47.41',
(9) South 20° 57' 57" East 114.59',
(10) South 30° 45' 45" East 41.07',
(11) South 13° 02' 21" East 53.86',
(12) South 28° 28' 29" East 35.81',
(13) South 16° 07' 15" East 149.69',
(14) South 22° 49' 34" East 71.89',
(15) South 22° 35' 09" East 78.99',
(16) South 19° 17' 04" East 159.76',
(17) South 14° 48' 30" East 36.89',
(18) South 21° 23' 09" East 149.81',
(19) South 57° 53' 43" East 40.70',
(20) South 48° 05' 16" East 39.29',
(21) South 21° 56' 18" East 21.53',
(22) South 04° 50' 04" East 66.01',
(23) South 01° 39' 08" West 45.50',
(24) South 10° 05' 21" East 160.51',
(25) South 22° 08' 37" East 39.02',
(26) South 25° 01' 27" East 25.17',
(27) South 08° 17' 37" East 26.40',
(28) South 03° 19' 44" West 29.98',
(29) South 05° 39' 32" East 47.66',
(30) South 18° 34' 53" East 71.02',
(31) South 29° 14' 52" East 29.52',
(32) South 22° 07' 30" East 230.30',
(33) South 13° 37' 39" East 89.24',
(34) South 16° 49' 57" East 221.51',
(35) South 11° 17' 35" East 108.31',
(36) South 13° 36' 52" East 160.33',
(37) South 13° 49' 34" East 153.74',
(38) South 17° 17' 00" East 107.28',
(39) South 08° 50' 09" East 119.72',
(40) South 02° 14' 04" East 100.37',
(41) South 01° 26' 49" West 86.90',
(42) South 08° 29' 24" West 137.26',
(43) South 09° 06' 10" West 38.75',
(44) South 27° 52' 48" West 30.84',
(45) South 29° 32' 13" West 147.24',
(46) South 31° 48' 56" West 114.80',
(47) South 26° 06' 13" West 72.14',
(48) South 28° 07' 13" West 166.85',
(49) South 24° 51' 21" West 114.04',
(50) South 15° 45' 57" West 181.37',
(51) South 11° 57' 15" West 72.98',

(52) South 27° 15' 14" West 149.30',
(53) South 25° 33' 12" West 270.50',
(54) South 22° 32' 14" West 147.31',
(55) South 28° 24' 28" West 99.86',
(56) South 21° 20' 30" West 122.05',
(57) South 18° 43' 06" West 44.00',
(58) South 11° 30' 03" West 30.21',
(59) South 54° 54' 08" West 175.39',
(60) South 52° 02' 43" West 401.09',
(61) South 42° 37' 05" West 68.96',
(62) South 25° 20' 08" West 49.38',
(63) South 42° 46' 57" West 60.44',
(64) South 10° 31' 47" West 81.90',
(65) South 29° 22' 36" West 92.00',
(66) South 07° 48' 06" West 31.32',
(67) South 33° 11' 14" West 36.44',
(68) South 55° 35' 19" West 209.11',
(69) South 21° 41' 22" West 44.85',
(70) South 40° 51' 07" West 39.38',
(71) South 62° 20' 58" West 54.54',
(72) South 32° 54' 30" West 53.07',
(73) South 00° 41' 57" East 60.37',
(74) South 19° 36' 55" West 31.37',
(75) South 56° 14' 37" West 108.70',
(76) South 68° 03' 19" West 178.39',
(77) South 45° 46' 31" West 92.22',
(78) South 10° 50' 14" West 52.53',
(79) South 03° 16' 08" East 105.81',
(80) South 20° 06' 04" West 33.16',
(81) South 62° 54' 15" West 69.00',
(82) South 62° 40' 43" West 32.81',
(83) South 21° 48' 05" West 37.70',
(84) South 06° 50' 34" West 50.36',
(85) South 03° 40' 54" East 124.68',
(86) North 88° 46' 21" West 113.03',
(87) North 47° 33' 50" West 47.42',
(88) South 87° 16' 25" West 21.02',

thence leaving said Eastern Bay and running with the shoreline of Tanner's Creek at mean high tide;

(89) North 03° 30' 13" West 49.09',
(90) North 23° 54' 07" West 96.25',
(91) North 09° 08' 30" East 176.24',
(92) North 02° 51' 45" West 80.10',
(93) North 19° 35' 56" East 140.12',
(94) North 37° 39' 18" East 135.22',
(95) North 41° 37' 50" East 54.79',

(96) North 26° 22' 34" East 49.18',
(97) North 36° 12' 32" East 73.05',
(98) North 78° 50' 06" East 77.47',
(99) South 75° 04' 07" East 62.10',
(100) North 58° 50' 26" West 100.50',
(101) North 38° 21' 05" West 116.04',
(102) North 23° 37' 46" West 87.32',
(103) South 37° 12' 42" West 68.34',
(104) South 69° 34' 29" West 73.28',
(105) North 68° 43' 13" West 101.95',
(106) North 31° 09' 33" West 50.25',
(107) North 01° 23' 50" West 82.02',
(108) North 08° 39' 51" East 106.21',
(109) North 22° 09' 59" West 58.31',
(110) North 58° 35' 03" West 195.69',
(111) North 00° 41' 55" East 82.01',
(112) North 18° 53' 54" East 117.32',
(113) North 01° 06' 06" East 52.01',
(114) North 32° 25' 28" East 188.37',
(115) North 32° 49' 43" East 258.24',
(116) North 25° 18' 46" East 81.86',
(117) North 44° 20' 02" East 121.63',
(118) North 21° 48' 05" East 80.78',
(119) North 65° 27' 44" East 50.57',
(120) North 30° 37' 07" East 56.94',
(121) South 59° 02' 10" East 52.48',
(122) North 31° 06' 32" West 135.48',
(123) North 70° 58' 28" West 61.35',
(124) North 40° 04' 40" West 84.88',
(125) North 11° 01' 37" West 90.73',
(126) North 24° 18' 16" West 68.03',
(127) North 20° 44' 46" East 70.58',
(128) North 19° 53' 07" West 49.98',

thence leaving said Tanner's Creek and running with the shoreline of Cove Creek at mean high tide;

(129) North 33° 41' 24" East 187.49',
(130) North 19° 48' 43" East 156.44',
(131) North 32° 12' 06" East 146.33',
(132) North 42° 27' 41" East 143.68',
(133) North 30° 57' 50" East 52.48',
(134) North 58° 18' 49" East 95.19',
(135) North 02° 38' 12" West 152.16',
(136) South 06° 41' 02" West 128.88',
(137) South 55° 43' 44" West 136.74',
(138) North 50° 03' 14" West 104.35',

(139) North 85° 11' 11" West 95.34',
(140) South 80° 32' 16" West 72.99',
(141) North 78° 47' 57" West 102.96',
(142) North 08° 18' 44" East 48.89',
(143) North 07° 24' 53" West 341.48',
(144) North 09° 56' 11" West 139.09',
(145) North 05° 16' 04" West 141.60',
(146) North 13° 20' 21" West 99.69',
(147) North 46° 36' 22" West 75.69',
(148) North 19° 17' 24" West 127.14',
(149) North 04° 23' 55" West 39.12',
(150) North 52° 04' 00" West 86.21',
(151) North 15° 38' 32" West 129.81',
(152) North 01° 10' 52" East 97.02',
(153) North 35° 06' 43" East 78.24',
(154) North 11° 18' 36" West 30.59',
(155) North 54° 27' 44" East 60.22',
(156) South 88° 46' 52" West 47.01',
(157) North 14° 02' 10" West 70.09',
(158) North 41° 59' 14" West 67.27',
(159) North 21° 48' 05" West 48.47',
(160) North 48° 08' 41" West 64.44',
(161) North 87° 59' 27" West 57.04',
(162) North 12° 29' 19" West 73.95',
(163) North 31° 27' 39" West 32.59',
(164) North 23° 23' 07" East 40.31',
(165) North 11° 02' 27" West 167.09',
(166) North 29° 13' 58" West 124.91',
(167) North 16° 47' 59" West 79.86',
(168) North 17° 38' 46" West 408.78',
(169) North 10° 54' 18" West 111.00',
(170) South 01° 47' 24" East 96.05',
(171) South 17° 09' 54" East 542.15',
(172) South 30° 37' 48" East 88.32',
(173) South 11° 18' 36" West 50.99',
(174) South 25° 03' 27" East 85.00',
(175) South 00° 54' 19" East 30.18',
(176) South 17° 12' 29" West 35.41',
(177) South 20° 21' 12" East 66.13',
(178) South 23° 37' 46" West 34.93',
(179) South 38° 34' 35" East 51.23',
(180) South 50° 11' 40" West 31.24',
(181) South 64° 29' 10" East 48.75',
(182) North 19° 44' 49" East 41.44',
(183) South 71° 33' 54" East 56.92',
(184) South 24° 06' 08" East 41.63',
(185) South 79° 33' 45" West 38.64',
(186) South 19° 58' 59" East 23.41',

(187) North 71° 33' 54" East 28.46',
(188) South 30° 57' 50" East 116.62',
(189) South 29° 37' 54" West 125.40',
(190) South 03° 00' 59" East 43.25',
(191) South 10° 53' 17" West 117.93',
(192) South 55° 42' 47" West 26.63',
(193) South 07° 13' 28" West 143.14',
(194) South 30° 33' 54" West 106.82',
(195) South 43° 30' 47" West 91.03',
(196) South 16° 35' 14" West 49.04',
(197) South 34° 49' 28" East 140.09',
(198) South 16° 49' 17" East 89.84',
(199) South 51° 31' 11" East 99.64',
(200) South 39° 11' 15" West 118.70',
(201) South 00° 00' 00" East 59.00',
(202) South 26° 33' 54" West 33.54',
(203) South 04° 00' 01" East 143.35',
(204) South 05° 26' 25" West 63.29',
(205) South 38° 28' 49" West 49.82',
(206) South 11° 26' 09" East 96.31',
(207) South 25° 34' 05" East 46.12',
(208) South 22° 00' 41" West 50.70',
(209) South 46° 03' 39" West 152.76',
(210) South 23° 24' 17" East 146.01',
(211) South 44° 30' 37" East 248.20',
(212) South 60° 02' 47" West 68.10',
(213) South 15° 28' 43" West 67.45',
(214) South 14° 33' 37" East 159.11',
(215) South 24° 34' 02" East 38.48',

thence leaving said Cove Creek and running with said shoreline of Tanner's Creek;

(216) South 80° 10' 25" West 310.56',
(217) North 53° 56' 24" West 70.55',
(218) North 39° 51' 39" West 59.24',
(219) North 18° 59' 15" West 98.35',
(220) North 04° 18' 58" East 53.15',
(221) North 16° 23' 22" West 106.32',
(222) North 33° 15' 16" West 72.95',
(223) North 21° 08' 58" West 146.89',
(224) North 14° 55' 16" West 123.89',
(225) North 11° 19' 30" West 158.37',
(226) North 26° 33' 54" West 78.26',
(227) North 04° 36' 29" West 120.43',
(228) North 19° 37' 33" East 183.62',
(229) North 04° 05' 08" East 56.14',
(230) North 35° 13' 42" West 181.08',
(231) North 10° 07' 20" West 145.34',

(232) North 43° 47' 38" West 134.38',
(233) North 64° 26' 24" West 25.50',
(234) North 13° 31' 01" West 25.74',
(235) North 22° 02' 21" East 50.68',
(236) North 05° 59' 37" West 33.40',
(237) North 37° 09' 20" West 68.73',
(238) North 20° 13' 29" East 202.48',
(239) North 32° 00' 19" West 37.74',
(240) North 72° 50' 32" West 65.00',
(241) North 36° 03' 02" West 40.60',
(242) North 00° 59' 27" East 52.64',
(243) North 13° 05' 51" East 44.52',
(244) North 37° 40' 57" East 45.99',
(245) North 29° 05' 31" East 143.73',
(246) North 15° 41' 24" East 92.44',
(247) North 39° 11' 39" West 168.37',
(248) North 52° 04' 51" West 46.39',
(249) North 14° 50' 44" East 171.73',
(250) North 18° 10' 09" West 63.04',
(251) North 37° 01' 15" West 80.29',
(252) North 01° 16' 23" East 90.02',
(253) North 11° 49' 48" East 151.21',
(254) North 29° 02' 04" West 77.07',
(255) North 16° 38' 08" West 250.08',
(256) North 28° 41' 18" West 126.71',
(257) North 20° 32' 34" West 74.58',
(258) North 56° 58' 34" West 47.71',
(259) North 14° 45' 18" West 145.22',
(260) North 08° 05' 47" West 113.70',
(261) North 16° 23' 42" East 101.67',

to an iron pipe there found at the southwesternmost corner of Chesapeake Avenue as shown on the plat of the 2nd Section, Romancoke On The Bay filed among the plat records of Queen Anne's County, Maryland in plat book T.S.P. 1 plat 43; thence leaving said Tanner's Creek and running with the southernmost side of Chesapeake Avenue and the southernmost outline of said Romancoke On The Bay as shown on said plats, with a wire fence line;

(262) North 80° 38' 34" East 2781.15',

to an iron pipe there found, thence continuing still,

(263) North 80° 38' 34" East 11.20',

to the place of beginning.

CONTAINING 333.894 Ac± as described by Dewberry, Nealon and Davis, Registered Professional Land Surveyors in September 1979.

BEING the property conveyed by M and B Corporation to Milton E. Kettler and Barbara W. Kettler, his wife, by deed dated April 18, 1973 and recorded among the land records of Queen Anne's County, Maryland in liber CWC 73 folio 7.

EXHIBIT NO 4 (B)

DOCUMENT NO. [illegible]

LIBER 156 PAGE 734

SUPPLEMENTARY DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
(THE COVECREEK CLUB)

THIS DECLARATION, made this 1ST day of NOVEMBER, 1979, by MILTON E. and BARBARA W. KETTLER, hereinafter called "Declarants" and KETTLER BROTHERS, INC., a Maryland corporation, hereinafter called "Developer,"

W I T N E S S E T H :

WHEREAS, Declarants and Developer have heretofore on the 1ST day of NOVEMBER, 1979, had recorded in the land records for Queen Anne's County, Maryland in Liber 156 at Folio 715, a Declaration of Covenants, Conditions and Restrictions applicable to certain land in the fourth election district of said county as therein described for the purpose of the efficient preservation, protection and enhancement of the values and amenities of a residential community known as The CoveCreek Club as therein described and referred to, and to insure the residents' enjoyment of certain easement rights created therein; and

WHEREAS, Declarants and Developer deem it desirable to file certain additional covenants and restrictions as hereinafter set forth pertaining to the use of any land located within The CoveCreek Club and for the efficient preservation, protection and enhancement of the values and amenities of The CoveCreek Club;

NOW, THEREFORE, the Declarants and Developer declare that the real property described in Article II and made subject to the said Declaration of Covenants, Conditions and Restrictions recorded in the land records of Queen Anne's County, Maryland, in Liber 156 at Folio 715 on the 1st day of November, 1979, is and shall be held, transferred, sold, conveyed and occupied subject to the supplementary covenants, conditions, restrictions, easements, charges and liens hereinafter set forth.

1. Whenever used herein, the words "Architectural Control Committee" or the abbreviation "ACC" shall mean and include the appropriate body acting under the provisions of Article VI, Section 1 of the aforesaid Declaration of Covenants, Conditions and Restrictions applicable to The CoveCreek Club.

2. The Declaration of Covenants, Conditions and Restrictions, in Article VI thereof, provides generally that no building, fence, wall or other structure, nor any exterior addition to or change or alteration therein shall be made until the same is approved by the ACC. In furtherance of the purpose of such provisions, and subject to the same procedures for review and approval as therein set forth, the ACC shall have the right to control absolutely the precise site and location of any building, fence, wall or other structure or other exterior improvement of any kind on any Private Lot within The CoveCreek Club. Further, no topographic or vegetative characteristics of a Private Lot shall be altered by addition, removal, excavation or other means without the prior written approval of the ACC.

3. All Private Lots shall be used exclusively for residential purposes and no more than one family (including its employees and transient guests) shall occupy any such lot.

a. A portion of a dwelling used for office purposes by not more than one member of any recognized profession, including but not limited to doctors, dentists, lawyers, engineers, realtors and accountants, shall be considered a residential use provided the professional lives in the dwelling as Owner or principal tenant and no more than two (2) non-professional employees work on the premises under the supervision of the professional, and provided further that such use does not generate excessive customer or client traffic to and from the premises as may be determined by the Board of Directors of The CoveCreek Club, Inc.

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TOTAL	22.00

b. No accessory building can be constructed on any Private Lot prior to the construction of the main building.

c. A guest house will be considered an accessory building but cannot be rented or leased except as part of the entire premises.

d. Neither Developer, Declarants, nor any other construction company approved by Developer or Declarants, undertaking development of real estate in The CoveCreek Club, shall be prohibited from using a house as a sales model provided such use be solely for the purpose of entering into agreements for future development or construction within The CoveCreek Club and for no other community or area whatever.

4. Each Owner of a Private Lot within The CoveCreek Club covenants and agrees to be responsible for the suitable appearance of said lot by cutting grass, weeds and brush and by removing trash and rubbish therefrom at all reasonable times and to maintain the same in good condition and repair and in a manner that does not decrease the beauty, value, health or safety of the community as a whole or specific areas within the community. Should any such Owner fail to maintain the appearance of a Private Lot in accordance with the aforesaid criteria and as determined solely by the Board of Directors of The CoveCreek Club, Inc., the said corporation is hereby and herewith granted the right and privilege to enter upon such property for the purpose of maintaining the suitable appearance of any improved or unimproved Private Lot, the cost of which is to be borne by the Owner or Owners thereof pursuant to the same procedures and conditions set forth within Article VII, Section 2 of the Declaration of Covenants, Conditions and Restrictions applicable to The CoveCreek Club.

5. Whenever the Declarants, Developer, Board of Directors of The CoveCreek Club, Inc. or their duly authorized agents, officers and employees are permitted by these Covenants or other applicable Covenants, Articles, By-laws, Rules or Regulations of The CoveCreek Club to correct, repair, clean, preserve, clear-out or take any action whatever on the property of any Private Lot, the performance of same or the taking of any such action shall not be deemed a trespass or considered to be a violation of any law whatever or to constitute a wrongful act of any kind.

6. No noxious or offensive activity shall be permitted on any Private Lot, nor shall anything be done thereon which would cause embarrassment, discomfort, annoyance or a nuisance to the Owners of neighboring properties or to the community generally. There shall not be maintained on a Private Lot any plants or animals or device or thing of any kind the normal activities or existence of which is in any way noxious, offensive, dangerous, unsightly, unpleasant or of a nature that would diminish or destroy the enjoyment of other property in the community by the Owners thereof.

7. No animals, livestock or poultry of any kind shall be kept or maintained within The CoveCreek Club except that not more than two (2) dogs, cats or other household pets may be kept or maintained on the property of a Private Lot, provided they are not kept or maintained for a commercial purpose, and provided further that:

a. Horses may be kept or maintained upon a Private Lot, but only within an enclosed area of any lot over three (3) acres and provided there is not more than one (1) horse for each acre of enclosed lot area.

b. All animals must be secured by leash or lead, or under the control of a responsible person and obedient to that person's command at any time they are permitted outside of a house, dwelling or enclosed area used for their maintenance and confinement.

c. Natural wild waterfowl indigenous to the area may be raised in pens on a Private Lot, with no more than twelve (12) such fowl permitted at any one time and which shall be released upon reaching a mature stage of development.

8. No signs of any nature shall be erected or maintained on any Private Lot, except:

L.O.P. 156 PAGE 735

a. Signs required by legal proceedings.

b. Residential identification signs, including professional identification, having a combined total face area of not more than two (2) square feet and subject to written approval by the ACC as to location, size, color, material and content.

c. Temporary signs, including for rent, for sale, sold, or signs during construction of a residence or other improvement indicating the nature of the improvement and the persons or firms responsible therefor, which signs shall be consolidated into a single frame having not more than six (6) square feet of face area and subject to the written approval of the ACC as to location, size, color, material and content, such signs to be removed within ten (10) days of occupancy, rental or sale of the subject property.

d. Community or street identification signs which may be located on private property.

e. Signs erected by the Developer or Declarants in connection with the development or marketing program of the community.

9. No structure of any temporary character and no tent, trailer, mobile home, shack or other outbuilding, except as provided herein, shall be placed or permitted to remain on any Private Lot or Community Property at any time, except that temporary construction shelters may be erected and maintained during and used exclusively for construction of any approved work or improvement and such temporary shelters shall not in any event be used for living quarters and shall be removed from the premises promptly upon completion of the approved work or improvement.

10. Boats, boat trailers, campers, recreational vehicles, commercial vehicles, trucks, horse trailers or utility trailers and similar vehicles may be maintained on a Private Lot only within an enclosed or screened area which renders such objects not visible from the road or neighboring property, except that in the case of a waterfront lot, any boat that is used from time-to-time and is small enough to be brought in and out of the water may be kept along the water's edge of such lots.

11. No automobile or vehicle of any kind and no boat, or trailer of any kind shall be constructed, restored or repaired upon any Private Lot in such a manner that said construction, restoration or repair is visible from the road or neighboring properties.

12. Each residence shall contain an appropriately screened or fenced service yard or yards enclosing all above-ground garbage and trash containers, incinerators, fuel tanks, mechanical swimming pool equipment, utility meters, air conditioning equipment, clotheslines and other similar outdoor maintenance, storage and service facilities in order to conceal them from view from the road and neighboring properties. Garbage and trash containers and fuel tanks may be located outside service yards but only if located underground. The placement of all of the aforesaid items, whether located above or below ground, shall require the approval of the ACC.

13. The maintenance of accumulated waste plant material on a Private Lot is prohibited except as part of an established compost pile which shall be maintained in such a manner as not to be visible from the road and neighboring properties and not closer than one hundred (100) feet from the neighboring residence or an established outdoor living area of an existing or future residence.

14. Each residence shall include a two-car garage, either attached or detached, having a minimum floor area of four hundred (400) square feet. Any additional on-site parking area, designed principally for the occupants of the dwelling, shall be appropriately screened from public view.

15. All principal residences shall contain not less than one thousand, two hundred (1,200) square feet of "enclosed dwelling area." The term "enclosed dwelling area" shall not include garages, guest houses, boat sheds, terraces, decks, open porches and like areas but shall include screened porches, if the roof of any such porch forms an integral part of the roof line of the principal dwelling structure.

16. All improvements shall be constructed in accordance with applicable building lines, setback and height provisions set forth in the Zoning Ordinance of Queen Anne's County, Maryland, except where more stringent requirements are imposed by the recorded subdivision plat, the deed of conveyance for a particular lot or the ACC.

17. Erection of exterior antennae of any type shall be subject to prior review and written approval of the ACC.

18. The exterior of all residences and other structures on a Private Lot must be completed within one (1) year after construction has commenced, and such construction shall proceed and be continuous without delay, except where such completion is impossible or would result in great hardship to the Owner or the builder due to strikes, fire, national emergency or natural calamities. No residence can be temporarily or permanently occupied until the exterior thereof has been fully completed. During the construction period, the Owner of the Private Lot shall require the builder to maintain the lot in a reasonably clean and uncluttered condition and to take necessary action to control any erosion of or from disturbed site areas. Cessation of work on any structure once started, and prior to completion, for a continuous period of sixty (60) days shall be prima facie evidence of an attempt to abandon the same in its partially completed state, and the same shall be deemed to be both a public and private nuisance.

19. Should any residence or structure on any Private Lot be destroyed in whole or in part, it must be reconstructed or the debris therefrom removed from the site and the property restored to a neat and sightly condition within six (6) months, or the same shall be deemed to be both a public and private nuisance.

20. No Private Lot shall be resubdivided or its boundaries changed without the prior written consent of the Declarants, or the Developer, or The CoveCreek Club, Inc., their successors and assigns. In no case, however, shall a re-subdivision or division of a Private Lot between two Owners result in a diminution of the number of assessable lots subject to assessments or charges under these Covenants and the original Declaration of Covenants applicable to The CoveCreek Club. The assessments and charges otherwise due from such subdivided or divided lot shall be fully due and owing from the resultant Owners thereof as they among themselves may determine. In the absence of such an agreement, assessments and charges shall be levied on a pro-rata basis in direct proportion to the applicable percentage of lot ownership held by a resultant Owner and failure to pay such assessments and charges shall constitute a lien on said property as is elsewhere provided in said Declaration of Covenants and other legal documents applicable to The CoveCreek Club. The foregoing provisions shall not apply to unsold lots held by Declarants or Developer prior to the first sale or conveyance thereof.

21. The CoveCreek Club, Inc., or its duly authorized agents, officers and employees shall have the right at any time, without any liability to the Owner for trespass or otherwise, to enter onto or upon Private Lots for the purpose of maintaining, removing, restoring or otherwise enforcing without any limitation all of the restrictions set forth in these Covenants. No such action will be taken until the Owner(s) of the Private Lot(s) involved is first given written notice and an opportunity to take corrective action within a reasonable time to be specified in such notice. Any costs incurred by the corporation directly attributable to taking necessary corrective actions shall be the sole personal responsibility of the property Owner and shall also become a lien against the property until satisfied.

22. Except as may be provided annually within the framework of each adopted operating budget of The CoveCreek Club, Inc.. Declarants and Developer, for themselves, The CoveCreek Club, Inc., and their successors and assigns, expressly assume no responsibility for silt or obstruction removal or channel improvement by dredging or any other means, in any natural or dredged channel providing access to any Private Lot or Community Property nor in any natural or man-made watercourse or basin within The CoveCreek Club, nor along any shore line boundary thereof.

23. Maintenance of the shore line of all waterfront lots is and shall be the responsibility of the Owner of the Private Lot abutting the shore line. However, in recognition of the possible danger of damage to adjacent Owners, or to the community generally, and in order to protect and enhance the general appearance of The CoveCreek Club, Declarants and Developer hereby declare that each such waterfront lot shall be subject to an easement running to Declarants, Developer, and The CoveCreek Club, Inc., for the purpose of entering upon or across any of such lots for the purpose of maintaining, restoring, inspecting or otherwise assuring the continuing integrity of the shore line installations should the Owner fail so to do, without penalty of trespass or otherwise and to levy the costs thereof against the Owner personally and which costs shall also become a lien against the property until satisfied. Further, the Owner of any Private Lot along said waterfront shall have the right and easement to go upon the lot of an adjacent Owner while repairing or maintaining the stone revetments along the Eastern Bay upon his own lot for the purpose of reasonable connection upon the neighboring lot and in order to maintain the integrity of the total installation.

The supplemental covenants, conditions, restrictions, easements, charges and liens set forth above are hereby made a part of and subject to all applicable provisions of the aforementioned Declaration of Covenants, Conditions and Restrictions recorded in the land records of Queen Anne's County in Liber 156 at Folio 715 on the 1st day of November, 1979.

IN WITNESS WHEREOF, the undersigned, being the Declarants and Developer herein, have hereunto set their hands and seals this 1st day of NOVEMBER, 1979.

DECLARANTS

Milton E. Kettler

Barbara W. Kettler

DEVELOPER

KETTLER BROTHERS, INC.

By Charles V. Phillips Jr.
Charles V. Phillips, Jr.
Senior Vice President/Residential

ATTEST:

Phyllis H. Bowman, Secretary

(CORPORATE SEAL)

STATE OF MARYLAND)
) ss:
COUNTY OF QUEEN ANNE'S)

I hereby certify that on this 1st day of [illegible], 1979, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Milton E. Kettler, who acknowledged himself to be the Declarant referred to in the foregoing Supplementary Declaration of Covenants, Conditions and Restrictions and that he has signed such document for the purposes therein contained by signing his name as the Declarant and delivering the same as such.

WITNESS my hand and notarial seal the day and year first above written.

Judith C. [illegible]
Notary Public

My commission expires July 1, 1982.

STATE OF MARYLAND)
) ss:
COUNTY OF QUEEN ANNE'S)

I hereby certify that on this 1st day of [illegible], 1979, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Barbara W. Kettler, who acknowledged herself to be the Declarant referred to in the foregoing Supplementary Declaration of Covenants, Conditions and Restrictions and that she has signed such document for the purposes therein contained by signing her name as the Declarant and delivering the same as such.

WITNESS my hand and notarial seal the day and year first above written.

Judith C. [illegible]
Notary Public

My commission expires July 1, 1982.

STATE OF MARYLAND)
) ss:
COUNTY OF MONTGOMERY)

I hereby certify that on this 22 day of October, 1979, before me, the subscriber, personally appeared Charles V. Phillips, Jr., who acknowledged himself to be the Senior Vice President of Kettler Brothers, Inc., Developer, and that he as such Senior Vice President, being authorized so to do, signed the name of the corporation to the within instrument for the purposes therein contained by himself as such officer.

WITNESS my hand and notarial seal the day and year first above written.

Diana B. Howarth
Notary Public

My commission expires 7/1/82.

EXHIBIT NO 5-(A)

DOCUMENT NO. 104644

THIS DEED, Made this 12th day of January, 1981, by and between MILTON E. KETTLER and BARBARA W. KETTLER, his wife, of the first part; and THE COVECREEK CLUB, INC., a body corporate of the State of Maryland, party of the second part;

WHEREAS, the said Barbara W. Kettler has nominated and appointed Terry L. Babb her agent and attorney-in-fact by a certain Limited Power of Attorney dated the 8th day of February, 1980, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 161 folio 493, for the purpose of making, executing, acknowledging and delivering this deed in the place and stead of Barbara W. Kettler;

NOW THEREFORE, THIS DEED WITNESSETH: that for and with mutual benefits and advantages accruing to all parties hereto and without monetary consideration hereby passing, the said parties of the first part, Milton E. Kettler and Barbara W. Kettler, his wife, do hereby grant and convey unto the said party of the second part, The CoveCreek Club, Inc., a body corporate of the State of Maryland, its successors and assigns, in fee simple, the following described lands, to wit:

PARCEL NO. 1

ALL those strips, lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled "Plat 2 of 10, Cove Creek Club, Fourth Election District, Queen Anne's County, Maryland," dated September, 1979, by Dewberry, Nealon and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156 folio 59 and in Plat Book C.W.C. No. 4 folio 23, said strips, lots or parcels of land being shown and designated thereon as

(a) Penny Drive

(b) North Creek Court

(c) Community Property Area 1, "Parcel A", 12.309 acres, more or less,

(d) Golf Course Area 2, "Parcel C", 7.826 acres, more or less.

(e) Community Area, "Parcel D", 0.543 acres, more or less (the same also being shown on "Plat 3 of 10, Cove Creek Club, Fourth Election District, Queen Anne's County, Maryland).

MWM

PARCEL NO. 2

ALL those strips, lots or parcels of land, situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled "Plat 3 of 10, Cove Creek Club, Fourth Election Distrct, Queen Anne's County, Maryland," dated September, 1979, by Dewberry, Nealon and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156 folio 60 and in Plat Book C.W.C. No. 4 folio 24, said strips, lots or parcels of land being shown and designated thereon as

(a) Penny Drive

(b) Storm Haven Court

(c) Night Heron Court

(d) Canvasback Path, "Parcel E", 1.892 acres, more or less

(e) Golf Course Area 4, "Parcel Q", 40.294 acres, more or less.

PARCEL NO. 3

ALL those strips, lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled "Plat 4 of 10, Cove Creek Club, Fourth Election District, Queen Anne's County, Maryland," dated September, 1979, by Dewberry, Nealon and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156 folio 61 and in Plat Book C.W.C. No. 4 folio 25, said strips, lots or parcels of land being shown and designated thereon as

(a) Penny Drive

(b) Black Duck Path, "Parcel F", 1.289 acres, more or less.

(c) Area 3, "Parcel G", 11.303 acres, more or less.

(d) Community Area, "Parcel H", 1.468 acres, more or less.

PARCEL NO. 4

ALL those strips, lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled "Plat 5 of 10, Cove Creek Club, Fourth Election District, Queen Anne's County, Maryland," dated September, 1979, revised October 20, 1980, by Dewberry, Nealon and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 169 folio 452 and in Plat Book M.W.M. No. 5 folio 11, said strips, lots or parcels of land being shown and designated thereon as

(a) Penny Drive

(b) Gray Fox Court

(c) Wood Duck Path, "Parcel I", 1.212 acres, more or less

(d) Mallard Path, "Parcel O", 0.616 acres, more or less.

PARCEL NO. 5

ALL those strips, lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled "Revised Plat, Amended Plat 6 of 10, Cove Creek Club, Fourth Election District, Queen Anne's County, Maryland," dated September, 1979, revised September 3, 1980,

by Dewberry, Nealon and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 167 folio 430 and in Plat Book M.W.M. No. 5 folio 9, said strips, lots or parcels of land being shown and designated thereon as

(a) Penny Drive

(b) Windward Court

(c) Teal Court

(d) Cove Creek Road

(e) Some Other Place

(f) Whistler Path, "Parcel J", 1.015 acres, more or less

(g) Pintail Path, "Parcel N", 0.590 acres, more or less.

PARCEL NO. 6

ALL those strips, lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled "Amended Plat 7 of 10, Cove Creek Club, Fourth Election District, Queen Anne's County, Maryland," dated September, 1979, by Dewberry, Nealon and Davis, registered engineers and surveyors, recorded among the Land Reoords of Queen Anne's County in Liber M.W.M. No. 157 folio 545 and in Plat Book C.W.C. No. 4 folio 35, said strips, lots or parcels of land being shown and designated thereon as

(a) Penny Drive

(b) Cove Creek Road

(c) Cove Creek Court

(d) Community Area, "Parcel L", 1.279 acres, more or less

(e) South Pond, "Parcel M", 2.529 acres, more or less.

PARCEL NO. 7

ALL those strips, lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled "Plat 8 of 10, Cove Creek Club, Fourth Election District, Queen Anne's County, Maryland," dated September, 1979, by Dewberry, Nealon and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156 folio 65 and in Plat Book C.W.C. No. 4 folio 29, said strips, lots or parcels of land being shown and designated thereon as

(a) Tanner's Point Drive

(b) Golf Court

(c) Golf Course Area 4, "Parcel Q", 40.294 acres, more or less

(d) Golf Course Area 5, "Parcel R", 21.251 acres, more or less, RESERVING, nevertheless, unto the parties of the first part, their heirs and assigns or their successors in the development of Cove Creek Club subdivision, the right, privilege and easement over, upon and across said Golf Course Area 5, "Parcel R", for the continuation of Tanner's Point Drive, 50 feet wide, for ingress and egress by a roadway, 50 feet wide, to and from the area on said plat marked "Reserved For Future Subdivision, "Parcel S", 44.532 acres, more or less, and to the areas to the south thereof commonly called or known as Tanner's Point, said roadway hereby reserved having such course and direction as determined by the parties of the first part, their heirs and assigns, or their successors in the development of Cove Creek subdivision; nor shall anything herein contained deny to the Grantee herein, its

Successors and Assigns, from conveying unto the parties of the first part, their heirs or assigns, or their successors in the development of Cove Creek Club subdivision additional lands for such roadway easement should the same be or become necessary under the Queen Anne's County Comprehensive Zoning Ordinance, or the subdivision regulations relating thereto, or to meet roadway standards from time to time established by the Queen Anne's County Department of Public Works or by other governmental regulation of any kind or nature, whichever shall be the greater, but it is the intent and purpose hereof that such conveyance for such roadway widening be forthwith made upon request by the party or parties entitled thereunto.

PARCEL NO. 8

ALL those strips, lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled "Amended Plat 9 of 10, Cove Creek Club, Fourth Election District, Queen Anne's County, Maryland," dated September, 1979, by Dewberry, Nealon and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 157 folio 546 and in Plat Book C.W.C. No. 4 folio 36, said strips, lots or parcels of land be shown and designated thereon as

(a) Penny Drive

(b) Golf Course Area 4, "Parcel Q", 40.294 acres, more or less.

BEING part of the same lands conveyed by deed from M and B Corporation, a body corporate of the State of Maryland, unto Milton E. Kettler and Barbara W. Kettler, his wife, by deed dated the 18th day of April, 1973, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 73 folio 7.

AND FOR THE CONSIDERATION HERETOFORE EXPRESSED, the said parties of the first part do hereby further grant and convey unto the party of the second part, its successors and assigns, all their right, title, interest and estate in and to the bed of a certain pond called, known as, or designated as North Pond, "Parcel B", 5.621 acres, more or less, and shown on a certain plat entitled "Plat 2 of 10, Cove Creek Club, Fourth Election District, Queen Anne's County, Maryland," dated September, 1979, by Dewberry, Nealon and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156 folio 59 and Plat Book C.W.C. No. 4 folio 23.

RESERVING, NEVERTHELESS, unto the parties of the first part, their heirs and assigns, or their successors in the development of Cove Creek Club subdivision, ingress and egress to and from those tracts or parcels of land designated and shown as (1) Reserved For Future Subdivision, "Parcel P", 39.675 acres, more or less, and (2) Reserved For Future Subdivision, "Parcel S", 44.532 acres, more or less, on a plat entitled "Amended Plat 10 of 10, Cove Creek Club, Fourth Election District, Queen Anne's County, Maryland," dated September, 1979, by Dewberry, Nealon and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 157 folio 547 and in Plat Book C.W.C. No. 4 folio 37, and/or upon any other plat or plats hereinabove mentioned, over, upon and across lands either or both contigious or non-contigious, by strips or parcels of land, for roadway purposes, meeting and fulfilling the roadway requirements of the Queen Anne's County Comprehensive Zoning Ordinance, or the subdivision regulations relating thereto, or roadway standards from time to time established by the Queen Anne's County Department of Public Works, whichever shall be the greater, and at such locations as shall be solely determined by the parties of the first part, their heirs or assigns, or their successors in the development of Cove Creek Club subdivision.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

SUBJECT, NEVERTHELESS, to the terms and provisions of a certain Declaration of Covenants, Conditions and Restrictions (The CoveCreek Club) made by Milton E. Kettler and Barbara W. Kettler, as "Declarants" and Kettler Brothers, Inc., as "Developer", dated the 1st day of November, 1979, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156 folio 715, and of a certain Supplementary Declaration of Covenants, Conditions and Restrictions (The CoveCreek Club) by the same parties, dated the 1st day of November, 1979, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156 folio 715, said covenants, conditions and restrictions being hereby incorporated in this instrument as a part hereof by reference thereto, as evidenced by the execution of these presents and by the acceptance by the Grantees of its delivery.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said party of the second part, The CoveCreek Club, Inc., a body corporate of the State of Maryland, its successors and assigns, in fee simple.

AND the said parties of the first part do hereby covenant that they have not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that they will warrant specially the property hereby granted and conveyed; and that they will execute such further assurances of the same as may be requisite.

AS WITNESS the hands and seals of the grantors the day and year first above written.

WITNESS:

Vickie L. Schroyer — Milton E. Kettler (SEAL)
MILTON E. KETTLER

Vickie L. Schroyer — Barbara W. Kettler (SEAL)
BARBARA W. KETTLER, by Terry L. Babb, her Agent and Attorney-In-Fact, as aforesaid

Vickie L. Schroyer — Terry L. Babb (SEAL)
TERRY L. BABB, Agent and Attorney-In-Fact for Barbara W. Kettler, as aforesaid

STATE OF MARYLAND

CITY OR COUNTY OF Montgomery TO WIT:

I HEREBY CERTIFY, that on this 13th day of January, 1981, before me, the subscriber, a Notary Public of the State of Maryland, in and for the City or County aforesaid, personally appeared Milton E. Kettler, personally known to me, and he did acknowledge the aforegoing Deed to be his act.

AS WITNESS my hand and Notarial Seal.

Judith H. Viets
NOTARY PUBLIC

My Commission Expires: 7-1-82

STATE OF MARYLAND

TO WIT:

CITY OR COUNTY OF Montgomery

I HEREBY CERTIFY, that on this 12th day of January, 1981, before me, the subscriber, a Notary Public of the State of Maryland, in and for the City or County aforesaid, personally appeared Barbara W. Kettler, by Terry L. Babb, her agent and attorney-in-fact, as aforesaid, and/or Terry L. Babb, agent and attorney-in-fact for Barbara W. Kettler, as aforesaid, and did acknowledge that she executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

Judith H. Vieta
NOTARY PUBLIC

My Commission Expires: 7-1-82

RECEIVED
CLERK. CIRCUIT COURT
1981 JAN 26 PM 2:26
QUEEN ANNE'S COUNTY

JAN 26-81 * 29268 *****3[illegible]
JAN 26-81 A 29268 *****3[illegible]

MWM
242-633

LIBER 242 PAGE 633

126 418

EXHIBIT NO 5 (B)

THIS DEED, made this 2nd day of Dec., 1985, by and between KETTLER BROTHERS, INC., a body corporate of the State of Maryland, party of the first part; and THE COVE CREEK CLUB, INC., (a Maryland Corporation), party of the second part;

WITNESSETH: that for and in consideration of the mutual benefits and advantages accruing to all parties hereto and without monetary considerations passing hereunder, the said party of the first part, Kettler Brothers, Inc., a body corporate of the State of Maryland, does hereby grant and convey unto the said party of the second part, The Cove Creek Club, Inc., (a Maryland Corporation), its successors and assigns, in fee simple, the following described lands, to wit:

ALL that tract or parcel of land set, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled, "Plat 1 of 1, Cove Creek Club, 4th Election District, Queen Anne's County, Maryland", dated July, 1981, by Dewberry and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 178 folio 236, and among the Plat Records thereof in Plat Book M.W.M. No. 5 folio 22, said parcel of land intended to be conveyed being shown and designated thereon as "Remainder of Parcel "P", Community Property, (For Future Spoil Area)", and containing 15.0683 acres, more or less.

BEING a part of the same lands conveyed by Milton E. Kettler, et.ux., unto Kettler Brothers, Inc., by deed dated the 29th day of June, 1982, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 186 folio 621.

TOGETHER with the buildings and improvements thereupon erected, made or being and all and every the rights, alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or anywise appertaining.

SUBJECT, nevertheless, to the dedication set forth on said plat that the lands hereby intended to be conveyed are reserved for a "future spoil area".

SUBJECT, nevertheless, to the terms and provisions of a certain Declaration of Covenants, Conditions and Restrictions (The CoveCreek Club) made by Milton E. Kettler and Barbara W. Kettler, as "Declarants" and Kettler Brothers, Inc., as "Developer" dated the 1st day of November, 1979, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156 folio 715, and of a certain Supplementary Declaration of Covenants, Conditions and Restrictions (The CoveCreek

1 P.20/86 Orig. mailed to The Cove Creek Club, Inc.
P.O. Box 1000
Stevensville, Md. 21666

Club) by the same parties, dated the 1st day of November, 1979, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156 folio 734, said covenants, conditions and restrictions being hereby incorporated in this instrument as a part hereof by reference thereto, as evidenced by the execution of these presents and by the acceptance by the Grantee of its delivery.

TO HAVE AND TO HOLD the said lot of ground and premises, above described and mentioned, and hereby intended to be conveyed; together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said party of the second part, The Cove Creek Club, Inc., (a Maryland Corporation), its successors and assigns, in fee simple.

AND the said party of the first part does hereby covenant that it has not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that it will warrant specially the property hereby granted and conveyed and that it will execute such further assurances of the same as may be requisite.

WITNESS the hand of Michael P. Marrs, Asst. Vice President of Kettler Brothers, Inc., a body corporate of the State of Maryland, and its corporate seal hereto affixed.

ATTEST: KETTLER BROTHERS, INC.

Phyllis H. Bowman
Secretary

BY: Michael P. Marrs
Asst. Vice- President

(Place corporate seal here)

STATE OF MARYLAND

TO WIT

CITY OR COUNTY OF Montgomery

I HEREBY CERTIFY, that on this 2nd day of December, 1985, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Montgomery, personally appeared Michael P. Marrs, who did acknowledge himself to be the Asst. Vice President of Kettler Brothers, Inc., and that he as such Asst. Vice President being authorized so to do, did execute the aforegoing instrument for the purposes therein contained, and does further certify that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the Grantor corporation.

AS WITNESS my hand and Notarial Seal.

Judith H. Viets
NOTARY PUBLIC

My Commission Expires: 7-1-86

JUDITH H. VIETS NOTARY PUBLIC MONTGOMERY CO. MD.

RECEIVED
CLERK CIRCUIT COURT
1985 DEC -5 PM 3:32
QUEEN ANNE'S COUNTY

DEED	OH
RECD FEE	12.00
POSTAGE	.50
SUBTOTAL	12.50

TAXES LEVIED AS OF Dec 5 1985
PAID TO June 30 1986
Treasurer of Queen Anne's Co.

RECEIVED FOR TRANSFER
This 5 Day of Dec 1985
Supervisor of Assessments
Queen Anne's County

INSTRUMENT NO. 80,170

LIBER 319 PAGE 353

EXHIBIT 5 (C)

THIS DEED, made this 27th day of December, 1988, by and between KETTLER BROTHERS, INC., a body corporate of the State of Maryland, party of the first part; and THE COVECREEK CLUB, INC., (a Maryland Corporation), party of the second part;

WITNESSETH: that for and in consideration of the mutual benefits and advantages accruing to all parties hereto and without monetary considerations passing hereunder, the said party of the first part, Kettler Brothers, Inc., a body corporate of the State of Maryland, does hereby grant and convey unto the said party of the second part, The CoveCreek Club, Inc., (a Maryland Corporation), its successors and assigns, in fee simple, the following described lands, to wit:

PARCEL NO. ONE

ALL those lots, strips or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled, "Plat 1 of 2, Phase Two, Cove Creek Club, 4th Election District, Queen Anne's County, Maryland", dated February 1983, by Dewberry and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 202, folio 701, and among the Plat Records thereof in Plat Book M.W.M. No. 6, folio 2, said parcels of land intended to be conveyed being shown and designated thereon as (a) Golf Course Area, containing 15.26659 acres, more or less, (b) Golf Course Area, containing 4.29565 acres, more or less, (c) Community Area, containing 5.58696 acres, more or less, (d) All right, title, interest and estate in Cove Creek Marsh, if any there be, (e) Extension of Penny Drive, (f) Extension of Golf Court, (g) Chesapeake Avenue, (h) Tanners Point Drive.

PARCEL NO. TWO

ALL those lots, strips or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled, " Plat 2 of 2, Phase Two Cove Creek Club, 4th Election District, Queen Anne's County, Maryland", dated February, 1983, by Dewberry and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 202, folio 702, and among the Plat Records thereof in Plat Book M.W.M. No. 6, folio 3. Said parcels of land intended to be conveyed being shown and designated thereon as Tanners Point Drive.

BEING a part of the same lands conveyed by Milton E. Kettler, et.ux., unto Kettler Brothers, Inc., by deed dated the 29th day of June, 1982, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 186, folio 621.

TOGETHER with the buildings and improvements thereupon erected, made or being and all and every the rights, alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or anywise appertaining.

1989 JAN -3 PM 4:03

QUEEN ANNE'S COUNTY

DEED	ON
RECD FEE	14.00
POSTAGE	.50
SUBTOTAL	14.50

SUBJECT, nevertheless, to the terms and provisions of a certain Declaration of Covenants, Conditions and Restrictions (The CoveCreek Club) made by Milton E. Kettler and Barbara W. Kettler, as "Declarants" and Kettler Brothers, Inc., as "Developer" dated the 1st day of November, 1979, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156, folio 715, and of a certain Supplementary Declaration of Covenants, Conditions and Restrictions (The CoveCreek Club) by the same parties, dated the 1st day of November, 1979, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156, folio 734, said covenants, conditions and restrictions being hereby incorporated in this instrument as a part hereof by reference thereto, as evidenced by the execution of these presents and by the acceptance by the Grantee of its delivery.

TO HAVE AND TO HOLD the said lot of ground and premises, above described and mentioned, and hereby intended to be conveyed; together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said party of the second part, The CoveCreek Club, Inc., (a Maryland Corporation), its successors and assigns, in fee simple.

AND the said party of the first part does hereby covenant that it has not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that it will warrant specially the property hereby granted and conveyed and that it will execute such further assurances of the same as may be requisite.

WITNESS the hand of MICHAEL P. MARRS Vice President of Kettler Brothers, Inc., a body corporate of the State of Maryland, and its corporate seal hereto affixed.

ATTEST:

Vachel A. Marrs Jr.

KETTLER BROTHERS, INC.

Michael P. Marrs

~~Assistant~~ Vice President

(Place corporate seal here)

TAXES LEVIED AS OF Jan. 3, 1989

PAID TO June 30, 1989

William H. Tolson

Treasurer of Queen Anne's Co.

RECEIVED FOR TRANSFER
State Department of
Assessments & Taxation
for Queen Anne's County

Susie Robert 1/3/89

By Date

STATE OF MARYLAND

TO WIT:

CITY OR COUNTY OF Queen Anne's

I HEREBY CERTIFY, that on this 27th day of December, 1988, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Queen Anne's, personally appeared Michael P. Marrs who did acknowledge himself to be the Vice - President of Kettler Brothers, Inc., and that he as such Vice - President being authorized so to do, did execute the foregoing instrument for the purposes therein contained, and does further certify that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the Grantee corporation.

AS WITNESS my hand and Notarial Seal.

Vaclav A. Adamec Jr.
NOTARY PUBLIC
My Commission Expires: 7-1-1990

DOCUMENT NO. 152,171

LIBER 319 PAGE 356

EXHIBIT 5(D)

THIS DEED, made this 27 day of December, 1988, by and between KETTLER BROTHERS, INC., a body corporate of the State of Maryland, party of the first part; and THE COVECREEK CLUB, INC., (a Maryland Corporation), party of the second part;

WITNESSETH: that for and in consideration of the mutual benefits and advantages accruing to all parties hereto and without monetary considerations passing hereunder, the said party of the first part, Kettler Brothers, Inc., a body corporate of the State of Maryland, does hereby grant and convey unto the said party of the second part, The CoveCreek Club, Inc., (a Maryland Corporation), its successors and assigns, in fee simple, the following described lands, to wit:

ALL those lots, strips or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a certain plat entitled, "Plat 1 of 1, Cove Creek Club, 4th Election District, Queen Anne's County, Maryland", dated July 1981, by Dewberry and Davis, registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 178, folio 236, and among the Plat Records thereof in Plat Book M.W.M. No. 5, folio 22, said parcels of land intended to be conveyed being shown and designated thereon as (a) Mallard Path, "Parcel D", (b) Terrapin Lane, (c) Community Area "A", 0.30659 acres, more or less, (d) Community Area "B", 3.00779 acres, more or less.

BEING a part of the same lands conveyed by Milton E. Kettler, et.ux., unto Kettler Brothers, Inc., by deed dated the 29th day of June, 1982, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 186, folio 621.

TOGETHER with the buildings and improvements thereupon erected, made or being and all and every the rights, alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or anywise appertaining.

SUBJECT, nevertheless, to the terms and provisions of a certain Declaration of Covenants, Conditions and Restrictions (The CoveCreek Club) made by Milton E. Kettler and Barbara W. Kettler, as "Declarants" and Kettler Brothers, Inc., as "Developer" dated the 1st day of November, 1979, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156, folio 715, and of a certain Supplementary Declaration of Covenants, Conditions and Restrictions (The CoveCreek Club) by the same parties, dated the 1st day of November, 1979, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 156, folio 734, said covenants, conditions and restrictions being hereby incorporated in this instrument as a part hereof by reference thereto, as evidenced by the execution of these presents and by the acceptance by the Grantee of its delivery.

TO HAVE AND TO HOLD the said lot of ground and premises, above described and mentioned, and hereby intended to be conveyed; together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the

RECEIVED
CLERK'S CIRCUIT COURT
1989 JAN -3 PM 4:04
QUEEN ANNE'S COUNTY

DEED 0#
RECD FEE 12.00
POSTAGE .50

said party of the second part, The CoveCreek Club, Inc., (a Maryland Corporation), its successors and assigns, in fee simple.

AND the said party of the first part does hereby covenant that it has not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that it will warrant specially the property hereby granted and conveyed and that it will execute such further assurances of the same as may be requisite.

WITNESS the hand of Michael P. Marrs, ~~Assistant~~ Vice President of Kettler Brothers, Inc., a body corporate of the State of Maryland, and its corporate seal hereto affixed.

ATTEST:

Vachel G. Downes Jr.

KETTLER BROTHERS, INC.

Michael P. Marrs
~~Assistant~~ Vice President

(Place corporate seal here)

STATE OF MARYLAND

TO WIT:

CITY OR COUNTY OF Queen Anne's

I HEREBY CERTIFY, that on this 27 day of December, 1988, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Queen Anne's, personally appeared Michael P. Marrs, who did acknowledge himself to be the ~~Assistant~~ Vice President of Kettler Brothers, Inc., and that he as such ~~Assistant~~ Vice President being authorized so to do, did execute the foregoing instrument for the purposes therein contained, and does further certify that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the Grantee corporation.

AS WITNESS my hand and Notarial Seal.

Vachel G. Downes Jr.
NOTARY PUBLIC
My Commission Expires:
7-1-1990

TAXES LEVIED AS OF Jan 3, 1989
PAID TO June 30, 1989
TREASURER QUEEN ANNE'S CO.

RECEIVED FOR TRANSFER
State Department of
Assessments & Taxation
for Queen Anne's County
By P.C. Cook
Date 1-3-89

EXHIBIT NO 6

THIRD REVISION
11/12/88

COVE CREEK CLUB, INC.
1989 BUDGET

	ACTUAL 1987	BUDGET 1988	ESTIMATED ACTUAL 1988	BUDGET 1989
INCOME				
DUES	172,941	199,800	207,000	198,000
STORE SALES CART & GREEN FEES	19,941	26,000	26,000	30,000
BOAT SLIP RENTALS	7,150	10,500	11,000	15,000
GRASS CUTTING	3,690	3,500	6,030	5,000
ACTIVITIES & SPECIAL EVENTS	3,000	4,000	5,000	5,500
INTEREST	12,958	5,000	6,950	3,600
REPLACEMENT FUNDS USED	13,193	32,000	32,000	-
MARINA FUNDS USED	20,000	35,000	39,690	2,500
GIFTS-CROQUET & PUTTING GREEN	-	-	14,792	-
FUND FROM LOT DEVEL. & SALE				25,000
TOTAL INCOME	252,873	315,800	348,462	284,600
EXPENSE				
SALARY-MANAGERS	29,000	31,000	31,000	26,550
OTHERS	36,798	40,000	53,145	40,000
SCHEINER-AGREEMENT	2,155	18,000	33,845	18,000
FERTILIZER SEED/TOP DRESSING	9,211	14,000	10,148	14,000
GROUNDS CARE/GOLF COURSE	7,368	2,500	2,483	5,500
OTHER	3,697	2,000	2,000	3,000
MAINTENANCE AND REPAIR	18,186	20,000	18,359	20,000
MARINA MAINTENANCE & DREDGING	28,162	35,000	36,158	25,000
FUEL	9,476	10,000	12,290	15,000
INSURANCE	24,503	26,500	24,519	26,000
STORE MERCHANDISE PURCHASES	8,999	9,500	8,955	12,000
SPECIAL EVENTS & MEETINGS	2,888	2,500	3,538	4,500
TAXES, PAYROLL AND GENERAL	8,251	12,500	12,155	12,000
UTILITIES	14,156	15,000	16,674	17,000
SECURITY GUARD SVC. & EXPENSE	16,906	22,000	16,750	17,500
CONTRIBUTION TO ROAD FUND	1,682	2,500	1,800	2,000
ACCOUNTING & LEGAL EXPENSE	1,800	3,000	3,000	6,000
REPLACEMENT EXPENSE		15,000	7,283	-
OFFICE & MISCELLANEOUS	4,494	8,250	8,218	4,000
INTEREST EXPENSE	3,012	10,000	6,946	8,500
SPOILS AREA & MAINTENANCE			9,500	-
CROQUET/PUTTING GREENS	11,835	-	14,685	-
TOTAL EXPENSE	242,579	299,250	333,451	276,550
NET OPERATING INCOME	10,294	16,550	15,011	8,050
DEPRECIATION & AMORTIZATION	(12,270)	(18,000)	(15,500)	(16,000)
NET INCOME	(1,976)	(1,450)	(489)	(7,950)
CAPITAL EXPENDITURES				
EQUIPMENT, IRRIGATION, CARTS	14,662	69,000	72,949	21,200
BEAUTIFICATION				85,000
LOT DEVELOPMENT	2,664	-	6,648	10,000

EXHIBIT No 9

COVE CREEK PLATS

Plat 1 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: As shown
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book:CWC 4-22
Record Book:MWM 156-58

Plat 2 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" = 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-23
Record Book: MWM 156-59

Plat 3 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" = 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-24
Record Book: MWM 156-60

Plat 4 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" = 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-25
Record Book: MWM 156-61

Plat 5 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" = 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-26
Record Book: MWM 156-62

Plat 6 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" = 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-27
Record Book: MWM 156-63

Plat 7 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" = 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-28
Record Book: MWM 156-64

Plat 8 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" = 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-29
Record Book: MWM 156-65

Plat 9 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" = 100'
Date: September, 1979
Plat Book: CWC 4-30
Record Book: MWM 156-66

Plat 10 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" = 100'
Date: September, 1979
Plat Book: CWC 4-31
Record Book: MWM 156-67

Amended Plat 5 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" = 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-33
Record Book: MWM 157-543

Amended Plat 6 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" - 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-34
Record Book: MWM 157-544

Amended Plat 7 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" - 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-35
Record Book: MWM 157-545

Amended Plat 9 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" - 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-36
Record Book: MWM 157-546

Amended Plat 10 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" - 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: CWC 4-27
Record Book: MWM 157-547

Revised Plat Amended Plat 6 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" - 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: MWM 5-9
Record Book: MWM 167-430

Note:
Revision 9-3-80 to change lens of Lots 82-83-84-86 and 87, to delete Lot 85 renumbering Lots to 82A, 83A, 84A 86A and 87A. Also added lens between 56 and 57 and revised distance on 43

Revised Plat Amended Plat 5 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" - 100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: MWM 5-11
Record Book : MWM 169-452

Plat 1 of 1
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" - 100'
Date: July, 1981
Dewberry & Davis
Plat Book: MWM 5-22
Record Book: MWM 178-236

Plat 1 of 2
Phase Two
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" - 100'
Date: February, 1983
Dewberry & Davis
Plat Book: MWM 6-2
Record Book: MWM 202-701

Plat 2 of 2
Phase Two
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1" - 100'
Date: February, 1983
Dewberry & Davis
Plat Book: MWM 6-3
Record Book: MWM 202-702

Revision Revised Plat Amended Plat 6 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1"-100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: MWM 7-46
Record Book: MWM 246-694

NOTE: Revision dated 12-7-83 combines 92A and 83A into one lot to be known as 83B

Revised Amended Plat 7 of 10
Cove Creek Club
4th Election District
Queen Anne's County, Maryland
Scale: 1"-100'
Date: September, 1979
Dewberry, Nealon and Davis
Plat Book: MWM 7-47
Record Book: MWM 246-695

NOTE: Revised 12-7-83 to combine Lots 68 & 69 as one lot to be designated as Lot 68A

RECEIVED
CLERK, CIRCUIT COURT
00 FEB 25 AM 11:34
QUEEN ANNE'S COUNTY

No. 34547 • A

STATE OF MARYLAND

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION
301 WEST PRESTON STREET
BALTIMORE 21201

THIS IS TO CERTIFY THAT the within instrument is a true copy of the

ARTICLES OF INCORPORATION

OF

THE COVECREEK CLUB, INC.

RECORDING FEE 25.00
TOTAL 25.00
Rcpt# 0001 Rcpt # 79448
SM RCB Blk # 1931
Feb 25, 2000 11:48 am

as approved and received for record by the State Department of Assessments and Taxation of Maryland, September 11, 1979

at 10:00 **o'clock** A. M.

AS WITNESS my hand and official Seal of the said Department at Baltimore this 24th **day of** September, 1979.

William J. Simmons
Corporate Administrator

ARTICLES OF INCORPORATION

OF

THE COVECREEK CLUB, INC.

FIRST: We, the undersigned, MILTON E. KETTLER, L. FRANK BOND, JR., and ALLEN JONES, JR., all of whom are residents of Montgomery County, Maryland, and all of whom are at least twenty-one (21) years of age, do under and by virtue of the General Laws of the State of Maryland authorizing the formation of corporations, associate ourselves as incorporators with the intention of forming a non-stock, non-profit corporation.

SECOND: The name of the corporation is

THE COVECREEK CLUB, INC.

THIRD: The purposes for which the corporation is formed are:

To promote the health, safety and welfare of the residents of The CoveCreek Club which is located in the fourth election district of Queen Anne's County, Maryland, and as described and defined in applicable Declaration of Covenants, Conditions and Restrictions recorded or to be recorded in the land records for Queen Anne's County, Maryland, and in accordance with such Supplementary Declarations of Covenants, Conditions and Restrictions as may thereafter be recorded in said land records.

To own, acquire, build, operate and maintain parks, play areas, and other recreational facilities, open spaces, commons and walkways, including buildings, structures and personal properties incident thereto and to provide such facilities and services in connection therewith as permitted by law and including, but not limited to, the following:

1. Maintenance of properties within The CoveCreek Club;

2. Maintenance of unkempt lands or trees; and

3. Such other supplemental municipal services or other services as may be deemed necessary.

To fix assessments or charges to be levied against the Private Lots located within The CoveCreek Club and the Owners thereof.

To enforce any and all covenants, conditions, restrictions and agreements applicable to The CoveCreek Club.

To carry out all or any part of the foregoing objects as principal, factor, agent, contractor, or otherwise, either alone or through or in conjunction with any person, firm, association or corporation, and, in carrying on its business and for the purpose of attaining or furthering any of its objects and purposes, to make and perform any contracts and to do any acts and things, and to exercise any powers suitable, convenient or proper for the accomplishment of any of the objects and purposes herein enumerated or incidental to the powers herein specified, or which at any time may appear conducive to or expedient for the accomplishment of any of such objects and purposes.

The foregoing objects and purposes shall, except when otherwise expressed, be in no way limited or restricted by reference to or inference from the terms of any other clause of this or any other article of these Articles of Incorporation or any amendment thereto, and shall each be regarded as independent, and construed as powers as well as objects and purposes.

The corporation shall be authorized to exercise and enjoy all of the powers, rights and privileges granted to, or conferred upon, corporations of a similar character by the General Laws of the State of Maryland now or hereafter in force, and the enumeration of the foregoing powers shall not be deemed to exclude any powers, rights or privileges so granted or conferred.

FOURTH: This corporation is not authorized to issue capital stock.

FIFTH: Every person or entity who is a record Owner of a fee or undivided fee interest in any Private Lot located within The CoveCreek Club which is subject to the applicable Declaration of Covenants, Conditions and Restrictions recorded or to be recorded in the land records for Queen Anne's County, Maryland shall automatically be a Member of this corporation, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member. Provided, however, the Owner of a Private Lot that is not fully served by finished streets and utilities is not subject to any assessments or charges provided for in said Declaration of Covenants, Conditions and Restrictions.

SIXTH: The corporation shall have the following two classes of voting membership:

> Class A. Class A Members shall be all those Owners (including Declarants and Developer) as defined in paragraph FIFTH above. Class A Members shall be entitled to one (1) vote for each Private Lot in which they hold the interests required for membership under paragraph FIFTH above. When more than one person holds such interest or interests in any Private Lot, all such persons shall be Members, and the vote for such Private Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Private Lot.

Class B. The Developer shall be the sole Class B Member. The Class B Member shall be entitled to four hundred (400) votes in The CoveCreek Club, Inc. The Class B membership shall cease and terminate upon the conveyance of the eightieth (80th) Private Lot within The CoveCreek Club to an Owner other than Declarants or Developer or on January 1, 1985, whichever shall first occur.

At no time shall the vote of the Class B Member be cast or utilized for the purpose of permitting the use of the Community Properties by non-members or to establish or impose admission and other fees for the use of the Community Properties by either Members or non-members, which rights are specifically reserved to The CoveCreek Club, Inc. under Article IV, Section 3 (d) of the Declaration of Covenants, Conditions and Restrictions.

SEVENTH: The post office address of the principal office of the corporation is 19110 Montgomery Village Avenue, Gaithersburg, Maryland 20760. The name of the resident agent of the corporation is M.E. Kettler, a citizen of this State actually residing therein, and the post office address of the resident agent is 5510 Pollard Road, Bethesda, Montgomery County, Maryland 20016.

EIGHTH: The affairs of the corporation shall be managed by a Board of five (5) Directors who need not be Members of the corporation. The initial Board of Directors shall consist of five (5) Directors who shall hold office until the election of their successors for the terms hereinafter set forth. Beginning with the first annual meeting to be held on or before December 31, 1980, the Members, at the first such annual meeting shall elect two (2) Directors for a term of three years; at the second annual meeting the Members shall elect two (2) Directors for a term of three years; and at the third annual meeting, the Members shall elect one (1) Director for a term of three years; and at each subsequent annual meeting the Members shall elect the applicable number of Directors to those terms then expiring in accordance with the foregoing schedule.

The names and addresses of those persons who are to act as Directors until the election of their successors and their terms of office are:

To serve until the first annual meeting to be held on or before December 31, 1980:

Name	Address
L. Frank Bond. Jr.	9813 Gartrel Place Kensington, Maryland 20795
Allen Jones, Jr.	7014 Old Cabin Lane Rockville, Maryland 20852

To serve until the next succeeding annual meeting:

Name	Address
Milton E. Kettler	5510 Pollard Road Washington, D.C. 20016
Charles V. Phillips, Jr.	7301 Venice Street Falls Church, Virginia 22043

To serve until the next succeeding annual meeting:

Name	Address
John F. Ryon	Queen Anne Colony Stevensville, Maryland 21666.

NINTH: The corporation may be dissolved only upon the assent of two-thirds (2/3) of the total votes of all classes of Members of those voting upon written ballot which shall be sent to all Members at least thirty (30) days in advance of the canvass thereof and which notice shall set forth the reasons for such dissolution and the disposition to be made of the assets (which shall be consonant with paragraph TENTH hereof).

TENTH: Upon dissolution of the corporation, the assets of the corporation, both real and personal, shall be dedicated, granted or otherwise fully conveyed to the Queen Anne's County Government or such public agency or authority as the said Queen Anne's County Government may deem appropriate, to be devoted to purposes as nearly the same as practicable as those to which they were required to be devoted by the corporation. In the event that such dedication, grant or conveyance is refused acceptance, then said assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the corporation.

ELEVENTH: These Articles may be amended only upon the assent of two-thirds (2/3) of the total votes of all classes of Members of those voting upon written ballot which shall be sent to all Members at least thirty (30) days in advance of the canvass thereof and which notice shall set forth the proposed amendment to these Articles, provided that no amendment shall be effective to impair or dilute any rights of Members that are covered by the recorded covenants, conditions and restrictions applicable to the properties located within The CoveCreek Club (as, for example, membership and voting rights) which are part of the property rights and interests created thereby.

TWELFTH: The quorum required for any action authorized by Articles NINTH and ELEVENTH hereof shall be as follows: A return at the first canvass of ballots representing sixty (60) percent of the total votes of all classes of membership shall constitute a quorum. If the required quorum is not forthcoming at the first canvass, another canvass may be taken, subject to the notice

requirements set forth in said Articles NINTH and ELEVENTH, and the required quorum at any such subsequent canvass shall be one-half (1/2) of the required quorum at the preceding canvass, provided that no such subsequent canvass shall be taken more than sixty (60) days following the preceding canvass.

THIRTEENTH: The duration of the corporation shall be perpetual.

IN WITNESS WHEREOF, we have signed these Articles of Incorporation on this 7th day of September, 1979.

Milton E. Kettler

L. Frank Bond, Jr.

Allen Jones, Jr.

WITNESS AS TO ALL:

STATE OF MARYLAND)
) ss:
COUNTY OF MONTGOMERY)

I hereby certify that on Sept. 7, 1979 before me the subscriber, a notary public in and for the state and county aforesaid, personally appeared Milton E. Kettler, L. Frank Bond, Jr. and Allen Jones, Jr., and severally acknowledged the foregoing Articles of Incorporation to be their act as the incorporators named therein.

WITNESS my hand and notarial seal or stamp the day and year last above written.

Notary Public

My commission expires: 7/1/82.

6
A 89299

MARYLAND
State Department of Assessments and Taxation
William L. Shoemaker, Director

301 WEST PRESTON STREET
BALTIMORE, MARYLAND 21201

YOU ARE ADVISED THAT THE ARTICLES OF INCORPORATION

OF

THE COVECREEK CLUB, INC.

HAVE BEEN RECEIVED AND APPROVED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION THIS 11th DAY OF September, 1979 at 10:00 a. m. AND WILL BE RECORDED.

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND

BY: William L. Lemmon

THE COVECREEK CLUB, INC

****

BY-LAWS

AS AMENDED - JUNE 10, 1990, OCTOBER 19, 1991, MAY 29, 1993

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ARTICLE I

Definitions

Section 1. The following words when used in these By-laws (unless the context shall prohibit) shall have the following meanings:

(a) "Corporation" shall mean and refer to The CoveCreek Club, Inc., a non-stock, non-profit Corporation organized and existing under the laws of the State of Maryland.

(b) "Declaration of Covenants" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions (and all supplements thereto) applicable to The CoveCreek Club and recorded by the Declarants or Developer in the land records for Queen Anne's County, Maryland on the 1st day of November, 1979, in Liber 156 at Folio 715 and wherein The CoveCreek Club, Inc. is granted or charged with property rights or obligations for the described area.

(c) "The CoveCreek Club" shall mean and refer to a community situated within the Fourth Election District of Queen Anne's County, Maryland and made up of such existing properties as are subject to the Declaration of Covenants and as are described in Article II thereof as being located within The Cove Creek Club.

(d) "Community Properties" shall mean and refer to all land, improvements and other properties heretofore or hereafter owned by The CoveCreek Club, Inc.

(e) "Private Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat or map of The CoveCreek Club and permitting the construction of a residential living unit thereon, excepting Community Properties.

(f) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Private Lot situated within The CoveCreek Club but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless or until such mortgagee has acquired title pursuant to foreclosure or any procedure in lieu of foreclosure.

(g) "Declarants" shall mean and refer to Milton E. and Barbara W. Kettler, or their heirs, legal representatives, successors and assigns, owners of the real property described in Article II of the Declaration of Covenants.

(h) "Developer" shall mean and refer to Kettler Brothers, Inc., or such other construction company that undertakes the development of real estate in The CoveCreek Club under an agreement with the owners of the land.

(i) "Member" shall mean and refer to members of The CoveCreek Club, Inc.

ARTICLE II

Office

Section 1. The principal office of the Corporation shall be located at P.O. Box 114 N. Creek Court, Stevensville, Maryland 21666.

ARTICLE III

Membership

Section 1. Every person or entity who is a record Owner of a fee or undivided fee interest in any Private Lot located within The CoveCreek Club shall automatically be a Member of the Corporation, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member. Provided, however, the Owner of a Private Lot that is not fully served by finished streets and utilities is not subject to any assessments or charges hereinafter provided for.

Section 2. The rights of membership, including, but not limited to, the right of a member to rent or lease Members residence within the Cove Creek Club, are subject to the payment of annual and special assessments levied by the Corporation. The obligation for said assessments is imposed against each Owner of and becomes a lien upon the property against which such assessments are made as provided by Article V of the Declaration of Covenants. Article V provides in part that the maximum annual assessment payable to the Corporation shall be $1,800.00 per Private Lot subject to such maximum annual assessment being increased by the Board of Directors for any given year in conformance with a like increase in the consumer price index and that, in the case of any special assessment levied by the Corporation, such assessment shall require the assent of two-thirds (2/3) of the total votes of all classes of Members who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 3. The membership rights of any person whose interest in The CoveCreek Club is subject to assessments or charges under Article III, Section 2 hereof, whether or not he be personally obligated to pay such assessments, may be suspended by action of the Board of Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If the Directors have adopted and published rules and regulations governing the use of the Community Properties and facilities, and the personal conduct of any person thereon, as provided in Article IX, Section 1 hereof, they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed ninety (90) days.

ARTICLE IV

Voting Rights

Section 1. The Corporation shall have one class of voting membership, which shall be designated as Class A. Class A members shall be all those Owners (including Declarants and Developer) as defined in Article III, Section 1 hereof. Class A Members shall be entitled to one (1) vote for each Private Lot in which they hold the interests required for membership under Article III, Section 1 hereof. When more than one person holds such interest or interests in any Private Lot, all such persons shall be Members, and the vote for such Private Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Private Lot.

Section 2. A vote may be cast in person or by proxy. A proxy may be instructed (directing the proxy how to vote) or uninstructed (leaving how to vote to the proxy's discretion). Only instructed proxies may be granted by any member to the managing agent. No person other than the Declarant, an owner or an Officer shall cast votes as a proxy for more than five Lots not owned by such person. Proxies shall be in writing, shall be dated, shall be signed by the member or a person authorized by the member (or in cases where the member is more than one person by or on behalf of all such persons), shall be valid for eleven months unless a longer time period is provided in the proxy and shall be filed with the Secretary. Further, the proxies shall be granted only for the specific action requested to be voted on and are to be valid for no other purpose. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from the member.

ARTICLE V

Property Rights in the Community Properties

Section 1. Each Member in good standing shall be entitled to use and enjoyment of the Community Properties as provided by deed of dedication and the Declaration of Covenants.

Section 2. Every Member may delegate his rights of enjoyment in the Community Properties to each of his tenants and to each member of his family who resides with him within The CoveCreek Club and to such other persons as may be permitted under duly adopted Rules and Regulations of this Corporation. In the event tenant has an agreement, either written or oral, to occupy Member's residence for more than six (6) months, then only tenants in residence and their families have club privileges. The Member or his family, shall be entitled to the rights of enjoyment in the community Properties. However, Member shall remain liable for all assessments and/or obligations as if Member retained such rights of enjoyment. Such Member shall notify the secretary of the Corporation in writing of the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension under Article III, Section 3 hereof, to the same extent as those of the Members.

ARTICLE VI

Corporation Purposes and Powers

Section 1. The Corporation has been organized for the purposes set forth within the paragraph designated "THIRD" of its Articles of Incorporation.

Section 2. The Corporation shall have the power to mortgage its properties only to the extent authorized under the Declaration of Covenants.

The total debts of the Corporation, including the principal amount of such mortgages, outstanding at any time, shall not exceed the total of one (1) years' assessments or charges current at that time, provided that authority to exceed said maximum in any particular case may be given by an affirmative vote of two-thirds (2/3) of the total votes of all classes of Members of those voting upon written ballot which shall be mailed or personally delivered to all Members at least thirty (30) days in advance of the canvass thereof. The balloting shall be done as provided in Article XIV hereof.

Section 3. The quorum required for any action governed by Section 2 of this Article shall be as follows:

A return at the first canvass of ballots representing sixty (60) percent of the total votes of all classes of Members shall constitute a quorum. If the required quorum is not forthcoming at any canvass, another canvass may be taken, subject to the notice requirements set forth in said Section, and the required quorum at any subsequent canvass shall be one-half (1/2) of the required quorum at the preceding canvass, provided that no such subsequent canvass be taken more than sixty (60) days following the preceding canvass.

Section 4. The Corporation shall have power to dispose of its real properties only as authorized under the Declaration of Covenants or its Articles of Incorporation.

ARTICLE VII

Board of Directors

Section 1. The business and affairs of the Corporation shall be managed by a Board of five (5) Directors, all of whom shall be Members of the Corporation. The term of office shall be three years and no director shall hold office for more than two (2) consecutive terms.

Section 2. Vacancies on the Board of Directors shall be filled by a majority vote of the remaining Directors. Any such Director so elected shall hold office during the unexpired term of his predecessor. Should three (3) or more vacancies occur simultaneously due to resignation, death, or for other causes, then, and in that event, a Special Meeting of the Members shall be called for the purpose of electing Directors to such vacancies for the unexpired terms thereof.

ARTICLE VIII

Nomination and Election of Directors

Section 1. Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall be one of the standing committees of the Corporation. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Corporation. The members of the Nominating Committee shall be appointed by the Board of Directors at least sixty (60) days prior to each annual meeting of the Members to serve until their successors are appointed.

Section 2. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than

the number of vacancies that are to be filled and such nominations may be made from among Members of the Corporation.

Section 3. All elections to the Board of Directors shall be made by secret written ballot which shall: (a) describe the vacancies to be filled; (b) set forth the names of those nominated by the Nominating Committee for such vacancies; and (c) contain space for a write-in vote by the Members for each vacancy. Such ballots shall be prepared and mailed to the Members at least thirty (30) days in advance of the date set forth therein for a return (which shall be a date and time not later than the day of the annual meeting or special meeting called for elections).

Section 4. The Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration of Covenants. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 5. An Election Committee which shall consist of three (3) Members who shall be appointed by the Board of Directors and shall be responsible for maintaining the safekeeping of the written ballots once collected by the Secretary or such other officer of the Corporation deemed responsible therefor and shall be required to follow such verification procedures as may be adopted by the Board of Directors regarding votes cast, genuineness of signatures, validity of proxies and such other matters as will insure a fair election.

ARTICLE IX

Powers and Duties of the Board of Directors

Section 1. The Board of Directors shall have the power:

(a) To call special meetings of the Members whenever it deems necessary and in such other instances as provided in Article XIII, Section 2 hereof.

(b) To appoint and remove, for any reason, all officers, agents and employees of the Corporation, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-laws shall be construed to prohibit any employment of any Member, officer or Director of the Corporation in any capacity whatsoever. Notwithstanding anything to the contrary, no Director of the Corporation shall be entitled to receive compensation as a result of being a Director of the Corporation. However, such Director shall be entitled to reimbursement for any reasonable expenses incurred on behalf of, and for the benefit of, the Corporation. In the event, however, a Director reasonably anticipates that such

expenses will exceed $200.00, such expenditure must be approved by the unanimous consent of the remaining Directors.

(c) To establish, levy and assess and collect the assessments or charges referred to in Article III, Section 2 hereof.

(d) To establish, levy and assess and collect reasonable admission and other fees or charges for the use of certain of the Community Properties by either Members or non-members of the Corporation.

(e) To adopt and publish rules and regulations governing the use of the Community Properties and facilities and the personal conduct of the Members and their guests thereon and to establish penalties for any violation thereof.

(f) To exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation, except those reserved to the Members.

(g) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board.

Section 2. It shall be the duty of the Board of Directors:

(a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the total voting membership or one-fourth (1/4) of the Class A membership, as more specifically provided in Article XIII, Section 2 hereof.

(b) To supervise all officers, agents and employees of this Corporation, and to see that their duties are properly performed.

(c) To prepare a roster of all properties within The CoveCreek Club and assessments or charges applicable thereto which shall be kept in the office of the Corporation.

(d) To fix the amount of the assessment or charge against each Private Lot for each assessment period at least thirty (30) written days in advance of such date or period and, at the same time, send written notice of each assessment or charge to every Owner subject thereto, all as otherwise more fully provided herein and in the Declaration of Covenants.

(e) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment or charge has been paid. A reasonable charge may be made by the Board for the issuance of the certificate. Such certificate shall be conclusive evidence of any assessment or charge therein stated to have been paid.

(f) To procure and maintain adequate liability insurance covering the Corporation, its Directors, officers, agents and employees and to procure and maintain adequate hazard insurance on such of the Corporation's real and personal properties as deemed appropriate by the Board.

ARTICLE X

Directors' Meetings

Section 1. A regular meeting of the Board of Directors shall be held at such time and place as determined by the Board and not less frequently than on a quarterly basis.

Section 2. Notice of such regular meeting is hereby dispensed with. If the day for the regular meeting shall fall upon a legal holiday, the meeting shall be held at the same hour on the first day following which is not a Saturday, Sunday, or legal holiday, and no notice thereof need be given.

Section 3. Special meetings of the Board of Directors shall be held when called by the president or vice-president of the Corporation or by any two (2) Directors after not less than three (3) days' notice in writing to all Directors which shall be delivered personally or mailed to the Directors at their addresses appearing on the Corporation's records. Notice by mail shall be deemed given at time of mailing.

Section 4. A majority of the Board of Directors shall constitute a quorum thereof and the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 5. The Board of Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE XI

Officers and Their Duties

Section 1. The officers shall be a president, a vice-president, a secretary, a treasurer and such other officers as the Board may deem appropriate to create by resolution. Thepresident and vice-president shall be members of the Board of Directors.

Section 2. The officers shall be chosen by majority vote of the Directors.

Section 3. All officers shall hold office for such terms as designated by the Board of Directors and may be relieved of office at any time as may be determined by the Board.

Section 4. The president, who shall be chosen from among the existing Board of Directors, shall be the chief executive officer of the Corporation, shall preside at all meetings of the Board of Directors, shall see that such orders and resolutions of the Board of Directors are carried out and shall sign such documents as determined by resolution of the Board of Directors.

Section 5. The vice-president shall perform all duties of the president in his absence.

Section 6. The secretary shall be, ex officio, the secretary of the Board of Directors, and shall record the votes and keep the minutes of all proceedings of the Board in a book to be kept for that purpose. The secretary shall sign all certificates of membership, keep the records of the Corporation and shall record in an appropriate book the names of all Members of the Corporation together with their addresses as registered by such Members (see Article XIII, Section 3 hereof).

Section 7. The treasurer shall receive a deposit in appropriate bank accounts all monies of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. All checks and notes of the Corporation shall be prepared and signed as determined by resolution of the Board of Directors.

Section 8. The treasurer shall keep proper books of account and cause an annual internal audit of the Corporation books to be made at the completion of each fiscal year with an external audit every fifth year by a certified public accountant. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement, as adopted by the Board of Directors, shall be presented to the membership at its regular annual meeting.

Section 9. In addition to those specific duties listed above in this Article, each officer shall perform such other duties as the Board of Directors may, by resolution, determine to be appropriate.

ARTICLE XII

Committees

Section 1. The standing committees of the Corporation shall be:

A. The Nominating Committee
B. The Audit Committee
C. The Election Committee

Unless otherwise provided herein, each committee shall consist of a chairman and two (2) or more members and may include a member of the Board of Directors for Board contact. The committees shall be appointed by the Board of Directors at its first meeting following each annual meeting of the Members and members of the committees shall serve until their successors are appointed. The Board of Directors may appoint such other committees as it deems desirable.

Section 2. The Nominating Committee shall have the duties and functions described in Article VIII hereof.

Section 3. The Audit Committee shall supervise the annual audit of the Corporation's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting as provided in Article XI, Section 8 hereof. The treasurer shall be an ex officio member of the Committee.

Section 4. The Election Committee shall have the duties and functions described in Article VIII hereof.

Section 5. The Board of Directors may create and abolish from time to time such other committees consisting of two or more persons as the Board may deem appropriate to aid in the administration of the affairs of the Corporation. Such committees shall have the powers and duties fixed by resolution of the Board from time to time. The Board shall appoint the chair of each Committee, and may either appoint the other members thereof or leave such appointment to the Committee chair.

Section 6. It shall be the duty of each committee to receive suggestions from Members on any matter involving Corporation functions, duties and activities within its field of responsibility. It shall handle suggestions as it deems appropriate or refer them to such other committee, officer or Director of the Corporation as is further concerned with the matter presented.

Section 7. In addition to those specific duties listed above in this Article, each committee shall perform such other duties as the Board of Directors may, by resolution, determine to be appropriate.

ARTICLE XIII

Meetings of Members

Section 1. There shall be an annual meeting of the Members held at such time and place within Queen Anne's County, Maryland, as determined by the Board of Directors.

Section 2. Special meetings of the Members may be called for any purpose at any time by the president or vice-president or by any two or more members of the Board of Directors, or upon written request of the Members or representatives who have a right to vote one-fourth (1/4) of the total votes of all classes of Members or who have a right to vote one-fourth (1/4) of the total votes of the Class A Members.

Section 3. Notice of any meeting, regular or special, shall be given to the Members by, or at the direction of, the secretary. Notice may be given to a Member either personally, or by sending a copy of the notice through the mail, postage prepaid, to his address appearing on the books of the Corporation. Each Member shall register his address with the secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall set forth the general nature of the business to be transacted and shall be mailed or personally delivered not less than fifteen (15) days in advance of the meeting unless such other notice requirements be set forth in the Articles of Incorporation, Declaration of Covenants or these By-Laws.

Section 4. Unless otherwise provided in these By-laws, the Articles of Incorporation or the Declaration of Covenants, the presence at any meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the total votes of all classes of Members shall constitute a quorum for any action governed by these By-laws. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in Section 3 of this Article, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5. When a quorum is present at any meeting of Members, the vote of a majority of the votes of all classes of Members present in person or by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provision of the Declaration of Covenants, the Articles of Incorporation or elsewhere within these By-laws a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 6. At all meetings of Members, each Member may vote in person or by proxy.

Section 7. All proxies shall be in writing and filed with the secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease and terminate upon sale or transfer by the Member of his private lot or other interest in The CoveCreek Club.

ARTICLE XIV

Written Ballot in Special Cases

Section 1. Whenever the vote of the Members is required to be taken by written ballot under the provisions of these By-laws, the Articles of Incorporation or Declaration of Covenants, all Members shall vote in person or by proxy upon such written ballot. The mechanics of such balloting shall conform to the provisions of Article VIII hereof, provided that when a vote is on an issue, such issue shall be plainly stated upon the ballot or accompanying circular.

ARTICLE XV

General Provisions

Section 1. The fiscal year of the Corporation shall begin on January 1 and end on December 31 of every year.

Section 2. The books, records and papers of the Corporation shall at all times, during reasonable business hours, be subject to the inspection of any Member.

Section 3. The Corporation shall have a seal in circular form having inscribed within its circumference the full name of the corporation, the year of its organization and the words "Corporate Seal, Maryland."

Section 4(a) To the maximum extent permitted by the laws of the State of Maryland in effect from time to time, and subject to compliance with any procedures and other requirements prescribed by said laws, any person who is, or is threatened to be

made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he (i) is or was a Director or officer of the Corporation or of a predecessor of the Corporation, or (ii) is or was a Director or officer of the Corporation or of a predecessor of the Corporation and is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan, shall be indemnified by the Corporation against judgments, penalties, fines, settlements and reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with such action, suit or proceeding, or in connection with any appeal therein (which reasonable expenses may be paid or reimbursed in advance of final disposition of any such suit, action or proceeding) except in relation to matters as to which he shall be adjudged or determined in such claim, action, suit or proceeding to have acted in bad faith and outside the scope of his authority or to have acted in a grossly negligent manner or with willful misconduct.

(b) To the maximum extent permitted by the laws of the State of Maryland in effect from time to time, and subject to compliance with any procedures and other requirements prescribed by said laws, any person who is, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he (i) is or was an employee or agent of the Corporation or of a predecessor of the Corporation, or (ii) is or was an employee or agent of the corporation or of a predecessor of the Corporation and is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, other enterprise, or other employee benefit plan, may (but need not) be indemnified by the Corporation against judgments, penalties, fines, settlements and reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with such action, suit or proceeding, or in connection with any appeal therein (which reasonable expenses may be paid or reimbursed in advance of final disposition of any such suit, action or proceedings) except in relation to matters as to which he shall be adjudged or determined in such claim, action, suit or proceeding to have acted in bad faith and outside the scope of his authority or to have acted in a grossly negligent manner or with willful misconduct.

(c) To the extent permitted by the laws of the State of Maryland in effect from time to time, the Corporation, or a subsidiary or an affiliate of the Corporation, may (but need not) purchase and maintain insurance or similar protection, including, but not limited to, a trust fund, letter of credit or surety bond, on behalf of any person who is or was a director, officer, employee, or agent of the Corporation, or who, while a director, officer, employee or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, or agent of another foreign or domestic corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan

against any liability asserted against and incurred by such person in any such capacity or arising out of such person's position except in relation to matters as to which he shall be adjudged or determined in such claim, action, suit or proceeding to have acted in bad faith and outside the scope of his authority or to have acted in a grossly negligent manner or with willful misconduct, whether or not the Corporation would have the power to indemnify against liability under the provisions of this Article.

(d) Neither the amendment nor repeal of this Article, nor the adoption or amendment of any other provision of the By-Laws or Charter of the Corporation inconsistent with this Article, shall apply to or affect in any respect the applicability of this Article with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

(e) The foregoing right of indemnification and advancement of expenses shall not be deemed exclusive of any other rights of which any officer, Director, employee or agent of the Corporation may be entitled apart from the provisions of this Article.

Section 5. As provided in Article IX hereof, the Corporation shall maintain a liability insurance policy with a company authorized to transact business in the State of Maryland. In the event said insurance policy provides a greater degree of protection to the Corporation's Directors, officers, agents and employees, for example, to the extent of covering acts of gross negligence and willful misconduct, nothing in Section 4 of this Article shall be construed as prohibiting such additional protection and indemnification to said Directors, officers, agents and employees, or of relieving the insurance company of the duty to provide the full normal coverage of its policy to said Directors, officers, agents and employees.

Section 6. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; and in the case of any conflict between the Articles of Incorporation, these By-laws and the Declaration of Covenants, the Declaration of Covenants shall control.

ARTICLE XVI

Amendments

Section 1. These By-laws may be altered, amended or repealed at a regular or special meeting of the Members, by a vote of a majority of a quorum (as provided in Article XIII, Section 4 hereof) of all classes of Members present in person or by proxy, provided that any different voting and/or quorum requirements specified for any action under any provision of these By-laws shall apply also to any amendment of such provision; and provided further that any matter stated herein to be or which is in fact governed by the Articles of Incorporation or by the Declaration of Covenants may not be amended except as provided in such Articles of Incorporation or Declaration of Covenants.

ARTICLE XVII

Dissolution

Upon the dissolution of the Corporation, assets shall first be distributed to satisfy the claims of all of the creditors of the Corporation. Any assets remaining after such distribution shall be distributed to the Members in proportion to their ownership in any Private Lot located within the CoveCreek Club.

DOCUMENT NO. 1

DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS
(THE COVECREEK CLUB)

THIS DECLARATION, made this 1st day of November, 19 79, by MILTON E. and BARBARA W. KETTLER, hereinafter called "Declarants," and KETTLER BROTHERS, INC., hereinafter called "Developer,"

W I T N E S S E T H :

WHEREAS, Declarants are the owners of the real property described in Article II of this Declaration and together with the Developer desire to create thereon an exclusive residential community to be named "THE COVECREEK CLUB" with permanent parks, play areas, open spaces, walkways and other facilities for the benefit of the said community through the granting of specific rights, privileges and easements of enjoyment which may be shared and enjoyed by all residents of The CoveCreek Club; and

WHEREAS, Declarants and Developer desire to insure the attractiveness of the individual lots and community facilities within The CoveCreek Club and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of the said property and to provide for the maintenance of said parks, play areas, open spaces, walkways and other community facilities; and, to this end, desire to subject the real property described in Article II to the covenants, conditions, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Declarants and Developer have deemed it desirable, for the efficient preservation, protection and enhancement of the values and amenities in The CoveCreek Club and to insure the residents' enjoyment of the specific rights, privileges and easements in the community properties, facilities, and services to create an organization to which should be delegated and assigned the powers of owning, maintaining and administering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarants and Developer have caused to be incorporated under the laws of the State of Maryland, as a non-profit corporation, THE COVECREEK CLUB, INC., for the purpose of exercising the functions aforesaid within The CoveCreek Club;

NOW, THEREFORE, the Declarants and Developer declare that the real property described in Article II is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I

Definitions

Section 1. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

TOTAL	

... 154 ... 715

(a) "The CoveCreek Club" shall mean and refer to all such existing properties as are subject to this Declaration and any Supplemental Declaration under the provisions of Article II hereof.

(b) "Community Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of The CoveCreek Club, including improvements heretofore or hereafter made thereon, designated on the face of said plat or plats as intended to be owned and/or maintained by The CoveCreek Club, Inc.

(c) "Private Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat or map of The CoveCreek Club and permitting the construction of a residential living unit thereon, excepting Community Properties.

(d) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Private Lot situated within The CoveCreek Club but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any procedure in lieu of foreclosure.

(e) "Declarants" shall mean and refer to Milton E. and Barbara W. Kettler, or their heirs, legal representatives, successors and assigns, owners of the real property described in Article II of this Declaration.

(f) "Developer" shall mean and refer to Kettler Brothers, Inc., or such other construction company that undertakes the development of real estate in The CoveCreek Club under an agreement with the owners of the land.

(g) "Member" shall mean and refer to members of The CoveCreek Club, Inc.

(h) "General Plan of Development" shall mean and refer to either the preliminary plan or the recorded plat for a particular area of The CoveCreek Club as specifically designated by Declarants or Developer.

ARTICLE II

Property Subject To This Declaration:

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in the Fourth Election District, Queen Anne's County, Maryland, and is more particularly described in metes and bounds description attached hereto as EXHIBIT A and incorporated by reference as fully as if specifically repeated herein and all of which real property shall hereinafter be referred to as "Existing Property."

ARTICLE III

Membership and Voting Rights in The CoveCreek Club, Inc.

Section 1. Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Private Lot located within The CoveCreek Club, shall automatically be a Member of The CoveCreek Club, Inc., provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member. Provided, however, the Owner of a Private Lot that is not fully served by finished streets and utilities is not subject to any assessments or charges hereinafter provided for.

Section 2. Voting Rights. The CoveCreek Club, Inc. shall have two classes of voting membership:

Class A. Class A Members shall be all those Owners (including Declarants and Developer) as defined in Article III, Section 1 hereof. Class A Members shall be entitled to one (1) vote for each Private Lot in which they hold the interests required for membership under Section 1. When more than one person holds such interest or interests in any Private Lot, all such persons shall be Members, and the vote for such Private Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Private Lot.

Class B. The Developer shall be the sole Class B Member. The Class B Member shall be entitled to four hundred (400) votes in The CoveCreek Club, Inc. The Class B membership shall cease and terminate upon the conveyance of the eightieth (80th) Private Lot within The CoveCreek Club to an Owner other than Declarants or Developer or on January 1, 1985, whichever shall first occur.

Section 3. Restriction of Class B Vote. At no time shall the vote of the Class B Member be cast or utilized for the purpose of permitting the use of the Community Properties by non-members or to establish or impose admission and other fees for the use of the Community Properties by either Members or non-members, which rights are specifically reserved to The CoveCreek Club, Inc. under Article IV, Section 3 (d) of this Declaration of Covenants, Conditions and Restrictions.

ARTICLE IV

Property Rights in the Community Properties

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3 below, every Member of The CoveCreek Club, Inc. shall have a right and easement of enjoyment in and to the Community Properties and such easement shall be appurtenant to and shall pass with the title to every Private Lot situated within The CoveCreek Club.

Section 2. Title to Community Properties. The Declarants or Developer may retain the legal title to the Community Properties until such time as they have completed improvements thereon and until such time as, in the opinion of the Declarants or Developer, The CoveCreek Club, Inc. is able to maintain the same but, notwithstanding any other provision herein, the Declarants and Developer hereby covenant, for themselves, their heirs, legal representatives, successors and assigns, that they shall convey the Community Properties to The CoveCreek Club, Inc. not later than twelve (12) months following the delineation of any such property upon a recorded plat of subdivision, reserving by appropriate language in the deed of conveyance the right to complete the improvements thereon (if not then complete) to Declarants or Developer, at their own expense, and the right to enter upon, over and across said lands as necessary to complete the development of other adjacent lands and facilities within The CoveCreek Club.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Declarants or Developer and of The CoveCreek Club, Inc. in accordance with its By-laws, to borrow money for the purpose of

improving the Community Properties and to aid thereof to mortgage or otherwise burden or encumber said properties. In the event of a default upon any such mortgage or other burden or encumbrance, the lender shall have a right, after taking possession of such properties (where such right to possession exists), to charge admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage or other debt is satisfied whereupon the possession of such properties shall be returned to The CoveCreek Club, Inc. and all rights of the Members hereunder shall be fully restored; and

(b) The right of The CoveCreek Club, Inc. to take such steps as are reasonably necessary to protect the above-described properties against foreclosure; and

(c) The right of The CoveCreek Club, Inc., as provided in its By-laws, to suspend the enjoyment rights of any Member for any period during which any assessment remains unpaid, and for such period as it considers appropriate for any infraction of its published rules and regulations; and

(d) The right of The CoveCreek Club, Inc., if it so determines, to permit the use of the Community Properties by non-members and to charge reasonable admission and other fees for the use of the Community Properties to either Members or non-members; and

(e) The right of The CoveCreek Club, Inc. to dedicate or transfer all or any part of the Community Properties to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless the following requirements have first been met: an instrument signed by Members of The CoveCreek Club, Inc. entitled to cast two-thirds (2/3) of the total votes of all classes of Members has been recorded, agreeing to such dedication, transfer, purpose or condition, and written notice of the proposed agreement and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken.

(f) The right of The CoveCreek Club, Inc. to grant such easements and rights of way to such utility companies or public agencies or authorities as it shall deem necessary.

(g) The right of the Declarants or Developer to impose reasonable covenants and restrictions in respect to such Community Properties, in addition to those set forth herein, at the time of conveyance of such Properties to The CoveCreek Club, Inc. and such covenants and restrictions are hereby incorporated by reference and made part of this Declaration.

(h) The right of the Declarants or Developer, their successors and assigns to designate certain of the Community Properties, due to their physical size, shape, location or characteristics, as being limited to the use of limited numbers of the Owners of Private Lots within The CoveCreek Club.

Section 4. Extension of Rights and Benefits. Every Member of The CoveCreek Club, Inc. shall have the right to extend the rights and easements of enjoyment vested in him under this Article to each of his tenants and to each member of his family who resides with him within The CoveCreek Club and to such other persons as may be permitted by The CoveCreek Club, Inc.

ARTICLE V

Covenants for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Private Lot within The CoveCreek Club by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, and the Declarants or Developer, through a recorded subdivision plat, shall be deemed to covenant and agree to pay to The CoveCreek Club, Inc.: (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied under this Article shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of The CoveCreek Club and in particular for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto and for the cost of labor, equipment, materials, management and supervision thereof and for such other needs as may arise.

Section 3. Basis and Maximum of Annual Assessments. The maximum annual assessment payable to The CoveCreek Club, Inc. shall be $1,200.00 per Private Lot; provided however, that such maximum annual assessment may be increased by action of the Board of Directors of said corporation for any year, so that the maximum assessment for that year shall bear the same ratio to the Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers, All Items, Washington, D.C. Area, issued by the U.S. Department of Labor for the month of July immediately preceding the calendar year in which such assessment shall become effective as $1,200.00 bears to 220.4 and rounded to a whole dollar amount for administrative purposes.

The Board of Directors of The CoveCreek Club may, after consideration of current maintenance costs and future needs of the corporation, fix the actual assessments for any year at a lesser amount.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3 hereof, The CoveCreek Club, Inc. may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon its Properties or such other Property for which the corporation is charged with the maintenance thereof, including the necessary fixtures and personal property related thereto, subject, however, to the following: in the case of any special assessment levied by The CoveCreek Club, Inc., such assessment shall require the assent of two-thirds (2/3) of the total votes of all classes of Members who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Annual Assessments. The basis and maximum of the annual assessments provided for in Section 3 above may

be changed by the assent of two-thirds (2/3) of the total votes of all classes of Members voting in person or by proxy at a meeting duly called for that purpose and written notice of such meeting shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 6. Quorum for Any Action Authorized Under Sections 4 and 5. The quorum required for any action authorized by Sections 4 and 5 hereof shall be as follows:

At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of Members or of proxies entitled to cast sixty (60) percent of the total votes of all classes of Members shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in Sections 4 and 5, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence on the first day of the month designated by the Board of Directors of The CoveCreek Club, Inc. to be the date of commencement. The first annual assessments shall be adjusted according to the number of months remaining in the calendar year and such assessments shall thereafter be on a full calendar year basis. The Board of Directors shall fix the amount of the annual assessments against each Private Lot at least thirty (30) days in advance of each such annual assessment period and the due dates for such assessments shall be established by the Board of Directors. Seperate due dates may be established by the Board for partial annual assessments as long as made thirty (30) days in advance thereof. Further, in the event the Board establishes separate due dates for partial annual assessments, it may also make a reasonable charge for the privilege of paying the annual assessments on a partial or installment basis. Written notice of the annual assessments shall be sent to every Owner subject thereto. The CoveCreek Club, Inc. shall, upon demand at any time, furnish to any Owner liable for such assessment a certificate in writing signed by an officer of the corporation setting forth whether said assessment has been paid. A reasonable charge, as determined by the Board of Directors, may be made for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; The Lien; Remedies of The CoveCreek Club, Inc. If an assessment is not paid on the date when due (being the dates specified in Section 7 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns. In addition to the lien rights, the personal obligation of the then Owner to pay such assessment shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of eight (8) percent per annum, and The CoveCreek Club, Inc. may bring legal action against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the cost of preparing and filing the complaint or bill in equity in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable

attorney's fee to be fixed by the court together with the cost of the action. In addition to the aforesaid, the Board of Directors may charge a reasonable late payment fee on all delinquent assessment accounts.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment. The term mortgage or mortgages shall include deed of trust or deeds of trust.

ARTICLE VI

Architectural Control Committee

Section 1. Review of Committee. No building, fence, wall or other structure shall be commenced, erected or maintained within The CoveCreek Club, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, color 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 by the Declarants or Developer. Such right of review and approval may be assigned by the Declarants or Developer to the Board of Directors of The CoveCreek Club, Inc., who may in turn assign such functions to an Architectural Control Committee composed of three (3) or more persons appointed by the Board. In the event said Declarants, Developer, Board, or its designated Committee, fails to approve or disapprove such design and location within sixty (60) 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 hereunder shall in no way be construed as passing judgment or making a determination with respect to 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 CoveCreek Club, Inc. shall have the right to charge a reasonable fee for revieving each application in an amount not to exceed $100.00. Provided that nothing herein contained shall apply to any buildings, fences, walls or other structures commenced, erected, maintained or to be erected upon land within The CoveCreek Club as long as title to such land is held by the Declarants or Developer. Any such 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 may be required to be restored to the original condition at Owner's cost.

ARTICLE VII

Exterior Maintenance

Section 1. Exterior Maintenance. In addition to maintenance upon the Community Properties, The CoveCreek Club, Inc. may, upon agreement with the Owner, provide exterior maintenance upon each Private Lot which is subject to assessment under Article V hereof, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks and other exterior improvements.

Section 2. Assessment of Cost. The cost of such exterior maintenance shall be assessed against the Private Lot upon which such maintenance is done

and rights of way to such utility companies and public agencies or authorities as it shall deem necessary.

Section 5. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as Member or Owner on the records of The CoveCreek Club, Inc. at the time of such mailing.

Section 6. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants and restrictions; and failure by the Declarants, the Developer, The CoveCreek Club, Inc. or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 7. Assignability. The Declarants and Developer, their heirs, legal representatives and successors, notwithstanding any other provision herein to the contrary, shall at all times have the right to fully transfer, convey and assign all of their right, title and interest under this Declaration, provided that such transferee, grantee or assignee shall take such rights subject to all obligations also contained herein.

Section 8. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions, all of which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the Declarants and Developer herein, have hereunto set their hands and seals this 1st day of November, 1979.

DECLARANTS

Hilton E. Kettler

Barbara W. Kettler

DEVELOPER

KETTLER BROTHERS, INC.

By Charles V. Phillips, Jr.
Charles V. Phillips, Jr.
Senior Vice President/Residential

ATTEST:

Phyllis L. Bowman, Secretary

(CORPORATE SEAL)

STATE OF MARYLAND)
) ss:
COUNTY OF QUEEN ANNE'S)

I hereby certify that on this 1st day of November, 1979, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Milton E. Kettler, who acknowledged himself to be the Declarant referred to in the foregoing Declaration of Covenants, Conditions and Restrictions and that he has signed such document for the purposes therein contained by signing his name as the Declarant and delivering the same as such.

WITNESS my hand and notarial seal the day and year first above written.

Judith C. [illegible]
Notary Public

My commission expires 7-1-1984

STATE OF MARYLAND)
) ss:
COUNTY OF QUEEN ANNE'S)

I hereby certify that on this 1st day of November, 1979, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Barbara W. Kettler, who acknowledged herself to be the Declarant referred to in the foregoing Declaration of Covenants, Conditions and Restrictions and that she has signed such document for the purposes therein contained by signing her name as the Declarant and delivering the same as such.

WITNESS my hand and notarial seal the day and year first above written.

Judith C. [illegible]
Notary Public

My commission expires 7-1-1984

FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (The Cove Creek Club)

1990 JUN -8 AM 11:16

QUEEN ANNE'S COUNTY

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, made this 17th day of June, 1989, by the undersigned Owners of in excess of three-fourths (3/4) of the Private Lots within the Cove Creek Club,

W I T N E S S E T H :

WHEREAS, the Developer of The Cove Creek Club, Kettler Brothers, Inc., has heretofore on the 1st day of November, 1979, had recorded in the land records for Queen Anne's County, Maryland, in Liber 156 at Page 715, a Declaration of Covenants, Conditions and Restrictions applicable to the community of Cove Creek as therein described and a Supplementary Declaration of Covenants, Conditions and Restrictions applicable to Cove Creek recorded in said land records in Liber 156 at Page 734 on the 1st day of November, 1979; and

WHEREAS, the Owners of in excess of three-fourths (3/4) of the Private Lots within Cove Creek deem it desirable to cause an amendment to be made to Article IV, Section 3 of the said Declaration of Covenants, Conditions and Restrictions in order to add a new subsection (i) to Section 3, which would permit The Cove Creek Club, Inc. to sell certain of the Community Properties as subdivided Private Lots;

NOW, THEREFORE, the said undersigned Owners declare pursuant to Article VIII of the Declaration of Covenants, Conditions and Restrictions that Article IV, Section 3 of the said Declaration of Covenants, Conditions and Restrictions is hereby amended by adding the following subsection (i) to Section 3:

> "(i) The right of The Cove Creek Club, Inc. to sell, convey and transfer certain of the Community Properties as subdivided Private Lots provided the number of such Private Lots sold may not exceed five (5) or otherwise cause the total number of Private Lots within Cove Creek to be in excess of one hundred nineteen (119). The sale of one or more subdivided Private Lots by The Cove Creek Club, Inc. shall require the assent of two-thirds (2/3) of the total votes of all classes of Members who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting. The quorum requirements for the meeting shall be the same as set forth in ARTICLE V, Section 6 of this Declaration."

MISC O#
RECD FEE 172.00
POSTAGE .50
SUBTOTAL 172.50
CHECK/MO 172.50
#365040 C002 R00 T1(
06/08/90

IN WITNESS WHEREOF, the undersigned, Owners of in excess of three-fourths (3/4) of the Private Lots within Cove Creek, have hereunto set their hands and seals, all as of the day and year first above written.

SUPPLEMENTARY DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
(THE COVECREEK CLUB)

THIS DECLARATION, made this 1ST day of NOVEMBER, 1979, by MILTON E. and BARBARA W. KETTLER, hereinafter called "Declarants" and KETTLER BROTHERS, INC., a Maryland corporation, hereinafter called "Developer,"

WITNESSETH:

WHEREAS, Declarants and Developer have heretofore on the 1ST day of NOVEMBER, 1979, had recorded in the land records for Queen Anne's County, Maryland in Liber 156 at Folio 715, a Declaration of Covenants, Conditions and Restrictions applicable to certain land in the fourth election district of said county as therein described for the purpose of the efficient preservation, protection and enhancement of the values and amenities of a residential community known as The CoveCreek Club as therein described and referred to, and to insure the residents' enjoyment of certain easement rights created therein; and

WHEREAS, Declarants and Developer deem it desirable to file certain additional covenants and restrictions as hereinafter set forth pertaining to the use of any land located within The CoveCreek Club and for the efficient preservation, protection and enhancement of the values and amenities of The CoveCreek Club;

NOW, THEREFORE, the Declarants and Developer declare that the real property described in Article II and made subject to the said Declaration of Covenants, Conditions and Restrictions recorded in the land records of Queen Anne's County, Maryland, in Liber 156 at Folio 715 on the 1st day of November, 1979, is and shall be held, transferred, sold, conveyed and occupied subject to the supplementary covenants, conditions, restrictions, easements, charges and liens hereinafter set forth.

1. Whenever used herein, the words "Architectural Control Committee" or the abbreviation "ACC" shall mean and include the appropriate body acting under the provisions of Article VI, Section 1 of the aforesaid Declaration of Covenants, Conditions and Restrictions applicable to The CoveCreek Club.

2. The Declaration of Covenants, Conditions and Restrictions, in Article VI thereof, provides generally that no building, fence, wall or other structure, nor any exterior addition to or change or alteration therein shall be made until the same is approved by the ACC. In furtherance of the purpose of such provisions, and subject to the same procedures for review and approval as therein set forth, the ACC shall have the right to control absolutely the precise site and location of any building, fence, wall or other structure or other exterior improvement of any kind on any Private Lot within The CoveCreek Club. Further, no topographic or vegetative characteristics of a Private Lot shall be altered by addition, removal, excavation or other means without the prior written approval of the ACC.

3. All Private Lots shall be used exclusively for residential purposes and no more than one family (including its employees and transient guests) shall occupy any such lot.

a. A portion of a dwelling used for office purposes by not more than one member of any recognized profession, including but not limited to doctors, dentists, lawyers, engineers, realtors and accountants, shall be considered a residential use provided the professional lives in the dwelling as Owner or principal tenant and no more than two (2) non-professional employees work on the premises under the supervision of the professional, and provided further that such use does not generate excessive customer or client traffic to and from the premises as may be determined by the Board of Directors of The CoveCreek Club, Inc.

[illegible]	[illegible]
[illegible]	—
TOTAL	[illegible]

b. No accessory building can be constructed on any Private Lot prior to the construction of the main building.

c. A guest house will be considered an accessory building but cannot be rented or leased except as part of the entire premises.

d. Neither Developer, Declarants, nor any other construction company approved by Developer or Declarants, undertaking development of real estate in The CoveCreek Club, shall be prohibited from using a house as a sales model provided such use be solely for the purpose of entering into agreements for future development or construction within The CoveCreek Club and for no other community or area whatever.

4. Each Owner of a Private Lot within The CoveCreek Club covenants and agrees to be responsible for the suitable appearance of said lot by cutting grass, weeds and brush and by removing trash and rubbish therefrom at all reasonable times and to maintain the same in good condition and repair and in a manner that does not decrease the beauty, value, health or safety of the community as a whole or specific areas within the community. Should any such Owner fail to maintain the appearance of a Private Lot in accordance with the aforesaid criteria and as determined solely by the Board of Directors of The CoveCreek Club, Inc., the said corporation is hereby and herewith granted the right and privilege to enter upon such property for the purpose of maintaining the suitable appearance of any improved or unimproved Private Lot, the cost of which is to be borne by the Owner or Owners thereof pursuant to the same procedures and conditions set forth within Article VII, Section 2 of the Declaration of Covenants, Conditions and Restrictions applicable to The CoveCreek Club.

5. Whenever the Declarants, Developer, Board of Directors of The CoveCreek Club, Inc. or their duly authorized agents, officers and employees are permitted by these Covenants or other applicable Covenants, Articles, By-Laws, Rules or Regulations of The CoveCreek Club to correct, repair, clean, preserve, clear-out or take any action whatever on the property of any Private Lot, the performance of same or the taking of any such action shall not be deemed a trespass or considered to be a violation of any law whatever or to constitute a wrongful act of any kind.

6. No noxious or offensive activity shall be permitted on any Private Lot, nor shall anything be done thereon which would cause embarrassment, discomfort, annoyance or a nuisance to the Owners of neighboring properties or to the community generally. There shall not be maintained on a Private Lot any plants or animals or device or thing of any kind the normal activities or existence of which is in any way noxious, offensive, dangerous, unsightly, unpleasant or of a nature that would diminish or destroy the enjoyment of other property in the community by the Owners thereof.

7. No animals, livestock or poultry of any kind shall be kept or maintained within The CoveCreek Club except that not more than two (2) dogs, cats or other household pets may be kept or maintained on the property of a Private Lot, provided they are not kept or maintained for a commercial purpose, and provided further that:

a. Horses may be kept or maintained upon a Private Lot, but only within an enclosed area of any lot over three (3) acres and provided there is not more than one (1) horse for each acre of enclosed lot area.

b. All animals must be secured by leash or lead, or under the control of a responsible person and obedient to that person's command at any time they are permitted outside of a house, dwelling or enclosed area used for their maintenance and confinement.

c. Natural wild waterfowl indigenous to the area may be raised in pens on a Private Lot, with no more than twelve (12) such fowl permitted at any one time and which shall be released upon reaching a mature stage of development.

8. No signs of any nature shall be erected or maintained on any Private Lot, except:

a. Signs required by legal proceedings.

b. Residential identification signs, including professional identification, having a combined total face area of not more than two (2) square feet and subject to written approval by the ACC as to location, size, color, material and content.

c. Temporary signs, including for rent, for sale, sold, or signs during construction of a residence or other improvement indicating the nature of the improvement and the persons or firms responsible therefor, which signs shall be consolidated into a single frame having not more than six (6) square feet of face area and subject to the written approval of the ACC as to location, size, color, material and content, such signs to be removed within ten (10) days of occupancy, rental or sale of the subject property.

d. Community or street identification signs which may be located on private property.

e. Signs erected by the Developer or Declarants in connection with the development or marketing program of the community.

9. No structure of any temporary character and no tent, trailer, mobile home, shack or other outbuilding, except as provided herein, shall be placed or permitted to remain on any Private Lot or Community Property at any time, except that temporary construction shelters may be erected and maintained during and used exclusively for construction of any approved work or improvement and such temporary shelters shall not in any event be used for living quarters and shall be removed from the premises promptly upon completion of the approved work or improvement.

10. Boats, boat trailers, campers, recreational vehicles, commercial vehicles, trucks, horse trailers or utility trailers and similar vehicles may be maintained on a Private Lot only within an enclosed or screened area which renders such objects not visible from the road or neighboring property, except that in the case of a waterfront lot, any boat that is used from time-to-time and is small enough to be brought in and out of the water may be kept along the water's edge of such lots.

11. No automobile or vehicle of any kind and no boat, or trailer of any kind shall be constructed, restored or repaired upon any Private Lot in such a manner that said construction, restoration or repair is visible from the road or neighboring properties.

12. Each residence shall contain an appropriately screened or fenced service yard or yards enclosing all above-ground garbage and trash containers, incinerators, fuel tanks, mechanical swimming pool equipment, utility meters, air conditioning equipment, clotheslines and other similar outdoor maintenance, storage and service facilities in order to conceal them from view from the road and neighboring properties. Garbage and trash containers and fuel tanks may be located outside service yards but only if located underground. The placement of all of the aforesaid items, whether located above or below ground, shall require the approval of the ACC.

13. The maintenance of accumulated waste plant material on a Private Lot is prohibited except as part of an established compost pile which shall be maintained in such a manner as not to be visible from the road and neighboring properties and not closer than one hundred (100) feet from the neighboring residence or an established outdoor living area of an existing or future residence.

14. Each residence shall include a two-car garage, either attached or detached, having a minimum floor area of four hundred (400) square feet. Any additional on-site parking area, designed principally for the occupants of the dwelling, shall be appropriately screened from public view.

15. All principal residences shall contain not less than one thousand, two hundred (1,200) square feet of "enclosed dwelling area." The term "enclosed dwelling area" shall not include garages, guest houses, boat sheds, terraces, decks, open porches and like areas but shall include screened porches, if the roof of any such porch forms an integral part of the roof line of the principal dwelling structure.

16. All improvements shall be constructed in accordance with applicable building lines, setback and height provisions set forth in the Zoning Ordinance of Queen Anne's County, Maryland, except where more stringent requirements are imposed by the recorded subdivision plat, the deed of conveyance for a particular lot or the ACC.

17. Erection of exterior antennae of any type shall be subject to prior review and written approval of the ACC.

18. The exterior of all residences and other structures on a Private Lot must be completed within one (1) year after construction has commenced, and such construction shall proceed and be continuous without delay, except where such completion is impossible or would result in great hardship to the Owner or the builder due to strikes, fire, national emergency or natural calamities. No residence can be temporarily or permanently occupied until the exterior thereof has been fully completed. During the construction period, the Owner of the Private Lot shall require the builder to maintain the lot in a reasonably clean and uncluttered condition and to take necessary action to control any erosion of or from disturbed site areas. Cessation of work on any structure once started, and prior to completion, for a continuous period of sixty (60) days shall be prima facie evidence of an attempt to abandon the same in its partially completed state, and the same shall be deemed to be both a public and private nuisance.

19. Should any residence or structure on any Private Lot be destroyed in whole or in part, it must be reconstructed or the debris therefrom removed from the site and the property restored to a neat and sightly condition within six (6) months, or the same shall be deemed to be both a public and private nuisance.

20. No Private Lot shall be resubdivided or its boundaries changed without the prior written consent of the Declarants, or the Developer, or The CoveCreek Club, Inc., their successors and assigns. In no case, however, shall a re-subdivision or division of a Private Lot between two Owners result in a diminution of the number of assessable lots subject to assessments or charges under these Covenants and the original Declaration of Covenants applicable to The CoveCreek Club. The assessments and charges otherwise due from such subdivided or divided lot shall be fully due and owing from the resultant Owners thereof as they among themselves may determine. In the absence of such an agreement, assessments and charges shall be levied on a pro-rata basis in direct proportion to the applicable percentage of lot ownership held by a resultant Owner and failure to pay such assessments and charges shall constitute a lien on said property as is elsewhere provided in said Declaration of Covenants and other legal documents applicable to The CoveCreek Club. The foregoing provisions shall not apply to unsold lots held by Declarants or Developer prior to the first sale or conveyance thereof.

21. The CoveCreek Club, Inc., or its duly authorized agents, officers and employees shall have the right at any time, without any liability to the Owner for trespass or otherwise, to enter onto or upon Private Lots for the purpose of maintaining, removing, restoring or otherwise enforcing without any limitation all of the restrictions set forth in these Covenants. No such action will be taken until the Owner(s) of the Private Lot(s) involved is first given written notice and an opportunity to take corrective action within a reasonable time to be specified in such notice. Any costs incurred by the corporation directly attributable to taking necessary corrective actions shall be the sole personal responsibility of the property Owner and shall also become a lien against the property until satisfied.

22. Except as may be provided annually within the framework of each adopted operating budget of The CoveCreek Club, Inc.. Declarants and Developer, for themselves, The CoveCreek Club, Inc., and their successors and assigns, expressly assume no responsibility for silt or obstruction recoval or channel improvement by dredging or any other means, in any natural or dredged channel providing access to any Private Lot or Community Property nor in any natural or man-made watercourse or basin within The CoveCreek Club, nor along any shore line boundary thereof.

23. Maintenance of the shore line of all waterfront lots is and shall be the responsibility of the Owner of the Private Lot abutting the shore line. However, in recognition of the possible danger of damage to adjacent Owners, or to the community generally, and in order to protect and enhance the general appearance of The CoveCreek Club, Declarants and Developer hereby declare that each such waterfront lot shall be subject to an easement running to Declarants, Developer, and The CoveCreek Club, Inc., for the purpose of entering upon or across any of such lots for the purpose of maintaining, restoring, inspecting or otherwise assuring the continuing integrity of the shore line installations should the Owner fail so to do, without penalty of trespass or otherwise and to levy the costs thereof against the Owner personally and which costs shall also become a lien against the property until satisfied. Further, the Owner of any Private Lot along said waterfront shall have the right and easement to go upon the lot of an adjacent Owner while repairing or maintaining the stone revetments along the Eastern Bay upon his own lot for the purpose of reasonable connection upon the neighboring lot and in order to maintain the integrity of the total installation.

The supplemental covenants, conditions, restrictions, easements, charges and liens set forth above are hereby made a part of and subject to all applicable provisions of the aforementioned Declaration of Covenants, Conditions and Restrictions recorded in the land records of Queen Anne's County in Liber 156 at Folio 715 on the 1st day of November, 1979.

IN WITNESS WHEREOF, the undersigned, being the Declarants and Developer herein, have hereunto set their hands and seals this 1st day of November, 1979.

DECLARANTS

Milton E. Kettler

Barbara W. Kettler

DEVELOPER

KETTLER BROTHERS, INC.

By Charles V. Phillips, Jr.
Charles V. Phillips, Jr.
Senior Vice President/Residential

Phyllis H. Bowman, Secretary

(CORPORATE SEAL)

FIRST AMENDMENT TO SUPPLEMENTARY DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
(The Cove Creek Club)

THIS FIRST AMENDMENT TO SUPPLEMENTARY DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, made this 29th day of MAY, 1993, by the undersigned Owners of in excess of three-fourths (3/4) of the Private Lots within the Cove Creek Club,

W I T N E S S E T H :

WHEREAS, the Developer of The Cove Creek Club, Kettler Brothers, Inc., has heretofore on the 1st day of November, 1979, had recorded in the Land Records for Queen Anne's County, Maryland, in Liber 15[illegible] Page 715, a Declaration of Covenants, Conditions and Restrictions applicable to the community of Cove Creek as therein described and a Supplementary Declaration of Covenants, Conditions and Restrictions applicable to Cove Creek recorded in said land records in Liber 156 at Page 734 on the 1st day of November, 1979; and

WHEREAS, the Owners of in excess of three-fourths (3/4) of the Private Lots within Cove Creek caused a First Amendment to the said Declaration of Covenants, Conditions and Restrictions to be made on June 17, 1989 and subsequently recorded in said Land Records in Liber 351 at Page 39 on June 8, 1990; and

WHEREAS, the Owners of in excess of three-fourths (3/4) of the Private Lots within Cove Creek deem it desirable to cause an amendment to be made to the said Supplementary Declaration of Covenants, Conditions and Restrictions in order to add a new sentence at the end of Section 3a. at page 1 which would more clearly define limitations of use of lots and improvements thereon, and in order to delete Section 3d. at page 2 which is no longer applicable, and to add a new Section 3d at page 2 to reinforce the residential character of the Cove Creek Club;

NOW, THEREFORE, the said undersigned Owners declare pursuant to Article VIII of the Declaration of Covenants, Conditions and Restrictions that Sections 3a. and 3d. of the said Supplementary Declaration of Covenants, Conditions and Restrictions are hereby amended, as follows:

- To be added at end of Section 3a. at page 1: "No dwelling, private lot or portion thereof may be used as a point of receipt, dispatch or storage of commercial vehicles or goods used for a commercial enterprise."

- Existing Section 3d. at page 2 to be deleted in its entirety and replaced with new Section 3d. which states: "No private lot owner or tenant may use such lot or improvements thereon for the random use of non-owner groups such as but not limited to business affiliates, employees, business partners, customers, trade organizations, etc."

IN WITNESS WHEREOF, the undersigned, Owners of in excess of three-fourths (3/4) of the Private Lots within Cove Creek, have hereunto set their hands and seals, all as of the day and year first above written.

COVE CREEK

DESIGN GUIDE

July 1979

The Cove Creek Club

DESIGN PHILOSOPHY

Building a home and living at Cove Creek should be an experience of special pleasure and satisfaction. The community has been carefully planned to preserve and enhance the natural beauty and opportunities offered by its unique coastal setting. As in all finer residential communities of enduring beauty and value, Cove Creek seeks to achieve an overall sense of visual harmony between the built environment and natural environment. Thus, as a variety of different homes are built to meet their particular owner's needs, they will harmonize with each other, enhancing the charm and beauty of what is already a beautiful area and bringing additional value to every home within the community.

Homes at Cove Creek should be designed to readily blend into the landscape, rather than compete with nature or neighbors for attention. Every residence should be carefully located to take advantage of scenic views and climatic conditions, as well as to provide an attractive streetscape and privacy of outdoor living areas in relationship to neighboring homes. Exterior materials and finishes will be of subdued earthen hue colors that complement those of the natural landscape at Cove Creek.

Among the pleasantries of the shore that we seek is openness - fields with clusters of trees, the harmony of nature, the water, the marsh, the wildlife, the changing moods of seasons, the sky, all a change of pace from the hustle and bustle and urbanization of the western shore.

Cove Creek should be complementary to these attributes and not an intrusion. Cove Creek will have a special "look". This "look" can most easily be described as Caribbean, often described as coastal -- seen from New England all the way south to the Gulf and Caribbean -- that which you see on [redacted] the finer water communities of Savannah. It can be formal or informal, but above all the form, colors, textures and materials complement those things envisioned when at the shore.

When arriving at Cove Creek, you are at once struck with the openness. This feeling should be preserved. Openness is not plainness. Openness allows the sunshine and the breezes and long vistas. The architecture or "look" of homes in an open space takes on more importance than when the same homes may be nestled into hilly or wooded sites. Because of this openness, the roads have been curved in order that there be no artificial geometry -- the curves are gentle and with no more set form than the curve of a shoreline, a creek or a marsh.

The important elements of the developed landscape have two primary features. First, the most dominant architectural element will be the roofs of the houses. The next will be the colors -- these are the colors of nature that exist there through the various seasons of the year. These are the soft greens of the summer marsh to the golds, tans and golden browns of winter; the gray of driftwood; the deep, rich browns of wet tree trunks; the silver gray of the gum and white oak; the grays and soft blues of water and sky. These colors have

Solar Radiation: A properly designed roof overhang can give you indoor shade from the high summer sun with its relatively high altitude and yet allow warmth from the winter sun when it is lower to the horizon.

Plantings: Selection of trees can be important not only from their aesthetic value but in their ability to protect your home and provide energy conservation. Southern exposures should consider deciduous trees that provide shade in the summer and allow sunlight for warmth in the winter. For open exposures toward the northwest and north, evergreen trees will help provide a winter wind break. When a view is not important, evergreens may also be extended around to the northeast exposures in order to provide additional cold weather wind breaks.

Earth Sculpture: The use of berms or earth mounds can add enormously to the character of your landscape. Opportunities here are endless. Berms can be used for site relief, wind breaks, screens and other purposes. More opportunities are discussed further under landscaping.

In making your individual choices within the guidelines of the Architectural Control Committee, try to remember opportunities for special vistas that you wish to capture and please also remember those views which your neighbor may cherish. We will not be able to accomplish everything for everyone, but a little more thought on your part may be helpful for everyone.

DESIGN CONTROLS & PROCEDURES

A. Intent:

Every property owner is encouraged in the design of their home to achieve the ultimate living environment they desire, limited only by certain design controls on the exterior appearance of their home that are deemed mutually advantageous for all residents. These design controls serve to establish a basic compatibility between neighboring properties and the landscape, assuring every property owner that over time his residence will become increasingly attractive, livable and valuable. These design controls are found within the restrictive covenants that are a part of every lot deed conveyed at Cove Creek.

B. Architectural Control Committee:

The Covenants of Cove Creek Club provide that the declarant or the Developer has the right and obligation for architectural control. This right and obligation may be transferred to the Board of Directors of the Cove Creek Club, who in turn may assign such responsibilities to an Architectural Control Committee. In the final operation, such a committee is the logical organization to handle these affairs. For simplicity, these guidelines will only refer to the Architectural Control Committee as the review authority, though in the early stages of development, such authority may still remain with Declarant, Developer, or Board of Directors.

5) Any additions or alterations to approved plans that affect the exterior must be submitted to the ACC for consideration before changes are put into effect.

An early orientation session with a member of the ACC is encouraged to clear up any questions you or your architect may have and to help prevent any problems or delays in the review process.

D. Design Review Considerations:

The Architectural Control Committee will review each building, structure and/or additions or modifications and site improvement. The covenants contain certain restrictions affecting each owner and the use of their site. The Architectural Control Committee will make every effort to adhere to the covenants and restrictions. It is important to note that any building, alteration or landscaping plan must be approved through this process.

The following basic design considerations shall be reviewed by the Architectural Control Committee:

- Siting (relationship of the structure(s), driveway, parking and other proposed site improvements to the topography, vegetation, existing or future nearby homes, streets, property lines, etc.)
- Architecture (harmony of the exterior design in terms of the proportions of the overall structure and its parts, exterior materials, finishes and colors, pattern, texture, scale, doors and windows, roof pitch, decks, etc.)
- Landscaping (both preservation of existing and any supplemental vegetation desired by owner, patios, walkways, etc.)
- Location of the proposed septic sewerage system and well water system.

DESIGN GUIDELINES

The following design guidelines are offered to property owners and their architects for use during the design process. They have been prepared by a team of professional architects, landscape architects and engineers to provide useful design information and suggestions appropriate to the natural landscape, climate and desired design character of Cove Creek. These guidelines have been formulated in the interest of preserving the natural beauty of Cove Creek and enhancing it with high quality residential design. They are intended to help each property owner realize the home of their desire and avoid any misunderstandings, problems or delays in the design review process. These design guidelines are organized and presented here in three parts: Site Planning, Architecture and Landscaping.

maintenance, increased water run-off and excessive reflective sun glare. Compacted oyster shells are appropriate soft surface driveway paving material. They are readily available; not as subject to being "kicked up" as gravel; and reduce storm water run-off problems associated with non-porous hard surface paving.

6) Parking: A 400 square foot two-car garage is a required minimum. When reasonably possible, garage doors, which are required, should not face the street. Additional off-street parking spaces are desirable to accommodate guest parking and should be located in bays off the driveway that are screened by landscaping, earth berms or fencing from neighboring homes and the street. Try always to provide the occupant's parking behind the streetside building line, and/or among things such as plantings or berms.

7) Prototypical Homesite Examples: The predominant landscape character of Cove Creek is composed of an interplay of open fields, hedgerows and forest land or relatively flat terrain bounded by the bay and creek shoreline and marshes. Homesites fall into one of three basic types in terms of their landscape character - open sites, semi-wooded sites and wooded sites - each of which has its own particular site design opportunities.

B. Architectural Guidelines:

1) General Forms and Character: While no specific architectural style is required at Cove Creek, contemporary designs whose exterior building form and character are evocative of Caribbean or southern coastal architecture are encouraged. This provides a common architectural "vocabulary" appropriate to the landscape and climate of Cove Creek that will promote an overall sense of visual harmony and continuity to the community. Basic elements of this desired design vocabulary include:

- simple, bold building forms, either telescoping or clustered in juxta-position,
- steep-pitched gable roofs and hipped roofs, with ample overhang,
- simple shed roofs or shed roof extensions from the main roof line for porches and other building extensions,
- exterior materials of soft textures and earthen hue colors such as wood siding, (either horizontal clapboard or vertical board and batten), cedar shakes, etc.

Most people are careful about the public side of their home as relates to design and general appearance - and when the private side is considered, it's "catch as catch can". At Cove Creek, the form, balance, pattern and texture of the private side will be required to represent the same high standards as the public side in order that views from your neighbor's home or from the water be respectable and in good taste.

Greenhouses are acceptable and are preferred as attached structures integral with the main house. If planned as a detached structure, they should be part of a complex combining other elements such as service yard, garage, tool storage, pool equipment, etc.

4) Walls: Exterior materials and colors will be carefully controlled. Actual colors must conform to the previously selected samples provided by the Architectural Control Committee. In general, natural materials are recommended in colors that are either (2) shades of gray or brown of values between black and white, or (2) shades of gray-greens or brown-greens (such as russet and olive) of values between black and medium. No reflective finishes should be used on the exterior surfaces, except on small hardware items.

Generally, the fewer the number of materials and colors on the facade of a home, the more cohesive and unobtrusive it becomes. A cluttered cosmetic application of a number of different materials and colors should be avoided and will not be approved. Materials and colors should be used consistently on all facades of the home.

Because of their softer appearance and capability to blend with the site, wood siding is recommended as an exterior finish. In particular, cedar, redwood or cypress siding are appropriate, either as horizontal clapboard or verticle board and batten. Wood shingles such as cedar or redwood shakes are also an appropriate siding material. Plywood siding is permitted with appropriate pattern, finish and joint finish. Brick or stone masonry and stucco are not encouraged except as foundation wall finishes and chimneys, but can be permitted if within an appropriate color range, which will most likely require paint or stain.

Natural, low-maintenance finishes are recommended. Particular care should be given in selecting high quality paints and stains resistant to intense solar radiation. Stains are preferred for siding as they weather to a "natural" look and usually avoid peeling problems.

5) Windows: For low maintenance and resistance to salt air corrosion, window frames of specially treated wood, vinyl clad wood, anodized aluminum or aluminum with baked enamel finish are recommended. Window frames should have a low reflective finish within an appropriate color range specified in the exterior color requirements. Double glazed, air tight and vapor sealed windows are recommended for energy conservation and prevention of wintertime condensation. The use of tinted glass should be considered to reduce sun glare. When an extra-ordinary amount of glass is to be used, triple glazing should be seriously considered. Operable windows should be equipped with insect screens, screens of the type that fit inside will require less maintenance. Fiberglass, or other non-metalic screens are recommended over aluminum screens because of the corrosive effects of the salty air. If shutters are considered, it is preferred that they be functional as well as decorative (i.e., operable for sun control and breeze penetration as well as hurricane protection.)

is suggested that you investigate the various energy efficient fireplaces now available. There are many products and ideas available; a thorough look can be most rewarding.

12) Chimneys: All chimneys should be brick or wood clad where metal flues are employed. Brick will need color control to match the exterior siding of your home.

13) Fencing: Fencing is generally one of three types: delineation (property lines, etc.), part of the house or screening.

Property line fences or fences meant to delineate specific areas should be 3 rail, split rail natural wood fences. If they serve also to contain pets or small children, black or dark green "chicken wire" should be stapled to the constructor's side.

Fences that are part of the house should be considered as architectural elements thereof. They can provide abundant outdoor "rooms" at a low cost. As part of the house, these fences should be colored the same as the siding of the house itself.

Screening fences are generally opaque, as are many fences included as part of the house. These may be cedar sapling or grape stakes left natural. Other materials require painting the same color as the siding of the house.

14) Exterior Lighting: There are so many needs and varieties of exterior lighting that the ACC prefers to keep away from recommendations, except to suggest that such lighting be confined to the house and yard of the installer and not interfere or intrude on your neighbor's property.

15) Colors, Exterior: As previously stated, the exterior colors at Cove Creek have been previously selected and coordinated by experts. The colors provided are from the natural colors found here in nature. The colors will go side by side without clashing. A broad variety of colors and shades are provided. The color program works as follows:

Siding: These 20 or so colors represent the main elements of your home. Exterior walls, chimneys and attached fences.

Trim: These colors, coordinated with the siding, are for doors, windows and other minor elements.

Accent: These colors are for minimum use, such as front door, shutters, window panels and flower boxes.

Roof: These colors must be strictly controlled as they represent the largest single elements in the constructed, man-made landscape. Here, homogeniety is important.

Outbuildings: Same as above.

b) Intermediate Trees - small and medium size evergreen and ornamental deciduous plant materials which are usually found at the edge of woods and in hedgerows.

. . .American Holly (N) evergreen
. . .Virginia Pine (N) evergreen
. . .Flowering Dogwood (N) deciduous
. . .Persimmon (N) evergreen
. . .Sourwood (N) deciduous
. . .Sassafras (N) deciduous
. . .Redbud (C) deciduous
. . .Magnolia Species (C) evergreen
. . .Fruit Trees (apple, pear, cherry) (C) deciduous
. . .Japanese Black Pine (C) evergreen
. . .Scotch Pine (C) evergreen
. . .and others

c) Ground Plane Plants - the most ornamental types of shrubs, grasses and ground covers.

. . .Bayberry (N) deciduous
. . .Juniper species (C) evergreen
. . .Abelia (C) evergreen
. . .Azaleas (C) evergreen
. . .Mountain Laurel (C) evergreen
. . .Cotoneaster (C) deciduous and evergreen
. . .Ivy (c) evergreen
. . .Camelia (C)
. . .Rodedendron (C)
. . .American Boxwood (C)
. . .English Boxwood (C)
. . .Hydrangea (C) deciduous
. . .Broom Species (C) deciduous
. . .Ornamental grasses (C) deciduous
. . .Viburnum species (C) deciduous
. . .Bamboo (C) evergreen
. . .Phragmites Cominus
. . .Pacysandra (C)
. . .Yarrow (N)
. . .Crown Vetch (C)
. . .Perriwinkle (C)
. . .Blackberries and Raspberries (N)
. . .Honeysuckle (N)
. . .and others

3) Earth Sculpture: The use of earth berms can add distinction to the flat plane of the Cove Creek landscape. Berms are inexpensive to build and require no more maintenance than if the land had been left flat. Berms provide a number of benefits. First, they provide interesting relief to the topography. Second, they provide a "frame" to put things in. They can make a house or driveway look organized and settled within something rather than out in the open like a bump on a log. Berms may be used to direct your attention to certain vistas. They can provide a surprise or mystery as to what's on the

Also, on your plat are shown a house with dimensions and a well location. These are shown to exhibit that the lot complies with all requirements of the Health Department. You may move these elements around as long as you stay within the rules, which in general are as follows:

a) The location of the approved percolation test cannot be moved, except by approval of the Health Department which requires an on-site test during the wet season - usually mid January to mid April.

b) You must designate a 10,000 square foot area for present and future drain fields - such area to include the approved percolation test location.

c) Your well must be located a minimum of 75 feet from your, or any neighbors', designated drain field.

You can see that where lots come together in close relationship that some freedom is necessarily lost in order to accommodate the requirements.

2) Selecting an Architect: You may ask whether or not an architect is needed to design your home. While many custom homes have been built without an architect, it is usually to the regret of the owner. Having an architect is highly recommended. In selecting an architect, hire one with whom you feel comfortable working and who can assist you not only in the design process, but also with the selection of a contractor and the bidding and construction supervision phases of building your home. In selecting an architect, pick one who can meet your overall desires from an architectural standpoint. You may know such an architect or have friends who can refer you to one.

3) Designing Your Home: Initially meet with your architect to discuss what you are looking for in the design of your home and how much you want to spend. Your architect will prepare preliminary plans based on your desires, so be as precise as you can about your needs, desires and budget. Carefully review the preliminary plans prepared by your architect for any errors, omissions or changes you desire. These are easy to correct at this stage. Your architect will prepare final plans based upon the approved preliminary design. Carefully review and approve the final plans. Any changes on your part beyond this point will be costly and disruptive to the design/ construction phase.

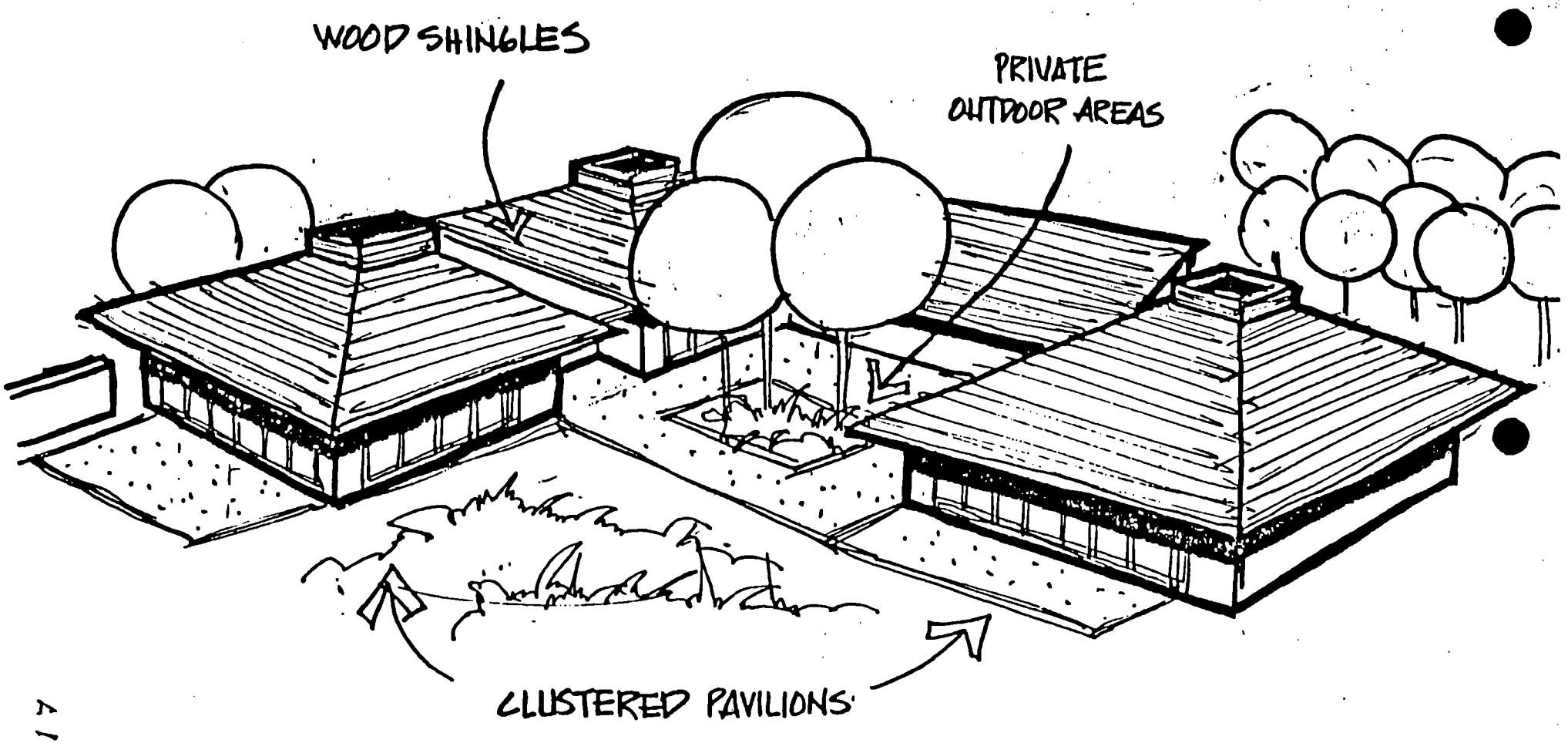
4) Obtain Approvals: Final plans must be approved by the Cove Creek ACC. In addition, the County must review your plans, proposed well water system and proposed sanitary sewerage disposal system prior to granting a building permit.

5) Selecting a Contractor: Your architect will help you in selecting a contractor. Be careful to select a reputable contractor who can fit you into his schedule. You can choose either to take

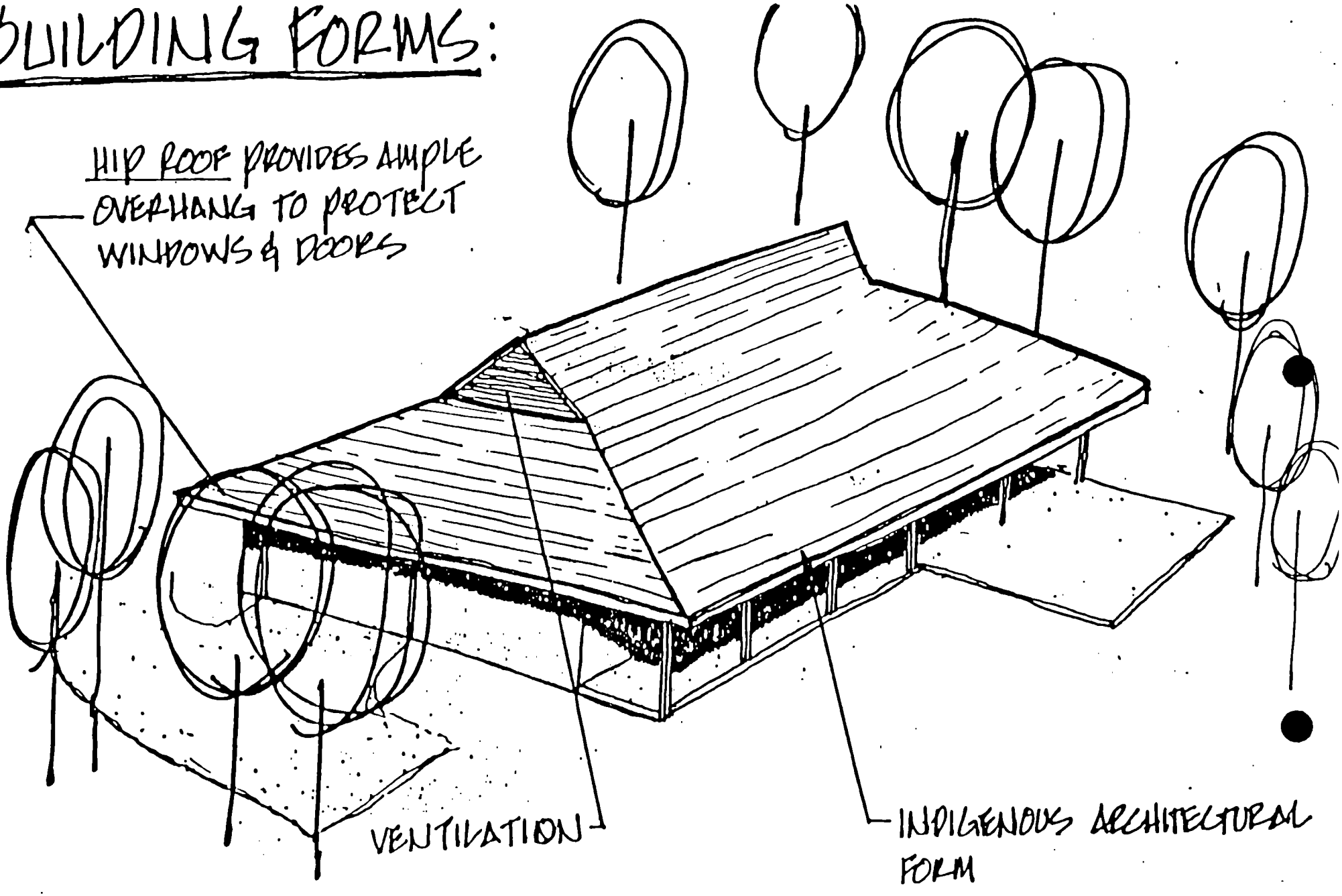
COVE CREEK

BUILDING GUIDELINES

BUILDING FORMS



BUILDING FORMS:



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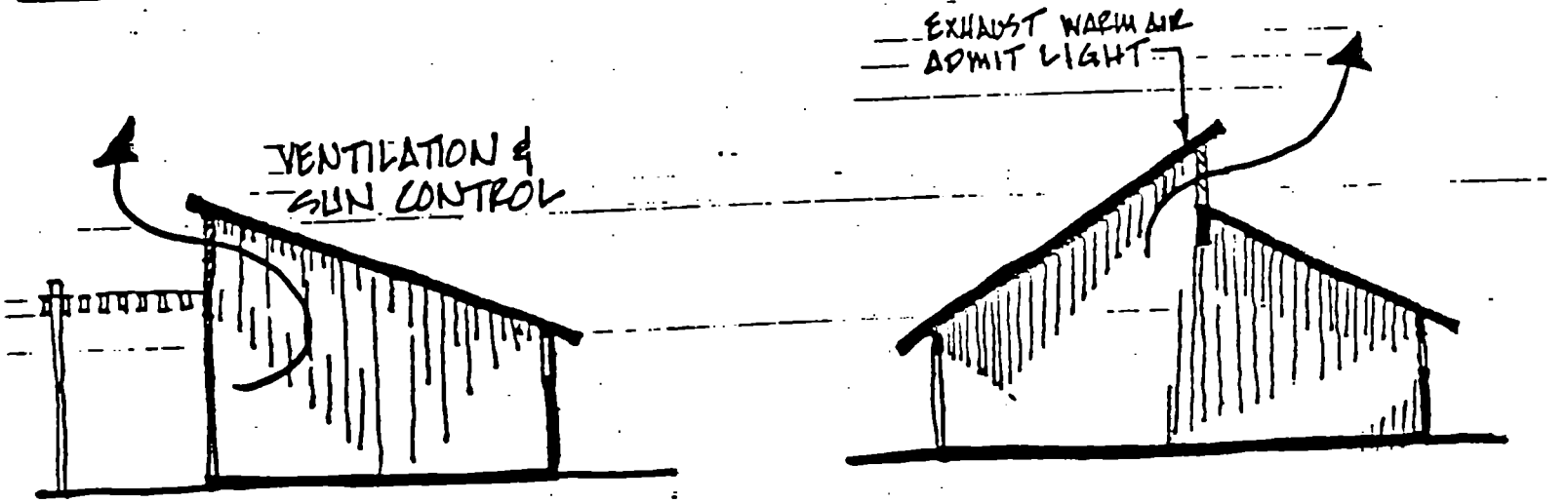

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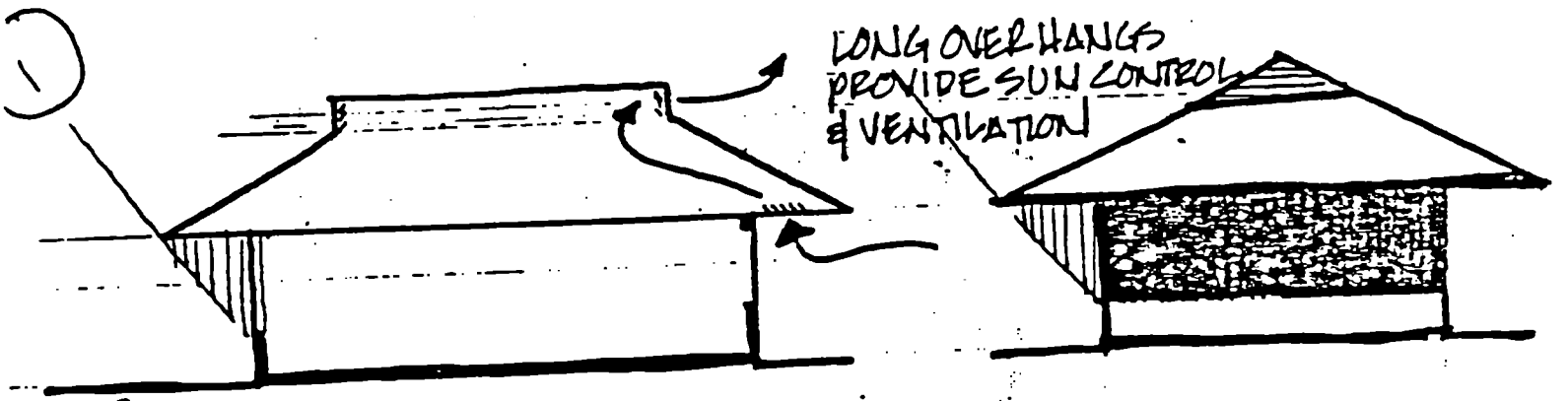

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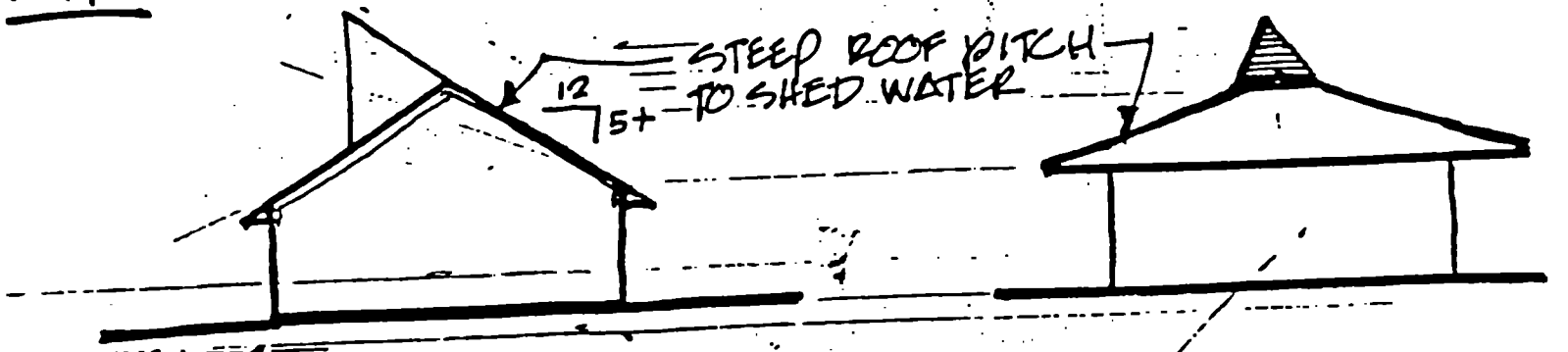
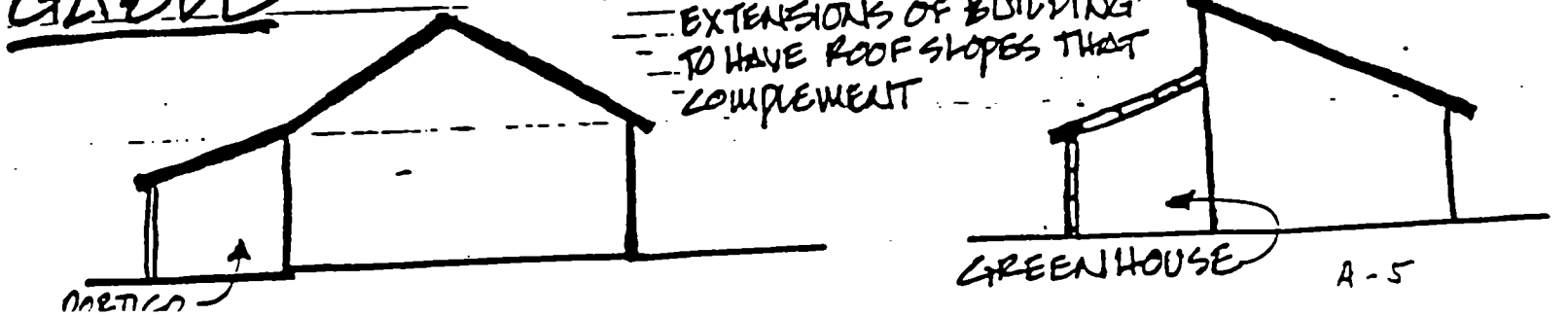
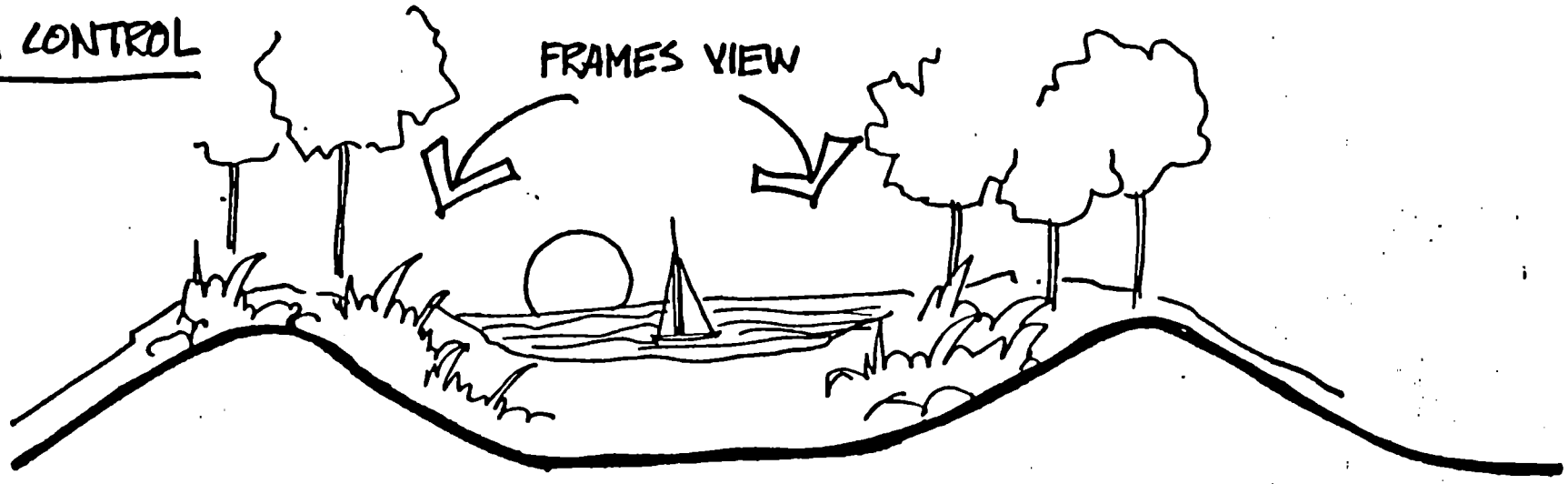


GABLE

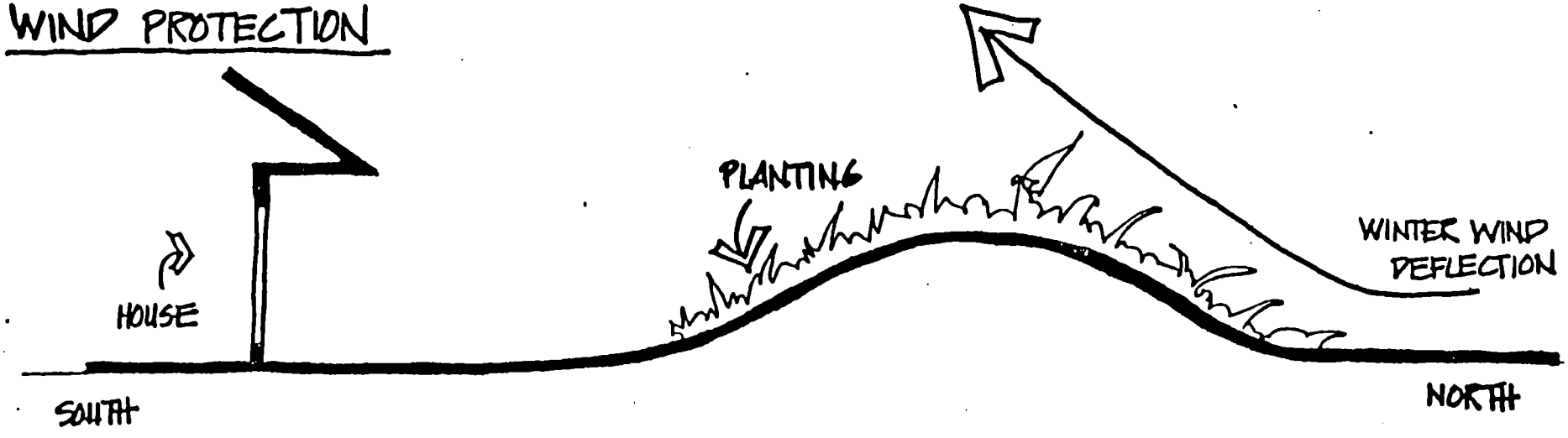


BERMS

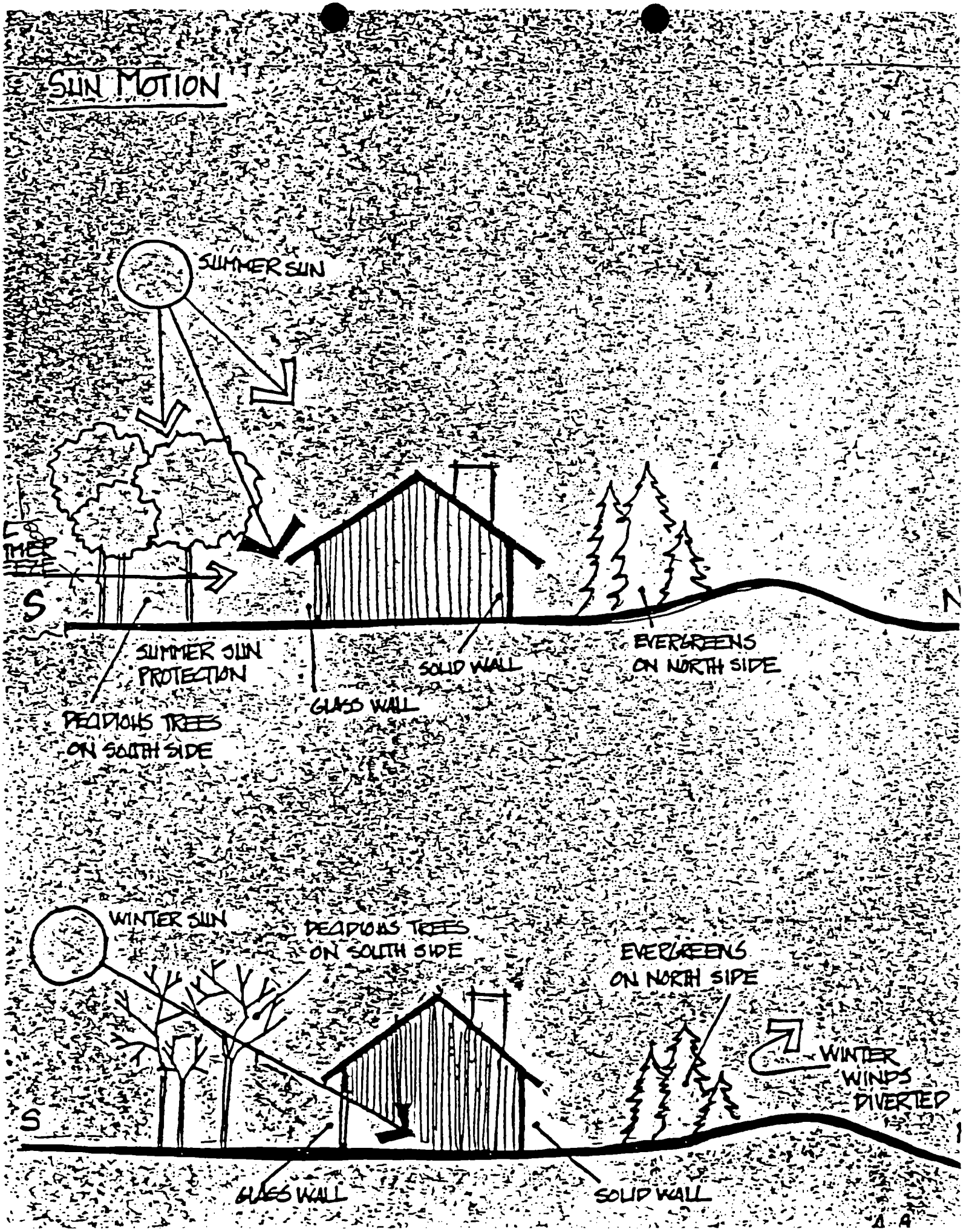
VISTA CONTROL



WIND PROTECTION



SUN MOTION


SUMMER SUN
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SUMMER SUN PROTECTION
DECIDIOUS TREES ON SOUTH SIDE
GLASS WALL
SOLID WALL
EVERGREENS ON NORTH SIDE
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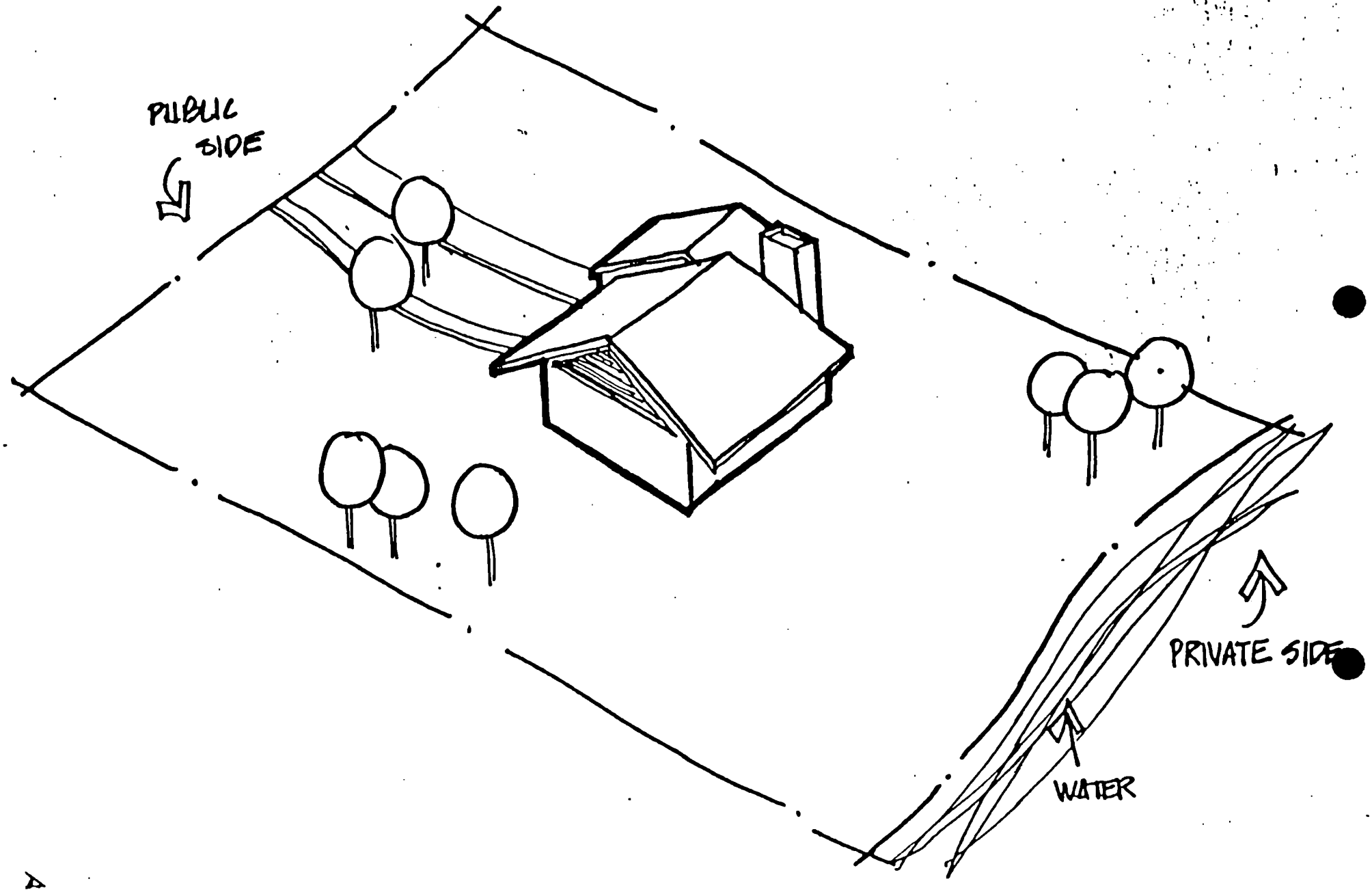
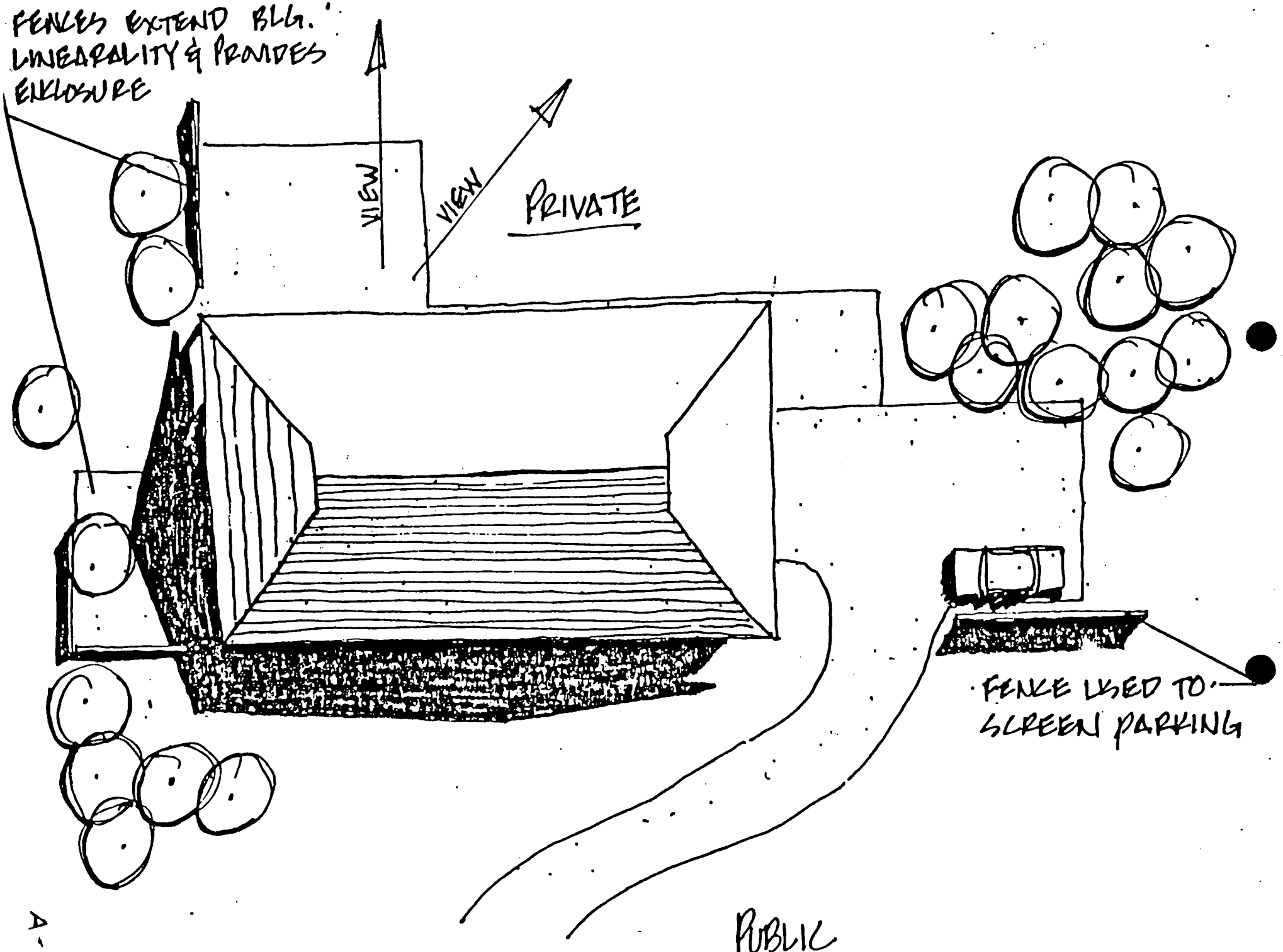
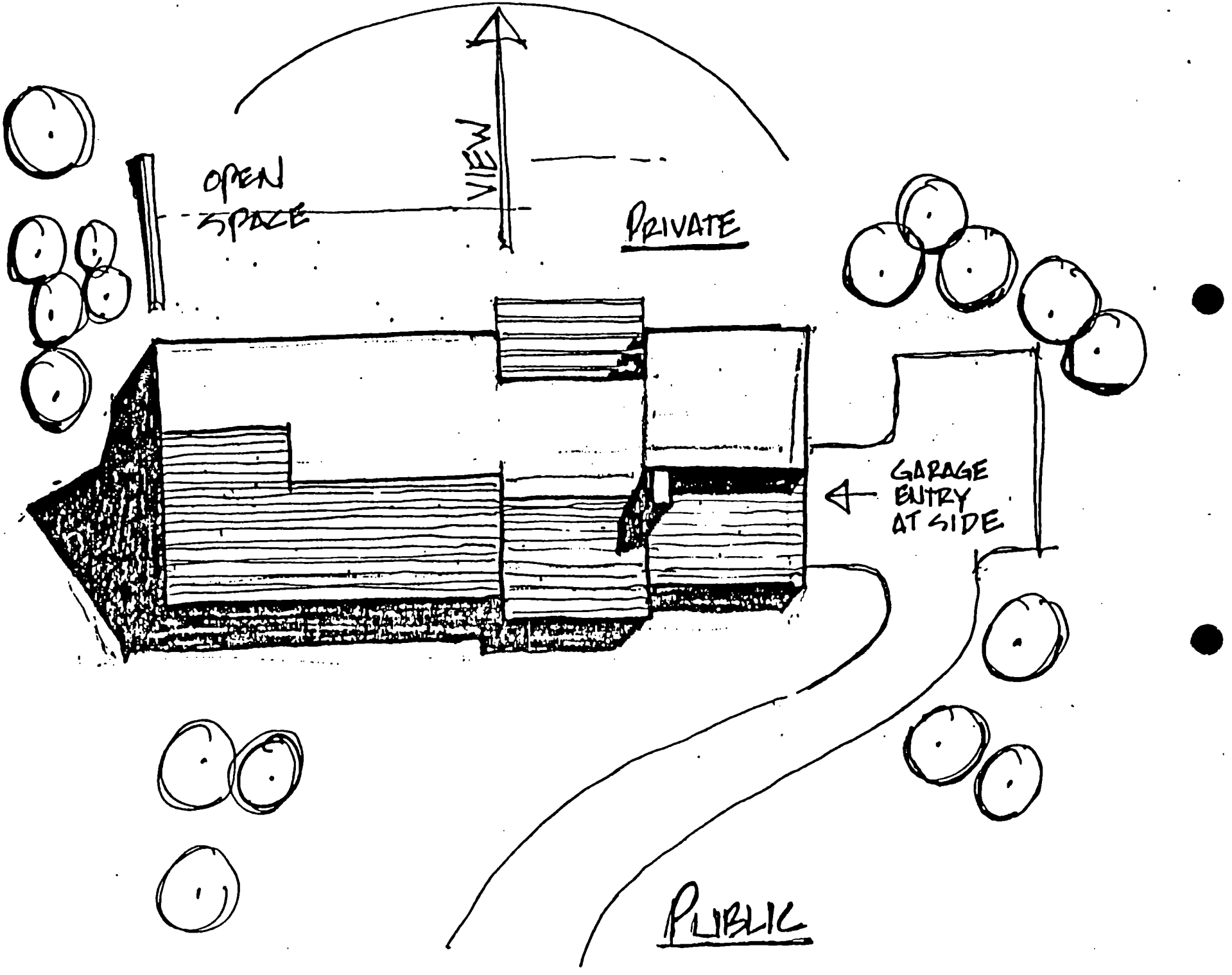
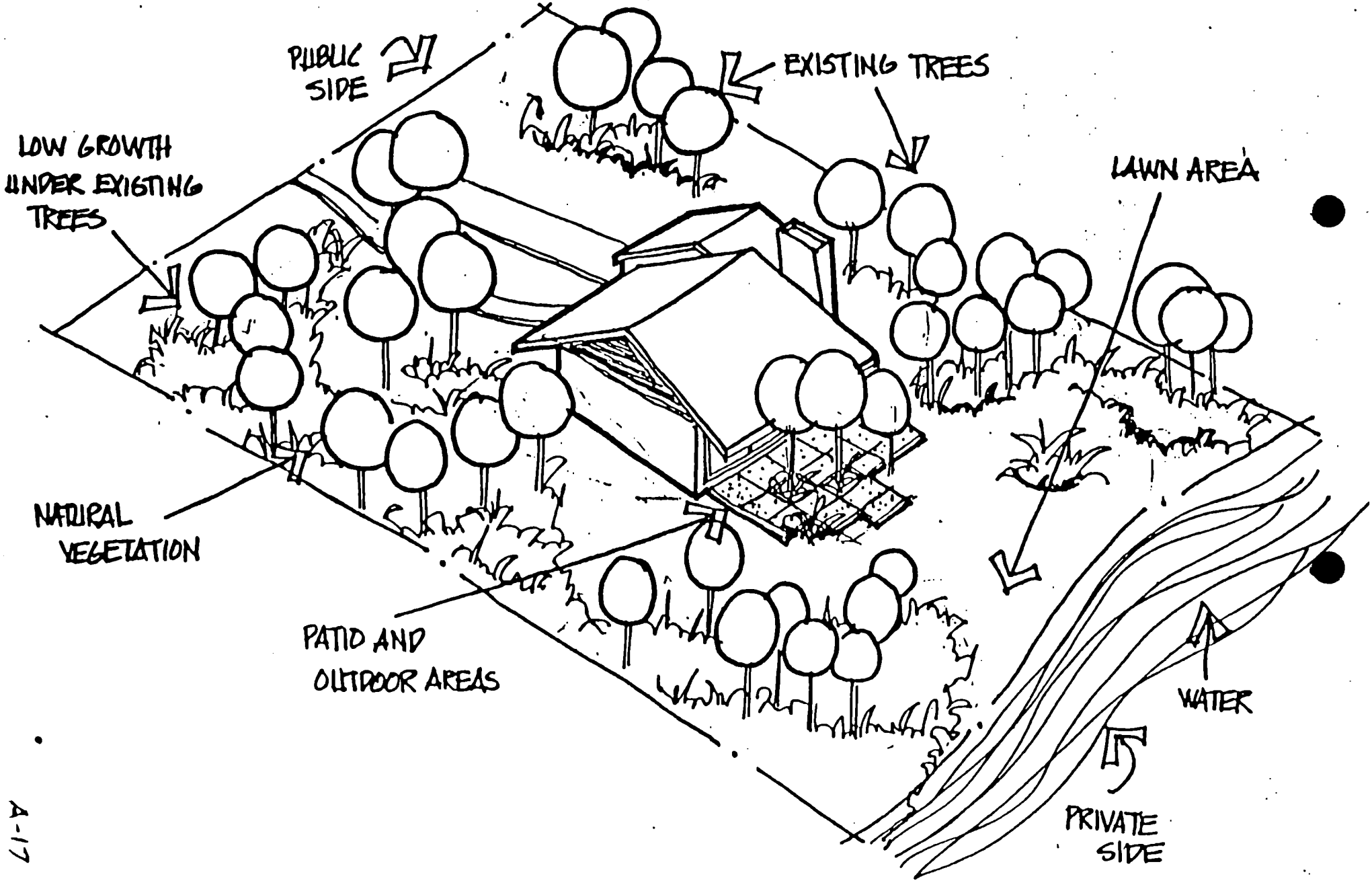

PUBLIC SIDE
PRIVATE SIDE
WATER


FENCES EXTEND BLG. LINEARALITY & PROVIDES ENCLOSURE
VIEW
VIEW
PRIVATE
FENCE USED TO SCREEN PARKING
PUBLIC


OPEN SPACE
VIEW
PRIVATE
GARAGE ENTRY AT SIDE
PUBLIC


PUBLIC SIDE
EXISTING TREES
LOW GROWTH UNDER EXISTING TREES
LAWN AREA
NATURAL VEGETATION
PATIO AND OUTDOOR AREAS
WATER
PRIVATE SIDE

March 11, 1999

COVE CREEK CLUB BOARD

GUIDELINES FOR ADDRESSING COVENANT VIOLATIONS

These guidelines outline the procedures the Cove Creek Club Board follows concerning enforcement of the Cove Creek Club covenants.

A. OVERVIEW

There are four potential **types of violations** of the covenants --

A. Appearance violations – failure to maintain suitable appearance of a lot by not cutting grass or removing trash and waste, posting of improper signs, improper storage of boats/trailers, etc.

B. Process violation -- such as starting construction of a pier, installing a fence, changing color of existing homes, etc. -- without first submitting and getting approval from the Architectural Control Committee (ACC).

C. Structural violations, including construction not in accordance with plans approved by the ACC, improper landscaping, or the failure to maintain a home or the shoreline of waterfront property.

D. Violations of other restrictions and requirements in the covenants, such as the requirement to maintain a fenced service area for trash containers, not restoring autos in yards, not having commercial vehicle traffic if operating a small business from a home, etc.

Each of these is handled somewhat differently, as outlined below, but certain **general principles** apply to all four. These are --

1. Ensure all lot owners are aware of the specific requirements and restrictions in the covenants.

2. Be friendly, courteous, but firm in communicating with a property owner when violations are first noticed.

3. Be vigilant and timely in identifying, following up, and in rectifying violations, checking construction sites and the community frequently to stop violations early, before the cost of remedying them escalates.

4. Be consistent in dealing with violations, and keep records of actions taken.

5. Try to resolve violations cooperatively, informally initially, and considering the particular circumstance and setting. Seek neighbors' views on an apparent violation, as appropriate.

6. Keep communications clear and lines open.

7. Use the least harsh enforcement mechanism first, including neighborhood "pressure."

8. But, proceed to escalate in a timely fashion, as necessary, keeping notices of actions, and reflecting these in the minutes of board meetings.

Enforcement

Article VIII, Section 6 of the Covenants states -- "Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants and restrictions; and failure by . . . the Cove Creek Club . . . to enforce any covenant or restriction herein contained shall in no event be deemed a waiver or the right to do so thereafter. "

Section 21 of the Supplementary Declaration of the Covenants provides for more direct enforcement. It authorizes Cove Creek Club employees or agents to enter onto private lots to maintain, remove, restore or otherwise enforce without limitation all of the restrictions. Lot owners must be given written notice and an opportunity to take corrective action within a reasonable time specified in the notice before the Club takes action. Any cost for corrective action is the responsibility of the owner.

The ACC is responsible for initial enforcement steps for **process and structural violations**, and any other type of violation that concerns structures and landscaping (addition or removal), both new or modifications of existing structures and property. Responsibility for subsequent steps lies with the Board.

Initial enforcement steps for **appearance and other types of violations** is by a special panel of the Board, led by a Board member designated to handle such violations (cited as "Designated Board Member"), and with advice from relevant committees, as needed -- ACC, landscaping, marina, etc. -- and the Club's legal counsel.

Specific steps in addressing each type of violation are discussed in the next section.

B. TYPES OF VIOLATIONS AND HOW TO DEAL WITH THEM

1. Appearance Violations

Section 4 of the Supplementary Declaration states that each owner of a lot agrees to be responsible for the suitable appearance of the lot by cutting grass, weeds and brush, and by removing trash and rubbish at all reasonable times. The owner is to maintain the lot in a manner that does not decrease the beauty, value, health or safety of the community. This section further states that should any owner fail to do this, as determined by the Board of Directors, the corporation has the right to enter the property for the purpose of maintaining the suitable appearance, the cost of which is to be borne by the owner of the lot. The cost is added to the annual assessment to be paid by the lot owner. If the assessment is not paid, it becomes a continuing lien (with interest) against the lot.

The Club will rely principally on members to report and identify appearance violations, supplemented by periodic checks by the Designated Board Member responsible for initially addressing such violations.

APPEARANCE VIOLATIONS

When	What Action
1. Violation is reported.	Telephone call, followed by a letter, to a member from the Designated Board Member advising of violation, and asking for a fix within a specified period of time
2. Violation is not remedied	Letter to a member from CCC President advising of violation and prior notification, that Board will meet with the member to discuss if the member desires, and stating that if the violation is not rectified, the CCC will rectify it and bill the member, citing the relevant covenant provision.
3. No response to 2 above within a reasonable time.	Club Manager, at direction of the CCC President, takes action to restore the appearance of the property, such as cutting the high grass. The member is billed for this action.

When	What Action
3. Bill is not paid	Letter from Board advising that payment is due by a set date, that continued non payment will lead to additional actions, including filing of a lien on property and revocation of club privileges. If the bill continues to be unpaid, a lien is filed.

2. Process violations.

Article VI, Section 1 of the Covenants states "No building, fence, wall or other structure shall be commenced, erected or maintained within the Cove Creek Club, nor shall any exterior addition to, or change therein, be made until the plans and specifications showing the nature, kind . . . shall have been submitted to and approved in writing as to . . . by the Declarants or Developer." The Article further states that this review right may be assigned to the Board or Directors and in turn assigned to an Architectural Control Committee (ACC) -- it has be so assigned. Section 2 of the Supplementary Declaration of Covenants further states that "no topographic or vegetative characteristic of a Private Lot shall be altered by addition, removal, excavation or other means without the prior written approval of the ACC." Section 17 of the Supplementary Declaration requires that erection of exterior antennae shall be the subject of review and approval by the ACC.

PROCESS VIOLATIONS

When	What Action
1. Violation is first noticed	Telephone call to the member from Architectural Control Committee advising of procedures and asking for a plan immediately before work continues. This is then followed up with a letter, and usually a meeting with the member.

When	What Action
2. If work continues and (a) no plan is forthcoming, or (b) plan is forthcoming and it is not approved.	Board is notified by Architectural Control Committee; takes immediate action to stop work by barring of contractors' access to Cove Creek Club (via telephone call and letter to contractors). Letter to the member from Board advising of this, that Board will meet with the member if member desires, and that costs of rectifying disapproved construction will be charged to the member.

If dispute still continues, handle as outlined under "Structural Violations" below

Structural violations

Covenant provisions are discussed under "Process Violations," above.

The ACC will post on the Club bulletin board for a period of not less than two weeks a listing of lots for which plans are under review, and will put all approval actions in writing. Copies of plans will be available in the Club office for members to review, if desired.

The Supplementary Declaration of Covenants requires that "The exterior of all residences and other structures on a private lot must be completed within one year after construction is started . . . " The Board sets an outside time limit of a year after construction is completed to have landscaping completed; with work started at the beginning of the next growing season after completion of construction.

STRUCTURAL VIOLATIONS

When	What Action
1. Violation is first noticed.	Telephone call to a member from Architectural Committee advising of violation and scheduling a meeting to discuss and come to agreement on how to remedy it.

When	What Action
2. If no response to 1. If significant violation (see below), then ---	Letter to a member from Architectural Committee Chair advising of violation, referring to phone call, and setting time for fix.
3. No response to 1 or 2	ACC notifies Board. Letter from Board to member advising of violation, citing covenants and potential future actions, setting a response time for fix, and scheduling meeting with the member to discuss.
4. No response to 1, 2, or 3	A. If work is on-going, Board takes immediate action to stop work by barring of contractors' access to Cove Creek Club (via telephone call and letter to contractors). Letter to the member from Board advising of this, and that costs of rectifying disapproved construction will be charged to the member. B. If work is completed, letter to a member from Board revoking club privileges (e.g., using golf course or marina) until violation is fixed, and stating that continued noncompliance will result in either A or B listed in step 5 below. Posting of the letter from Board on club house bulletin board.
5. No response to 1-4	Depending on seriousness of violation -- A. Estimate cost of fixing violation and file lien on property of violating member, if it is a significant amount. Notify member of intent to file within 30 days by letter from Board.

When	What Action
	B. If violation poses a health or safety problem, or poses a significant potential loss of value of adjacent property, proceed to have violation fixed by a contractor, and secure court order for this purpose, if necessary. Letter of intent to do this from Club Attorney. Assess the lot owner for the cost of repair and related legal costs.

Other Violations

The Supplementary Declarations contain a number of specific restrictions concerning the use of private lots, what animals may be maintained, signs, temporary structures, boats and vehicles, and restrictions on commercial vehicles or goods on the property. The Declarations also contain certain requirements, such as a screened service yard for trash containers, fuel tanks and other items.

This type of violation is to be handled in a similar manner initially as an appearance violation, and then subsequently using enforcement steps 3 - 5 listed under structural violations above, except that in circumstances where the violation can be rectified by the CCC entering a property to remove a car or boat, this will be done.

What Are Significant Violations

Certain violations are more serious than others. A serious violation is --

* Building a major structure in violation of covenants.
* A violation has health or safety consequences.
* A violation that is likely to cause significant loss of property value of neighbors
* A violation that is seriously offensive to neighbors

MARINA AND STORAGE RULES, EFFECTIVE FEB. 1, 1998

1. Only boats registered to CCC members and owned by members in good standing will be seasonally moored in the marina. Slip rentals will be in accordance with the annual slip rental contract and at the fee set forth therein (adjusted from time to time) and are not transferable. Special situations will be referred to the Club Manager. Deviation requests of Rules and Regulations are subject to final determination by management.

2. Dock Storage Boxes are permitted if they meet the following specifications:
Color- white
Material-fiberglass
Size- length 44 inches
width 26 inches
height 28 inches
Security- Lockable. Bolted to top of bulkhead as close to center of slip as possible without covering up the slip number.

3. Members in good standing and boating guests of such members may moor in open slips assigned by the management, at a fee of $10.00 per night, payable in advance limited to 7 days. There will be no charge for first night. Included is electric and water hook-up. The fee may be adjusted from time to time. If fee is not paid by member or by guest, as stated above, said fee will be billed to member.

4. All boats must be registered, identified, marked, equipped, and maintained as required by the State of Maryland and/or United States Coast Guard.

5. All boats must be insured with at least the minimum liability coverage. Owner will be responsible for damage caused by his boat to other boats in the Marina or storage yard, or to the Marina facilities or equipment.

6. In the event of storm, hurricane, ice, or other Acts of God, the owner is solely responsible to take all emergency measures possible to safely secure his boat. The Marina does not assume responsibility for protection and/or damage to owner's boat.

7. The owner, and guests for whom he is responsible, will conduct themselves so as not to create an annoyance, hazard, or nuisance to the Marina, storage area, boat ramp, or any other boat. This includes good housekeeping and sanitation practices, and prompt removal of paints and brushes, cleaning materials, and garbage.

8. Outside contractors hired to work on boats must report to the Club Manager or Office prior to operating on Marina premises and must have on file with our office a copy of their Liability Policy.

9. Swimming, diving, and fishing are not permitted from moored boats, jetties, or slips.

10. Charcoal Barbecues or other open fires are not allowed on boats or docks within the marina.

11. Young children must be accompanied by adults at all times. It is required that all young children must wear life jackets while in the marina area.

12. Life preservers must be worn in accordance with the laws of the State of Maryland and/or the U.S. Coast Guard.

13. Electrical devices, except bilge pumps, de-icers, battery chargers, and refrigeration will not be allowed to run unattended at any time.

14. Marina gasoline is available to all boaters at the price marked on the pump. The gas pump is normally locked and unattended. Please call the Clubhouse (643-4868) in advance when gas is needed, to be pumped between the hours of 8:00 and 4:00.

15. All boats not in the water, and/or trailers, trucks, pick-ups, RV's, etc. where immediate use is not planned, will be parked inside private garages or in the storage area adjacent to the tennis courts. Storage spaces adjacent to the tennis courts are currently available for an annual fee of $200.00. One storage space is included with the full docking/storage fee stated on the Boat docking Permit. (Currently $500.00)
a. The size of the storage space shall be determined by Marina Committee or Club Manager. Generally this size will be 4 feet wider and 4 feet longer than the primary vehicle for which the space is rented. Any other vehicle as stated in sentence one of the paragraph above can also be stored within this space at the same time the primary vehicle is being stored or when the space is vacant of the primary vehicle.
b. All vehicles (boats, trailers, trucks, pick-ups, R.V.'s, etc.) within the storage yard area must be identified by a lot number sticker, which will be issued by the Cove Creek office. Any vehicle not identifiable by this sticker may be removed by management. It is the owners responsibility to register the vehicle with the C.C.C. office, and receive and affix the sticker in a highly visible place before placing said vehicle in the storage area.

16. No sewage discharge of any kind, treated or untreated is allowed, except into pump-out trailer.

17. No loud radios, stereos, CD players, cassette players, T.V.'s, or loudspeakers are allowed.

18. Boats being rinsed (no use of soaps or other chemicals to be used except in storage area) upon exiting the boat ramp must be on the down slope of the boat ramp only, to keep water from collecting by the cart shed. Washing of boats and trailers will not be permitted in any other area, except for the boat storage area, near the tennis courts.

January 1, 1998

MEMBERS OF THE COVE CREEK CLUB

Rules of Exercise Facility:

1. ONLY MEMBERS OF THE COVE CREEK CLUB AND THEIR GUESTS, WHO ARE 18 AND OVER ARE AUTHORIZED TO USE THIS EQUIPMENT UNACCOMPANIED. IF BETWEEN THE AGES OF 14-17, INCLUSIVE, YOU MUST BE ACCOMPANIED BY A PARENT WHILE USING THE FACILITY.

2. ANYONE WHO USES THE EQUIPMENT DOES SO AT THEIR OWN RISK. THE COVE CREEK CLUB IS NOT RESPONSIBLE FOR YOUR PERSONAL SAFETY OR THE PERSONAL SAFETY OF YOUR GUESTS WHILE YOU USE THE EQUIPMENT.

3. YOU ARE LIABLE FOR THE ACTIONS OF YOUR GUESTS WHO USE THE EQUIPMENT.

4. THE COVE CREEK CLUB IS NOT RESPONSIBLE FOR ANY PERSONAL PROPERTY YOU MAY LEAVE ON PREMISES WHILE USING THE EQUIPMENT.

5. YOU ARE RESPONSIBLE FOR REPORTING TO THE COVE CREEK CLUB ANY DAMAGE TO THE EQUIPMENT THAT YOU CAUSE OR OBSERVE.

6. IF YOU ARE NOT FAMILIAR WITH USING THIS TYPE OF EQUIPMENT, PLEASE CONSULT AN AUTHORIZED MEMBER OF THE COVE CREEK CLUB FOR INSTRUCTIONS.

7. YOU AGREE TO HOLD HARMLESS THE COVE CREEK CLUB FOR ANY INJURIES OR DAMAGES INCURRED WHILE USING THE EQUIPMENT.

8. PLEASE USE THE SIGN-UP BOOK AT EACH VISIT TO ALLOW US TO ASSESS EQUIPMENT USAGE.

Thank you for complying with these rules. A violation of any rule may subject you to loss of privileges and damages.

Signature_____

THE COVE CREEK CLUB
Stevensville, Maryland 21666

TO THE MEMBERSHIP

The following information is published by the Board of Directors for the guidance and convenience of the membership. Recommendations and corrections are continuously requested.

The Board of Directors

Part I
Information, Rules and Charges

DEFINITIONS

1. **Cove Creek Club, Inc. (Hereinafter called Cove Creek).** Properties and improvements thereon existing within the metes and bounds described in Exhibit A to the Covenants, Conditions and Restrictions (hereinafter called the "Covenants") of Cove Creek Club, Inc., dated November 1, 1979, filed in the Land Records of Queen Anne's County.

2. **Community Property.** All area and improvements designated for ownership and maintenance by Cove Creek, i.e., the Clubhouse, Breeze House, golf cart house, maintenance building, the Club Employees house, golf course, marina, tennis courts, recreation facility, gate house, all main roads, cart and bike paths, and the shoulders adjacent thereto.

3. **All other property.** Any recorded subdivision plat, parcel or map of same.

4. **Lotowner.** Person(s) designated as the property owner of record of the fee simple title of 3, above.

5. **Member.** Same as 4, above, except that in matters of voting, only one (1) vote is allowed for each plot of land, regardless of the number of owners so designated per recorded lot.

GENERAL

6. Speed limit is 25 miles for cars and 15 mph for trucks. Penny Drive is the primary road; all other traffic will yield, except at designated stops.

7. Membership and Privileges. Membership allows automatic usage of all community recreational facilities by the lotowner and his immediate family. The member or member's family includes sons, daughters, sons- and daughters-in-law, grandchildren and grandparents. Such family members do not have to register as guests or pay green fees or overnight boat slip fees.

8. The Cove Creek Club Manager is the Executive Officer of Cove Creek, responsible to the Board of Directors only. He is responsible for the operation and maintenance of the Club. He will:

a. Advise the Board on all matters of Cove Creek design, policy, programs and Club Rules.

b. Attend all Board and General Membership meetings.

c. Supervise all paid employees, and assist and coordinate with all consultants.

d. Enforce all Club Rules, and otherwise correct all individuals not meeting Cove Creek standards. TO THIS END HE WILL BE ASSISTED BY THE BOARD, HIS MANAGEMENT STAFF, AND ALL COMMITTEE CHAIRPERSONS AND MEMBERS.

9. All members share responsibility for the preservation of our premises and all recreational facilities. For the best possible results, members must feel personally obligated to give a friendly word of advice, where circumstances permit, to those who may, through lack of knowledge or forgetfulness, violate our Rules.

10. In case of flagrant misconduct or violation of Rules, pertinent details will be brought to the attention of the appropriate Committee Chairman and/or the Club Manager for action. In the event the issue still remains unresolved, it shall be brought to the attention of the Board of Directors, preferably in writing.

11. All major committee chairpersons will be appointed by the Board of Directors.

12. The Chairman of the Recreation Committee shall:

a. Determine all recreation programs, and assign programs and responsibilities to subgroups as appropriate.

b. Prepare an annual calendar of community events.

c. Appoint community event chairpersons.

13. All community recreational facilities will be available for privately sponsored parties, functions, receptions, or luncheons of the members and their guests, except for the Clubhouse.

14. All community recreational facilities will be open year round, 7 days a week, as dictated by the weather. The Club Manager's decision will prevail.

15. Arrangements for the use of all community recreation facilities will be made through the Club Manager on a first come first serve basis, as facilities permit.

16. Pets are not permitted to run unattended throughout Cove Creek.

17. Golf carts operated by other than participating golfers must remain on the cart and bike paths. Carts should not be driven on roads unless a cart path is not available. There will be no recreational cart driving on the golf course. Children UNDER 14 are not allowed to operate golf carts on golf course or any cart path unless accompanied by an individual 14 or older. Golf carts must have an identifying decal on the front of the cart.

18. Members are responsible for the conduct of all family members and guests.

19. The Breeze House rental fee is set by the Board and is currently $200 per activity.

20. Charges. Bills mailed to the members will include all charges incurred during the past month and all arrearage, including assessments. Payment in full is due immediately. Accounts balance older than 90 days are considered delinquent, and will be addressed immediately by the Board of Directors. Penalties may be applied.

21. Per the covenants, all proposed alterations, or construction to any building, waterfront structures, fence or wall, or additions such as TV antennas and dishes, and all building colors, topographic and landscape schemes must first be submitted to the Architecture Control Committee (ACC) for approval.

22. Shirts and shoes must be worn in the Clubhouse and Breeze House.

DRINKING AND LIQUOR

23. Cove Creek is licensed to sell and dispense soft drinks and beer only.

24. Cove Creek will adhere to the laws of the State of Maryland as pertains to the sale, dispensing and/or consumption of beer, wine or hard liquor to minors. Legal drinking age is 21.

TENNIS

25. Tennis Committee shall advise the Club Manager and/or the Board of Directors of areas in need of repair and improvement and policy related to playing tennis.

26. Appropriate tennis attire including tennis or rubber sole shoes must be worn. Shirts must be worn.

27. Abstaining from loud radio playing, abusive language and noisy antics which will disrupt other players is simple courtesy.

28. The tennis courts gate is kept locked when not in use. Contact the Clubhouse office for access to the courts.

MARINA

29. The Marina Committee shall:

    a. Recommend to the Board all matters relating to maintenance, operations, construction, improvements and fees.

    b. Advise, coordinate and assist the Club Manager in matters relating to proper facilities utilization, lay-out, priorities, and membership activities.

30. All boats must be insured with liability coverage (minimum). Owner will be responsible for damage caused by his boat to other boats in the Marina, or to the Marina facilities or equipment.

31. In the event of storm, hurricane, ice, or other Acts of God, the owner is solely responsible to take all emergency measures possible to protect his boat. The Marina does not assume responsibility for protection and/or damage to owner's boat.

32. The owner, and guest for whom he is responsible, will conduct themselves so as not to create annoyance, hazard, or nuisance to the Marina or any other boat. This includes good housekeeping and sanitation practices, and prompt removal of paints and brushes, cleaning materials and garbage.

33. Marina gasoline (unleaded only) is available to all boaters at the price marked on the pump. This gas is also available for private automobiles on an emergency (not routine) basis. The gas pump is normally locked and unattended. Please call the Clubhouse (643-4868) in advance when the need is contemplated.

34. All boats not in the water, and/or boat trailers, trucks, pick-ups, RV's, etc., where immediate use is not planned, will be parked inside private garages or in the storage area adjacent to tennis courts. Annual storage fee is $200.

35. All boat owners of the Cove Creek Marina will adhere to the Rules of the State of Maryland regarding beer and liquor control on board. MEMBERS ARE RESPONSIBLE FOR THE CONDUCT OF FAMILY AND GUESTS.

IN CASES OF CONFLICT OR DOUBT OF ANY OF THE ABOVE CLUB RULES OR CHARGES, OR SITUATIONS REQUIRING ELABORATION, THE COVENANTS, BYLAWS AND CURRENT MARINA RULES WILL PREVAIL.

COVE CREEK CLUB GOLF COURSE

Rules and Information

Player's responsibilities

Help Maintain the Course. Help keep our course in good shape, and request that your guests/household players do the same --

- Repair ball marks and other marks on greens.
- Put sand in divots. Each cart has a sand dispenser. Sand for filling these is available near #2 & #11 ball wash, #5 red/white tee, and #8 tees. Also some of the elevated tees have small sand dispensers, as does the practice range tee.
- Pick up golf tees after hitting.
- Rake sand traps.

Shoes/Spikes. Spikeless or soft spike golf shoes are required. Soft spikes are available in the Clubhouse, and at most golf and pro shops.

Playing. Slow play can spoil your game and that of others behind you. Invite faster groups through. Please do not hit practice shots and second balls.

Practice. No practicing on the course. Please use the Practice Range, putting and chipping greens.

Weekend and Holiday Play. All players must start on #1 tee, except Saturday A.M. Men's Golf, when shotgunning will be allowed. No more than two foursomes per household. Additional players must be approved by the Club President or Club Manager. The use of the Breeze House does not include golf course privilges.

Safety. Please caution children and others, as apropriate, not to stroll/play on the course. Being hit by a golf ball can cause significant injury. Watch out for lightning! If you see lightning/hear thunder nearby return to the Clubhouse.

Guests and Cart and Greens Fees. We have a limited number of carts available for rent. Green fees are required for all guests. Sign/pay at Clubhouse before play. Fees are posted there. An after hours sign sheet is available just outside the pro shop door. Please return carts immediately after play to cart shed and keys to Clubhouse. Guests must play with members, or as authorized by the Club Manager.

Carts. No cart driving on the golf course other than by players. Children under 14 are not allowed to operate golf carts on the course unless accompanied by an adult.

Attire. Proper attire must be worn when playing golf --

- Shirts and shoes must be worn at all times.
- No bathing suits.
- No blue jeans, cut-offs, or gym shorts.
- No halter, tube or strapless tops.
- Collared shirts for men.
- No tee, tank top or undershirts.
- Bermuda type shorts -- no short shorts.

Hats should be worn with brims forward.

Juniors -- Children Playing Golf

All children who play golf must attend a short orientation by the Club Manager and be "certified" for play. This session will include golf etiquette, safety, basic rules of golf, and cart operation.

The Course

U.S.G.A. rules apply, as modified by local rules below --

Out of Bounds. Boundaries of golf course property, rail fences and white stakes. Penalty stroke and distance. Note new out of bounds area to south (left) of cart path on #4/13.

Water Hazards

- Between yellow stakes. Drop back between point of entry into water and point of stroke. Penalty 1 stroke.
- Lateral hazards between red stakes: Drop within 2 club lengths of point of entry not nearer the hole. Penalty 1 stroke.
- Rocks on boundaries of water hazards are same as hazards: If ball is in or near rocks and cannot be hit, consider as unplayable lie in hazard. Move ball no closer to hole with 1 stroke penalty.

Drop Areas. #6, 7 and 8 blue: 2 stroke penalty.
#6, 7 and 8 red/white: 1 stroke penalty.

Markers in Fairway. Yellow 150 yards to middle of green; red 100 yards.

Tees. Blue tees are recommended for men, and red/white for women. Children and some seniors also play from the forward (red/white) tees.

Rest Rooms. In Clubhouse and adjacent to exercise building near #7/16 green at intersection of Penny Lane and Tanner's Point Drive.

Drinking Water. Available at #5 red/white and #8 tees.

Fishing. No fishing in ponds on the golf course, except from the west/off course side of the pond adjacent to #7/16 fairway. No fishing from bridges.

Lost and Found Items. There is a lost/found closet in the Clubhouse.

Handicaps. There is a computer in the Clubhouse for recording your golf scores and computing handicaps. All regular players should use it. There is a small annual fee for this service. So that accurate handicaps may be maintained, please enter your scores into the computer after play. If after hours, or if you do not have time, please leave your score cards (with names) on the small table just outside the pro shop. We want to get accurate handicaps for all our members and players in their households.

For handicap computation purposes, there is a maximum limit set by the USGA on your scores for each hole, based on your handicap --

18 Hole Handicap	Maximum
9 or less	6
10-19	7
20-29	8
30-39	9
40 or more	10

Other Information

Women's and Men's Associations

The Cove Creek Club Women's and Men's Associations have "regular" play days for their golfing members. The women play each Friday morning and men Saturday morning.

Tournaments and Outings

Member tournaments are scheduled throughout the year, usually on weekends. Members may schedule group outings on Wednesdays by contacting the Club Manager. Tournaments are listed in the newsletter and in special notices for members. Outings and tournaments are posted on the monthly calendar in the Clubhouse.

Golf Privileges

Playing privileges are limited to Cove Creek Club members and their immediate family. The member or member's family includes sons, daughters, sons- and daughters-in-law, grandchildren and grandparents. Such family members do not have to register as guests.

In addition, Cove Creek Club has limited reciprocal agreements with other private clubs. Their members, on a limited basis and upon ararrangement between club managers, may play here, and our members may play there. Our Club Manager also can allow PGA professionals to play here. Cart and green fees must be paid.

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CLERK, CIRCUIT COURT
2006 MAY 18 PM 3:00
QUEEN ANNE'S COUNTY

COX CREEK LANDING

HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS

COX CREEK LANDING HOA
RULES AND REGULATIONS

The following Rules and Regulations supplement and do not override the Declaration of Covenants, Conditions and Restrictions for Cox Creek Landing Homeowners Association.

COMMUNITY DOCK

1) Slip Easement Holders shall provide the Management Agent with current information regarding the vessel berthed in the Slip including: Owner Name, Owner phone number, boat name, copy of boat Registration and copy of insurance policy.
2) Resident Owners may place/tie crab pots/traps or hand lines to the Community Dock, in season, per DNR rules and regulations. Only Slip Easement Holders or their designees may place crab pots, traps or hand lines inside Slip Easement areas/Slips.
3) Crab pots must be labeled with Owner's name and shall be removed by the Owner when not in season.
4) Overnight docking of a vessel is not permitted on the Community Dock, except in emergency situations.
5) Children 12 years and under must be accompanied by an adult at all times while on Community Dock.
6) Water at the Community Dock may be used by Owners and Residents of Cox Creek Landing. It will be turned on April 15 and wintered November 15.
7) Personal property may not be left unattended on or attached to the Community Dock.
8) "Live Aboard" on any vessels in Slips or on the Community Dock is not permitted.

ORNAMENTS

1) Exterior holiday ornaments are only permitted thirty (30) days before a holiday and must be removed within thirty (30) days of that holiday.

BOAT/RECREATIONAL VEHICLE STORAGE LOT

1) RV Lot Easement Holders shall provide the Management Agent with current information regarding all registered motor homes or solid/pop-up camper trailers and boats stored at the property including: Owner name, Owner phone number, and copy of Registration.
2) Hazardous materials shall not be stored in the Boat/RV Storage Lot.

RECORDING FEE 5.00
TOTAL 5.00
Rest# QA01 Rcpt # 98679
SM RCB Blk # 2391
May 18, 2006 03:04 PM

c/o Victory Mgmt., Inc / 7954 B&A Blvd. / Glen Burnie, MD 21060

RECEIVED
CLERK, CIRCUIT COURT
03 SEP 23 PM 3:07
QUEEN ANNE'S COUNTY

SECOND AMENDMENT TO THE BYLAWS OF COX CREEK LANDING HOMEOWNERS ASSOCIATION, INC.

THIS SECOND AMENDMENT TO THE BYLAWS OF THE COX CREEK LANDING HOMEOWNERS ASSOCIATION, INC. made this 11th day of August 2003 by the Cox Creek Landing Homeowners Association, Inc, a Maryland corporation ("Association").

WHEREAS, the original Bylaws of the Association dated February 22, 2001 was recorded in the Homeowners Depository of the Land Records for Queen Anne's County; and

WHEREAS, an Amendment to the Bylaws dated June 6, 2003 was recorded in the Homeowners Depository of the Land Records for Queen Anne's County.

NOW, THEREFORE, the Association hereby declares the Bylaws of the Association modified as follows:

Article IV of the Bylaws of Cox Creek Landing Homeowners Association, Inc., entitled "Board of Directors Selection" is amended by deleting the following from Section 2:

> The terms of each director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

The following shall be inserted instead:

> Commencing with the annual meeting in which this amendment is approved the terms of office of members of the Board of Directors shall be fixed at three (3) years. Following the approval of this amendment at the same annual meeting, three (3) new directors shall be elected. The director with the greatest number of votes shall serve a term three (3) years and the remaining two (2) directors shall each serve a term of two (2) years. The term of the two (2) directors elected in January 2003 shall be extended by one (1) year. Members may resolve at any subsequent annual meeting to establish the term of office for all directors for a period of less than three (3) years or to establish staggered terms of office for directors from one (1) to three (3) years. Any change in the number of directors or term of office of directors shall not act to extend or curtail the term of office for any incumbent. Directors shall hold office until their successors have been elected and hold their first regular meeting.

RECORDING FEE 10.00
TOTAL 10.00
Rec# 0A01 Rcpt # 45581
SM RCP Blk # 3592
Sep 23, 2003 03:06 pm

We, KIM SCHAFFLE and MICHAEL LAWRENCE, President and Secretary respectively of the Association, do hereby certify that the foregoing is a true and correct copy of the Second Amendment to the Bylaws of the Cox Creek Landing Homeowners Association, Inc. as adopted on July 15, 2003 by affirmative vote of members holding at least two-thirds (2/3rds) of the votes of members of the Association present in person or by proxy at the meeting.

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the corporate seal of the Association this 11th day of August 2003.

ATTEST:

Michael Lawrence, Secretary

COX CREEK LANDING HOMEOWNERS ASSOCIATION, INC.

Kim Schaffle, President

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QUEEN ANNE'S COUNTY

Depository Information Required by the Maryland Homeowners Association Act

HOMEOWNERS ASSOCIATION DEPOSITORY INFORMATION

1. (a) The name, principal address and telephone number of the Declarant are:

RECORDING FEE 30.00
TOTAL 30.00
Rcpt QA01 Rcpt # 32627
SM JGG Blk # 1,42
Feb 22, 2001 01:46 PM

COX CREEK LANDING, L.C.
6820 Elm Street, Suite 200
McLean, VA 22101
Tel. (703) 734-9730
Fax (703) 734-0322

(b) If the Declarant is a corporation or partnership, list the names and addresses of the principal officers of the corporation, or the general partners of the partnership (as the case may be): **David Flanagan, William Moran**.

2. The name of the Homeowners Association is: **Cox Creek Landing Homeowners Association, Inc.**. If incorporated, the Homeowners Association was incorporated in the State of **Maryland**. The name of the Maryland resident agent for the Homeowners Association is: **Jim Faust.**

3. The Development is located at: **Thompson Creek Rd., Stevensville, MD**. The Development consists of **51**lots. The minimum number of lots which may be contained within the Development are **51** The maximum number of lots which may be contained within the Development are **51**.

4. The Declarant owns the following property which is contiguous to the Development and is to be dedicated to public use: **N/A**

5. State whether the Development is, or will be, within, or a part of, another development: **No.** If the answer is yes, give a general description of that other development: **N/A**.

6. State whether the Declarant has reserved the right to annex additional property to the Development: **No.** If the answer is yes, give a description of the size and location of the additional property and the approximate number of lots currently planned to be contained in the Development, as well as any time limits within which the Declarant may annex such property: **N/A**.

7. Attach a copy of the Bylaws and Rules of the Development. If the Development is, or will be, within, or a part of, another development, also attach a copy of the Bylaws and Rules of the other development. The obligations set forth in the Bylaws and Rules of the Development (and, if the Development is, or will be, within, or a part of, another development, the obligations set forth in the Bylaws and Rules of the other development) will become the obligations of, and will be enforceable against, the owner of a lot in the Development. State whether these obligations are also intended to become the obligations of, and enforceable against, the tenants of any owner of a lot in the Development: **Yes.**

8. (a) The Homeowners Association is now, or is expected to be, the owner of the common area described in the Declaration. In addition, the Homeowners Association is now, or is expected to be, the owner of the following property: **N/A**.

(b) The Homeowners Association leases now, or is expected to be the lessee of, the following property: **N/A**.

(c) The following property is not now owned or leased by the Homeowners Association, nor is the Homeowners Association expected to own or lease the following property, but it is maintained by the Homeowners Association: **N/A**.

9. Information regarding the zoning and other land use requirements affecting the Development is available at the Office of Planning and Zoning for **Queen Anne's County**, Maryland, whose address is: **107 N. Liberty Street, Centreville, Maryland 21617**.

10. (a) If mandatory Homeowners Association fees or assessments are not now being levied, state when they will first be levied against owners of lots: **upon ownership of lot.**

(b) Provide a description of the procedure for increasing or decreasing such fees or assessments: **As set forth in Declaration of Covenants and Restrictions and By-Laws**.

(c) Provide a description of how fees or assessments and delinquent charges will be collected: **Fees and assessments will be collected on a quarterly basis.**

(d) State whether unpaid fees or assessments are personal obligations of owners of lots: **Yes.**

(e) State whether unpaid fees or assessments bear interest: **Yes.**. If they do, state the rate of interest: **1% per month (12% per annum)**.

(f) State whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act (§14-201, *et seq.* of the Real Property Article of the Annotated Code of Maryland): **Yes.**

(g) State whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and describe any other consequences for the non-payment of fees or assessments: **Yes.**

11. The following is a description of special rights or exemptions reserved by, or for, the Declarant, including (a) the right to conduct construction activities within the Development, (b) the right to pay a reduced Homeowners Association fee or assessment, (c) exemptions from use restrictions, and (d) architectural control provisions contained in the Declaration or provisions by which the Declarant intends to maintain control over the Homeowners Association: **See Article IX, Declaration of Covenants, Conditions and Restrictions.**

12. Provide the name, address, and telephone number of the management agent of the Homeowners Association (or other officer or agent authorized by the Homeowners Association to provide members of the public the information regarding the Homeowners Association, or state that no such agent (or officer) is presently so authorized: **No such agent is presently so authorized**.

13. Attachments (check if attached)
    Bylaws: ✔.
    Proposed Budget: ✔.
    Regulations: **N/A.**
    Bylaws and Regulations of any other development of which the Development is or will be a part: **N/A.**

BY LAWS

OF

COX CREEK LANDING HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Cox Creek Landing Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 2139 Defense Highway, Crofton, Maryland, 21114, but meetings of Members and directors may be held at such places within the State of Maryland, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The terms "Architectural Review Committee," "Association," "Board of Directors," "Common Areas," "Declarant," "Lot," "Member," "Mortgagee," "Open Space," "Owner" and "Property" as used in these Bylaws shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for Cox Creek Landing dated November 17, 2000, and recorded among the Land Records of Queen Anne's County on December 13, 2000 in Liber S.M. No. 769, folio 437 (the "Declaration").

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within the State of Maryland selected by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Members of the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than fifteen (15) nor more than sixty (60) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to cast one-tenth (1/10) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

ARTICLE IV

BOARD OF DIRECTORS SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who shall be Members of the Association.

Section 2. Term of Office. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members at which their successors are elected. The terms of each director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal. Any director, other than a Charter Director, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal, pursuant to these Bylaws, of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination of Directors for election to the Board of Directors shall be made by the Members of the Association from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At the election the Members of the Association or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Open Space and Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

(d) employ a manager, independent contractors, or other employees or contractors as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Membership, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Members of the Association.

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) Fix the amount of the annual assessment against each Lot not later than January 31st of each year;

(2) send written notice of each annual assessment to every Lot Owner subject thereto not later than February 15th of each year, and of each special assessment, at least forty-five (45) days in advance of its due date; and

(3) foreclose the lien against a Lot if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates; (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Open Space and Common Areas to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Not more than two offices may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds, and other written instruments.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

ARTICLE IX

DIRECTOR AND OFFICER LIABILITY

No Director or Officer shall be liable to the Association or to its Members for money damages except (1) to the extent that it is proved that such Director of Officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (2) to the extent that a judgment or other final adjudication adverse to such Director or Officer is entered in a proceeding based on a finding in the proceeding that such Director's or Officer's action, or failure to act, was (a) the result of active and deliberate dishonesty, or (b) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding.

ARTICLE X

COMMITTEES

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE XI

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the Lot against which the assessment is made. If the assessment is not paid on the due date, the assessment shall bear interest from the date of delinquency at a rate not to exceed the maximum legal rate permitted from time to time in the State of Maryland, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Open Space or Common Area or abandonment of his Lot.

ARTICLE XIII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken. Anything set forth above in this Article XII to the contrary notwithstanding, the Association shall have the absolute unilateral right, power and authority to modify, revise, amend or change any of the terms or provisions of these Bylaws all as from time to time amended or supplemented.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.

Section 3. Notwithstanding the preceding Sections 1 and 2 of this Article, so long as Cox Creek Landing, L.C. controls the voting rights of the Association, the prior approval of the Federal Housing Administration or the Veterans Administration shall be required to: amend these By-laws or the Articles of Incorporation; to annex additional properties into the Association; to mortgage or dedicate the Common Areas; and, to dissolve the Association.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, we, being all of the Directors of Cox Creek Landing Homeowners Association, Inc., have hereunto set our hands this ___ day of _____, 2000.

KAREN P. MCJUNKIN

DAVID O. FLANAGAN

RICHARD M. BRUCE

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of Cox Creek Landing Homeowners Association, Inc., a Maryland not-for-profit corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 12th day of January, 2000.1.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 12th day of January, 2000.1.

\\Liz\shared\Clients\Elm.St\01-Cox Creek Land\BYLAWS.wpd
DRAFT 03/21/00
REVISED - 08/02/00

COX CREEK LANDING HOME OWNER'S ASSOCIATION, INC.

PROPOSED BUDGET
BASED ON 51 UNITS

INCOME	
Assessments Billed	31,518.00
Less Contribution to Reserves	7,400.83
Net Assessments for Operations	24,117.17
Interest Earned	---
Slip Easement Income	3,750.00
Boat/RV Storage Income	1,100.00
Other Income	---
TOTAL OPERATING INCOME	28,967.17
EXPENSES	
Grounds - Maintenance	5,000.00
Grounds - Improvements & Repairs	2,000.00
Pier - Maintence & Repairs	1,000.00
Pier - Electricity	520.00
Pier - Water	520.00
Boat/RV Storage Maintenance & Repairs	1,000.00
Attorneys Fees	1,000.00
Management	8,000.00
Administrative Expenses	1,727.17
Audit & Tax Filing	900.00
Insurance - Liability	5,000.00
Insurance - D & O	800.00
Insurance - Fidelity	500.00
Contingency	1,000.00
TOTAL OPERATING EXPENSE	28,967.17
EXCESS/(deficit) from Current Year Operations	0.00

ASSESSMENT INCOME

Assessment	Units	Payments	Total
51.50	51	12	31,518.00

COX CREEK LANDING RESERVE ANALYSIS

Opening Balance	
Guard House	0.00
Entrance Monument	0.00
Fencing	0.00
Boat/RV Storage Area	0.00
Tot Lot	0.00
Gazebo	0.00
Asphalt Path	0.00
Pump - Pumping Station	0.00
Pier	0.00
TOTAL OPENING BALANCE	0.00
Contributions from Assessments	
Guard House	600.00
Entrance Monument	166.67
Fencing	1,666.67
Boat/RV Storage Area	100.00
Tot Lot	2,000.00
Gazebo	1,000.00
Asphalt Path	157.50
Pump - Pumping Station	750.00
Pier	960.00
TOTAL CONTRIBUTIONS from ASSESSMENTS	7,400.83
Other Contributions	
Guard House	—
Entrance Monument	—
Fencing	—
Boat/RV Storage Area	—
Tot Lot	—
Gazebo	—
Asphalt Path	—
Pump - Pumping Station	—
Pier	—
TOTAL OTHER CONTRIBUTIONS	0.00
Expenditures from Reserves	
Guard House	—
Entrance Monument	—
Fencing	—
Boat/RV Storage Area	—
Tot Lot	—
Gazebo	—
Asphalt Path	—
Pump - Pumping Station	—
Pier	—
TOTAL EXPENDITURES from RESERVES	0.00
Closing Balances	
Guard House	600.00
Entrance Monument	166.67
Fencing	1,666.67
Boat/RV Storage Area	100.00
Tot Lot	2,000.00
Gazebo	1,000.00
Asphalt Path	157.50
Pump - Pumping Station	750.00
Pier	960.00
TOTAL CLOSING BALANCE	7,400.83

COX CREEK LANDING SLIP EASEMENT HOLDERS

EXPENSES

Pier - Maintence & Repairs		1,000.00
Pier - Electricity		520.00
Pier - Water		520.00
Reserve -	Pump - Pumping Station	750.00
	Pier	960.00
		3,750.00

Assessment	Units	Payments	Total
125	30	1	3750

COX CREEK LANDING BOAT/RV EASEMENT HOLDERS

EXPENSES

Boat/RV Storage	Maintenance & Repairs	1,000.00
Reserve -	Boat/RV Storage Area	100.00
		1,100.00

Assessment	Units	Payments	Total
110	10	1	1100

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QUEEN ANNE'S COUNTY

AMENDMENT TO BYLAWS OF COX CREEK LANDING HOMEOWNERS ASSOCIATION, INC.

THIS FIRST AMENDMENT TO THE BYLAWS OF THE COX CREEK LANDING HOMEOWNERS ASSOCIATION, INC. made this 6th day of June 2003 by the Cox Creek Landing Homeowners Association, Inc, a Maryland corporation ("Association").

WHEREAS, the original Bylaws of the Association were recorded on February 22, 2001 in the Homeowners Depository of the Land Records for Queen Anne's County; and

WHEREAS, the Association desires to amend the Bylaws so as to modify Article IV, Section 1 to allow for more directors on the Board of Directors;

NOW, THEREFORE, the Association hereby declares the Bylaws of the Association modifies as follows:

> Article IV of the Bylaws of Cox Creek Landing Homeowners Association, Inc., entitled "Board of Directors Selection: Term of Office" be amended by deleting Section 1 in its entirety and inserting instead the following:
>
> > *Section 1. Number.* The affairs of this Association shall be managed by a Board of Directors composed of an uneven number of at least three (3) natural persons and not more than seven (7) natural persons, who shall be Members of the Association. Until determined otherwise by a majority of the Members of the Association present in person or by proxy at a meeting of the Members, the number of Directors on the Board shall be five (5).

We, Paul Tsiotis and Richard M. Ryan, President and Secretary, respectively, of the Association do hereby certify that the foregoing is a true and correct copy of the Amendment to Bylaws of the Cox Creek Landing Homeowners Association, Inc. as adopted on January 13, 2003 by affirmative vote of members holding more than two-thirds (2/3rds) of the votes of members of the Association present in person or by proxy at the meeting.

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the corporate seal of the Association this 6th day of June 2003.

RECORDING FEE 10.00
TOTAL 10.00
Rcpt # 33933
Blk # 11
Jul 01, 2003 08:45 am

LIBER 1107 FOLIO 174

WITNESS/ATTEST:

Christina A. Hudson

Paul Tsiotis, President

Richard M. Ryan

Richard M. Ryan, Secretary

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QUEEN ANNE'S COUNTY

COX CREEK LANDING HOMEOWNERS ASSOCIATION

Assessment Collection Policy

The Declaration of Covenants and Restrictions for the HOA provides that homeowners must pay an annual assessment as established through the budget process. Collection of delinquent assessments is presented in Article VI, Section 1 with remedies assigned to the Board of Directors. Additionally the HOA Bylaws refers to assessments and delinquencies in Article thirteen (13).

In order to properly establish a specific collection policy the Board of Directors will adopt the following procedures to enforce collection of delinquent accounts.

Procedures:

1. All assessments are due and payable on the first business day of January, April, July and October.
2. All unpaid assessment will be considered delinquent after the fifteenth (15) day of each quarter.
3. The Association will enforce late fees and interest in accordance with article five (5), section 5.9.
    - Any assessments not paid by the due date will be charged a late fee of $25.00 after being ten (10) days delinquent.
    - Any assessment not paid within thirty (30) days from the due date or forty-five days from the first day of the quarter shall bear interest from the due date at the rate of ten (10%) percent.
4. After the fifteenth (15) day of each quarter, all delinquent accounts shall be sent a notice by management via first class mail at the owners' current address.
    - The notice will remind the homeowner of the amount due and will advise them that amounts remaining unpaid for more than thirty (30) days from the due date will be turned over to the association attorney for collection.
    - Any unpaid amounts will be charged interest of ten (10%) percent until paid.
    - All attorneys' fees will be charged as part of the total amount due from unpaid accounts.
    - Payments received for delinquent accounts including late fees, interest and attorney fees will be made by certified or cashiers check and accepted only by the association attorney.
5. All communications after forty –five (45) days (30 days from the due date) will be with the association attorney.
6. Collection of past due balances will be credited as follows:
    - First to pay outstanding assessment balances with the oldest amount due in priority.

- Second to pay late fees and interest with the oldest balances reduced first.
- Third to pay all legal fees.

7. The association attorney will be instructed to send a second notice after sixty (60) days from the due date advising the homeowner that a lien will be filed against their property with suit filed against the owner for collection of all assessments, fees and other costs.

Signed by: _____ Date: 9-15-03

President, Cox Creek Landing Homeowners Association, Inc.

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RECORDING FEE 10.00
TOTAL 10.00
Rec# QA01 Rcpt # 48863
SM JCG Blk # 1823
Nov 17, 2003 03:16 PM

COX CREEK LANDING

HOMEOWNERS ASSOCIATION

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2005 OCT 31 AM 8:56
QUEEN ANNE'S COUNTY

COX CREEK LANDING HOA
Architectural Rules and Regulations

The following Rules and Regulations supplement and do not override the Declaration of Covenants, Conditions and Restrictions for Cox Creek Landing Homeowners Association, Inc.

Architectural improvements and/or modifications will be considered by the Architectural and Environmental Review Committee (AERC), upon receipt of a completed Architectural Improvement Request Form. These forms may be obtained from the Management Agent. Completed forms and all applicable county permits should be submitted to the Management Agent who will forward the requests on to the AERC. The AERC will provide a written response to your request within sixty (60) days. **NO WORK MAY BEGIN WITHOUT WRITTEN APPROVAL.**

AIR CONDITIONERS

1) Window air conditioners are prohibited.

AWNINGS

The AERC may approve awnings provided they are located in the rear of the home and meet the following specifications:

1) Constructed of powdercoated aluminum housing and canvas fabric.
2) Color chosen must coordinate with the vinyl siding and/or the color of the home.

CARPORTS

1) Carports and/or boat motels are prohibited.

RECORDING FEE 15.00
TOTAL 15.00
Rcpt # 87616
Blk # 3254
Oct 31, 2005 08:56 am

CLOTHESLINES

1) Clotheslines are prohibited.

DECKS/PATIOS

The AERC may approve decks/patios provided they are located in the rear yard, and meet the following specifications:

1) Decks may be constructed with pressure-treated lumber, cedar or artificial composite deck material approved for such construction.
2) Decks must be stained in a natural or earthtone finish. Barewood or painted wood is prohibited.

3) Soft-side, seasonal pools shall be permitted, and shall not remain year round. Aluminum pools will not be permitted.
4) All equipment, filters and pumps must be placed in the rear yard (from back corner of Dwelling) and require screening from public and adjacent property view.

SCREENED PORCHES/SUNROOMS

1) Screened porches, sunrooms and/or additions, except for window areas, must be clad with siding that matches the existing Dwelling.
2) If addition is elevated more than one (1) foot or more off the ground, skirting must be installed. Skirting of pressure-treated lumber, cedar, lattice, stone, brick or stucko may be permitted.

SHEDS

The AERC may approve up to one (1) shed per lot subject to the following specifications:

1) Shed must be located in the rear yard (from back corner of Dwelling).
2) The maximum shed size permitted is 168 square feet with a maximum difference of four feet between length and width. Shed may not stand higher then eleven (11) feet from floor to peak of roof.
3) Sheds must be constructed of pressure-treated lumber or vinyl. Vinyl siding must match the material, design and color of the existing Dwelling. Wood sheds must be painted to match color theme of existing Dwelling.
4) Shutters and doors must match design and color theme of existing Dwelling.

STORM DOORS

1) Storm doors shall be full-view and be the same color as the door they are protecting or the surrounding frame/ trim.

SWING SETS/CLIMBERS/SANDBOXES

1) Swing sets, climbers and sandboxes are permitted in the rear yard only (from back corner of Dwelling).
2) All such equipment must be securely anchored for safety.

VEGETABLE GARDENS

1) Vegetable gardens may be permitted in rear yards only (from back corner of Dwelling).

c/o Victory Mgmt., Inc / 7954 B&A Blvd. / Glen Burnie, MD 21060

3) Decks elevated more than one foot from the ground require skirting. Skirting of pressure-treated lumber, cedar, lattice, stone or brick may be permitted.
4) Vinyl railings may be permitted.
5) Stone or masonry patios may be permitted.

FENCES

The AERC may approve fences provided they meet the following specifications:

1) Fence height shall be at least four (4) feet high but no more than six (6) feet high.
2) Fences shall be contructed of natural pressure-treated lumber, vinyl, redwood, cedar, aluminum, or iron.
3) Chain link or wire fences are prohibited.
4) The construction, design/style and color of the fence must be in keeping with overall conformity in the community.

FUEL STORAGE

The AERC may approve fuel storage tanks that meet the following specifications:

1) Tanks 200 gallons or larger must be underground.
2) One (1) above-ground fuel tank will be permitted per lot. This provision excludes tanks 40lbs or less.
3) Above-ground tanks must be placed on a secure platform and must be screened from public and adjacent property view. This does not refer to smaller propane tanks used for gas grills and mosquito control.

FLOWER BOXES

1) Window box planters are only permitted on the rear of the Dwelling.
2) Design/style and color must be in keeping with overall conformity in the community.

MAILBOX/NEWSPAPER BOXES

1) A maximum of two (2) newspaper delivery boxes may be permitted per lot.

POOLS

The AERC may approve up to one (1) pool per lot subject to the following specifications:

1) The pool must be located in the rear yard only (from back corner of Dwelling).
2) In-ground pools may be permitted.

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QUEEN ANNE'S COUNTY

DISCLOSURE STATEMENT

FOR

CROSSWINDS AT CHEWS MANOR

THIS DISCLOSURE STATEMENT is filed for the Crosswinds at Chews Manor Subdivision so as to fulfill the requirements of the Maryland Homeowners' Association Act as set forth in Title 11B of the Real Property Article of the Annotated Code of Maryland.

DESCRIPTION OF SUBDIVISION

Crosswinds at Chews Manor, also known as Chews Manor, consists of thirty-two (32) residential lots, being Lots 1 through 32, which are set forth and designated on the following plats:

A. "Plat One, Lots 1 thru 12 and Parcel A, Chews Manor, Fourth Election District, Queen Anne's County, Maryland", recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 861, and in Plat Book M.W.M. No. 12, Page 84A.

MISC # 0 #
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B. "Plat Two, Lots 13 thru 22 and Parcels B, C, D and E, Chews Manor, Fourth Election District, Queen Anne's County, Maryland", and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 861, and in Plat Book M.W.M. No. 12, Page 84B.

C. "Plat Three, Parcel F, Chews Manor, Fourth Election District, Queen Anne's County, Maryland", and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 861, and in Plat Book M.W.M. No. 12, Page 84C.

D. "Plat Four, Lots 23 thru 32, and Parcels G and H, Chews Manor, Fourth Election District, Queen Anne's County, Maryland", and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 861, and in Plat Book M.W.M. No. 12, Page 84D.

DECLARANTS AND VENDORS

The Declarant is the person who subjected the lots within the subdivision to the Declaration of Covenants, Conditions and Restrictions. The Declarant and Vendor for Chews Manor, also known as Crosswinds at Chews Manor, is:

Kent Fort Manor, Inc.
6 Upland Road K-2
Baltimore, Maryland 21210
(410) 243-6626

DESCRIPTION OF ASSOCIATION

The Declaration of Covenants defines Association as "any association, board, council, or other administrative body or organization of lot owners who shall be a successor in interest to the Declarant." Article VII, Association, provides that, "Within 90 days of the sale of the last lot by the Declarant, he and/or his successors and assigns, agrees to transfer the rights and responsibilities conferred upon the Declarant by the virtue of these Declaration of Covenants, Conditions and Restrictions unto a homeowners association provided (a) that the association is validly formed under the laws of the State of Maryland pursuant to the provisions of the Corporations and Associations Article as may be amended from time to time; and (b) the Association provides that each lot shall have an equal vote and that any action of the Association shall be governed by a majority vote of the lot owners.

As of the date of filing this Disclosure Statement, a corporation has not been formed by the homeowners, nor has there been a transfer of any declarants rights to the homeowners association.

DESCRIPTION OF DEVELOPMENT SIZE AND COMMON AREAS

The development consists of thirty-two (32) residential lots which are set forth and shown on the abovementioned plats by Joyce Engineering, Inc. The expansion of this development is not anticipated.

There is common space area in the subdivision which is designated as Parcels A, B, C, D, E, F, G, and H on the aforementioned plats. A Declaration of Covenants, Conditions and Restrictions relative to the common grounds and other matters effecting the lots has been recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 916, as amended by Amendment dated May 12, 1989, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 328, folio 527. It is anticipated that the open space lands will be deeded to an association in the future. It is not anticipated any change of the open space will occur in the foreseeable future.

LOT OWNERS' RESPONSIBILITIES

The roadway which provides access to the subject lots is constructed in accordance with County specifications, and both Northwest Creek Drive and Chews Manor Road have been deeded to Queen Anne's County. All responsibility for maintenance will be performed by the Department of Public Works of Queen Anne's County. There are no other parking areas, sidewalks, lighting fixtures, swimming pools or tennis courts which are the responsibility of, or to be maintained by, the homeowners' association. The open space areas, which include a pond and surrounding lands, are areas which must be maintained by the association. It is anticipated that the costs of maintenance will largely consist of seasonal mowing expenses.

ASSESSMENTS

The Declaration of Covenants, Conditions and Restrictions, namely Article VI, provides for annual assessments provided, however, that assessments shall not exceed Five Hundred Dollars ($500.00) for the initial year. Thereafter, the assessments shall not exceed Five Hundred Dollars ($500.00), annually, plus a cost of living adjustment as determined by the Consumer Price Index for the nearest metropolitan area.

ZONING AND LAND USE REGULATIONS

Information regarding the zoning and land use regulations which apply to the subdivision as well as the individual lots is available for inspection at the office of the Department of Planning and Zoning, Queen Anne's County Office Building, 208 N. Commerce Street, Centreville, Maryland 21617 (301-758-1255).

EXPRESS WARRANTIES

There are no express warranties beyond the matters set forth on the plats of the subdivision above referred to as well as the Declaration of Covenants, Conditions and Restrictions.

RESTRICTIVE COVENANTS

The Declaration of Covenants, Conditions and Restrictions are attached hereto in their entirety. A careful review of these provisions should be made since they affect the rights of use to the individual lots. The Declarant and Vendor have established the restrictions in order to provide for the

preservation and enhancement of the property values and to regulate and restrict the building structures, improvements, activities and conduct so as to contribute to the personal and general health, safety and welfare of the community.

The restrictions do provide for the establishment of an Architectural Review Committee which has been given subjective authority to review all proposed plans and specifications for improvements and use.

The restrictions also provide minimum requirements for landscaping and reserve easement for utilities as set forth in Article V.

The Declarant Vendor has also reserved the right to execute waivers to these restrictions provided the consent of the property owner of the lot affected also joins in the execution of a written agreement. The provisions relating to this waiver are set forth in Article VIII, Paragraph 2.

WITNESS the hand and seals of the parties hereto this 16th day of December, 1992.

WITNESS:

Lauren J. Zeburger John D. Flynn, Jr. (SEAL)

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

I HEREBY CERTIFY, that on this 16th day of December, 1992, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared John D. Flynn, Jr. and he acknowledged the aforegoing Disclosure Statement for Crosswinds at Chews Manor to be his act.

WITNESS my hand and Notarial Seal.

Lauren J. Zeburger
Notary Public
My Commission Expires: 10/1/96

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DOCUMENT NO. 151,594

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03/14/89 QUEEN ANNE'S COUNTY

MISC 0#
RECO FEE 62.00
POSTAGE .50

CHEWS MANOR

DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made this 17th day of ~~December~~ March, 1989, by Kent Fort Manor, Inc., a Maryland Corporation, hereinafter referred as the "Declarant."

RECITALS

The Declarant is the owner of all those lands situate, lying and being on the west side of Kent Point Road in the Fourth Election District of Queen Anne's County, Maryland, and containing 125.79 acres as more particularly described on the plats defined in Article I, Section 10, below.

The Declarant has subdivided a portion of the aforedescribed lands into 32 residential lots to be known collectively as "Chews Manor." The Declarant desires to subject lots 1 through 32 of the subdivision known as Chews Manor to the following covenants, conditions and restrictions in order to provide for the preservation and enhancement of the property values and to regulate and restrict the building structures, improvements, activities and conduct so as to contribute to the personal and general health, safety and welfare of the community.

NOW, THEREFORE, the Declarant does hereby declare that lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31 and 32 within Chews Manor, said lots and the subdivision being more particularly described below, shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, said land and be binding on all parties having any right, title or interest therein or any part thereof, their personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

Definitions

1. "Accessory Structure" means and refers to any building

Copy mailed to: Foster + Braden
P.O. Box 367
MAR 21 1989

or structure subordinate to the principal residential dwelling located on the lot and serving a purpose incidental to the residential use of said main dwelling.

2. "Assessments" means any monetary contribution levied equally among all lot owners pursuant to Article VI to be utilized for the community purposes stated therein.

3. "Association" means any association, board, council, or other administrative body or organization of lot owners who shall be a successor in interest to the Declarant.

4. "Common Area" means the area of the subdivision which is designated as Parcels A, B, C, D, E, F, G and H on the plats. "Common Area" does not include any lot or any public road or other land, structure or improvement now or hereafter owned by the County Commissioners of Queen Anne's County, the State of Maryland, or any other governmental agency.

5. "County Commissioners" means the County Commissioners of Queen Anne's County, Maryland, as now established, and any other legislative and/or executive authority hereinafter authorized to approve and adopt a zoning ordinance.

6. "Covenant" means any provision of this Declaration.

7. "Declarant" refers to Kent Fort Manor, Inc., and its sucessors and/or assigns.

8. "Lot" means one of the lots or parcels designated Lot 1 through Lot 32 on the plats.

9. "Lot Owner" means the person(s) shown by the Land Records of Queen Anne's County to own fee simple title to a lot at the time when the identity of a lot owner is to be determined for purposes of applying any provisions of these covenants. "Lot Owner" does not include a mortgagee, trustee, or beneficiary under a deed of trust or other person who holds only a lien or other security interest on a lot.

10. "Plat or Plats" mean the plats of the subdivision of Chews Manor prepared by Joyce Engineering Corporation and dated in July, 1988, said plats being more particularly described as follows:

A. "Plat One, Lots 1 thru 12 and Parcel A, Chews Manor, Fourth Election District, Queen Anne's County, Maryland", and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 861, and in Plat Book M.W.M. No. 12, Page 84A.

B. "Plat Two, Lots 13 thru 22 and Parcels B, C, D and E, Chews Manor, Fourth Election District, Queen Anne's County, Maryland", and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 861, and in Plat Book M.W.M. No. 12, Page 84B.

C. "Plat Three, Parcel F, Chews Manor, Fourth Election District, Queen Anne's County, Maryland", and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 861, and in Plat Book M.W.M. No. 12, Page 84C.

D. "Plat Four, Lots 23 thru 32, and Parcels G and H, Chews Manor, Fourth Election District, Queen Anne's County, Maryland", and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 861, and in Plat Book M.W.M. No. 12, Page 84D.

10. "Zoning Ordinance" means (1) any zoning ordinance in effect in Queen Anne's County, Maryland, on the date of this instrument, and any amendments to that ordinance and (2) any ordinance or law hereinafter adopted by the County Commissioners under the authority of Article 66(b) of the Annotated Code of Maryland (or any amendments to that article) or under the authority of any law or constitutional provision by which the County Commissioners are authorized to regulate the use of land throughout Queen Anne's County, Maryland, to the extent provided under the present provisions of Article 66(b).

ARTICLE II

General Use Restrictions

1. Residential Use. All lots shall be used solely for residential purposes and only one-single family dwelling shall be erected on each lot which shall be used solely as a private single family residence.

2. Home Occupation. Notwithstanding the provision of Article II, Section 1, a home occupation may be permitted with written approval of the "Declarant" and provided that the same is permitted by the Queen Anne's County Comprehensive Zoning Ordinance as may be amended from time to time. Such home occupation shall not be permitted to employ any person not living in the dwelling unit. Beauty shops shall not be permitted.

3. Animals. The maintenance, keeping, boarding, or raising of animals, livestock or poultry of any kind, regardless of

number, prohibited on any lot or within any dwelling, except that this provision shall not prohibit the keeping of dogs, cats, or customary household animals, provided they are not kept, bred or maintained for commercial purposes and provided further, that such animals are not a source of annoyance or nuisance to the neighborhood or other lotowners and do not roam at large.

4. Vehicles. Junk vehicle(s), unlicensed, or inoperable motor vehicle(s), and commercial vehicle(s), boat(s), trailer(s), camper(s), house trailer(s), bus(es), tractor(s) or other similar machinery or equipment of any kind or character shall not be kept upon a lot unless stored or parked within garages or other permitted structures. No trailers, commercial vehicles such as tractor trailers or motor vehicles of any kind shall be regularly parked upon any of the public streets.

5. Signs. No signs shall be permitted on any lots in the subdivision excepting a temporary real estate sign not exceeing four (4) square feet in area which may be erected upon any lot being offered for sale. All such temporary real estate signs shall be removed promptly following the sale of such lot.

6. Resubdivision. No lot shall be resubdivided so as to create any new additional lots. Resubdivision shall only be permitted for minor lot line adjustments which do not result in a decrease of any lots' acreage of more than 10 percent. Any resubdivision shall only be permitted with the written consent of the Declarant and the Queen Anne's County Department of Planning and Zoning.

7. Trash. No burning of trash shall be permitted on any lot. All trash or other refuse is to be disposed of by being picked up and carried away on a regular and reoccurring basis and containers may be placed in the open on the day that a pickup is to be made. At all other times such containers shall be stored in such a manner so that they cannot be seen.

8. Aboveground Swimming Pools. No aboveground swimming pools shall be permitted to be maintained on any lot.

9. Temporary Structures. No temporary structures shall be permitted other than a construction trailer which may be maintained on the property during the period of construction. The period of construction shall not exceed 12 months.

10. Satellite Dishes. Satellite dishes shall only be permitted with the prior written approval of the Declarant. Approval shall only be granted in instances where the satellite dish shall be fenced or screened so that it would not be visible from adjoining lots

or public streets.

11. Material Storage. No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any lot, except building materials during the course of construction of any improved dwelling or other permitted structure.

12. Aboveground Poles or Wires. No poles or wires for the transmission of electricity, telephone or the like shall be placed or maintained above the surface of the ground on any lot.

13. High Frequency Radio or other Transmissions. Lotowners shall be prohibited from maintaining any high frequency radio or other transmission towers which interfere with any radio or television reception on lots within this subdivision.

14. Noxious or Offensive Trade or Activity. Noxious or offensive trade or activity shall not be carried on or upon any lot or within any dwelling, nor shall anything be done therein or thereon, which may be or become an annoyance or nuisance to the neighborhood or other owners. Without limiting the generality of the aforegoing, no speaker, horn, whistle, light, bell, amplifier, or other sound device shall be located, installed or maintained upon the exterior of any dwelling or upon the exterior of any other accessory structure except such devices as may be used exclusively for security purposes.

ARTICLE III

Building Restrictions

1. Minimum Setbacks. All improvements including accessory structures must comply with the minimum building restriction lines set forth on the recorded plats.

2. Minimum Floor Area. The floor area of any dwelling erected upon any lot, exclusive of basement and attached porches and garages, shall not be less than two thousand (2,000) square feet for a one-story dwelling, nor less than two thousand four hundred (2,400) square feet for a one and one-half or two-story dweling.

3. Approval of Building and Landscape Plans.

(a) No dwelling, building or other structure, accessory structure, fence, swimming pool, tennis court, awning, patio cover, patio, balcony, porch, driveway or other improvement or structure shall be commenced, constructed, placed, moved, altered or removed upon any lot, nor shall any other exterior addition or other alteration thereon be made until the complete plans and specifications

showing the location, nature, shape, height, color, material, type of construction, landscaping plan, and other proposed form of change shall have been submitted to and approved, in writing, by the Declarant as to the safety, harmony of external design, color and location in relation to surrounding structures in topography and conforming with the purposes and intent of this Declaration.

(b) The Declarant shall have the right to refuse to approve any building plan and/or landscaping plan, where material contemplated to be used in the proposed building or improvement, in its sole opinion, is not considered suitable or desirable whether for aesthetic or other reasons.

(c) Upon approval by the Declarant of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of the Declarant and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same.

(d) Construction or alteration in accordance with plans and specifications approved by the Declarant pursuant to the provisions of this Article shall be commenced within six months following the date upon which the same are approved by the Declarant and shall be substantially completed within 12 months following the date of commencement, or such other period as said Declarant shall specify in its final appoval, which shall not be less than 12 months nor more than 18 months, provided, however, the time for completion shall be extended commensurate with the period of interruption or construction caused by war, acts of God, or the public enemy, acts of government, fires, floods, epidemics, quarantine, restrictions, strikes, lockouts, labor disputes or other matters beyond the control of the owner. In the event the construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Declarant shall be conclusively shall deemed to have lapsed and compliance with the provisions of this Article shall again be required.

(e) There shall be no material deviation from the plans and specifications approved by the Declarant without the prior consent, in writing, of the Declarant.

(f) Upon the completion of any construction or alteration or other improvement in accordance with the plans and specifications approved by the Declarant in accordance with the provisions of this Article, the Declarant shall, at the request of the owner thereof, issue a certificate of compliance which shall be <u>prima facie</u> evidence that such construction, alteration or other

improvements referred to in such certificate have been approved by the Declarant and constructed or installed in full compliance with the provisions of this Article and with any other provisions or requirements of this Declaration that may be applicable.

4. Accessory Structures. In addition to the other provisions of this Declaration of Covenants, Conditions and Restrictions all accessory structures shall be subject to the following provisions:

(a) All accessory structures must be approved as to use by the Declarant, his successors or assigns. Such use cannot be changed or modified or extended without additional approval by the Declarant.

(b) All accessory structures shall be of a similar architectural style and compatible with the principal dwelling.

(c) The floor area of any accessory structure shall not exceed 600 square feet. Notwithstanding the provisions of this Subsection, the Declarant, its successors and/or assigns, specifically reserve the right to further limit the square footage of any such accessory structure if they shall determine, in their sole discretion, that the size of any such structure shall have an adverse impact upon an adjacent property owner.

5. Specific Material or Structural Requirements. The following specific material and structural requirements are applicable to the principal dwelling and all aboveground accessory structures.

(a) No exposed block shall be permitted. Any concrete block above finish grade must be stuccoed or paraged.

(b) All roofs must be of a minimum pitch of not less than 5/12, and all roof shingles must be an architectural shingle or wood shingle, or one of similar quality.

(c) All exposed wood must be either painted or stained.

(d) Aluminum siding may be permitted, however, the Declarant reserves the right, in its absolute discretion, to limit the colors which may be used. Whenever aluminum or other non-wood siding is used, full height corner boards or posts must be used and an "J" channel or similar molding must be used at all openings, concealing all siding ends.

(e) All residences must have a two car garage.

ARTICLE IV

Landscape Requirements

1. General Character. Landscaping is considered to be an essential feature of lot improvement inasmuch as it has a direct and important impact on the aesthetic quality of the community and resulting property values. It is for this reason that a detailed landscaping plan is required to be submitted with the initial building plans as provided in Article III, Section 3. Building plans will not be accepted for review unless accompanied by a detailed landscaping plan.

2. Minimum Quantity and Sizes of Plant Material.

(a) Foundation Planning. The initial landscape plan must include a minimum of twenty 12 inch to 24 inch shrubs for foundation planting. Such shrubbery need not extend along the entire foundation but may be placed in clustered groupings.

(b) Canopy Trees. The initial landscape plan must provide for a minimum of 4 canopy trees of at least 14 - 16 feet in height and 2 1/2 inch to 3 inch minimum caliber. Existing canopy trees on any lot may satisfy this requirement.

(c) Evergreen Trees. The initial landscape plan must provide for a minimum of 2 evergreen trees of at least 6 - 8 feet in height.

3. Maintenance. All planting set forth on any approved landscape plan must be adequately maintained. It should also be the obligation of each lotowner to maintain the grass portion of any yard in a clean and neat condition, including but not limited to, the requirement for cutting on a regular and periodic basis. Grass in the yard portion of any lot shall not exceed 6 inches in height.

ARTICLE V

Reservation of Easement for Utilities

1. Easement for Utilities. Easements and rights of way are hereby expressly reserved upon, in and over strips of land ten (10) feet in width along the road lines and interior lines of all parcels for the purpose of erecting, constructing and maintaining poles, wires and conduits with the necessary or proper attachments in connection therewith for the transmission of electricity and for telephone service and other public utilities or services. The Declarant, his successors or assigns, or his nominee, shall have the

right to enter upon said reserve strips of land for any of the purposes for which said easements and rights are reserved to remove, prune or trim any tree or shrub on any lot interfering with the construction or maintenance of electric or telephone lines or other utility service.

ARTICLE VI

Annual Assessment

1. Creation of a Lien and Personal Obligation of Assessment. The Declarant, for each lot, hereby covenants, and each owner of every lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Declarant, its successors or assigns, an annual assessment which shall be based on a calander year and established and collected as hereinafter provided. The annual assessment together with interest, costs and reasonable attorney's fees shall be a charge on, and a continuing lien on, the lot against which each such assessment is made. Each such assessment, together with interest, costs of collection and reasonable attorney's fees, shall also be the personal obligation of the lotowner of such lot at the time when the assessment is due and payable.

2. Purpose of Annual Assessment. Each annual assessment shall be used (a) to promote the recreational, health, safety and welfare of the residences, (b) to cover any operating expense for reviewing of plans and enforcing the restrictive covenants, (c) to maintain any entrance sign and entrance landscaping and (d) for the maintenance and preservation of the Common Areas and for the construction and/or maintenance of community recreational or other permitted facilities or improvements.

3. Amount of the Assessment. The amount of the assessments shall be set annually by the Declarant and/or its successors and assigns. The assessment for the initial year shall not exceed $500.00 exceed $500.00. Thereafter, the assessment shall not exceed $500.00 annually plus the cost of living adjustment as determined by the Consumer Price Index for the nearest metropolitan area.

4. Commencement of Assessments. Assessments for each lot shall commence upon the transfer of title to any person, corporation or entity other than the Declarant.

ARTICLE VII

Association

1. Transfer of Declarant's Rights. Within 90 days of the sale of the last lot by the Declarant, he and/or his successors and assigns, agrees to transfer the rights and responsibilities conferred upon the Declarant by the virtue of these Declaration of Covenants, Conditions and Restrictions unto a homeowners association provided (a) that the association is validly formed under the laws of the State of Maryland pursuant to the provisions of the Corporations and Associations Article as may be amended from time to time; and (b) the Association provides that each lot shall have an equal vote and that any action of the Association shall be governed by a majority vote of the lots owners.

ARTICLE VIII

General Provisions

1. Enforcement. The Declarant, its successors and/or assigns, and any lot owner shall have the right to enforce by any proceedings at law or in equity, all restrictions, conditions, covenants and reservations now or hereinafter opposed by the provisions of this Declaration. Failure by the Declarant or by any lot owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

2. Waiver. Notwithstanding the provisions of paragraph 1 above, the Declarant, his successors and assigns, hereby reserves the right, in his absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions, covenants, agreements or provisions contained herein as to any lot then owned by the Declarant, and with the consent of the owner as to any other lot.

3. 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 transfered (exclusively or non-exclusively) by the Declarant by instrument, in writing, recorded among the Land Records for Queen Anne's County, Maryland.

4. Duration. This Declaration shall run with and bind the land for a period of 30 years from the date of the recordation of this Declaration.

5. Severability. In case any one or more of the covenants or restrictions contained in this Declaration shall for any

reason be held to be invalid, illegal or unenforceable in any respect by judgment, decree or order, such invalidity, illegality or unenforceability shall not effect any other provision hereof, and this Declaration shall be construed as if such invalid, illegal, or unenforceable covenant or restriction had never been contained herein.

ARTICLE IX

Common Area

1. Manner of use and maintenance. Subject to the restrictions as to use contained in these Covenants, the Common Area shall be used and maintained as undeveloped open space:

a-for the common benefit of all Lotowners and

b-in such manner that the Common Area will remain attractive and used to Lotowners and will not be injurious to the health, safety and welfare of residents of surrounding areas or detrimental to property values of land and improvements with the Subdivision or surrounding areas.

2. Permitted uses.

(a) Except as permitted by subparagraph (b) or as prohibited by subparagraph (c), the Common Area may be used only for the following purposes:

i-The maintenance and protection of natural resources in the manner and to the extent required by Zoning Ordinances;

ii-Recreational uses which involve a structure, the creation or maintenance of more than very negligible impervious surface, or the establishment of formally defined areas, such uses including ballfields, jogging or cycling trails, totlots, playgrounds, outdoor swimming pools, tennis courts, shooting preserves, target ranges, and golf courses;

iii-Passive recreational uses which involve the maintenance of only negligible impervious surface, such uses including arboretums, hiking, nature areas, wildlife sanctuaries, picnic and

private parks, garden plots and beaches.

(b) Subject to the provisions of subparagraph (c) and during any period when a Zoning Ordinance expressly permits a use of open space other than that referred to in Subparagraph (a), the Association may authorize such other use of the Common Area. A use authorized under this subparagraph may be maintained only to the extent and during such period as it is expressly authorized both by a Zoning Ordinance and by the Association.

(c) No provision of subparagraphs (a) and (b) shall be construed to enlarge, limit, supersede or otherwise affect application to the Common Area of any Zoning Ordinance or any law, ordinance, rule or regulation of the Federal government, the State of Maryland or Queen Anne's County. In case of any conflict between these provisions and any other such law, ordinance, rule or regulation, the more restrictive shall be applicable. Whether or not such is referred to in subparagraph (a), nothing in this paragraph shall be construed to authorize or permit the use of the Common Area for:

i-any activity which is not authorized by those provisions of a Zoning Ordinance which relate to the use of open space on the Common Area;

ii-any activity for which special or conditional exception or other specific approval is required under a Zoning Ordinance, unless such specific aproval is given, or in a manner not authorized by such approval;

3. Benefit. All provisions of these Covenants relating in any way to the Common Area shall inure to the benefit of the Association, each Lotowner and the County Commissioners.

4. Rights and duties of Lotowners. Each Lotowner shall have the right to use and enjoy the Common Area to the extent provided in these Covenants; and such right shall be appurtenant to and pass with the title to each Lot. Each Lotowner has a duty to contribute to the repair, upkeep or other maintenance of the Common Area as set forth in these Covenants.

5. Other interests. No person, other than a Lotowner or the Association, shall acquire any interest in a Common Area without prior written approval of the Queen Anne's County Planning Commission or other agency or person duly authorized by the County Commissioners to give such approval.

6. Enforcement. All provisions of these Covenants

relating in any way to the Common Area may be enforced by the Association or by any Lotowner and, to the extent provided by the Queen Anne's County Zoning Ordinance, by the County Commissioners and persons authorized by the County Commissioners.

7. Acknowledgement of compensation. Each Declarant hereby acknowledges that he has been fully compensated for any restrictions or other provisions of these Covenants which restrict or otherwise affect the Subdivision or any other land to which any of these Covenants relate.

8. Amendment. No provision of Article IX, Common Area, of this Declaration may be amended or changed in any manner without prior written approval of the Queen Anne's County Planning Commission or other agency or person duly authorized by the County Commissioners to approve such change or amendment.

9. Effect of creditor's action. Queenstown Bank of Maryland is the holder of a lien on the Subdivision by virtue of a Deed of Trust dated March 17, 1989 and recorded among the Land Records of Queen Anne's County, Maryland, in Liber M.W.M. No. 323, folio 892, and joins in this Declaration for the purpose of subordinating such Deed of Trust to the lien, operation and effect of the Covenants. Queenstown Bank of Maryland has no personal liability with respect to any Covenant, unless it becomes a Lotowner.

IN WITNESS WHEREOF, the undersigned Declarant has duly executed this Declaration.

WITNESS:

KENT FORT MANOR, INC.

BY: _____ (SEAL)
J. Gilbride McManus,
Vice-President

QUEENSTOWN BANK OF MARYLAND

BY: _____ (SEAL)
Albert V. Stant, President

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

I HEREBY CERTIFY, that on this 14th day of March, 1989, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared J. GILBRIDE MCMANUS, who

acknowledged himself to be Vice-President of Kent Fort Manor, Inc., the within named Declarant, and that he, as such Vice-President, being authorized so to do, acknowledged the aforegoing Chews Manor Declaration of Covenants, Conditions and Restrictions to be his act for the purposes therein set forth.

WITNESS my hand and Notarial Seal.

Notary Public
My Commission Expires: 7/1/90

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

I HEREBY CERTIFY, that on this 15 day of March, 1989, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared ALBERT V. STANT, who acknowledged himself to be President of Queenstown Bank of Maryland, the within named creditor, and that he, as such President, being authorized so to do, executed the aforegoing Declaration of Covenants, Conditions and Restrictions for the purposes therein contained.

WITNESS my hand and Notarial Seal.

Notary Public
My Commission Expires: 7/1/90

AFFIDAVIT

This Declaration of Covenants, Conditions and Restrictions have been reviewed by the Planning Commission of Queen Anne's County and its attorney and has been approved.

DOCUMENT NO. 152960

MCM

LIBER 328 FOLIO 527

CHEWS MANOR

TRADING AS

CROSSWINDS AT CHEWS MANOR

AMENDMENT

TO

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Amendment to Declaration of Covenants, Conditions and Restrictions made this 12th day of May, 1989, by Kent Fort Manor, Inc., a Maryland Corporation, hereinafter referred to as the "Declarant."

EXPLANATORY STATEMENT

The Declarant is the owner of lots 1 thru 32, Chews Manor Subdivision by virtue of deed dated March 17, 1989, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 870. The aforementioned lots are set forth and designated on Plats One, Two, Three and Four which are recorded among the Plat Records of Queen Anne's County in Plat Book M.W.M. No. 12, folios 84, A, B, C and D. The Declarant has imposed Restrictive Covenants and Conditions on the lots by Declaration of Covenants, Conditions and Restrictions dated March 17, 1989, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 916.

The Declarant constitutes the sole property owner of the aforementioned lots and is now desirous of amending certain terms and conditions of the Declaration of Covenants, Conditions and Restrictions.

NOW, THEREFORE, the Declarant does hereby amend the original Declaration of Covenants, Conditions and Restrictions recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 323, folio 916 as follows:

Article II (General Use Restrictions)
Paragraph 5. Signs shall be amended by adding the following language:

In addition to temporary real estate signs, private property identification signs shall be permitted, provided they shall not exceed four (4) square feet in area.

1989 MAY 24 AM 9 06
QUEEN ANNE'S COUNTY

Orig. mailed to: Foster & Bradley

JUN 15 1989

See 328/526 for address

Article III (Building Restrictions)
Paragraph 2. Minimum Floor Area shall be amended by deleting the former language and substituing the following:

> 2. Minimum Floor Area. The floor area of any dwelling erected upon any lot, exclusive of basement and attached porches and garages, shall not be less than two thousand two hundred (2,200) square feet for a one-story dwelling, nor less than two thousand six hundred (2,600) square feet for a one and one-half or two-story dwelling.

Article III (Building Restrictions)
Paragraph 5 (d) shall be deleted in its entirety.

IN WITNESS WHEREOF, the undersigned Declarant has duly executed this Declaration.

WITNESS: KENT FORT MANOR, INC.

BY: _____ (SEAL)
John D. Flynn, Jr., President

STATE OF MARYLAND, QUEEN ANNE'S COUNTY, TO WIT:

I HEREBY CERTIFY, that on this 12th day of May, 1989, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared JOHN D. FLYNN, JR., who acknowledged himself to be President of Kent Fort Manor, Inc., a Maryland Corporation, and that he, as such President, being authorized so to do, executed the aforegoing Amendment to Declaration of Covenats, Conditions and Restrictions for the purposes therein set forth.

WITNESS my hand and Notarial Seal.

_____
Notary Public
My Commission Expires: 7/1/90

Homeowners Association Account
Title 11 B, Real Property Article
for Worton Land Partnership, t/a Earle's Branch

1. The Name, Address and Telephone Number of Declarant is:

Worton Land Partnership, a Maryland General Partnership
Fort Point Farm
Centreville, Maryland 21617
(301) 758-2110

General Partners - Jurgen von Sethe and Marion von-Sethe - address is same as above.

2. Earle's Branch Homeowner's Association - not incorporated - address is same as above.

Management Committee is:
1 - David Muth
2 - Marion von Sethe
3 - Jurgen von Sethe

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[illegible] 50.00
[illegible] 50.00
[illegible] 50.00
[illegible] C001 R0[illegible] T13:34
[illegible]

3. Earle's Branch is located off Woodstream Road in Corsica Neck, Third Election District of Queen Anne's County, State of Maryland and consists of 37 lots and Open Space A, B, and C as designated on plats recorded in Plat Book M.W.M. No. 11, folio 4A and B of the Plat Records of Queen Anne's County.

4. A copy of the Declaration of Restrictions of Worton Land Partnership recorded among the Land Records on July 13, 1988, in Liber M.W.M. 308 , folio 602 is attached hereto as Exhibit No. 1.

5. The Homeowner's Association shall manage the Open Spaces as set forth in the Declaration of Restrictions until the contingencies of Article IV, 3, are satisfied and title transferred from the Declarant to an Owner's corporation.

6. At this date no lots have been sold, and no budget has been established for the Homeowner's Association.

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1988 DEC 28 PM 1:37
QUEEN ANNE'S COUNTY

7. The Declaration of Restrictions in Article IV, 7, (Page 18) sets forth a maximum annual assessment charge of $300.00 per Lot. The actual assessment to be established annually by the Management Committee.

The maximum amount of the annual assessment may be charged by the assent of 2/3rds of the total lot owners vote.

In addition under Article IV, Section 7A, the management Committee with the assent of 2/3rds of the Owners can levy a special assessment for one year.

8. The zoning of the property is Estate and NC - 2.

9. Annual assessment shall commence on January 1, 1989 and on the same date of each succeeding year.

Under Article IV, Section 10, Assessments shall be a personal obligations of the Owner and a lien on the Owner's property. After 30 days the delinquent assessment shall bear interest at 10% per annum and the Management Committee may bring legal action for collection or may bring legal action under the Maryland Contract Lien Account and charge reasonable attorney fees.

10. The Declarant is not exempt from any provisions of the Declaration of Restrictions, either as to lot assessment or architectural approval or otherwise.

11. There are no known unsatisfied judgments, or actions at law pending against the Declarant or Homeowner's Association.

DOCUMENT NO. 146, 963 | LIBER 308 PAGE 602 | Final Draft 06/7/88

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QUEEN ANNE'S COUNTY

DECLARATION OF RESTRICTION & COVENANTS

Earle's Branch

This Declaration of Restrictions and Covenants (Declaration) made this 12th day of July 1988 by Worton Land Partnership, a Maryland general partnership (Declarant)

MISC 0#
RECD FEE 102.00
POSTAGE .50
SUBTOTAL 102.50
CHECK/MO 102.50
#091270 C001 R00 10:5
07/13/88

Witnesseth

Whereas Declarant is the owner of real property described in Article II hereof and desires to create and develop there on a residential community; and

Whereas the Declarant desires to provide for the preservation of values and amenities in said community and to dedicate the common areas to the use of lot owners, and to this end desires to impose upon the Property and Common Areas the covenants, restrictions, easements, obligations, assessments and equitable servitudes, hereinafter set forth, each and all of which are for the benefit of the Property and the owners thereof.

NOW THEREFORE, the Declarant hereby declares that the Property and Common Areas shall be held, conveyed, encumbered, used, occupied and improved subject to the covenants, restrictions, uses, limitations, obligations, easements, assessments and equitable servitudes (hereinafter sometimes referred to as "covenants and restrictions") hereinafter set forth, all of which are declared and agreed to be in aid of the plan for the improvement of the Property and Common Areas.

EXHIBIT A

Article I

1. Definitions. The following words, when used in the Declaration shall have the following meanings:

(a) "Committee" shall mean and refer to the Management Committee established pursuant to Article II hereof.

(b) "Declarant" shall mean and refer to the Worton Land Partnership and its successors and assigns; and are binding upon the Worton Land Partnership, its successors and assigns.

(c) "Dwelling" shall mean and refer to any building or portion of a building used or situated upon the Property and designed and intended for use and occupancy as a residence by a single person or family.

(d) "Lot" shall mean and refer to each of Lots 1 through 36 shown on the Plat.

(e) "Owner" shall mean and refer to the record owner of the fee simple title to any Lot. For the purposes hereof, each Lot shall be deemed owned by one (1) Owner and each Lot shall entitle the Owner thereof to one (1) vote.

(f) "Plat" shall mean and refer to a plat consisting of two (2) sheets, entitled "Earle's Branch", prepared by McCrone, dated March 9, 1988, and recorded among the Plat Records of Queen Anne's County, Maryland in Plat Book, M.W.M. No. 11, folio 4A & B.

(g) "Property" shall mean and refer to Lots No. 1 through 36 as shown, designated and described on the Plat; Being the same lands granted unto Worton Land Partnership by deed from Ulrich Faber and Erika Faber, dated January 28, 1988 and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 308, folio 485. Lot 37 on the Plat is excluded.

(h) "Common Areas" shall mean and refer to those areas designated as OPEN SPACE A, OPEN SPACE B and OPEN SPACE C on the Plat.

(i) "Extensions" shall mean and refer to the two (2) areas designated on the Plat as "Possible Future County Road Extensions". These areas shall be titled to the Declarant and used as part of the "Common Areas" until such time as they are conveyed to and accepted by the County for public roads.

Article II

1. Management Committee - Composition and Operation. The Management Committee shall be composed of three (3) persons and the following persons are designated as the original members:

a) David Muth - Member #1
b) Marion von-Sethe - Member #2
c) Jurgen von-Sethe - Member #3

The respective terms of office shall be as follows:

d) The term of Member No. 1 shall expire on January 1, 1990.
e) The term of Member No. 2 shall expire on January 1, 1991.
f) The term of Member No. 3 shall expire on January 1, 1992.

Upon expiration of each of the aforesaid terms of office, the Owners of the Lots, by a majority vote, shall appoint the new member of the Management Committee and such member Owner shall serve a three (3) year term of office. The affirmative vote of a majority of the members of the Management Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any findings, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in these Declaration of Restrictions and Covenants.

Any member of the Management Committee may at any time resign from the Committee upon written notice to other members of the Committee. Vacancies on the Committee, however, caused, shall be filled by a vote of a majority of the Owners of the Lots within 30 days of the creation of the vacancy. Any new members elected to the Committee to fill a vacancy shall serve the unexpired term the Committee member vacated.

A quorum required for any election shall be the presence at the Meeting of Owners or of proxies entitled to cast fifty (50) per cent of the total vote.

Article III

Lot Regulation: The covenants contained in this Article III are different than those imposed in accordance with the Queen Anne's County Zoning Ordinance; and no official, board, department, agency or other instrumentality of Queen Anne's

County has any interest or authority with respect to the covenants contained in this Article III.

The covenants in Article III may be amended by the written consent of all Owners to an instrument to be recorded among the Land Records of Queen Anne's County.

1. Management Committee Approvals:

(a) Application. No building, dock, hedge, fence, wall, sign, bulkhead, jetty, seawall, swimming pool, or any other structure of any kind or nature whatsoever, or any addition or accessory thereto, shall be commenced, erected, or maintained, nor shall any addition to, change or alteration (including change of color of any exterior part) thereof be made until written or printed plans and specifications (showing the nature, kind, shape, heights, materials, floor plans, color scheme and location of the improvements with respect to plat plan, topography and ground elevation) shall have been submitted to, and approved in writing by, the Committee and copies of all building plans, specifications, alterations, plans, plat plans, etc., as above required are permanently lodged with the Committee.

The Committee shall have the right to refuse to approve any building plan and/or grading plat, or material contemplated to be used in the proposed building or improvement, either external or internal, which, in its sole and uncontrolled opinion, is not considered suitable or desirable, whether for aesthetic or other reasons; and shall

have the right to consider the suitability of the proposed dwelling, structure or other improvements, and the materials of which the same is to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Committee shall further have the right to establish such minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected in Earle's Branch, and require a landscape plan to be submitted as part of a building or grading plan.

(b) Floor Area. The floor area of any dwelling house erected upon any parcel, exclusive of basement and attached porches and garages, shall be not less than sixteen hundred (1,600) square feet for a one story dwelling, nor less than two thousand (2,000) square feet for a one and one-half story dwelling, nor less than twenty-five hundred (2,500) square feet for a two story dwelling. No dwelling, garage, porch, or guest house shall be more than thirty-six (36) feet in elevation from ground level, provided, however, that the Committee reserves the right from time to time to amend or modify such requirements if, in its sole discretion, it deems it best so to do.

(c) Approvals, etc. Upon approval by the Management Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such

plans and specifications, as approved, shall be deposited among the permanent records of the Committee and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. In the event the Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within thirty (30) days after such plans and specifications (and all other materials and information required by the Management Committee) have been submitted to it in writing, then approval will not be required and the requirements of this article will be deemed to have been satisfied.

(d) Limitations. Construction or alterations in accordance with plans and specifications approved by the 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 Committee (whether by affirmative action or by forbearance from action, as in Paragraph 1(c) of this Article provided), and shall be substantially completed within twelve (12) months following the date of commencement, or within such other period as the Committee shall specify in its approval; provided, however, the time for completion shall be extended commensurate with the period of interruption of construction caused by war, acts of God or the public enemy, acts of government, fires, floods, epidemics, quarantine restrictions, strikes, lockouts, labor disputes or other

matters beyond the control of Owner. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required.

There shall be no material deviation from the plans and specifications approved by the Committee without the prior consent in writing of the Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the 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.

(e) Certificates. Upon the completion of any construction or alterations or other improvements in accordance with plans and specifications approved by the Committee in accordance with the provisions of this Article, the Committee shall, at the request of the Owner thereof, issue a certificate of compliance with shall be prima facie evidence that such construction, alteration or other improvements referenced in such certificate have been approved by the Committee and constructed or installed in full compliance with the provisions of this Article and with such other provisions and requirements of this Declaration as may be applicable.

(f) Rules & Regulations. The 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 and record such statements of policy, standards, guidelines and establish such criteria relative to architectural styles or details, fences, colors, set-backs, materials or other matters relative to architectural control and the protection of the environment, 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 Committee shall be final.

2. Prohibitions and Nuisances:

(a) No excavation or grading shall be made on the lot except after the approval of a building permit by the Management Committee.

(b) No noxious or offensive trade shall be carried on upon any Lot, nor shall anything be done thereon which may be or become a nuisance to the neighborhood or other Owners. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except for security purposes, shall be located, installed, maintained or operated upon the exterior of any dwelling or structure on the Lot. No snowmobiles, go-carts, motor bikes,

trail bikes, or other loud recreational vehicles shall be run or operated upon any Lot or in the Common Areas.

(c) All Lots shall be for single family residential use only and no trade, business or profession whatsoever shall be conducted on any Lot.

(d) No Lot shall be subdivided.

(e) No trailer, habitable motor vehicle, camper, bus, construction equipment, farm equipment, truck over 1/4 ton capacity, or other similar machinery or equipment (except for such equipment and machinery as may be reasonable and customary in maintenance of the Lot) shall be kept, parked or stored upon any Lot unless within a completely enclosed building.

(f) No junk vehicles, unlicensed or inoperable vehicles shall be kept, parked or stored upon any Lot.

(g) No boats, either on or off trailers, over 20 feet in length shall be stored or parked on any Lot except in completely enclosed buildings. No boat 20 feet or less in length shall be stored or kept on any Lot unless shielded from other Lots and the roads by evergreen shrubbery approved by the Committee.

(h) No satellite T.V. dishes, aerial or antenna equipment or solar panels and equipment shall be located on any Lot unless shielded from other lots and the road.

(i) No burning of trash shall be permitted on any Lot. All trash containers shall be stored, except on trash pick-up days, in such a manner that they cannot be seen.

(j) No exterior lighting shall be placed or fixed in such a manner as to cause a concentrated beam to extend outside the boundaries of the Lot.

(k) No animals, livestock, poultry or other fowl, of any kind, shall be raised, bred or kept on any Lot, provided, however, that no more than a total of three (3) dogs, cats or other household pets may be raised, bred or kept if not for commercial purposes.

(l) All oil and gas storage tanks, electric lines and other utility lines shall be underground.

3. Maintenance. Each Owner shall keep his Lot and all improvements therein and thereon, in good order and repair, including but not limited to, the seeding, watering and mowing of lawns, the pruning and cutting of trees and shrubbery, the painting and other external care of all buildings and other improvements, all in a manner and with such frequency as is consistent with good property management.

4. Enforcement - Right to Remove or Correct Violations. In the event any violation or attempted violation of any of the covenants or restrictions contained in this Article 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 this Declaration, then the same shall be

considered to have been undertaken in violation of this Declaration and without the approval of the Committee required herein, and, upon written notice from the Management 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 abate, 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, then the Management Committee shall have the right, through its agents and employees, to enter upon such Lot and to take such steps as may be necessary to remove or otherwise terminate or abate such violation and the cost thereof 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 a continuing lien upon such Lot, and a binding personal obligation of the Owner of such Lot. Any lien established upon a Lot by this Declaration shall have preference over any other assessments, liens, judgments or charges of whatever nature, except for: (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 assessment thereon of the lien or duly recorded on said Lot after receipt of a written statement from the

Management Committee reflecting that payments on any lien imposed pursuant to this Paragraph 5 were current as of the date of recordation of said deed of trust, mortgage instrument or encumbrance. Upon receipt of a written request, the Management Committee shall issue a written statement certifying as to the existence of any liens established pursuant to this Paragraph 5 within fourteen (14) days following receipt of such written request. In the event that the Management Committee shall fail to issue such a written certification within the aforesaid fourteen (14) day period, a presumption shall be established that no such lien exists and the person or entity requesting the written certification shall be entitled to rely upon such failure to issue a written certification as conclusive evidence of the absence of any such lien. The Management Committee shall have the further right, through its agents or employees, 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 Management Committee 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.

Article IV

Common Areas: The Common Areas consist of Open Space as designated on the Plat.

1. Permitted uses. a) Except as permitted by subparagraph (b) or as prohibited by subparagraph (c), the Common Area may be used only for the following purposes:

i - The maintenance and protection of natural resources in the manner and to the extent required by Zoning Ordinances;

ii - Recreational uses which involve a structure, the creation or maintenance of more than very negligible impervious surface, or the establishment of formally defined areas, such uses including ballfields, jogging or cycling trails, totlots, playgrounds, outdoor swimming pools, tennis courts, shooting preserves, target ranges, and golf courses;

iii - Passive recreational uses which involves the maintenance of only negligible impervious surface, such uses including arboretumns, hiking, nature areas, wildlife sanctuaries, picnic areas, public and private parks, garden plots and beaches.

iv - Farming, dairying, pasturing, agriculture, horticulture, floriculture, viticulture, animal and poultry husbandry, but not any packing, treating or storing of produce or the business of garbage feeding of hogs or other animals, the raising of such animals as rats, mice, monkeys and the like for use in medical or other tests or experiments.

v - Forestry, including commercial logging operations, clearing or destruction of forested or woodland areas, selective cutting or clearing for commercial purposes, clearing for agricultural or other prospective land uses, clearing of vegetation.

vi - Nurseries which involve the sale of plants grown on the Common Area, as well as accessory items (but not power equipment such as gas or electric lawnmowers and farm implements) directly related to the care and maintenance of such plants (including clay pots, potting soil, fertilizers, insecticides, hanging baskets, rakes and shovels).

(b) Subject to the provisions of subparagraph (c) and during any period when Zoning Ordinance expressly permits a use of open space other than that referred to in subparagraph (a), the Association may authorize such use of the Common Area. A use authorized under this subparagraph may be maintained only to the extent and during such period as it is expressly authorized both by a Zoning Ordinance and by the Association.

(c) No provision of subparagraphs (a) and (b) shall be construed to enlarge, limit, supersede or otherwise affect application to the Common Area of any Zoning Ordinance or any law, ordinance, rule and regulation of the Federal government, the State of Maryland or Queen Anne's County. In case of any conflict between these provisions and any other such law, ordinance, rule or regulation, the more restrictive shall be applicable. Whether or not such is referred to in subparagraph (a), nothing in this paragraph shall be construed to authorize or permit the use of the Common Area for:

i - any activity which is not authorized by those provisions of a Zoning Ordinance which relate to the use of open space on the Common Area;

ii - any activity for which special or conditional exception or other specific approval is required under a Zoning Ordinance, unless such specific approval is given, or in a manner not authorized by such approval;

iii - except as may be necessarily implied with respect to uses authorized in clauses iv, v and vi of subparagraph (a) which inure to the benefit of Lot Owners or the Association, a business or commercial purpose or any other activity not used primarily by the Lot Owners and their bona find tenants and guests.

(d) As used in this paragraph, Zoning Ordinance means (1) any zoning ordinance in effect in Queen Anne's County, Maryland, on the date of this instrument, and any amendments to that Ordinance and (2) any ordinance or law hereafter adopted by the County Commissioners under the authority of Article 66B of the Annotated Code of Maryland (or any amendments to that Article) or under the authority of any law or constitutional provision by which the County Commissioners are authorized to regulate the use of land throughout Queen Anne's County, Maryland, to the extent provided under the present provisions of Article 66B.

2. Owners Right of Use and Enjoyment. Subject to the foregoing restrictions as to their use, the Common Areas shall be used and maintained for the common benefit of all Owners as provided in these covenants. Each Owner shall have the right to use and enjoy the Common Areas to the extent provided in these covenants; and such right shall be appurtenant to and pass with the title to each Lot.

These covenants relating to the Common Areas shall inure to the benefit of the Owner(s) of each Lot, the Management Committee and Queen Anne's County. No person, other than the Owners from time to time of a Lot, shall acquire any interest in a Common Area without the prior written approval of the Queen Anne's County Planning Commission or other agency or person duly authorized by the County Commissioners of Queen Anne's County to give such approval.

3. Title to the Common Areas. The Declarant shall retain legal title to the Common Areas until such time as Declarant's ownership of Lots is reduced to ten (10) and upon the formation by the Owners of a corporation chartered for the purposes of assuming Declarant's interest, obligations and responsibilities under these covenants and restrictions. Declarant upon the satisfaction of the above contingencies will upon request of the corporation execute such deeds and assignments to convey title. The corporation shall be a non-stock corporation and its members shall consist only of Owners.

4. Management of Common Areas. The Management Committee shall have the duty and authority to insure that the Common Areas are used and maintained (a) for the common benefit of all lot owners within the property, and (b) in such manner that the Common Areas will remain attractive and useful to Owners and will not be injurious to the health, safety and welfare of residents of surrounding areas or detrimental to property values of land and improvements within the subject or surrounding areas.

The management and use of the Common Areas shall be under the supervision and control of the Management Committee. The Committee shall establish all such rules and regulations it shall deem necessary for the use, enjoyment, preservation and maintenance of the Common Areas, including the designation of lands for active or passive recreation or use, and shall have

the right for this purpose to appoint such sub-committees as it deems necessary. No mature trees shall be harvested.

5. Maintenance Assessments. Each Owner of any Lot by acceptance of a deed therefor, including Lots owned by the Declarant, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Management Committee (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments together with legal interest thereon and the costs of collection thereof as hereinafter provided, shall be a charge on the Lot and shall be a continuing lien upon the property against which assessment is made.

6. Use of Assessment Funds. The assessments levied under this Article shall be used exclusively for the purposes set forth in Paragraph a above.

7. Maximum of Annual Assessments. The maximum annual assessment payable to the Management Committee shall be $300.00 per Lot, and the actual assessment for any calendar year shall be fixed by the Management Committee. The maximum amount of the annual assessment may be changed by the assent of two-thirds (2/3) of the total vote of the Owners voting in person or by proxy at a meeting duly called for that purpose and written notice of such meeting shall be sent to all Owners

at least thirty (30) days in advance and shall set forth the purpose of the meeting.

7A. Special Assessment for Capital Improvements. In addition to the annual assessments authorized by section 7, the Management Committee may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of capital improvements, or the purchase of any fixtures or personal property required for the use of the Common Areas, subject to the following: In the case of any special assessment levied by the Management Committee, such assessment shall require the assent of a two-thirds (2/3) of the total vote of the Owners who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be sent to all Owners at least thirty (30) days in advance and shall set forth the purpose of the meeting.

8. Quorum for Action Authorized Under Section 7 and 7A. The quorum required for any action authorized by Section 7 and 7A hereof shall be the presence at the meeting of Owners or of proxies entitled to cast sixty (60) per cent of the total vote.

9. Date Annual Assessments Due: The annual assessments provided for herein shall commence on the first day of January, 1989, and on the same date of each succeeding year.

Written notice shall be sent to each Owner subject thereto. The Management Committee upon request at any time shall furnish an Owner liable for such annual assessment or a special assessment a certificate in writing setting forth whether all said assessments have been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

10. Effect of Non-Payment of Assessment: Personal Obligation of the Owner; The Lien; Remedies. Assessments, when levied, become a personal obligation of the Owner and a lien on the property of the Owner. If an assessment is not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, be a continuing lien on the property which shall bind such property in the hands of the then Owner. In addition to the lien rights, the personal obligation of the then Owner to pay such assessment shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of ten (10) per centum per annum, and the Management Committee may bring legal action against the Owner personally obligated to pay the same or to foreclose the lien against the property and there shall

be added to the amount of such assessment the cost of a reasonable attorney's fee for bringing said action.

In addition thereto, the Management Committee may bring an action in accordance with the Maryland Contract Lien Account (now codified as Title 14, Subtitle 2, of the Real Property Article of the Annotated Code of Maryland).

Article V

1. Amendment. No covenant except those set forth in Article III may be amended or changed in any manner without the prior written approval of the Queen Anne's County Planning Commission or other agency or person duly authorized by the County to approve such change or amendment.

2. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any of the covenants or restrictions, either to restrain or enjoin violation or to recover damages or both, and against any Lot to enforce the lien created hereby, and the failure or forbearance to enforce any covenant or restriction shall not be deemed a waiver of the right to do so thereafter.

These covenants may be enforced by the Management Committee or by the Owner of any Lot. In addition, these covenants (except those set forth in Article III) may be enforced by the County Commissioners of Queen Anne's County, The Queen Anne's County Planning Commission or other

department, agency or other public body or person enpowered by law or ordinance to enforce the zoning laws of Queen Anne's County or otherwise duly authorized by the County Commissioners of Queen Anne's County, but the authority contained in this sentence is permissive only; and the County Commissioners, the Planning Commission or other designee of the County have no affirmative duty at any time to enforce any covenant.

There shall be and 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 cannot be adequately remedied by action at law or exclusively by recovery of damages.

3. Incorporation by Reference on Resale. In the event any Owner sells or otherwise transfers or subdivides any Lot, any deed purporting to effect such transfer shall contain a provision incorporating by reference the covenants, restrictions, servitudes and easements set forth in this Declaration. Notwithstanding the foregoing provision of this Paragraph 3, every person or other entity, who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property, is and shall be conclusively deemed to have consented and agreed to every restriction, covenant and obligation contained herein, whether or not any reference to this Declaration is contained in the instrument by which such person or entity acquired an interest in the Property.

4. Notices. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, by ordinary mail, postpaid, to the address of the Owner as reflected on the real estate tax assessment records of Queen Anne's County, Maryland at the time of such mailing.

5. Severability. In case any one or more of the covenants or restrictions contained in this Declaration shall for any reason be held to be invalid, illegal or unenforceable in any respect by judgment, decree or order, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Declaration shall be construed as if such invalid, illegal or unenforceable covenant or restriction had never been contained herein.

6. Rights of Mortgagees. No breach of any of the restrictions or covenants contained herein shall defeat or render invalid the lien of any mortgage now or hereafter executed upon any lot subject to this Declaration; provided, however, that if any Lot is sold under a foreclosure of any mortgage or is conveyed to the party so secured in lieu of foreclosure, any purchaser at such sale or any such grantee and his heirs, legal representatives, successors and assigns shall hold any lot so purchased or acquired subject to all of the restrictions and covenants of this Declaration.

7. Captions and Gender. The captions contained in this Declaration are for convenience only and are not a part of

this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male shall include all genders and the singular shall include the plural.

Article VI

Owners shall be prohibited from usage of the road designated as "Fort Point Road" on the Plat.

IN WITNESS WHEREOF, WORTON LAND PARTNERSHIP, hereby acknowledges that it has been fully compensated for any restrictions other covenants which restrict or otherwise affect any land to which any of these covenants relate.

These covenants (a) are made by the Declarant for itself and for its successors and assigns, (b) are binding upon the Declarant and its successors and assigns and (c) shall run with and bind all of of the property.

AND Declarant has caused the Declaration to be executed on its behalf by the undersigned general partners as of the day and year first above written.

WITNESS:

WORTON LAND PARTNERSHIP

Jurgen von-Sethe (SEAL)
Jurgen von-Sethe

STATE OF MARYLAND)
) TO WIT:
COUNTY OF QUEEN ANNE'S)

I HEREBY CERTIFY that on the 8th day of July, 1988, before me, the subscriber, a Notary Public of the aforesaid State, personally appeared Jurgen von-Sethe, known to me (or satisfactorily proven) to be the person who executed the foregoing Declaration in this capacity as General Partner of Worton Land Partnership, as therein noted, and acknowledged that, having authority so to do, he executed the same as the act and deed of said general partnership for the purposes therein contained and delivered the same as such.

WITNESS my hand and Notarial Seal the year and day first above written.

Notary Public
My Commission Expires: 7/1/90

Approved as to legal sufficiency

Attorney to the Queen Anne's
County Planning Commission

7/12/88
Date

Approved:

The Queen Anne's County
Planning Commission

2/12/88
Date

GOOSE POINT IMPROVEMENT ASSOCIATION, INC.

HOMEOWNER'S ASSOCIATION DEPOSITORY

Pursuant to the Maryland Homeowner's Association Act, Title 11B, Real Property Section of the Annotated Code of Maryland, the Goose Point Improvement Association, Inc. files the enclosed information in the Homeowner's Association Depository, Circuit Court for Queen Anne's County, Maryland.

Respectfully submitted,

C. MacNair Speed, President
Goose Point Improvement
Association, Inc.

C.

RECEIVED
CLERK, CIRCUIT COURT
1988 DEC 23 AM 10: 15
QUEEN ANNE'S COUNTY

MISC 0#
RECD FEE 50.00

ARTICLES OF INCORPORATION

In compliance with the requirements of Title V, Subtitle II of the Corporations and Associations Article of the Annotated Code of Maryland, the undersigned, a resident of Maryland, who is at least eighteen (18) years of age, has this day, formed a non-stock corporation, not for profit and does hereby certify:

ARTICLE I

The name of the Corporation is Goose Point Improvement Association, Inc., hereinafter called the "Association".

ARTICLE II

The principal office of the Association is located at 6 Eareckson Lane, Stevensville, Queen Anne's County, Maryland, 21666.

ARTICLE III

Bobbye Helfenbein, whose address is 6 Eareckson Lane, Stevensville, Queen Anne's County, Maryland, 21666, is a citizen of Maryland and actually resides therein and is hereby appointed the registered agent of the Association.

ARTICLE IV

The terms "Association", "Common Area", "Lots", "Owner", and "Lands" as used in these Articles of Incorporation shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions relating to the Goose Point Improvement Association, Inc. dated December 31, 1981, and recorded among the Land Records of Queen Anne's County in Liber 181, at Folio 725, March 22, 1984, and recorded among the Land Records of Queen Anne's County in Liber 210, at Folio 354, and December 14, 1984, and recorded among the Land Records of Queen Anne's County in Liber 223, at Folio 754 (the "Declarations").

ARTICLE V

PURPOSES AND POWERS OF THE ASSOCIATION

The Association shall not operate for pecuniary gain or profit, shall not issue Stock, and no part of the net earnings of the Association shall inure to the benefit of any member or individual (except that reasonable compensation may be paid for services rendered), and the specific purposes for which it is formed are to provide for: (i) the use, improvement, maintenance, operation and repair of the Common Areas located in the Lands including any improvements and amenities located thereon; (ii) the establishment of rules and regulations for the use of the Common Areas including any improvements and amenities located thereon; (iii) the distribution among the Owners of the Lands of the costs of the use, improvement, maintenance and repair of the Common Areas including any improvements and amenities located thereon; and (iv) the promotion of the health, safety, pleasure, recreation and welfare of the residents of the Lots within the Lands. In furtherance of these purposes, the Association, (by action of its Directors unless otherwise noted in these Articles of Incorporation or in the Declarations) shall have full power to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declarations as the same may be amended from time to time as herein provided, the Declarations being incorporated herein by reference as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declarations; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the affairs of the Association, including all licenses, taxes or governmental charges levied or imposed against the Lands of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, subject, however, to the requirements of the Declarations;

(d) borrow money and, with the assent of two-thirds (2/3) of the votes of each class of members of the Association, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any property of the Common Area to any public agency, authority or utility subject, however, to the requirements of the Declarations and to such conditions as may be agreed to by the members; and

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purpose or annex additional property and open space, provided that, except as

otherwise provided in the Declarations, any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the votes of each class of the members; and

(g) to have and exercise any and all powers, rights and privileges which a non-stock corporation organized under the Corporation Law of the State of Maryland by law may now or hereafter have or exercise.

ARTICLE VI

Every Owner shall be a member of the Association. Membership shall be appurtinent to and may not be separated from ownership of any Lot.

ARTICLE VII

The Association shall have one class of voting membership:

Members shall be Owners and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members, however, for purposes of a quorum they shall be treated as a single member. The votes for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association. The number of Directors may be changed by

amendment of the By-Laws of the Association. The name and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

C. MacNair Speed
8 Eareckson Lane
Stevensville, MD 21666

Dennis L. Armiger
14 Eareckson Lane
Stevensville, MD 21666

Bobbye Helfenbein
6 Eareckson Lane
Stevensville, MD 21666

These Directors, (herein called "Charter Directors") shall serve until the first annual meeting of the members at which their successors are elected. In the event of death or resignation of a Charter Director during his term of office, the remaining Charter Directors shall elect a successor Charter Director to fill the unexpired term of such Charter Director.

ARTICLE IX

DISSOLUTION

The Association shall be dissolved with the assent given in writing and signed by the holders of not less than two-thirds (2/3) of the votes of each class of the members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created.

In the event that acceptance of such a dedication is refused, the assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to similar purposes.

ARTICLE X

The Association shall exist perpetually.

ARTICLE XI

The amendments to these Articles shall require the assent of the holders of two-thirds (2/3) of the votes of each class of members present in person or by proxy at the meeting at which the vote is taken.

IN WITNESS WHEREOF, for the purpose of forming this Corporation under the laws of the State of Maryland, the undersigned, C. MacNair Speed, whose post office address is 8 Eareckson Lane, Stevensville, Queen Anne's County, Maryland 21666, being at least eighteen (18) years of age, has executed these Articles of Incorporation this 26th day of August 1987, for the purposes of incorporating this Association.

C. MacNair Speed

STATE OF MARYLAND)
) to wit:
CITY OF BALTIMORE)

On this 26th day of August, 1987, before me personally appeared C. MacNair Speed, the person described in and who executed the foregoing Articles of Incorporation, and he acknowledged to me that he executed the same.

Nancy A. McConnell
Notary Public

My Commission Expires:
July 1, 1990

INFORMAL ORGANIZATIONAL ACTION OF THE BOARD OF DIRECTORS

August 27, 1987

The undersigned, constituting all of the members of the Board of Directors of Goose Point Improvement Association, Inc., a Maryland Corporation, in accordance with Section 2-408(c), of the Corporations and Associations Article of the Annotated Code of Maryland, do hereby take the actions below set forth, and to evidence their waiver of any right to dissent from such actions, do hereby consent as follows:

RESOLVED: That the Articles of Incorporation of this Corporation filed with the State Department of Assessments and Taxation on August 27th, 1987, and attached hereto and incorporated by reference herein be and the same are hereby approved and accepted.

RESOLVED: That the By-Laws attached hereto and incorporated by reference herein be and the same are hereby declared to be the By-Laws of the Corporation.

RESOLVED: That the following persons be and are hereby elected as officers of the Corporation in the respective capacities set forth after their several names, the term of the office of each person to be until the first annual meeting of the Board of Directors and until their respective successors shall be elected and qualified:

C. MacNair Speed - President

Dennis L. Armiger - Vice-President

Linda L. Armiger - Treasurer

Bobbye Helfenbein - Recording Secretary

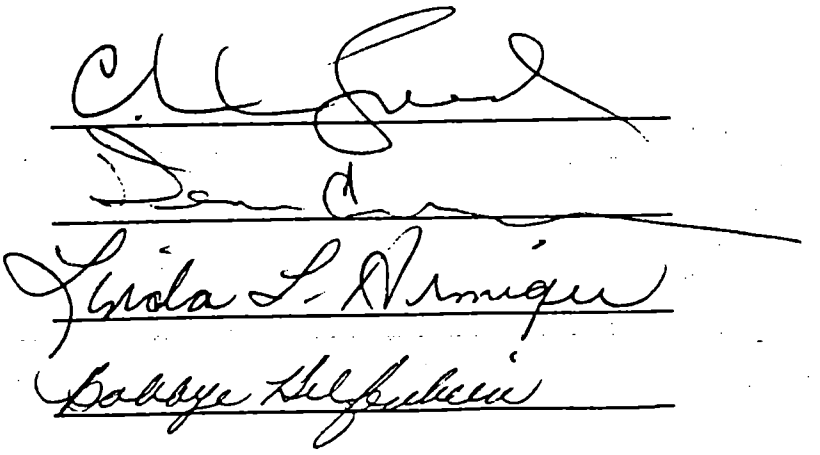
RESOLVED: That the seal of the Corporation shall consist of a circular impression bearing around the outside rim the words "GOOSE POINT IMPROVEMENT ASSOCIATION, INC.", and in the center the date "1987".

RESOLVED: That the Treasurer be and he is hereby authorized and and directed to pay all fees and expenses incident to and necessary for the organization and qualification of the Corporation, including, without limitation, all legal and accounting fees and costs to procure proper corporate books.

RESOLVED: That any and all actions taken or contracts entered into heretofore by an officer and/or director for the Corporation, either as officer and/or director, as well as any and all actions taken or contracts entered into by said persons as individuals, acting for the Corporation, be and the same are hereby ratified, approved and confirmed by the Corporation, and all such contracts adopted as though said individual had at such time full power and authority to act for the Corporation and in the same manner as if each and every act had been done pursuant to the specific authorization of the Corporation.

This Informal Action of the Board of Directors may be executed in counterparts.

WITNESS our signatures the day and year first above written.



CONSTITUTION AND BY-LAWS

GOOSE POINT IMPROVEMENT ASSOCIATION, INC.

ARTICLE I - NAME AND OBJECT

Section 1. This organization shall be known as "GOOSE POINT IMPROVEMENT ASSOCIATION, INC."

ARTICLE II - OBJECTIVES

Section 2. The purpose of this Association is as follows:

(a) To promote and protect the common interests of its members as property owners and residents in the Fourth Election District of Queen Anne's County, Maryland.

(b) To create and foster good faith, friendly relations and beneficial social relations among its members.

(c) To operate as a non-political, non-sectarian, and non-profit community organization for the improvement of public services and other living conditions, for the protection of property values, for the promotion of fellowship, and for the stimulation of interest in the maintenance of a high order of social and cultural life in the aforesaid Fourth Election District of Queen Anne's County.

ARTICLE II - MEMBERSHIP

Section 1. Any owner or resident of property within the boundary of the Goose Point area community as described in Section 5 of this article being of legal age shall be eligible for membership in this Association.

Section 2. The payment of annual dues shall constitute membership in this Association.

Section 3. The spouse of any member in good standing shall be recognized as a member without the necessity of paying additional dues. Each individual property shall generate only one membership, for voting or executing documents or petitions.

Section 4. A property owner or resident in the specified area or community, upon making payment of annual dues within three (3) calendar months prior to January 1 of any year, shall be considered as being a member in good standing for the remainder of the fiscal year in which payment occurred and for one (1) year beginning on January 1 following the receipt of payment.

Section 5. The Goose Point community is situated in the Fourth Election District of Queen Anne's County being known and designated as parcels no. 1 through 16, inclusive, set forth and shown on a certain plat entitled "Subdivision Plan of Goose Point Estates, 4th District, Queen Anne's County, Maryland", recorded among the land records of Queen Anne's County in Liber MWM No. 177, Folio 791 and parcels no. 1 through 14, inclusive, set forth and shown on a certain plat entitled, "Subdivision Plan of Goose Point Estates, Section Two, 4th District, Queen Anne's County, Maryland, recorded among the land records of Queen Anne's County, Maryland", recorded among the land records of Queen Anne's County in Liber MWM No. 210, Folio 354 and parcels no. 15, 16, 17 and 18, inclusive, recorded among the land records of Queen Anne's County in Liber MWM No. 223, Folio 754 and in Plat Book BWM 5, Folio 20, reference to the same being made for a more complete description thereof, and subject to the easements, building set back lines and other matters set forth on the said plat.

ARTICLE III - FEES AND DUES

Section 1. The dues of the Association shall be a minimum of Twenty Dollars ($20.00) per annum payable annually in advance.

ARTICLE IV - OFFICERS AND THEIR DUTIES

Section 1. The officers shall consist of a president, vice-president, treasurer, and recording secretary.

Section 2. There shall be a Board of Directors that consists of the officers of this Association together with three (3) board members and a maximum of one (1) most immediate past-president in good standing.

Section 3. It shall be the duty of the president to preside at all meetings and to appoint all committees among which may be: Zoning, Community Safety, Architectural Review, Directory, County Liaison.

Section 4. In the event of the president's absence, the vice-president shall perform his duties. In the absence of both the president and vice-president at any meeting, the members of the Board of Directors shall elect a temporary presiding officer.

Section 5. (a) It shall be the duty of the treasurer to receive all money from the financial secretary, render a receipt for the same, and pay all expenditures by check.

(b) The treasurer shall be the custodian of all the money and all other property that the Association may possess.

(c) The treasurer shall submit a written report at each regular meeting of the Board of Directors and also at the annual meeting. He shall give bond at the Association's expense in such amount as the Association may determine.

(d) The treasurer shall collect all dues, receive all money due the Association.

Section 6. (a) It shall be the duty of the recording secretary to keep a record of the proceedings of all meetings and an accurate count of the membership present at each meeting.

(b) The recording secretary shall attend to all correspondence of the Association and advise the membership in writing of all meetings at least one (1) week in advance there [illegible].

Section 7. (a) The Board of Directors shall have full power to transact the ordinary business of the Association which may arise and require action at any time other than at general or special meetings of the Association.

(b) The Board of Directors shall not have the power to make any transactions which may require assessment of the membership without the majority vote of the membership at a general or special meeting.

Section 9. Any vacancy created on the Board of Directors shall be temporarily filled by appointment by the President to serve until the next general meeting, at which time the vacancy shall be filled by election for the remainder of the unexpired term.

ARTICLE V - ELECTION OF OFFICERS

Section 1. (a) The nominating committee shall nominate members for election to the Board of Directors. The nominating committee shall be appointed by the president of the Association and may be composed of as many as five members, three of whom must be currently serving on the Board of Directors and two of whom may be chosen from the general membership.

(b) Nominations for election to the Board of Directors shall also be made from the floor at the general meeting of the Association.

Section 2. The election of members of the Board of Directors shall be by oral or written ballot at a general meeting and must receive a majority vote of those present to be elected.

Section 3. (a) The officers of this Association shall be elected to serve for one year or until their successors are duly elected and installed.

(b) Two members of the Board of Directors shall be elected each year to serve for a period of two years or until their successors are duly elected and installed.

(c) The officers of the Association shall be elected at the yearly general meeting together with the members of the Board of Directors said forth in sub-section (b).

Section 4. (a) The officers and Board of Directors of the Association duly elected and installed at the general meeting shall serve in their present offices until the general meeting of the following year.

(b) The officers and three (3) directors of the Association shall be elected at the general meeting. One of said directors shall be elected to serve for terms of office of one year or until their successors are duly elected and installed; and two of said directors shall be elected to serve for terms of office of two years or be elected to serve for terms of office of two years or until their successors are duly elected and installed.

(c) At the general meeting of each year, the order of election and terms of office of the officers and directors of this Association as herein described under Section 4 of this Article shall apply.

Section 5. In the event of any office becoming vacant, for any reason whatsoever, the Board of Directors shall fill the vacancy by appointing a member in good standing. The member so appointed shall serve for the unexpired term of office to which he succeeds.

ARTICLE VI - MEETINGS

Section 1. The annual meeting shall be held in January.

Section 2. Regular meetings shall be held by the Board of Directors at leat once each month or at any other time deemed necessary by them. Members of the Association will be welcome at the meetings of the directors.

Section 3. Special meetings of the Association may also be held upon the written request of ten (10) members in good standing. The recording secretary, in addition to notifying the membership of the

meeting, shall inform the members of the purpose of the special meeting and the names of the members requesting the meeting. The attendance of 10% of the membership shall be necessary to constitute a quorum at any meeting or special session of the Association.

Section 4. (a) All voting must be done in person by a member who shall be entitled to one vote.

(b) The spouse of any member in good standing shall be recognized as a member without necessity of paying additional dues. In the event both spouses choose to vote, each shall be entitled to 1/2 vote.

(c) Any household shall be entitled to only one (1) vote.

Section 5. A majority shall constitute a quorum at the meeting of the Board of Directors.

Section 6. Absence of any board member from three (3) consecutive meetings of the Board of Directors shall be sufficient reason for the board to declare his office vacant.

Section 7. Debate on any question shall be limited to ten (10) minutes for each member.

ARTICLE VII - WELFARE OF THE ASSOCIATION

Section 1. It shall be the duty of each member of the association to report from time to time to the general or special meetings of the Association, or to the regular meetings of the Board of Directors, or to any member of the Board of Directors any matter that may come to his or her knowledge affecting the health or general welfare of the community.

ARTICLE VIII - ORDER OF BUSINESS

1. Roll call to determine if sufficient membership is present for a quorum.

2. Minutes of the preceding meeting read and acted upon.

3. Reports of officers.

4. Reports of committees.

5. Reports of Board of Directors.

6. Deferred business.

7. New Business.

8. Nomination of members to Board of Directors and officers.

9. Election of members to Board of Directors and officers.

10. For the good of the Association.

ARTICLE IX - AMENDMENT

Section 1. Proposed amendments to these by-laws must be submitted in writing at a general meeting or special meeting of the Association.

Section 2. All members must be notified in writing of the proposed amendment prior to the next general meeting of the Association or special meeting called for that purpose.

THIS DEED, Made this 31 day of December, 1981, by and between CONNIE L. HUTSON, party of the first part; and THOMAS B. SULLIVAN, JR. and CAROL B. SULLIVAN, his wife, parties of the second part;

WITNESSETH: that for and in consideration of the sum of ONE DOLLAR ($1.00), and other good and valuable considerations, the receipt of which is hereby acknowledged, the said party of the first part, Connie L. Hutson, does hereby grant and convey unto the said parties of the second part, Thomas B. Sullivan, Jr. and Carol B. Sullivan, his wife, as tenants by the entireties, their heirs and assigns, in fee simple, the following described lands, to wit:

ALL those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, being part of "Goose Point Farm", and being known and designated as Parcel Nos. 1 through 16, Inclusive, set forth and shown on a certain plat entitled, "Subdivision Plan of Goose Point Estates, 4th District, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated May, 1981, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 177 folio 791 and in Plat Book M.W.M. No. 5 folio 20, reference to the same being made for a more complete description thereof, and subject to the easements, building set back lines and other matters set forth on the said plat.

BEING ALL the lands conveyed by Thomas B. Sullivan, Jr., et. ux., unto Connie L. Hutson, by deed dated the 31 day of December 1981, recorded or intended to be recorded among the Land Records of Queen Anne's County prior hereto.

SUBJECT, nevertheless, to the restrictive covenants and conditions, as follows, to wit:

JAN -7-82 * 29977 *****15.00
JAN -7-82 A 29977 *****15.00

Whenever used in the covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth, the following definitions shall apply, unless a contrary intention is clearly evident from the context:

a. The word "person", as hereinafter used, shall include individuals, co-partnerships, associations and corporations; the singular shall include the plural; and the use of any gender shall include all genders.

b. The word "Developer", as hereinafter used, shall mean Thomas B. Sullivan, Jr. and Carol B. Sullivan, and/or their heirs, personal representatives, assigns, and successor in the development of the hereinafter mentioned lands.

c. The words "Plat of Goose Point Estates", as hereinafter used, shall mean the subdivided lands, that plat entitled "Subdivision Plan Of Goose Point Estates, 4th District, Queen Anne's County, Maryland," by J.R. McCrone, Jr., Inc., registered engineers and surveyors, dated May, 1981, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 177 folio 791 and in Plat Book M.W.M No. 5 folio 20, or any amendment or revision thereof which may hereafter be recorded among said Land Records.

d. The word "owner" or "owners", as hereinafter used, shall mean the person or persons having, from time to time, the publicly recorded title to any lot or lots within said subdivision.

e. The word "lot" or the word "parcel", as hereinafter used, shall include the plural, and/or any two or more contiguous lots or parcels consolidated into one lot or parcel by the owner

or owners thereof.

f. The words "front lot line", as hereinafter used, shall mean that line of any parcel binding upon a street or roadway.

g. The words "street", "road", or "roadway", as hereinafter used, shall mean all those streets or roads as shown on the aforesaid plat, and all other interior roads of not less than fifty (50) feet in width.

1. No owner of any parcel in Goose Point Estates shall acquire, by reason of ownership of such parcel, any right to hunt or to erect duck, goose or other wildfowl hunting pits or blinds thereon. The Developer further reserves the right, in any manner whatsoever, to control, restrict or prevent all hunting or shooting in, over, upon and on Parcels 1 through 16 set forth on the aforementioned plat, in any manner.

2. (a) No building, dock, hedge, fence, wall sign, bulkhead, jetty, seawall, swimming pool, or any other structure of any kind or nature whatsoever, or any addition or accessory thereto, shall be commenced, erected, or maintained, nor shall any addition to, or change or alteration thereof be made until written or printed plans, specifications (showing the nature, kind, shape, heights, exterior materials, floor plans, and location of the improvement with respect to the plat plan, topography and ground elevation) shall have been submitted to, and approved in writing by, the Developer and copies of all building plans, specifications alterations, plans, plat plans, etc., as above required, permanently lodged with the Developer. In the event approval or disapproval is not made within 45 days of submission, approval shall not be required and the provisions of this Paragraph 2 shall be deemed to have been complied with.

(b) The Developer shall have the right to refuse to approve any building plan and/or grading plat, or material contemplated to be used in the proposed building or improvement, either external or internal, which, in the sole and uncontrolled opinion or discretion of the Developer is not considered suitable or desirable, whether for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement, and the materials of which the same is to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

(c) The Developer shall further have the right to establish such minimum standards of landscaping and planting of trees and shrubs as the Developer may deem appropriate for any improvements erected in Goose Point Estates.

(d) Any approval given hereunder shall become null and void unless construction of the approved structure is commenced within six (6) months of the date of such approval.

(e) The floor area of any dwelling house erected upon any parcel, exclusive of utility rooms, attics, basements and attached porches and garages, shall be not less than one thousand five hundred (1,500) square feet of living area for a one story dwelling, nor less than one thousand eight hundred (1,800) square feet of living area for a one and one-half story dwelling, nor less than two thousand (2,000) square feet of living area for a two story dwelling. No dwelling, garage, porch, or guest house shall be more than thirty-six (36) feet in elevation from ground level.

3. The Developer reserves the right and privilege to amend, modify or annul in whole or in part, the provisions in Paragraph 2 immediately preceding, whenever in the sole discretion of the Developer it is deemed best to do so.

4. Building set-back lines shall be the greater of the following, to wit: (a) as shown on the aforementioned subdivision plat as the same from time to time be amended, (b) or as established by the Comprehensive Zoning Ordinance of Queen Anne's County (adopted June 16, 1964) as from time to time amended, (c) or the subdivision regulations of said county as from time to time amended. Such entrance stoops, terraces, steps, eaves, cornices and gutters as may be approved by the Developer may be built, erected and maintained on any part of the restricted area.

5. All detached garages and other appurtenant structures of any kind whatsoever specifically including, but not being limited to, clotheslines, fuel tanks, garbage cans, incinerators, and wood and/or compost piles, shall be located not less than one hundred (100) feet from the shore line, or if no shoreline, not less than fifty (50) feet from rear lot lines and not less than forty (40) feet from side lot lines, and all such structures, with the sole exception of buildings, shall be concealed from view from the water and from adjacent parcels, roads or streets by walls, screens and/or screen plantings, as the owner shall elect.

The Developer shall, in all cases, have the right to determine the location of the front, side and/or rear lines of any parcel and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Developer thereon shall be final in all respects.

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6. No tree of more than eight (8) inches diameter, measured four (4) feet above the ground, shall be cut and no excavation shall be made on the premises except for the purpose of building thereon at the time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such operations. Any dwelling, outbuilding, or other structure, commenced as herein provided shall be completed within twelve (12) months of the date construction is commenced, unless the time for completion shall be extended by the Developer.

7. No boathouse shall be constructed on any parcel, or in or over the waters adjacent to any parcel, without the express written consent of the Developer.

8. No noxious or offensive trade shall be carried on upon any parcel, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. All parcels set forth on the aforementioned plat shall be used for residential purposes only, and not for purposes of any profession, trade or business whatsoever. No sampe houses shall be constructed thereon and speculative building is prohibited. Structures erected on any one parcel shall consist of a main dwelling or residence for the occupancy of one family only, together with a private garage, guest house, and other structures appurtenant to the main residence or to be used in connection therewith. On no parcel shall there be more than one family and their servants occupying the main building, or and structure appurtenant thereto.

9. No basement, tent, shack, garage, barn or other out-building shall be erected on any parcel and used temporarily or permanently as a residence. No trailer, recreational vehicle or habitable motor vehicle shall be parked or stored on any parcel and used temporarily or permanently for residential purposes,

but may be so parked or stored, unoccupied, providing they are parked or stored either (a) within a completely enclosed building or (b) to the side or rear of the main dwelling, and at least forty (40) feet from the side lot line, and not less than one hundred (100) feet from the shoreline, or if no shoreline, fifty (50) feet from the rear lot line. No truck larger than three-quarter (3/4) ton capacity, no commercial vehicle, and no construction equipment, shall be parked or stored on any parcel other than as hereinabove provided, nor shall any such truck, vehicle or equipment be parked on any street except while engaged in transporting to or from a residence therein or, in the case of construction equipment, while actively engaged upon construction work therein.

10. No animal, livestock, poultry, or other fowl of any kind shall be raised, bred or kept on any parcel, provided however, that no more than three (3) dogs, cats or other household pets may be so raised, bred or kept, provided that they are not raised, bred or kept for any commercial purpose.

11. No owner of any parcel shall sell, lease, or in any manner transfer any portion of a parcel less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Developer shall have given its prior written consent thereto.

12. (a) In order to preserve or improve the views, to promote the free movement of air and to prevent the harboring of flies, mosquitoes and other insects, the Developer reserves the right to require the owner of any parcel, upon thirty (30) days written notice, mailed to the owner at his address as shown in the tax assessments records of Queen Anne's County, to trim any trees or shrubbery, to cut and remove any tall grasses and weeds,

and/or to remove any trash and litter standing on any part of such parcel which may, in the opinion of the Developer, destroy or interfere with such views or the free movement of air and/or the harboring of insects, and the Developer may trim, cut and remove such trees, shrubbery, grasses, weeds, trash and litter at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

(b) The land and all improvements thereon shall be maintained so as to present a neat and orderly appearance and in good condition and repair. No lot shall be used or maintained as a dumping ground for rubbish. Trash, rubbish, garbage and other wastes shall not be kept on the premises except in sanitary covered containers and equipment or devices for the disposal or storage thereof shall be kept in a clean and sanitary condition screened so in such manner that the storage and disposal containers and equipment shall not be visible from the front or sides of any parcel.

(c) Additional standards relating to improvement and construction of any parcel are as follows:

(1) The fronts of all dwellings must be newly landscaped with a minimum of ten (10) shrubs or trees. In the case of wooded lots, existing stands of trees will be counted towards this requirement.

(2) All exposed masonry block used in any construction on any lot to be parged or painted so as to give a finished appearance. Also, all exposed concrete walls are required to have a finished surface.

(3) All siding of dwellings must be of a natural appearance conforming to a rural wooded area setting. All

siding colors used must be that of earth tones.

(4) Any exposed areas of prefabricated flues have to be painted the same color as that of the roof of the dwelling.

(5) All gutters and downspout colors must blend in with other dwelling colors.

(6) The location of all air conditioning compressors or heat pumps have to be screened or enclosed from outside view.

(7) Whenever a dwelling is premanufactured or custom built on site, that house must be compatible with other dwellings at the properties.

(8) All storage shed construction must be comprised of similar materials used for dwelling construction.

(9) No above-ground swimming pools shall be erected.

(10) All oil or propane tanks have to be either in ground, screened or enclosed from view.

(11) Any solar collector panels must blend architecturally with the dwelling and lot.

13. Easements and rights of way are hereby expressly reserved upon, in and over strips of land five (5) feet in width along all interior lot lines and strips of land ten (10) feet in width along the outer edges of all streets in Goose Point Estates for the purpose of erecting, constructing, inspecting and maintaining poles, wires and conduits, and the necessary or proper attachments in connection therewith, for the transmission of electricity and for telephone and other public utilities or services, and for public sanitary sewers and storm water drainage; and the Developer, and/or its nominees, shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set

forth. The Developer shall have the right to remove, prune or trim any tree or shrub interfering with the construction or maintenance of electric or telephone lines or other utility services.

14. The owner or owners of each lot or parcel in Goose Point shall bear an equal, proportionate share of any costs, charges or expenses of the Developer in (a) the enforcement of these covenants, agreements, easements, restrictions, conditions and charges, and (b) the erection, maintenance and/or replacement of an entrance sign and roadway signs, if any, within said subdivision. An assessment against each owner for such purposes may be made by the Developer as needed from time to time. The non-payment of any such assessment, or of any arrearage charges, shall not constitute a lien upon said real estate but shall be a matter only of personal liability against the owner or owners thereof. Interest may be charged for any account thirty (30) days or more over due, and each owner shall further be liable for all costs of collection of past due accounts, including reasonable legal fees.

15. All of the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty-five (25) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary or mortgagee interests) of the parcels subject hereto may at any time amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments duly executed and properly recorded among the Land Records of Queen Anne's County.

16. If any provision of the covenants and restrictions herein contained, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

17. The provisions herein contained shall run with and bind the land and shall inure to the benefit of, and be enforceable by, the Developer or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any parcel or other area, their respective legal representatives, heirs, successors and assigns; and failure by the Developer or any land owner to enforce any restriction, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so.

Violation of any covenant, condition or restriction herein shall give the Developer, in addition to all other remedies, (a) the right to enter upon the land upon, or as to which such violation exists and summarily to abate and remove, at the expense of the owner thereof, such violation, and neither the Developer, nor any of the agents, officers, or employees of the Developer, shall thereby be deemed guilty of any manner of trespass for such entry, abatement or removal, or be liable for any damages resulting therefrom, and (b) the right to apply for injunctive relief, the parties hereto agreeing that any such breach cannot be compensated adequately by recovery of damages. All such rights shall be continuing in character, and shall not be deemed to be terminated, exhausted or abridged by the multiple exercise thereof.

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18. The Developer hereby expressly reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein by an appropriate written instrument, so long as such changes do not substantially affect the rights of any owner of any parcel. Where any owner's rights are so substantially affected, before any such change can become operative, all affected owners must indicate their consent to and approval of such annulment, waiver, modification or change, by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

19. Any or all of the rights, titles, easements and estates given to or reserved by the Developer in this instrument may be assigned, in whole or in part, to one or more persons, corporations or associations, and likewise all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon the Developer by this instrument may be assigned and transferred to one or more entities agreeing to assume, exercise, carry out and perform the same. The Developer may, at any time deemed advisable, cause any or all of said rights, titles, easements and estates to be conveyed to an association to be formed by the several property owners in Goose Point Estates. Each person, by the acceptance of a deed to, or by entering into possession of, property in Goose Point Estates, agrees to become a member of such an association and to pay such reasonable dues and assessments as may be levied from time to time by a majority vote of the association, provided that only owners and lessees of property in Goose Point Estates shall be eligible for membership in said association. Any such assignment or

transfer shall be made by an appropriate written agreement in which the assignee or transferee shall join for the purpose of evidencing its consent to and the acceptance and assumption of such powers, duties and obligations; and such assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are herein given to, assumed by, or imposed upon the Developer and the Developer thereupon being released therefrom.

The aforegoing restrictive covenants and conditions are intended to constitute a general plan or scheme of development for the lands hereinabove referred to.

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TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said parties of the second part, Thomas B. Sullivan, Jr. and Carol B. Sullivan, his wife, as tenants by the entireties, their heirs and assigns, in fee simple.

AND the said party of the first part does hereby covenant that she has not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that she will warrant specially the property hereby granted and conveyed; and that she will execute such further assurances of the same as may be requisite.

WITNESS the hand and seal of said Grantor.

WITNESS:

Rachel L. Downes Jr. — Connie L. Hutson (SEAL)
Connie L. Hutson

STATE OF MARYLAND

COUNTY OF QUEEN ANNE'S to wit:

I HEREBY CERTIFY, that on this 31 day of March, 1981, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Connie L. Hutson, and she did acknowledge the aforegoing Deed to be her act.

AS WITNESS my hand and Notarial Seal.

Rachel L. Downes Jr.
NOTARY PUBLIC

My Commission Expires: July 1, 1982

AFFIDAVIT OF CONSIDERATION

"I Connie L. Hutson, hereby certifys under the penalties of perjury that the actual consideration paid or to be paid for the afofegoing conveyance, including the amount of any mortgage or deed of trust assumed by the grantee, is in the sum total of $-0-".

WITNESS:

Rachel L. Downes Jr. — Connie L. Hutson
Connie L. Hutson
Affiant

THIS DEED AND ASSIGNMENT, dated this day of , 1988, by and between THOMAS B. SULLIVAN, JR. and CAROL B. SULLIVAN (the "Assignor"), and THE GOOSE POINT IMPROVEMENT ASSOCIATION, INC., a Maryland nonstock corporation (the "Assignee").

WITNESSETH, that in consideration of the sum of Five Dollars ($5.00) and other good and valuable consideration, the Assignor does hereby grant, convey and assign unto the Assignee, its successors and assigns, all of the rights, titles, easements and estates given to or reserved by the Assignor in a certain Deed dated December 31, 1981, from CONNIE L. HUTSON to Assignor, which Deed is recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 181, folio 725. Furthermore, the Assignor does hereby delegate to the Assignee, and the Assignee does hereby assume, all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon the Assignor by the aforesaid Deed, and the Assignee hereby agrees to assume, exercise, carry out and perform the same.

The real property subject to the aforesaid rights, titles, easements, estates, powers, duties and obligations is described as follows, to wit:

All those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland being part of "Goose Point Farm", and being known and designated as parcels numbered 1 through 16, inclusive, set forth and shown on a certain Plat entitled, "Plat of Subdivision Plan of Goose Point Estates, Section One, Kent Island, Fourth District, Queen Anne's County, Maryland", which Plat is recorded among the Land Records of Queen Anne's County in Plat, Book M.W.M. No. 6, folio 50, reference to the same being made for a more complete description thereof, and subject to the easements, building set back lines and other matters set forth in the said Plat.

Being the same property which, by Deed dated December 31, 1981 and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 181, folio 725, was granted and conveyed by Connie L. Hutson unto the within Assignor, subject to the restrictive covenants and conditions set forth in such Deed.

WITNESS the hands and seals of the Assignor and the Assignee as of the date first above written.

_____ _____ (SEAL)
THOMAS B. SULLIVAN, JR.

_____ _____ (SEAL)
CAROL B. SULLIVAN

"Assignor"

ATTEST: THE GOOSE POINT IMPROVEMENT ASSOCIATION, INC.

_____ By: _____ (SEAL)
Bobbye Helfenbein, Secretary C. MacNair Speed, President

"Assignee"

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S to wit:

I HEREBY CERTIFY that on this _____ day of _____, 1988, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared THOMAS B. SULLIVAN, JR., and he acknowledged the foregoing Deed and Assignment to be his lawful act.

WITNESS my hand and Notarial Seal.

_____
Notary Public

My Commission expires:

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S to wit:

I HEREBY CERTIFY that on this _____ day of _____, 1988, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared CAROL B. SULLIVAN, JR., and she acknowledged the foregoing Deed and Assignment to be her lawful act.

WITNESS my hand and Notarial Seal.

_____
Notary Public

My Commission expires:

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S to wit:

I HEREBY CERTIFY that on this _____ day of _____, 1988, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared C. MacNair Speed, President of THE GOOSE POINT IMPROVEMENT ASSOCIATION, INC., and he acknowledged the foregoing Deed and Assignment to be the lawful act of the corporation.

WITNESS my hand and Notarial Seal.

_____
Notary Public

My Commission expires:

THIS DEED, made this 22nd day of March, 1984, by and between JOSEPH S. DOWNEY, JR. and THOMAS B. SULLIVAN, JR., co-partners, trading as Goose Point Estates, parties of the first part; and CONNIE L. HUTSON, party of the second part;

WITNESSETH: that for and in consideration of the sum of ONE DOLLAR ($1.00), and other good and valuable considerations, the receipt of which is hereby acknowledged, the said parties of the first part, Joseph S.Downey, Jr. and Thomas B. Sullivan, Jr., co-partners, trading as Goose Point Estates,, does hereby grant and convey unto the said party of the second part, Connie L. Hutson, her heirs and assigns, in fee simple, the following described lands, to wit:

ALL those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, being part of "Goose Point Farm", and being known and designated as Lots Nos. 1 through 14, inclusive, set forth and shown on a certain plat entitled, "Subdivision Plan of Goose Point Estates, Section Two, 4th District, Queen Anne's County, Maryland", by J.R. McCrone, Jr., Inc., registered engineers and surveyors, dated November, 1983, recorded or intended to be recorded among the Land Records of Queen Anne's County, reference to the same being made fc a more complete description thereof, and subject to the easements, building set back lines and other matters set forth on the said plat.

BEING all the lands conveyed to Joseph S. Downey, Jr. and Thomas B. Sullivan, Jr., by deed from Thomas B. Sullivan, Jr., et.ux., dated the 20th day of February, 1984, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 209 folio 255.

SUBJECT, nevertheless, to the restrictive covenants and conditions, as follows, to wit:

Whenever used in the covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth, the following definitions shall apply, unless a contrary intention is clearly evident from the context:

a. The word "person", as hereinafter used, shall include individuals, co-partnerships, associations and corporations; the singular shall include the plural; and the use of any gender shall include all genders.

b. The word "Developer", as hereinafter used, shall mean Joseph S. Downey, Jr. and Thomas B. Sullivan, Jr., and/or their heirs, personal

representatives, assigns, and successor in the development of the hereinafter mentioned lands.

c. The words "Goose Point Estates, Section Two", as hereinafter used, shall mean the subdivided lots numbered 1 through 14, inclusive, shown on the plat entitled "Subdivision Plan Of Goose Point Estates, Section Two, Fourth District, Queen Anne's County, Maryland," by J.R. McCrone, Jr., Inc., registered engineers and surveyors, dated November, 1983, and intended to be recorded among the Land Records of Queen Anne's County, or any amendment or revision thereof which may hereafter be recorded among said Land Records.

d. The word "owner" or "owners", as hereinafter used, shall mean the person or persons having, from time to time, the publicly recorded title to any lot or lots within said subdivision.

e. The word "lot" or the word "parcel", as hereinafter used, shall include the plural, and/or any two or more contiguous lots or parcels consolidated into one lot or parcel by the owner or owners thereof.

f. The words "front lot line", as hereinafter used, shall mean that line of any parcel binding upon a street or roadway.

g. The words "street", "road", or "roadway", as hereinafter used, shall mean all those streets or roads as shown on the aforesaid plat, and all other interior roads of not less than fifty (50) feet in width.

1. No owner of any parcel in Goose Point Estates, Section Two, shall acquire, by reason of ownership of such parcel, any right to hunt or to erect duck, goose or other wildfowl hunting pits or blinds thereon. The Developer further reserves the right, in any manner whatsoever, to control, restrict or prevent all hunting or shooting in, over, upon and on Lots 1 through 14 set forth on the aforementioned plat.

2. (a) No building, dock, hedge, fence, wall, sign, bulkhead, jetty, seawall, swimming pool, or any other structure of any kind or nature whatsoever, or any addition or accessory thereto, shall be commenced, erected, or maintained, nor shall any addition to, or change or alteration thereof be made until written or printed plans, specifications (showing the nature, kind, shape, heights, exterior materials, floor plans, and location of the improvement with respect to the plat plan, topography and ground elevation) shall have been submitted to, and approved in writing by, the Developer and copies of all building plans, specifications, alterations, plans, plat plans, etc., as above required, permanently lodged with the Developer. In the event approval or disapproval is not made within 45 days of submission, approval shall not be required and the provisions of this Paragraph 2 shall be deemed to have been completed.

(b) The Developer shall have the right to refuse to approve any building plan and/or grading plat, or landscape plan, or material, contemplated to be used in the proposed building or improvement, either external or internal, which, in the sole and uncontrolled opinion or discretion of the Developer is not considered suitable or desirable whether for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement and the materials of which the same is to be built, erected

or constructed to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

(c) The Developer shall further have the right to establish such minimum standards of landscaping and planting of trees and shrubs as the Developer may deem appropriate for any improvements erected in Goose Point Estates, Section Two.

(d) Any approval given hereunder shall become null and void unlesa conatruction of the approved structure is commenced within six (6) months of the date of such approval.

(e) The floor area of any dwelling house erected upon any parcel, excluaive of utility rooms, attics, basements and attached porches and garages, shall be not less than one thousand five hundred (1,500) square feet of living area for a one story dwelling, nor less than one thousand eight hundred (1,800) square feet of living area for a one and one-half story dwelling, nor less than two thousand (2,000) square feet of living area for a two story dwelling. No dwelling, garage, porch, or guest house shall be more than a total of thirty-aix (36) feet in elevation from ground level.

3. The Developer reserves the right and privilege to amend, modify or annul in whole or in part, the provisions in Paragraph 2 immediately preceding, whenever in the sole discretion of the Developer it is deemed best to do so.

4. Building set-back linea shall be the greater of the following, to wit: (a) as shown on the aforementioned subdivision plat as the same from time to time be amended, (b) or as established by the Comprehensive Zoning Ordinance of Queen Anne's County (adopted June 16, 1964) as from time to time amended, (c) or the subdivision regulations of said County as from time to time amended. Such entrance stoops, terraces, steps, eaves, cornices and gutters as may be approved by the Developer may be built, erected and maintained on any part of the restricted area.

5. All detached garages and other appurtenant structures of any kind whatsoever specifically including, but not being limited to, clotheslines, fuel tanks, garbage cans, incinerators, and wood and/or compost piles, shall be located not less than one hundred (100) feet from the shore line, or if no shoreline, not less than fifty (50) feet from rear lot lines and not less than forty (40) feet from side lot lines, and all such structures, with the sole exception of buildings, shall be concealed from view from the water and from adjacent parcels, roads or streets by walls, screens and/or screen plantings, as the owner shall elect.

The Developer shall, in all cases, have the right to determine the location of the front, side and/or rear lines of any parcel and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Developer thereon shall be final in all respects.

6. No tree of more than eight (8) inches diameter, measured four (4) feet above the ground, shall be cut and no excavation shall be made on the premises except for the purpose of building thereon at the time when the building operations are commenced, and no earth or sand shall

be removed from said premises except as a part of auch operations. Any dwelling, outbuilding, or other structure, commenced as herein provided shall be completed within twelve (12) months of the date construction is commenced, unless the time for completion shall be extended by the Developer.

7. No boathouse shall be constructed on any parcel, or in or over the waters adjacent to any parcel, without the express written consent of the Developer.

8. No noxious or offensive trade shall be carried on upon any parcel, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbora. All lots set forth on the aforementioned plat shall be used for residential purposes only, and not for purposea of any profession, trade or business whatsoever. No sample houses shall be constructed thereon and speculative building is prohibited. Structures erected on any one parcel shall consist of a main dwelling or residence for the occupancy of one family only, together with a private garage, guest house, and other structures appurtenant to the main residence or to be used in connection therewith. On no parcel shall there be more than one family and their servants occupying the main building, or and structure appurtenant thereto.

9. No basement, tent, shack, garage, barn or other outbuilding shall be erected on any parcel and used temporarily or permanently as a residence. No trailer, recreational vehicle or habitable motor vehicle shall be parked or stored on any parcel and used temporarily or permanently for residential purposes, but may be so parked or stored, unoccupied, providing they are parked or stored either (a) within a completely enclosed building or (b) to the side or rear of the main dwelling, and at least forty (40) feet from the side lot line, and not less than one hundred (100) feet from the shoreline, or if no shoreline, fifty (50) feet from the rear lot line. No truck larger than three-quarter (3/4) ton capacity, no commercial vehicle, and no construction equipment, shall be parked or stored on any parcel other than as hereinabove provided, nor shall any such truck, vehicle or equipment be parked on any street except while engaged in transporting to or from a residence therein or, in the case of construction equipment, while actively engaged upon construction work therein.

10. No animal, livestock, poultry, or other fowl of any kind shall be raised, bred or kept on any parcel, provided however, that no more than three (3) dogs, cats or other household pets may be so raised, bred or kept, provided that they are not raised, bred or kept for any commercial purpose.

11. No owner of any parcel shall sell, lease, or in any manner transfer any portion of a parcel less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Developer shall have given its prior written consent thereto.

12. (a) In order to preserve or improve the views, to promote the free movement of air and to prevent the harboring of flies, mosquitoes and other insects, the Developer reserves the right to require the owner of any parcel, upon thirty (30) days written notice, mailed to the owner at his address as shown in the tax assessments records in Queen Anne's County, to trim any trees or shrubbery, to cut and remove any tall

grasses and weeds, and/or to remove any trash and litter standing on any part of such parcel which may, in the opinion of the Developer, destroy or interfere with such views or the free movement of air and/or the harboring of insects, and the Developer may trim, cut and remove such trees, shrubbery, grasses, weeds, trash and litter at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

(b) The land and all improvements thereon shall be maintained so as to present a neat and orderly appearance and in good condition and repair. No lot shall be used or maintained as a dumping ground for rubbish, litter or debris. Trash, rubbish, garbage and other wastes shall not be kept on the premises except in sanitary covered containers and equipment or devices for the disposal or storage thereon, and such containers or equipment or devices shall be kept in a clean and sanitary condition screened so in such manner that the storage and disposal containers and equipment or devices shall not be visible from the front or sides of any parcel.

(c) Additional standards relating to improvement and construction of any parcel are as follows:

(1) The fronts of all dwellings must be newly landscaped with a minimum of ten (10) shrubs or trees. In the case of wooded lots, existing stands of trees will be counted towards this requirement.

(2) All exposed masonry block used in any construction on any lot shall be parged or painted so as to give a finished appearance. Also, all exposed concrete walls are required to have a finished surface.

(3) All siding of dwellings must be of a natural appearance conforming to a rural wooded area setting. All siding colors used must be that of earth tones.

(4) Any exposed areas of prefabricated flues have to be painted the same color as that of the roof of the dwelling.

(5) All gutters and downspout colors must blend in with other dwelling colors.

(6) The location of all air conditioning compressors or heat pumps have to be screened or enclosed from outside view.

(7) Whenever a dwelling is premanufactured or custom built on site, that house must be compatible with other dwellings in the development.

(8) All storage shed construction must be comprised of similar materials used for dwelling construction.

(9) No above-ground swimming pools shall be erected.

(10) All oil or propane tanks have to be either in ground, screened or enclosed from view.

(11) Any solar collector panels must blend architecturally with the dwelling and lot.

13. Easements and rights of way are hereby expressly reserved upon, in and over strips of land five (5) feet in width along all interior lot lines and strips of land ten (10) feet in width along the outer edges of all streets in Goose Point Estates, Section Two, for the purpose of erecting, constructing, inspecting and maintaining poles, wires and conduits, and the necessary or proper attachments in connection therewith, for the transmission of electricity and for telephone and other public utilities or services, and for public sanitary sewers and storm water drainage; and the Developer, and/or its nominees, shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth. The Developer shall have the right to remove, prune or trim any tree or shrub interfering with the construction or maintenance of electric or telephone lines or other utility services.

14. The owner or owners of each lot or parcel in Goose Point Estates, Section Two, shall bear an equal, proportionate share of any costs, charges or expenses of the Developer in (a) the enforcement of these covenants, agreements, easements, restrictions, conditions and charges, and (b) the erection, maintenance and/or replacement of an entrance sign and roadway signs, if any, within said subdivision. An assessment against each owner for such purposes may be made by the Developer as needed from time to time. The non-payment of any such assessment, or of any arrearage charges, shall not constitute a lien upon said real estate but shall be a matter only of personal liability against the owner or owners thereof. Interest may be charged for any account thirty (30) days or more overdue, and each owner shall further be liable for all costs of collection of past due accounts, including reasonable legal fees.

15. All of the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty-five (25) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary or mortgagee interests) of the parcels subject hereto may at any time amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments duly executed and properly recorded among the Land Records of Queen Annes' County.

16. If any provision of the covenants and restrictions herein contained, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

17. The provisions herein contained shall run with and bind the land and shall inure to the benefit of, and be enforceable by the Developer or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any parcel or other area, their respective legal representatives, heirs, successors and assigns; and failure by the Developer or any land owner to enforce any restriction, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so.

Violation of any covenant, condition or restriction herein shall give the Developer, in addition to all other remedies, (a) the right to enter upon the land upon, or as to which such violation exists and

summarily to abate and remove, at the expense of the owner thereof, such violation, and neither the Developer, nor any of the agents, officers, or employees of the Developer, shall thereby be deemed guilty of any manner of trespass for such entry, abatement or removal, or be liable for any damages resulting therefrom, and (b) the right to apply for injunctive relief, the parties hereto agreeing that any such breach cannot be compensated adequately by recovery of damages. All such rights shall be continuing in character, and shall not be deemed to be terminated, exhausted or abridged by the multiple exercise thereof.

18. The Developer hereby expressly reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein by an appropriate written instrument, so long as such changes do not substantially affect the rights of any owner of any parcel. Where any owner's rights are so substantially affected, before any such change can become operative, all affected owners must indicate their consent to and approval of such annulment, waiver, modification or change, by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

19. Any or all of the rights, titles, easements and estates given to or reserved by the Developer in this instrument may be assigned, in whole or in part, to one or more persons, corporations or associations, and likewise all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon the Developer by this instrument may be assigned and transferred to one or more entities agreeing to assume, exercise, carry out and perform the same. The Developer may, at any time deemed advisable, cause any or all of said rights, titles, easements and estates to be conveyed to an association to be formed by the several property owners in the subdivision known as Goose Point Estates. Each person, by the acceptance of a deed to, or by entering into possession of, property in Goose Point Estates agrees to become a member of such an association and to pay such reasonable dues and assessments as may be levied from time to time by a majority vote of the association, provided that only owners and lessees of property in Goose Point Estates shall be eligible for membership in said association. Any such assignment or transfer shall be made by an appropriate written agreement in which the assignee or transferee shall join for the purpose of evidencing consent to and the acceptance and assumption of such powers, duties and obligations; and such assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are herein given to, assumed by, or imposed upon the Developer and the Developer thereupon being released therefrom.

The aforegoing restrictive covenants and conditions are intended to constitute a general plan or scheme or development for the lands hereinabove referred to.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or

appertaining, unto and to the proper use and benefit of the said party of the second part, Connie L. Hutson, her heirs and assigns, in fee simple.

AND the said parties of the first part do hereby covenant that they have not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed, that they will warrant specially the property hereby granted and conveyed; and that they will execute such further assurances of the same as may be requisite.

WITNESS the hands and seals of said Grantors.

WITNESS:

Denise C. Frantom _____ _____ (SEAL)
JOSEPH S. DOWNEY, JR., co-partner, trading as Goose Point Estates

Denise C. Frantom _____ _____ (SEAL)
THOMAS B. SULLIVAN, JR., co-partner, trading as Goose Point Estates

STATE OF MARYLAND

TO WIT:

COUNTY OF Queen Anne's

I HEREBY CERTIFY, that on this 22 day of March, 1984, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Joseph S. Downey, Jr., co-partner, trading as Goose Point Estates,, and he did acknowledge the aforegoing Deed to be his act.

AS WITNESS my hand and Notarial Seal.

_____
NOTARY PUBLIC
My Commission Expires: 7-1-1986

STATE OF MARYLAND

TO WIT:

COUNTY OF Queen Anne's

I HEREBY CERTIFY, that on this 22 day of March, 1984, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Thomas B. Sullivan, Jr., co-partner, trading as Goose Point Estates, and he did acknowledge the aforegoing Deed to be his act.

AS WITNESS my hand and Notarial Seal.

_____
NOTARY PUBLIC
My Commission Expires: 7-1-1986

THIS DEED AND ASSIGNMENT, dated this day of , 1988 by and between JOSEPH S. DOWNEY, JR. and THOMAS B. SULLIVAN, JR., co-partners, trading as Goose Point Associates (the "Assignor"), and THE GOOSE POINT IMPROVEMENT ASSOCIATION, INC., a Maryland nonstock corporation (the "Assignee").

WITNESSETH, that in consideration of the sum of Five Dollars ($5.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby grant, convey and assign unto the Assignee, its successors and assigns, all of the rights, titles, easements and estates given to or reserved by the Assignor in a certain Deed dated March 22, 1984 from the Assignor to CONNIE L. HUTSON, which Deed is recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 210, folio 354. Furthermore, the Assignor does hereby delegate to the Assignee, and the Assignee does hereby assume, all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon the Assignor by the aforesaid Deed, and the Assignee hereby agrees to assume, exercise, carry out and perform the same.

The real property subject to the aforesaid rights, titles, easements, estates, powers, duties and obligations is described as follows, to wit:

All those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland being part of "Goose Point Farm", and being known and designated as Lots numbered 1 through 14, inclusive, set forth and shown on a certain Plat entitled, "Plat of Subdivision Plan of Goose Point Estates, Section Two, Kent Island, Fourth District, Queen Anne's County, Maryland", which Plat is recorded among the Land Records of Queen Anne's County in Plat, Book M.W.M. No. 6, folio 50, reference to the same being made for a more complete description thereof, and subject to the easements, building set back lines and other matters set forth in the said Plat.

Being the same property which, by Deed dated March 22, 1984 and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 210, folio 354, was granted and conveyed by Joseph S. Downey, Jr. and Thomas B. Sullivan, Jr., co-partners, trading as Goose Point Associates, the within Assignor, unto Connie L. Hutson, subject to the restrictive covenants and conditions set forth in such Deed.

WITNESS the hands and seals of the Assignor and the Assignee as of the date first above written.

_____ _____ (SEAL)
JOSEPH S. DOWNEY, JR.,
co-partner, trading as Goose
Point Associates

_____ _____ (SEAL)
THOMAS B. SULLIVAN, JR.,
co-partner, trading as Goose
Point Associates

"Assignor"

ATTEST:

THE GOOSE POINT IMPROVEMENT ASSOCIATION, INC.

_____ By: _____ (SEAL)
Bobbye Helfenbein, Secretary C. MacNair Speed, President

"Assignee"

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S to wit:

I HEREBY CERTIFY that on this 4th day of November, 1988, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared JOSEPH S. DOWNEY, JR. and THOMAS B. SULLIVAN, Jr., co-partners, trading as Goose Point Associates, and they acknowledged the foregoing Deed and Assignment to be their lawful act.

WITNESS my hand and Notarial Seal.

Reginald E. Shreve
Notary Public

My Commission expires: July 1, 1990

STATE OF MARYLAND, ~~COUNTY OF QUEEN ANNE'S~~ City of Baltimore to wit:

I HEREBY CERTIFY that on this 12th day of December, 1988, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared C. MacNair Speed, President of THE GOOSE POINT IMPROVEMENT ASSOCIATION, INC., and he acknowledged the foregoing Deed and Assignment to be the lawful act of the corporation.

WITNESS my hand and Notarial Seal.

Nancy A. McCormick
Notary Public

My Commission expires: July 1, 1990

RECEIVED
CLERK'S COURT COURT

1984 DEC 14 PM 3 45

QUEEN ANNE'S COUNTY

THIS DEED, made this 14th day of December, 1984, by and between JOSEPH S. DOWNEY, JR. and THOMAS B. SULLIVAN, JR., co-partners, trading as Goose Point Associates, parties of the first part; and CONNIE L. HUTSON, party of the second part;

WITNESSETH: that for and in consideration of the sum of ONE DOLLAR ($1.00), and other good and valuable considerations, the receipt of which is hereby acknowledged, the said parties of the first part, Joseph S. Downey, Jr. and Thomas B. Sullivan, Jr., co-partners, trading as Goose Point Associates, do hereby grant and convey unto the said party of the second part, Connie L. Hutson, her heirs and assigns, in fee simple, the following described lands, to it:

ALL those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, being part of "Goose Point Farm", and being known and designated as Lots Nos. 15,16,17 and 18, inclusive, set forth and shown on a certain plat entitled, "Plat Of Subdivision Plan Of Goose Point Estates, Section Three, Kent Island, Fourth District, Queen Anne's County, Maryland", by McCrone, Inc., registered engineers and surveyors, dated October, 1984, recorded or intended to be recorded among the Land Records of Queen Anne's County, reference to the same being made for a more complete description thereof, and subject to the easements, building set back lines and other matters set forth on the said plat.

BEING all the lands conveyed to Joseph S. Downey, Jr. and Thomas B. Sullivan, Jr., by deed from Thomas B. Sullivan, Jr., et.ux., dated the 20th day of February, 1984, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 209 folio 255.

SUBJECT, nevertheless, to the restrictive covenants and conditions, as follows, to wit:

Whenever used in the covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth, the following definitions shall apply, unless a contrary intention is clearly evident from the context:

a. The word "person", as hereinafter used, shall include individuals, co-partnerships, associations and corporations; the singular shall include the plural; and the use of any gender shall include all genders.

b. The word "Developer", as hereinafter used, shall mean Joseph S. Downey, Jr. and Thomas B. Sullivan, Jr., and/or their heirs, personal

representatives, assigns, and successor in the development of said subdivision.

c. The words "Goose Point Estates, Section Three", as hereinafter used, shall mean the subdivided lots numbered 15,16,17 and 18, inclusive, shown on the plat entitled "Plat of Subdivision Plan Of Goose Point Estates, Section Three, Kent Island, Fourth District, Queen Anne's County, Maryland," by McCrone, Inc., registered engineers and surveyors, dated October, 1984, and intended to be recorded among the Land Records of Queen Anne's County, or any amendment or revision thereof which may hereafter be recorded among said Land Records.

d. The word "owner" or "owners", as hereinafter used, shall mean the person or persons having, from time to time, the publicly recorded title to any lot or lots within said subdivision.

e. The word "lot" or the word "parcel", as hereinafter used, shall include the plural, and/or any two or more contiguous lots or parcels consolidated into one lot or parcel by the owner or owners thereof.

f. The words "front lot line", as hereinafter used, shall mean that line of any parcel binding upon a street or roadway.

g. The words "street", "road", or "roadway", as hereinafter used, shall mean all those streets or roads as shown on the aforesaid plat, and all other interior roads of not less than fifty (50) feet in width.

1. No owner of any parcel in Goose Point Estates, Section Three, shall acquire, by reason of ownership of such parcel, any right to hunt or to erect duck, goose or other wildfowl hunting pits or blinds thereon. The Developer further reserves the right, in any manner whatsoever, to control, restrict or prevent all hunting or shooting in, over, upon and on Lots Nos. 15,16,17 and 18, inclusive, set forth on the aforementioned plat.

2. (a) No building, dock, hedge, fence, wall, sign, bulkhead, jetty, seawall, swimming pool, or any other structure of any kind or nature whatsoever, or any addition or accessory thereto, shall be commenced, erected, or maintained, nor shall any addition to, or change or alteration thereof be made until written or printed plans, specifications (showing the nature, kind, shape, heights, exterior materials, floor plans, and location of the improvement with respect to the plat plan, topography and ground elevation) shall have been submitted to, and approved in writing by, the Developer and copies of all building plans, specifications, alterations, plans, plat plans, etc., as above required, permanently lodged with the Developer. In the event approval or disapproval is not made within 45 days of submission, approval shall not be required and the provisions of this Paragraph 2 shall be deemed to have been completed.

(b) The Developer shall have the right to refuse to approve any building plan and/or grading plat, or landscape plan, or material, contemplated to be used in the proposed building or improvement, either external or internal, which, in the sole and uncontrolled opinion or discretion of the Developer is not considered suitable or desirable whether for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement and the materials of which the same is to be built, erected

or constructed to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

(c) The Developer shall further have the right to establish such minimum standards of landscaping and planting of trees and shrubs as the Developer may deem appropriate for any improvements erected in Goose Point Estates, Section Three.

(d) Any approval given hereunder shall become null and void unless construction of the approved structure is commenced within six (6) months of the date of such approval.

(e) The floor area of any dwelling house erected upon any parcel, exclusive of utility rooms, atties, basements and attached porches and garages, shall be not less than one thousand five hundred (1,500) square feet of living area for a one story dwelling, nor less than one thousand eight hundred (1,800) square feet of living area for a one and one-half story dwelling, nor less than two thousand (2,000) square feet of living area for a two story dwelling. No dwelling, garage or porch or guest house shall be more than a total of thirty-six (36) feet in elevation from ground level.

3. The Developer reserves the right and privilege to amend, modify or annul in whole or in part, the provisions in Paragraph 2 immediately preceding, whenever in the sole discretion of the Developer it is deemed best to do so.

4. Building set-back lines shall be the greater of the following, to wit: (a) as shown on the aforementioned subdivision plat as the same from time to time be amended, (b) or as established by the Comprehensive Zoning Ordinance of Queen Anne's County (adopted June 16, 1964) as from time to time amended, (c) or the subdivision regulations of said County as from time to time amended. Such entrance stoops, terraces, steps, eaves, cornices and gutters as may be approved by the Developer may be built, erected and maintained on any part of the restricted area.

5. All detached garages and other appurtenant structures of any kind whatsoever specifically including, but not being limited to, clothesline, fuel tanks, garbage cans, incinerators, and wood and/or compost piles, shall be located not less than one hundred (100) feet from the shore line, and not less than forty (40) feet from side lot lines, and all such structures, with the sole execution of buildings, shall be concealed from view from the water and from adjacent parcels, roads or streets by walls, screens and/or screen plantings, as the owner shall elect.

The Developer shall, in all cases, have the right to determine the location of the front, side and/or rear lines of any parcel and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Developer thereon shall be final in all respects.

6. No tree of more than eight (8) inches diameter, measured four (4) feet above the ground, shall be cut and no excavation shall be made on the premises except for the purpose of building thereon at the time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such operations. Any

dwelling, outbuilding, or other structure, commenced as herein provided shall be completed within twelve (12) months of the date construction is commenced, unless the time for completion shall be extended by the Developer.

7. No bosthouse shall be constructed on any parcel, or in or over the waters adjacent to any parcel, without the express written consent of the Developer.

8. No noxious or offensive trade shall be carried on upon any parcel, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. All lots set forth on the aforementioned plat shall be used for residential purposes only, and not for purposes of any profession, trade or business whatsoever. No sample houses shall be constructed thereon and speculative building is prohibited. Structures erected on any one parcel shall consist of a main dwelling or residence for the occupancy of one family only, together with a private garage, guest house, and other structures appurtenant to the main residence or to be used in connection therewith. On no parcel shall there be more than one family and their servants occupying the main building, and/or structures appurtenant thereto.

9. No basement, tent, shack, garage, barn or other outbuilding shall be erected on any parcel and used temporarily or permanently as a residence. No trailer, recreational vehicle or habitable motor vehicle shall be parked or stored on any parcel and used temporarily or permanently for residential purposes, but may be so parked or stored, unoccupied, providing they are parked or stored either (a) within a completely enclosed building or (b) to the side or rear of the main dwelling, and at least forty (40) feet from the side lot line, and not less than one hundred (100) feet from the shoreline, or if no shoreline, fifty (50) feet from the rear lot line. No truck larger than three-quarter (3/4) ton capacity, no commercial vehicle, and no construction equipment, shall be parked or stored on any parcel other than as hereinabove provided, nor shall any such truck, vehicle or equipment be parked on any street except while engaged in transporting to or from a residence therein or, in the case of construction equipment, while actively engaged upon construction work therein.

10. No animal, livestock, poultry, or other fowl of any kind shall be raised, bred or kept on any parcel, provided however, that no more than three (3) dogs, cats or other household pets may be so raised, bred or kept, provided that they are not raised, bred or kept for any commercial purpose.

11. No owner of any parcel shall sell, lease, or in any manner transfer any portion of a parcel less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Developer shall have given its prior written consent thereto.

12. (n) In order to preserve or improve the views, to promote the free movement of air and to prevent the harboring of flies, mosquitoes and other insects, the Developer reserves the right to require the owner of any parcel, upon thirty (30) days written notice, mailed to the owner at his address as shown in the tax assessments records in Queen Anne's County, to trim any trees or shrubbery, to cut and remove any tall grasses and weeds, and/or to remove any trash and litter standing on any

part of such parcel which may, in the opinion of the Developer, destroy or interfere with such views or the free movement of air and/or the harboring of insects, and the Developer may trim, cut and remove such trees, shrubbery, grasses, weeds, trash and litter at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

(b) The land and all improvements thereon shall be maintained so as to present a neat and orderly appearance and in good condition and repair. No lot shall be used or maintained as a dumping ground for rubbish, litter or debris. Trash, rubbish, garbage and other wastes shall not be kept on the premises except in sanitary covered containers and equipment or devices for the disposal or storage thereon, and such containers or equipment or devices shall be kept in a clean and sanitary condition screened in such manner that the storage and disposal containers and equipment or devices shall not be visible from the front or sides of any parcel.

(c) Additional standards relating to improvement and construction of any parcel are as follows:

(1) The fronts of all dwellings must be newly landscaped with a minimum of ten (10) shrubs or trees. In the case of wooded lots, existing stands of trees will be counted towards this requirement.

(2) All exposed masonry block used in any construction on any lot shall be parged or painted so as to give a finished appearance. Also, all exposed concrete walls are required to have a finished surface.

(3) All siding of dwellings must be of a natural appearance conforming to a rural wooded area setting. All siding colors used must be that of earth tones.

(4) Any exposed areas of prefabricated flues have to be painted the same color as that of the roof of the dwelling.

(5) All gutters and downspout colors must blend in with other dwelling colors.

(6) The location of all air conditioning compressors or heat pumps have to be screened or enclosed from outside view.

(7) Whenever a dwelling is premanufactured or custom built on site, that house must be compatible with other dwellings in the development.

(8) All storage shed construction must be comprised of similar materials used for dwelling construction.

(9) No above-ground swimming pools shall be erected.

(10) All oil or propane tanks have to be either in ground, screened or enclosed from view.

(11) Any solar collector panels must blend architecturally with the dwelling and lot.

13. Easements and rights of way are hereby expressly reserved upon, in and over strips of land five (5) feet in width along all interior lot lines and strips of land ten (10) feet in width along the outer edges of all streets in Goose Point Estates, Section Three, for the purpose of erecting, constructing, inspecting and maintaining poles, wires and conduits, and the necessary or proper attachments in connection therewith, for the transmission of electricity and for telephone and other public utilities or services, and for public sanitary sewers and storm water drainage; and the Developer, and/or its nominees, shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth. The Developer shall have the right to remove, prune or trim any tree or shrub interfering with the construction or maintenance of electric or telephone lines or other utility services.

14. The owner or owners of each lot or parcel in Goose Point Estates, Section Three, shall bear an equal, proportionate share of any costs, charges or expenses of the Developer in (a) the enforcement of these covenants, agreements, easements, restrictions, conditions and charges, and (b) the erection, maintenance and/or replacement of an entrance sign and roadway signs, if any, within said subdivision. An assessment against each owner for such purposes may be made by the Developer as needed from time to time. The non-payment of any such assessment, or of any arrearage charges, shall not constitute a lien upon said real estate but shall be a matter only of personal liability against the owner or owners thereof. Interest may be charged for any account thirty (30) days or more overdue, and each owner shall further be liable for all costs of collection of past due accounts, including reasonable legal fees.

15. All of the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty-five (25) years from the date hereof, a two-thirds (2/3) majority of the then owners of the fee simple interest (but not reversionary or mortgagee interests) of the parcels subject hereto may at any time amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments duly executed and properly recorded among the Land Records of Queen Annes' County.

16. If any provision of the covenants and restrictions herein contained, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

17. The provisions herein contained shall run with and bind the land and shall inure to the benefit of, and be enforceable by the Developer or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any lot or parcel, their respective legal representatives, heirs, successors and assigns; and failure by the Developer or any land owner to enforce any restriction, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so.

Violation of any covenant, condition or restriction herein shall give the Developer, in addition to all other remedies, (a) the right to enter upon the land upon, or as to which such violation exists and

summarily to abate and remove, at the expense of the owner thereof, such violation, and neither the Developer, nor any of the agents, officers, or employees of the Developer, shall thereby be deemed guilty of any manner of trespass for such entry, abatement or removal, or be liable for any damages resulting therefrom, and (b) the right to apply for injunctive relief, the parties hereto agreeing that any such breach cannot be compensated adequately by recovery of damages. All such rights shall be continuing in character, and shall not be deemed to be terminated, exhausted or abridged by the multiple exercise thereof.

18. The Developer hereby expressly reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein by an appropriate written instrument, so long as such changes do not substantially affect the rights of any owner of any parcel. Where any owner's rights are so substantially affected, before any such change can become operative, all affected owners must indicate their consent to and approval of such annulment, waiver, modification or change, by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

19. Any or all of the rights, titles, easements and estates given to or reserved by the Developer in this instrument may be assigned, in whole or in part, to one or more persons, corporations or associations, and likewise all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon the Developer by this instrument may be assigned and transferred to one or more entities agreeing to assume, exercise, carry out and perform the same. The Developer may, at any time deemed advisable, cause any or all of said rights, titles, easements and estates to be conveyed to an association to be formed by the several property owners in the subdivision known as Goose Point Estates. Each person, by the acceptance of a deed to, or by entering into possession of, property in Kirwan's Landing agrees to become a member of such an association and to pay such reasonable dues and assessments as may be levied from time to time by a majority vote of the association, provided that only owners and lessees of property in Goose Point Estates shall be eligible for membership in said association. Any such assignment or transfer shall be made by an appropriate written agreement in which the assignee or transferee shall join for the purpose of evidencing consent to and the acceptance and assumption of such powers, duties and obligations; and such assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are herein given to, assumed by, or imposed upon the Developer and the Developer thereupon being released therefrom.

The aforegoing restrictive covenants and conditions are intended to constitute a general plan or scheme or development for the lands hereinabove referred to as Goose Point Estates.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or

appertaining, unto and to the proper use and benefit of the said party of the second part, Connie L. Hutson, her heirs and assigns, in fee simple.

AND the said parties of the first part do hereby covenant that they have not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed, that they will warrant specially the property hereby granted and conveyed; and that they will execute such further assurances of the same as may be requisite.

WITNESS the hands and seals of said Grantors.

WITNESS:

(SEAL)
JOSEPH S. DOWNEY, JR., co-partner, trading as Goose Point Associates

(SEAL)
THOMAS B. SULLIVAN, JR., co-partner, trading as Goose Point Associates

STATE OF MARYLAND

COUNTY OF Queen Anne's TO WIT:

I HEREBY CERTIFY, that on this 14 day of December, 1984, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Joseph S. Downey, Jr., co-partner, trading as Goose Point Associates, and he did acknowledge the aforegoing Deed to be his act.

AS WITNESS my hand and Notarial Seal.

NOTARY PUBLIC
My Commission Expires: 7-1-86

STATE OF MARYLAND

COUNTY OF Queen Anne's TO WIT:

I HEREBY CERTIFY, that on this 14 day of December, 1984, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Thomas B. Sullivan, Jr., co-partner, trading as Goose Point Associates, and he did acknowledge the aforegoing Deed to be his act.

AS WITNESS my hand and Notarial Seal.

NOTARY PUBLIC
My Commission Expires: 7-1-86

THIS DEED AND ASSIGNMENT, dated this day of , 1988 by and between JOSEPH S. DOWNEY, JR. and THOMAS B. SULLIVAN, JR., co-partners, trading as Goose Point Associates (the "Assignor"), and THE GOOSE POINT IMPROVEMENT ASSOCIATION, INC., a Maryland nonstock corporation (the "Assignee").

WITNESSETH, that in consideration of the sum of Five Dollars ($5.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby grant, convey and assign unto the Assignee, its successors and assigns, all of the rights, titles, easements and estates given to or reserved by the Assignor in a certain Deed dated December 14, 1984 from the Assignor to CONNIE L. HUTSON, which Deed is recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 223, folio 754. Furthermore, the Assignor does hereby delegate to the Assignee, and the Assignee does hereby assume, all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon the Assignor by the aforesaid Deed, and the Assignee hereby agrees to assume, exercise, carry out and perform the same.

The real property subject to the aforesaid rights, titles, easements, estates, powers, duties and obligations is described as follows, to wit:

All those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland being part of "Goose Point Farm", and being known and designated as Lots Nos. 15, 16, 17 and 18, inclusive, set forth and shown on a certain Plat entitled, "Plat of Subdivision Plan of Goose Point Estates, Section Three, Kent Island, Fourth District, Queen Anne's County, Maryland", which Plat is recorded among the Land Records of Queen Anne's County in Plat, Book M.W.M. No. 6, folio 50, reference to the same being made for a more complete description thereof, and subject to the easements, building set back lines and other matters set forth in the said Plat.

Being the same property which, by Deed dated December 14, 1984 and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 223, folio 754, was granted and conveyed by Joseph S. Downey, Jr. and Thomas B. Sullivan, Jr., co-partners, trading as Goose Point Associates, the within Assignor, unto Connie L. Hutson, subject to the restrictive covenants and conditions set forth in such Deed.

WITNESS the hands and seals of the Assignor and the Assignee as of the date first above written.

_____ _____ (SEAL)
JOSEPH S. DOWNEY, JR.,
co-partner, trading as Goose
Point Associates

_____ _____ (SEAL)
THOMAS B. SULLIVAN, JR.,
co-partner, trading as Goose
Point Associates

"Assignor"

ATTEST:

THE GOOSE POINT IMPROVEMENT
ASSOCIATION, INC.

_____ By: _____ (SEAL)
Bobbye Helfenbein, Secretary C. MacNair Speed, President

"Assignee"

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S to wit:

I HEREBY CERTIFY that on this 4th day of NOVEMBER, 1988, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared JOSEPH S. DOWNEY, JR. and THOMAS B. SULLIVAN, Jr., co-partners, trading as Goose Point Associates, and they acknowledged the foregoing Deed and Assignment to be their lawful act.

WITNESS my hand and Notarial Seal.

Notary Public

My Commission expires: [illegible]

City of Baltimore

STATE OF MARYLAND, ~~COUNTY OF QUEEN ANNE'S~~ to wit:

I HEREBY CERTIFY that on this 12th day of December, 1988, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared C. MacNair Speed, President of THE GOOSE POINT IMPROVEMENT ASSOCIATION, INC., and he acknowledged the foregoing Deed and Assignment to be the lawful act of the corporation.

WITNESS my hand and Notarial Seal.

Notary Public

My Commission expires: July 1, 1990

ah/0761H/

RECEIVED
CLERK, CIRCUIT COURT

GOOSE POINT IMPROVEMENT ASSOCIATION, INC.

HOMEOWNER'S ASSOCIATION DEPOSITORY 01 SEP 26 PM 12: 02

QUEEN ANNE'S COUNTY

Pursuant to the Maryland Homeowner's Association Act, Title 11B, Real Property Section of the Annotated Code of Maryland, the Goose Point Improvement Association, Inc. files the enclosed information in the Homeowner's Association Depository, Circuit Court for Queen Anne's County, Maryland.

Respectfully submitted,

Beverly B. Fitzgerald

Beverly Fitzgerald, President
Goose Point Improvement
Association, Inc.

RECORDING FEE 15.00
TOTAL 15.00
Rest# 0401 Rcpt # 3680
SM RCB Blk # 2424
Sep 26, 2001 12:02 PM

Covenant Amendment

Goose Point Community – Sections 1, 2 and 3

In full accordance with the original Deed and Covenant for the Goose Point community and the Goose Point Improvement Association, Inc., Articles of Incorporation, Constitution and By-Laws, Covenant Item 5 is hereby modified to change the restricted location of detached garages and other appurtenant structures from a minimum of forty (40) feet to twenty (20) feet from the lot side lines.

All property owners within Sections 1, 2 and 3 of the Goose Point Community were duly notified in writing of the proposed covenant modification at least thirty days prior to the year 2001 Annual Meeting of the Goose Point Improvement Association. During the Annual Meeting of the Association on February 4, 2001 the covenant change was approved by greater than two thirds of the members present.

The modified Covenant Item No. 5 reads as follows:

> All detached garages and other appurtenant structures of any kind whatsoever specifically including, but not being limited to, clotheslines, fuel tanks, garbage cans, incinerators, and wood and/or compost piles, shall be located not less than one hundred (100) feet from the shore line, or if no shoreline, not less than fifty (50) feet from rear lot lines and not less than ~~forty (40)~~ *twenty (20)* feet from side lot lines, and all such structures, with the sole exceptions of buildings, shall be concealed from view from the water and from adjacent parcels, roads or streets by walls, screens and/or screen plantings, as the owner shall elect.

The affected properties are identified in ARTICLE II, Section 5. of the Association By-Laws are as follows:

> Section 5. The Goose Point community is situated in the Fourth Election District of Queen Anne's County being know and designated as parcels no. 1 through 16, inclusive, set forth and shown on a certain plat entitled "Subdivision Plan of Goose Point Estates, 4th District, Queen Anne's County, Maryland", recorded among the land records of Queen Anne's County in Liber MWM No. 177, Folio 791 and parcels no. 1 through 14, inclusive, set forth and shown on a certain plat entitled, "Subdivision Plan of Goose Point Estates, Section Two, 4th District, Queen Anne's County, Maryland", recorded among the land records of Queen Anne's County in Liber MWM No. 210, Folio 354 and parcels no. 15, 16, 17 and 18, inclusive, recorded among the land records of Queen Anne's County in Liber MWM No. 223, Folio 754 and in Plat Book BWM 5, Folio 20, reference to the same being made for a more complete description thereof, and subject to the easements, building set back lines and other matters set forth on the said plat.

Articles of Incorporation, Constitution and By-Laws for the Goose Point Improvement Association, Inc were filed, in the Homeowners' Association Depository, Circuit Court for Queen Anne's County, Maryland, on December 23, 1988.

Beverly B. Fitzgerald 9/25/01

Beverly Fitzgerald, President Date
Goose Point Improvement Association, Inc.

STATE OF MARYLAND

On this 25 day of Sept, 2001, before me personally appeared Beverly Fitzgerald, the person who executed the foregoing document, and she acknowledged to me that she executed the same.

Notary Public

My Commission Expires:

Sept 1, 2005

RECEIVED
CLERK, CIRCUIT COURT
1989 DEC -7 PM 12: 57
QUEEN ANNE'S COUNTY

MISC 1381 0#
RECD FEE 50.00
SUBTOTAL 50.00
CHECK/MO 50.00
#287460 C002 R00 T12:5
12/07/89

GOVERNOR GRASON MANOR ASSOCIATION, INC.

ARTICLES OF INCORPORATION

FIRST: We, the undersigned, Frank Bellinger May, whose post office address is Rt. 1, Box 248-F, Queenstown, Maryland 21658; Donald L. Tate, whose post office address is Rt. 1, Box 251-E, Queenstown, Maryland 21658; and Michael E. Pelczar, whose post office address is Rt. 1, Box 247-L, Queenstown, Maryland 21658, each being at least eighteen (18) years of age, hereby associate ourselves as incorporators for the purpose of forming a corporation under the general laws of the State of Maryland.

SECOND: The name of the corporation (which is hereinafter called the "Corporation") is:

GOVERNOR GRASON MANOR ASSOCIATION, INC.

THIRD: The Corporation is formed for the following purposes:

a. To provide for the protection, safety, general welfare and common interest of the members of the Corporation.

b. To organize, operate and conduct a civic improvement and protective association exclusively for non-profitable purposes, no part of the net earnings of which is to inure to the benefit of any member of the Corporation.

c. To cultivate a spirit of helpful cooperation among the members of the Corporation.

d. To prepare, promote and encourage members of the Corporation to subscribe to agreements, including covenants running with the land, that further the purposes of the Corporation.

e. To solicit and disburse money for the carrying out and accomplishment of any and all the foregoing objects and purposes and all other objects and purposes of the Corporation.

9-25-8- originaled Michael C. Middleton
225 N. Calvert 7th Fl.

f. To contract, associate or affiliate with other corporations or associations having similar objects and purposes.

g. To function as a non-political and non-sectarian organization.

h. To exercise the powers established by Section 2-103 of the Corporations and Association Article of the Annotated Code of Maryland, as amended from time to time.

i. To carry on any of the businesses, objects and purposes hereinbefore enumerated for itself, or for the account of others, or through others for its own account, and to carry on any other business which may be deemed by it to be calculated, directly or indirectly, to effectuate or facilitate the transaction of the aforesaid objects or businesses, or any part of them, or any part thereof, or to enhance the value of its property, business or rights.

The foregoing enumeration of the purposes, objects and business of the Corporation is made in furtherance, and not in limitation, of the powers conferred upon the Corporation by law, and is not intended by the mention of any particular purpose, object or business, in any manner to limit or restrict the generality of any other purpose, object or business mentioned, or to limit or restrict any of the powers of the Corporation. The Corporation is formed upon the articles, conditions and provisions herein expressed, and subject in all particulars to the limitations relative to corporations which are contained in the General Laws of this State.

FOURTH: The address of the principal office of the Corporation is Post Office Box 234, Queenstown, Maryland 21658.

FIFTH: The name of the Corporation's resident agent is FRANK BELLINGER MAY, whose post office address is Rt. 1, Box 248-F, Queenstown, Maryland 21658.

SIXTH: The Corporation shall have no capital stock. It is not to be conducted for profit, but is to be maintained and supported by subscriptions and dues assessed upon the membership from time to time, or by contributions received therefrom.

SEVENTH: The Corporation shall have three directors. FRANK BELLINGER MAY, DONALD L. TATE, and MICHAEL E. PELCZAR, shall serve as directors until the first annual meeting and until their successors are elected and qualify. The number of directors may be changed from time to time pursuant to the Corporation's by laws, but the number shall at no time be less then three.

EIGHTH: The Corporation reserves the right to make from time to time any amendments of its Charter which may now or hereafter be authorized by law.

NINTH: The durations of the Corporation shall be perpetual.

IN WITNESS WHEREOF, we have signed these Articles of Incorporation this 9th day of April, 1980, and acknowledge the same to be our individual acts.

WITNESS:

Michael C. Middleton — Frank Bellinger May

Frank Bellinger May

Michael C. Middleton — Donald L. Tate

Donald L. Tate

Michael C. Middleton — Michael E. Pelczar

Michael E. Pelczar

LIBER 6 PAGE 338

ARTICLES OF INCORPORATION

OF

GOVERNOR GRASON MANOR ASSOCIATION, INC.

1081

TE OF MARYLAND,
QUEEN ANNE'S COUNTY, SCT.
I HEREBY CERTIFY THAT
arts / Inc. WAS
EIVED FOR RECORD THIS 9th
OF Sept. 1980 AT 11:26 A.M.
AND RECORDED IN
ER MWM #6 folio 335 Arts
ECORD BOOK FOR QUEEN ANNE'S
OUNTY

CLERK

Marguerite W. Mankin

SEP -9-80 A 24695 ******5 00

approved and received for record by the State Department of Assessments and Taxation of Maryland April 9, 1980 at 11:25 o'clock A M. as in conformity with law and ordered recorded.

Recorded in Liber 2472, folio 1380, one of the Charter Records of the State Department of Assessments and Taxation of Maryland.

Bonus tax paid $ 20.00 Recording fee paid $ 20.00 Special Fee paid $

To the clerk of the Circuit Court of Queen Annes County

IT IS HEREBY CERTIFIED, that the within instrument, together with all indorsements thereon, has been received, approved and recorded by the State Department of Assessments and Taxation of Maryland.

AS WITNESS my hand and seal of the said Department at Baltimore.

William J. Simmons

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND

SEP -9 AM 11:26
ANNE'S COUNTY

A 96192

bt

LIBER 66 PAGE 496

No 69786
Re 77039 RECEIVED FOR RECORD Aug 23, 1972 10384M

DECLARATION OF RESTRICTIONS

GOVERNOR GRASON MANOR

QUEEN ANNE'S COUNTY

WHEREAS, Wye River Farms, Inc., a Maryland Corporation, is the owner of all those tracts or parcels of land, located in the Fifth Election District of Queen Anne's County, Maryland and shown and described on a plat entitled "Plat One, Governor Grason Manor, part of the Lands of Wye River Farms, Inc., Fifth Election District, Queen Anne's County, Maryland", dated July, 1972, prepared by J. R. McCrone, Jr., Inc., registered professional engineers and surveyors, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 65, folio 727, and in Plat Book C.W.C. No. 1, folio 49, on July 27, 1972, and

WHEREAS, Wye River Farms, Inc. has formulated, and intends to place in effect, a general plan or scheme for the orderly, efficient, and harmonious utilization of the aforesaid tracts or parcels, and every part thereof, and

WHEREAS, the success of such plan or scheme depends upon such tracts or parcels, and every part thereof, being made subject to the several covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth, and

WHEREAS, Wye River Farms, Inc. intends, for the aforesaid reasons and purposes to subject these said tracts or parcels, and every part thereof, to all of such covenants, agreements, easements, restrictions, conditions and charges, for such period or periods of time as may be hereinafter specified,

NOW, THEREFORE, THIS INSTRUMENT WITNESSETH, that the said Wye River Farms, Inc., owner as aforesaid, does hereby create, declare, establish and impose the following covenants, agreements, easements, restrictions, conditions and charges, to run with and bind the aforesaid tracts or parcels of land, and every part thereof, to wit:

Whenever used in the covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth the following definitions shall apply, unless a contrary intention is clearly evident from the context:

a. The word "person", as hereinafter used, shall include individuals co-partnerships, associations and corporations; the singular shall include the plural; and the masculine shall include the feminine and the neuter.

b. The word "Corporation", as hereinafter used, shall mean Wye River Farms, Inc., or its successors and assigns.

c. The words "Plat of Governor Grason Manor", as hereinafter used, shall mean that plat entitled "Plat One, Governor Grason Manor, part of the lands of Wye River Farms, Inc., Fifth Election District, Queen Anne's County, Maryland", dated July, 1972, prepared by J. R. McCrone, Jr., Inc., registered professional engineers and surveyors and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 65, folio 727, and in Plat Book C.W.C. No. 1, folio 49, on July 27, 1972, or in any amendment or revision thereof which may hereafter be recorded among said Land Records.

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QUEEN ANNE'S COUNTY

d. The word "owner" or "owners", as hereinafter used, shall mean the person or persons having, from time to time, the publicly recorded title to any lot or lots within said subdivision.

e. The word "parcel", as hereinafter used, shall include the plural, and/or any two or more contiguous parcels consolidated into one parcel by the owner or owners thereof.

f. The words "front lot line", as hereinafter used, shall mean that line of any parcel binding upon a street or roadway.

g. The words "street", "road", or "roadway, as hereinafter used, shall mean all those streets or roads as shown on the aforesaid plat, and all other interior roads of not less than fifty (50) feet in width.

h. The words "corner parcel", as hereinafter used, shall mean any parcel fronting on two or more streets or roads.

1. No owner of any parcel in Governor Grason Manor shall acquire, by reason of his ownership of such parcel, any right to erect duck, goose or other wild fowl pits or blinds thereon, all such rights being hereby expressly reserved to the Corporation. The Corporation further reserves the right, in any manner whatsoever, to control, restrict or prevent all hunting or shooting in, over, upon and/or adjacent to the aforementioned parcels set forth on said plat.

2. No building, dock, hedge, fence, wall, sign, bulkhead, jetty, seawall, swimming pool, or any other structure of any kind or nature whatsoever, or any addition or accessory thereto, shall be commenced, erected, or maintained, nor shall any addition to, or change or alteration (including change of color of any exterior part) thereof be made until written or printed plans and specifications (showing the nature, kind, shape, heights, materials, floor plans, color scheme and location of the improvement with respect to plat plan, topography and ground elevation) shall have been submitted to, and approved in writing by, the Corporation and copies of all building plans, specifications, alterations, plans, plat plans, etc., as above required permanently lodged with the Corporation.

The Corporation shall have the right to refuse to approve any building plan and/or grading plat, or material contemplated to be used in the proposed building or improvement, either external or internal, which, in its sole and uncontrolled opinion, is not considered suitable or desirable, whether for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement, and the materials of which the same is to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Corporation shall further have the right to establish such minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected in Governor Grason Manor.

Any approval given hereunder shall become null and void unless construction of the approved structure is commenced within six (6) months of the date of such approval.

3. The floor area of any dwelling house erected upon any parcel, exclusive of basement and attached porches and garages, shall be not less than one thousand five hundred (1,500) square feet for a one story dwelling, nor less than two thousand (2,000) square feet for a one and one-half story dwelling, nor less than two thousand five hundred (2,500) square feet for a two story dwelling. No dwelling, garage, porch, or guest house shall be more than thirty-six (36) feet in elevation from ground level, provided, however, that the Corporation reserves the right from time to time to amend or modify such requirements if, in its sole discretion, it deems it best so to do.

4. No dwelling shall be located closer than fifty (50) feet to the front lot line of the parcel upon which it is situated, or closer than fifty (50) feet to any side lot line abutting on a street in case of a corner parcel. No dwelling shall be located nearer than thirty (30) feet to any side lot line. No dwelling shall be located within seventy-five (75) feet of the shoreline, or if no shoreline, forty (40) feet of the rear lot line. Such entrance stoops, terraces, steps, eaves, cornices and gutters as may be approved by the Corporation may be built, erected and maintained on any part of the restricted area.

5. All detached garages and other appurtenant structures of any kind whatsoever specifically including, but not being limited to, clotheslines, fuel tanks, garbage cans, incinerators, and wood and/or compost piles, shall be located not less than fifty (50) feet from the shore line, or if no shoreline, not less than twenty (20) feet from rear lot lines and not less than thirty (30) feet from side lot lines, and all such structures, with the sole exception of buildings, shall be concealed from view from the water and from adjacent parcels, roads or streets by walls, screens and/or screen plantings, as the owner shall elect.

The Corporation shall, in all cases, have the right to determine the location of the front, side and/or rear lines of any parcel and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Corporation thereon shall be final in all respects.

6. No tree of more than eight (8) inches diameter, measured four (4) feet above the ground, shall be cut and no excavation shall be made on the premises except for the purpose of building thereon at the time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such operations. Any dwelling, outbuilding, or other structure, commenced as herein provided shall be completed within twelve (12) months of the date the same is commenced, unless the time for completion shall be extended by the Corporation in the exercise of its discretion.

7. No boathouse shall be constructed on any parcel, or in the waters in front of any parcel.

8. No noxious or offensive trade shall be carried on upon any parcel, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. All parcels set forth on the aforementioned plat shall be used for residential purposes only, and not for purposes of any profession, trade or business whatsoever. Structures erected on any one parcel shall consist of a main dwelling or residence for the occupancy of one family only, together with a private garage, guest house, and other structures appurtenant to the main residence, or to be used in connection therewith. On no parcel shall there be more than one family and their servants occupying the main dwelling, or any structure appurtenant thereto.

9. No basement, tent, shack, garage, barn or other outbuilding shall be erected on any parcel and used temporarily or permanently as a residence. No trailer or habitable motor vehicle shall be parked or stored on any parcel and used temporarily or permanently for residential purposes, but may be so parked or stored, unoccupied, providing they are parked or stored either (a) within a completely enclosed building or (b) beyond the rear of the main dwelling, and at least thirty (30) feet from the side lot line, and not less than fifty (50) feet from the shoreline, or if no shoreline, twenty (20) feet from the rear lot line. No truck larger than three-quarter (3/4) ton capacity, no commercial vehicle, and no construction equipment, shall be parked or stored on any parcel other than as hereinabove provided, nor shall any such truck, vehicle or equipment be parked on any street, road or alley in Governor Grason Manor except while engaged in transporting to or from a residence therein or, in the case of construction equipment, while actively engaged upon construction work therein.

10. No animal, livestock, poultry, or other fowl of any kind shall be raised, bred or kept on any parcel, provided, however, that no more than three (3) dogs, cats or other household pets may be so raised, bred or kept, provided that they are not raised, bred or kept for any commercial purpose.

11. No owner of any parcel shall sell, lease or in any manner transfer any portion of a parcel less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Corporation shall have given its prior written consent thereto.

12. In order to preserve or improve the views, to promote the free movement of air and to prevent the harboring of flies, mosquitoes and other insects, the Corporation reserves the right to require the owner of any parcel, upon thirty (30) days written notice, mailed to the owner at his address as shown in the tax assessment records of Queen Anne's County, to trim any trees or shrubbery, to cut and remove any tall grasses and weeds, and/or to remove any trash and litter standing on any part of such parcel which may, in the opinion of the Corporation, destroy or interfere with such views or the free movement of air and/or which may furnish harboring places for flies, mosquitoes or other insects, and the Corporation may trim, cut and remove such trees, shubbery, grasses, weeds, trash and litter at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

13. The Corporation hereby gives and grants to each owner hereafter acquiring title to any parcel or parcels in Governor Grason Manor, and to his invitees, lessees, servants, agents, and employees, the right to use, in common with the Corporation and the owners of other parcels therein, the streets, roads, roadways, avenues, lanes and alleyways shown upon the aforementioned plat, or upon any amendment or revision thereof. Subject to such use, the Corporation expressly reserves the title and right to use and occupy the same, or to allow or permit others to do so in any manner that does not materially interfere with the rights hereinabove granted. The Corporation further reserves the right, to the extent permitted by local authorities, to utilize the beds of said streets, roads, roadways, avenues, lanes and alleyways for the laying or erecting of water pipes, gas pipes, electric lines or other public utilities, above or below ground level, in such manner as may be deemed necessary to adequately provide such facilities to the owners or occupiers of said tract or parcel, or any part thereof; and the said Corporation expressly reserves the right to slope, grade, relocate, close or partially close any street, road, roadway, avenue, lane or alleyway on the aforesaid plat, provided that no relocation

or closing shall be made that will prevent reasonably convenient ingress and egress to and from, or that will take any portion of any parcel sold or conveyed by the Corporation prior to such relocation or closing. The Corporation further reserves the exclusive right to dedicate to public use and the right to convey to any public authority, or to any corporation having the right to acquire the same, all its right, title and interest in and to any parcel or tract of land or any street, road, roadway, avenue, lane or alleyway shown on said plat, or hereafter laid out in said tract or parcel, subject to the rights of property owners heretofore granted.

Nothing herein contained shall constitute a dedication of any street, road, roadway, avenue, lane or alleyway shown on the aforementioned plat of, or hereafter laid out in Governor Grason Manor, nor shall any deed hereafter made and delivered by the Corporation, conveying any parcel or other part of said tract or parcel, be held to convey or dedicate the surface or bed of any street, road, roadway, avenue, lane or alleyway, except when expressly so conveyed or dedicated in the deed.

14. Easements and rights of way are hereby expressly reserved upon, in and over strips of land five (5) feet in width along all interior lot lines and strips of land ten (10) feet in width along the outer edges of all streets in Governor Grason Manor for the purpose of erecting, constructing, inspecting and maintaining poles, wires and conduits, and the necessary or proper attachments in connection therewith, for the transmission of electricity and for telephone and other public utilities or services, and for public sanitary sewers and storm water drainage; and the Corporation, and/or its nominees, shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved, as above set forth. The Corporation shall have the right to remove, prune or trim any tree or shrub interfering with the construction or maintenance of electric or telephone lines or other utility services.

15. The owner or owners of each parcel in Governor Grason Manor shall pay to the Corporation, on July 1st of each year, such sum as may be demanded of him or them by the Corporation, not to exceed, however, one per cent (1%) of the assessed value of the land and improvements on said land as shown on the tax assessment records for Queen Anne's County, Maryland, as of June 30th of that year, it being understood and agreed that all such sums so demanded by the Corporation during any given year shall bear an identical relationship to the assessed value of the land and improvements against which they are being levied, and it being further understood and agreed that the liability of each such owner for the payment of said annual maintenance charge shall be a personal liability only and that neither the said annual maintenance charge, nor any arrearage therein, shall be a lien upon any of said parcels. The Corporation shall have the right to charge interest at the rate of 8% per annum on all arrearages in such annual maintenance charges, accounting from August 1st of the year in which they were assessed, and shall further be entitled to receive all its costs of collection, including a reasonable attorney's fee.

All such sums so paid to the Corporation shall be applied by it towards the maintenance and repair of the streets, roads, roadways, avenues, lanes, alleys, ways, storm drains, sanitary sewers, easement areas and recreation areas now or hereafter constructed or erected in or for said tract; for lighting, improving and caring for areas maintained for the general use of the owners or occupants of the parcels included on the aforesaid plat; for caring for unoccupied land in said tract; for expenses incident to the examination and approval of plans as herein provided;

for the enforcement of these covenants, agreements, easements, restrictions, conditions, and charges; and for any other purpose which, in the opinion of the Corporation, shall be for the general benefit and advantage of the owners, users and occupiers of Governor Grason Manor, or any part thereof.

16. All of the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty (20) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary or mortgagee interests) of the parcels subject hereto may at any time amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments duly executed and properly recorded among the Land Records of Queen Anne's County.

17. If any provision of the covenants and restrictions herein contained, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

18. The provisions herein contained shall run with and bind the land and shall inure to the benefit of, and be enforceable by, the Corporation or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any parcel or other area, their respective legal representatives, heirs, successors and assigns; and failure by the Corporation or any land owner to enforce any restriction, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so.

Violation of any covenant, condition or restriction herein shall give the Corporation, in addition to all other remedies, (a) the right to enter upon the land upon, or as to which, such violation exists and summarily to abate and remove, at the expense of the owner thereof, such violation, and neither the Corporation, nor any of its agents, officers, or employees, shall thereby be deemed guilty of any manner of trespass for such entry, abatement or removal, or be liable for any damages resulting therefrom, and (b) the right to apply for injunctive relief, the parties hereto agreeing that any such breach cannot be compensated adequately by recovery of damages. All such rights shall be continuing in character, and shall not be deemed to be terminated, exhausted or abridged by the multiple exercise thereof.

19. The Corporation hereby expressly reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein by an appropriate written instrument, so long as such changes do not substantially affect the rights of any owner of any parcel. Where any owner's rights are so substantially affected, before any such change can become operative, all affected owners must indicate their consent to and approval of such annulment, waiver, modification or change, by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

20. Any or all of the rights, titles, easements and estates given to or reserved by the Corporation in this instrument may be assigned, in whole or in part, to one or more corporations or associations, and likewise all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon the Corporation by this instrument may be assigned and transferred to one or more corporations agreeing to assume, exercise, carry out and perform the same. The Corporation may,

at any time deemed advisable by it, cause any or all of said rights, titles, easements and estates to be conveyed to an association to be formed by the several property owners in Governor Grason Manor. Each person, by the acceptance of a deed to, or by entering into possession of, property in Governor Grason Manor, agrees to become a member of such an association and to pay such reasonable dues and assessments as may be levied from time to time by a majority vote of the association, provided that only owners and lessees of property in Governor Grason Manor shall be eligible for membership in said association. Any such assignment or transfer shall be made by an appropriate written agreement in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance and assumption of such powers, duties and obligations; and such assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are herein given to, assumed by, or imposed upon the Corporation, the Corporation thereupon being released therefrom.

AS WITNESS the hand of Frank M. Hardy, Vice President of Wye River Farms, Inc. duly attested by Thomas J. Keating, IV., its Assistant Secretary.

ATTEST:

Thomas J. Keating, IV.
Assistant Secretary

WYE RIVER FARMS, INC.

BY: _____
Frank M. Hardy, Vice President

STATE OF MARYLAND, TALBOT COUNTY, to wit:

I HEREBY CERTIFY, that on this 18th day of August, 1972 before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Frank M. Hardy, who acknowledged himself to be the Vice President of Wye River Farms, Inc. and that he as such Vice President, being authorized so to do executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself as its Vice President.

AS WITNESS my hand and Notarial Seal.

Mary Rae H. Russ
Notary Public

My Commission Expires:
July 1, 1974.

MARY RAE H. RUSS NOTARY PUBLIC TALBOT CO., MD.

Amendment of Restrictions recorded in Liber C.W.C. No.82, folio 14, a Land Record Book for Queen Anne's County.

FOR ADDITIONAL SEE LIBER 173 PAGE 278

BYLAWS

OF THE

GOVERNOR GRASON MANOR ASSOCIATION, INCORPORATED

ARTICLE I NAME

The name of the Association shall be the:
Governor Grason Manor Association, Incorporated,
hereinafter referred to as "the Association".

ARTICLE II PURPOSES

The purposes of the Association shall be those stated in its Articles of Incorporation, and any amendments thereto, as recorded in the State Department of Assessments and Taxation Records, State of Maryland.

ARTICLE III MEMBERSHIP

Section 1 Eligibility

Only owners of property contained within the boundaries of the subdivision developments known as "Governor Grason Manor I", "Governor Grason Manor II", and "Governor Grason Manor III", recorded in the Land Records of Queen Anne's County in Liber CWC 65, Folio 727; CWC 83, Folio 766; and CWC 105, Folio 457 and 458 respectively; shall be eligible for membership. Each subdivision shall be defined as an "Area" by the Board of Directors to provide equality of representation of the membership of the Association. The collective property is referred to herein as the Community. Additional geographic areas adjacent to those defined above may be ceded upon approval by a majority vote of the Board of Directors and thereby shall become sum and substance of the Association.

Section 2 Commitment

Each member agrees to be bound by these Bylaws and all amendments thereof upon being admitted to membership in the Association.

ARTICLE IV BOARD OF DIRECTORS

Section 1 Responsibilities

The Board of Directors shall govern the affairs of the Association. Each Director shall have full power to vote on all issues of business coming before the Board.

Section 2 Duties

The duties of each Director shall be to represent, without bias, the concerns and interests of their designated Area and the Community at large to the best of their ability through direct communication with the residents therein, and to faithfully pursue the furtherance of the purposes of the Association ad defined in the Articles of Incorporation and as delineated by these Bylaws.

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Section 3 Number and Terms of Office

Three Directors shall jointly represent each of the designated Areas of the Association. Directors shall be elected to a one year term of office or until their successor is elected and qualified. Directors shall be members in good standing of the Association at the time of their election and shall maintain this posture throughout their tenure as a qualification for holding their office.

Section 4 Removal

Absence of any Board member from three consecutive Board meetings shall be sufficient reason for the Board to declare his office vacant. A Director may be removed from office for cause by the affirmative vote of two-thirds of the members of the Association at a regular meeting of the membership or at a meeting called for that purpose.

Section 5 Vacancies

Resignation of a Director prior to the end of his or her term of office shall be submitted in writing to the Secretary of the Board. In the event of a vacancy in the representation of any Area, the Board of Directors shall elect a replacement from the same Area to serve the unexpired term, or lacking a qualified replacement from the same Area, a candidate then may be sought within another Area to be elected to serve the unexpired term.

Section 6 Required Approvals

The Board of Directors can undertake the following actions only after a written canvass of the membership has been made on the specific issue and approval by a majority of the membership has been received in writing or at a meeting, provided a simple majority of those attending are in favor of the action:

a. Commit the Association to any single financial undertaking in excess of Two Hundred Fifty Dollars ($250.00)
b. Loan the Association's funds or borrow funds for the Association.
c. Institute court actions.
d. Purchase or lease real property.

ARTICLE V OFFICERS

Section 1 President

The President shall be the chief spokesman of the Association, shall preside at all business sessions of the Association and Board of Directors, sign contracts and documents relating to the affairs of the Association, appoint committees and committee chairpersons as necessary, be an ex officio member of all committees except the Nominating Committee and shall be charged with the general supervision of the Association.

Section 2 Vice-President

The Vice-President, in the absence or disability of the President, shall have all his or her powers and perform all his or her duties. He or she shall be expected to assist the President in every way possible in the promotion of the welfare of the Association.

Section 3 Treasurer

The Treasurer of the Board shall receive all funds of the Association and disburse same as approved by the Board of Directors. He or she shall maintain accounts of the funds of the Association in a federally insured bank or banks, such bank or banks having been selected by the Board of Directors, under the restriction that all withdrawals from such accounts be performed over the signatures of two (2) Officers of this Association. He or she shall prepare and present at the Annual Meeting a full and specific account of reciepts and expenditures of the term. He or she shall keep regular books of accounts and maintain a register of all members of the Association, and shall give such bond for the faithful performance of his or her duties as may be required, the expense of which is to be paid by the Association. He or she shall provide for the filing of all documents required by law to maintain the Association in good standing as a non-profit corporation of Maryland.

Section 4 Secretary

The Secretary of the Board shall keep a full and accurate record of all meetings of the members and all meetings of the Directors (inclusive of standing committees when so requested) and shall have custody of all minute books and other official documents belonging to the Association. He or she shall have custody of the Corporation Seal of the Association and shall have authority to affix same to any instruments requiring it, and when so affixed, it may be attested by his or her signature. The Secretary shall give or cause to be given all notices of meetings of the members and all other notices required by law or by these bylaws. The Secretary shall perform all duties ordinarily incident to the office of a Secretary of a Corporation and such other duties as from time to time may be assigned to him or her by the Board of Directors.

Section 5 Removal

The Officers of the Association shall hold office until their successors are elected and qualified. Any officer may be removed at any time for cause, by the affirmative vote of two-thirds of the Board of Directors.

Section 6 Vacancies

Any vacancy occuring in any office of the Association shall be filled, through election from among themselves, by the Board of Directors and the newly elected officer shall serve until the next annual meeting of the members or until his or her successor is elected and qualified.

ARTICLE VI COMMITTEES

Section 1 Appointment

The Board or Directors shall decide as to the Committees deemed necessary to conduct the Association's activities during their administration. The President shall appoint the Chairperson of these committees, subject to the approval of the Board. If the presence of these Chairpersons, or committee members, is desired at meetings of the Board of Directors, they will not have the power to vote on any business coming before the Board unless they are also members of the Board of Directors.

Section 2 Committee Activities

The work of all committees shall be planned in consultation with the Board of Directors. Expenses incurred by any committee shall be within the budget approved by the general membership.

Section 3 Audit Committee

The President shall appoint a Committee composed of two members of the Association who are not members of the Board of Directors, to audit the books of the Association at the close of the fiscal year. The Treasurer's annual report shall carry the signatures of the auditors showing that all accounts have been checked and found in order.

Section 4 Expenses

Expenses incurred by the functions of a committee shall be audited, checked and approved for payment by the Chairperson of the committee, under whom the expense was incurred, before being paid by the Treasurer.

Section 5 Removal of Members

The President shall have the power to remove any member inclusive of the Chairperson, of any committee for cause, subject to approval of the Board.

Section 6 Ex Officio Members

The President shall be ex officio member of each committee except the Nominating Committee. The Treasurer shall be ex officio of any committee the principal function of which is to recommend financial policy.

ARTICLE VII MEETINGS OF THE MEMBERS

Section 1 Annual Meeting

The annual meeting of the Association shall be held in the third week of April, at such time and place as designated by the President, at which time the election of members to the Board of Directors shall be held and the annual budget shall be submitted for approval by the general membership.

Section 2 Special Meetings

Special meetings may be called at any time by the President, upon request of the majority of the Board of Directors, or upon written request of seven (7) members of the Association. When a special meeting is called pursuant to either a request by the Board of Directors or by members of the Association, it shall be held not less than ten (10) days or more than fifteen (15) days after receipt of the request.

Section 3 Quorum

Twenty (20) percent of the total enrollment in good standing, present either in person or represented by proxy, shall constitute a quorum for the transaction of business at any duly convened meeting of members. If, however, such a quorum shall not be present or represented, the members shall have the power to adjourn the meeting from time to time until a quorum shall be present or represented.

Section 4 Notice of Meetings

A written notice of meeting of the members indicating known items of business to be conducted, shall be sent to all members at least five (5) days, but not more than fifteen (15) days, prior to the date of such meetings. When the annual budget is to be reported for acceptance, a copy of the budget report shall be mailed with the notice. The notice shall include a proxy certificate for each member which may be so configured as to allow each member to convey his or her individual desires on the indicated items of business.

The notice shall indicate that the proxy certificate, in order to be valid, must be returned to the Secretary of the Board no later than twenty-four (24) hours prior to the designated time set for convening the membership meeting. Should the original meeting be adjourned due to the lack of quorum, all proxies received twenty-four (24) hours before the convening of the adjourned meeting will be validated. Any member, having given a proxy, may revoke same at any time prior to the onset of voting for which any portion of the said proxy should apply.

Section 5 Voting

Each member in good standing shall be entitled to one vote on all business coming before the Association. However, any property owner may participate in discussion, whether or not entitled to vote. Unless otherwise stipulated by provisions of these Bylaws, a majority of the votes cast by the members present or represented by proxy, shall determine action on all items of business brought before a duly convened meeting of the membership, and shall constitute the vote of the full membership. Proxies properly executed and not revoked will be voted by the Secretary as specified thereon; if no specification is provided, the Secretary and/or the President will vote the proxy in accordance with their best judgement in such matters which, in their opinion, is in the best interests of the Association. All questions relevant to the validity of proxies shall be decided by the President of the Association.

ARTICLE VIII MEETINGS OF THE BOARD OF DIRECTORS

Section 1 Convocation

Regular meetings of the Board of Directors shall be held at such time and place as designated by the President and shall be open to all members of the Association. The Board may reserve the right to retire to closed session to deliberate on specific issues, the nature of which shall be made known prior to retirement.

Section 2 Roll Call

Roll Call shall be made at all meetings of the Board and record kept of same. The names of Directors in attendance at each meeting shall be available to the members.

Section 3 Quorum

Thirty-five (35) percent of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. In addition, each Area shall be represented by at least one Director. If, however, such a quorum shall not be present, the Directors present shall have the power to adjourn the meeting from time to time until a quorum shall be present.

Section 4 Notice of Meeting

Written or verbal notice will be given to Board members of the date, time and place of Board meetings. Notice of meetings of the Board may, at the discretion of the President or Secretary, be given on the same day as the meeting.

Section 5 Voting

All Board members, irregardless of other considerations, shall each have one vote to cast on all matters of business coming before the Board of Directors.

Unless otherwise stipulated by provisions of these Bylaws, a majority of the vote cast, by the Directors present and voting, shall determine action on any item of business coming before a meeting of the Board of Directors and shall constitute the vote of the entire Board of Directors. The President shall decide all votes of the Board which result in a deadlock.

ARTICLE IX ORDER OF BUSINESS

Section 1 Matters Covered

The order of business at all meetings shall be:

a. Reading of minutes of the previous meeting.
b. Thre Treasurer's report
c. Reports of Committees
d. Unfinished business
e. New business.

Section 2 Rules of Order

Robert's Rules of Order shall govern the meetings of the Association in all procedures where the rules of the Association do not apply. The Board of Directors shall determine the Rules of Procedure and Order of Business at its own meetings.

ARTICLE X NOMINATIONS AND ELECTIONS

Section 1 Appointment of Nominating Committee

A Nominating Committee consisting of three members shall be appointed by the President at least forty-five (45) days prior to the Annual Meeting. This committee shall submit the name of at least three nominees from each of the designated Areas of the Community, to be voted upon for membership to the Board of Directors at the Annual Meeting.

Section 2 Nominations by General Membership

Nominations may, in addition, be made by any member of the Association in written form, addressed to the Chairperson of the Nominating Committee. Such nominations must contain the signature of another member who seconds the nomination and should be received by the Nominating Committee at least fifteen (15) days prior to the Annual Meeting.

Section 3 Proxy Certificate

Names of all nominees determined by the Nominating Committee, or submitted to it, shall be published on the proxy certificate; listed in alphabetical order within the designated Areas for which the nominees are to serve as Director, if so elected.

Section 4 Qualification of Candidates

The Nominating Committee shall secure, as a qualification of each person being placed in nomination, the consent of the nominee to accept office if elected. The Committee shall also affirm that each nominee so designated is a member in good standing of the Association.

Section 5 Nominations from the Floor

Nominations shall also be accepted from the floor at the Annual Meeting when properly submitted and seconded by members of the Association.

Section 6 Voting

Should there be, at the time nominations are closed, more than three (3) nominees for the Directorship offices of any single Area, the three nominees receiving the most number of votes shall be elected to the Board of Directors. Should fewer than three bona fide nominees be presented for election to the Directorships of an Area, the vacancy or vacancies should be filled under the provisions of the second paragraph of Section 5 Article IV of these Bylaws.

Section 7 Election of Officers

The Board of Direcotors, subsequent to their election at the Annual Meeting, shall convene a special meeting to elect, from among themselves, a President, A Vice-President, a Treasurer and a Secretary. This meeting shall be called and presided by the then incumbent President of the Association. as the final activity of his term. Should the President not call for this meeting in an expedient manner, whatever the reason, the members of the Board shall have the power to call the meeting, selecting a President pro tem from among themselves, to conduct the business of such a special meeting.

ARTICLE XI DUES

Section 1 Rate

Dues shall be assessed on a yearly basis, as of the first day of the fiscal year of the Association, the rate being established for the subsequent fiscal year by a majority vote of the members in good standing at the Annual Meeting.

Section 2 Fiscal Year

The fiscal year of the Association shall be from March 1 through the last day of February of the subsequent year or as from time to time may be established by the majority vote of the Board of Directors of the Association.

Section 3 Adjustments

Yearly dues shall be adjusted and pro-rated to the month in which residence or ownership begins or terminates. Prior to the fifteenth (15th) day of any calendar month, dues shall be charged for that full month. Subsequent to the fifteenth (15th) day of any calendar month dues shall not be charged for that month. Owners joining the Association at a date later than that of their establishing ownership will be required to pay dues retroactively. Not more than one year's retroactive assessment shall be required.

Section 4 Per Property Ownership Basis

Joint owners of property are considered to have single membership in good standing of the Association by virtue of rendering a single dues payment, regardless of multiple lot ownership.

Section 5 Count of Membership

A census of the number of members in good standing shall be made and recorded at the time dues are paid and shall constitute the count of the membership of the Association.

Section 6 Delinquent Dues and Assessments

Memberships whose annual dues or assessments are in arrears shall be notified in writing by the Treasurer. A thirty (30) day grace period from

the date of notification shall be allowed. Failure to pay delinquent dues or assessments on expiration of the thirty (30) day grace period shall result in the membership being placed on an inactive list. All dues and assessments in arrears must be paid in order to regain good standing in the membership and entitlement to vote.

Section 7 Assessments

Dues and assessments may not be levied except as approved by majority vote of the Association members present or represented by proxy at a duly convened meeting.

ARTICLE XII INTERPRETATION

Section 1

The Board of Directors shall be the final authority in the interpretation of the provisions of these Bylaws.

ARTICLE XIII AMENDMENTS

Section 1 Notice Required

These Bylaws may be altered, amended or repealed in whole or in part by a two thirds vote of the members present or represented by proxy, at any meeting called for that purpose. Prior to a vote on the amendment, alteration or repeal of the Bylaws, notice shall be given to all members of the Association ten (10) days prior to the meeting at which the vote will be held settling forth the exact nature of the change to be made.

Section 2 Request from membership

Any proposed change in the Bylaws sought by a member of the Association shall be submitted in writing to the Board of Directors for consideration. If the proposed change is approved by the Board of Directors, it shall be submitted to the membership as described in Section 1.

Section 3 Date Effective

Amendments shall become effective immediately upon their passage unless a specific date is provided in the resolution of approval.

Approved April 16, 1980.

GOVERNOR GRASON MANOR ASSOCIATE, INC.
Financial Statement as of 3/29/88

Checking Account Balance as of 3/29/87		2767.57	
INCOME			
Membership Dues	1950.00		
Grass Assessments	1800.00		
Interest on Account	246.91		
Grass Reimbursement	25.00		
Beautification	1135.00		
Realtor Covenant Copy	2.85		
TOTAL DEPOSITS		5159.76	
EXPENSES			
Grass Cutting	1700.00		
Grass Cutting Vacant Lots	175.00		LOT # 77
General Liability Insurance	720.00		
Treasurers Bond	27.00		
P. O. Box Rental	7.00		
Mosquito Control	148.50		
Printing	64.51		
Postage	60.00		
Beautification (Dale Parsons)	625.00		
TOTAL EXPENSES		3527.01	
Checking Account Balance as of 3/29/88		4400.32	

Marion J. Miner,
Treasurer

Verified...

Albert Stant

Bob Kegan

3/30/88

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CLERK. CIRCUIT COURT
1989 DEC -7 PM 12: 57
QUEEN ANNE'S COUNTY

General Association Meeting
Governor Grason Manor Association
June 14, 1997

The meeting was called to order at 7:30 P.M. by Trent Wright at the Grasonville Fire Department auditorium. Board members Trent Wright, Connie Wright, Nancy Peregoy, Harold Ritter, Richard Colton, Bruce Wilmer and Carlton Gloyd were present.

GENERAL BUSINESS

1) Minutes from the last meeting on 03/13/97 were read and approved.

2) Richard Colton gave the treasurers report as of 7/10/97.

Checking $2078.73
Savings $3160.31

The treasurers report was unanimously accepted.

3) Dick announced that the dues notices were late going out this year, and that fees were not due until the notices were received.

3) Architectural report was given by Trent. There were no requests.

4) The welcoming committee visited one new home in GG I and took them flowers.

OLD BUSINESS

1) Lights have been installed at both entrances to the development. It was necessary to have a pole installed at the entrance to GGI.

NEW BUSINESS

1) Trent advises us that the board does not have the power to place a lien on the property of owners who do not pay their association fees or whose grass the association has to have cut. The covenants of the Association need to be changed in order to empower the committee to take appropriate actions when necessary. This must be done at a general meeting with a vote of the full membership.

A motion to change Article C Section 6 the bylaws to read:

> Cannot institute court actions, except to place leins on properties of those who owe theassociation money, and to seek temporary injunctions on projects which have not been approved.

The motion was passed unamiously.

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CLERK, CIRCUIT COURT
97 SEP 23 AM 10: 42
QUEEN ANNE'S COUNTY

RECORDING FEE
TOTAL
Sep 23, 1997
Rcpt # 43018
Blk # 1611

2) The budjet for 1998 was proposed and voted on. It was passed unamiously.

The meeting was adjourned at 8:45 P.M.

OFFICE OF
MARGUERITE W. MANKIN
CLERK OF THE CIRCUIT COURT
FOR QUEEN ANNE'S COUNTY
CENTREVILLE, MARYLAND 21617

(301) 758-1773

BETTY M. COMEGYS
CHIEF DEPUTY CLERK

February 22, 1990

TO WHOM IT MAY CONCERN:

On December 7, 1989, at 12:57 p.m., Governor Grason Manor Association, Inc. deposited disclosure documents in the Homeowners Association Depository maintained in this office pursuant to Section 11B-113 of the Real Property Article of the Annotated Code of Maryland.

Very truly yours,

Marguerite W. Mankin, Clerk
Circuit Court for Queen Anne's County

example

RECEIVED
CLERK. CIRCUIT COURT
99 FEB 17 AM 10:43
QUEEN ANNE'S COUNTY

The Harbor View Improvement Assoc., Inc.

Box 43, Chester, Maryland 21619

By-Laws

RECORDING FEE 25.00
TOTAL 25.00
Rcpt # 64280
Blk # 1694
Feb 17, 1999 10:44 am

ARTICLE I

PURPOSE

The association was formed at the pleasure of the Property Owners of Harbor View in 1961 and is charged with the maintenance of high standards throughout the Community, maintenance of roads, types of housed and buildings permitted therein, and to insure that Harbor View maintains its appearance of a Residential Community; to attempt to deter crime and rowdyism; to provide a Recreational Area; to provide safety for the children living in the community; to otherwise, provide assistance to the property owners wherever possible :consistence with the County and State Laws.

ARTICLE II

SECTION 1 - MEMBERSHIP

Any person, firm or corporation that owns property in the subdivision know as "HARBOR VIEW", in Queen Anne's County, Maryland, shall be a member of the Harbor View Improvement Association (hereinafter the Association).

SECTION 2 -DUES AND VOTING RIGHTS

no member of the Association shall be entitled to vote on any Association issue unless the member is current on all assessed Association dues. Each property owner regardless of the number of lots owned, shall have one (1) vote. Individuals holding title as joint tenants, tenants-by-the-enteritis, partnership or corporation shall be deemed to be one (1) person and shall have one (1) vote.

Each member shall pay Ten Dollars ($10.00) per year as membership dues. Dues shall be paid no later than sixty (60) days after each annual billing on March 1st. Late or unpaid dues shall be subject to civil judgement and property liens for the unpaid balance, court costs and reasonable attorney fees.

SECTION 4 - DELINQUENT ROAD MAINTENANCE FEES & MEMBERSHIP DUES

Any property owner not paying Road Maintenance Fees for Membership Dues for a period of one (1) year, shall be advised that, unless payment is made in full immediately, they shall be taken into Small Claims Court to insure payment of fees and dues by judgement against them along with court costs and attorney fees.

ARTICLE III

SECTION 1 - ANNUAL MEETING
An annual meeting of all members of the "ASSOCIATION" shall be held in October, at a convenient time and place selected by the Board of Directors. The purpose f the annual meeting shall be the election of officers and directors and the transaction of general business.

SECTION 2 - GENERAL MEETING
General meetings of all members shall be held in the months of February and June. At the discretion of the President of the Association the general meeting may be held at other times provided notice is given in accordance with Section 3 of this Article.

SECTION 3 - NOTICE OF MEETINGS
Seven (7) days notice shall be sent to all members for all annual and general meetings of the "ASSOCIATION". Notice shall be given by 1st class mail directed to the property owners last known address.

SECTION 4 - BOARD OF DIRECTORS MEETINGS
The Board of Directors shall meet monthly at a time and place designated by the President. Special Board of Directors meeting may be called by the President or by majority of the Board.

SECTION 5 - QUORUM
Ten percent (10%) of the membership qualified to vote must be present at any annual or general meeting in order to transact business. No proxies shall be allowed unless written notice for authority thereof shall be given the President of the "ASSOCIATION" no less than three (3) days before the call to order of such meeting.

SECTION 6 - ORDER OF BUSINESS
At all meetings the business shall be transacted in accordance with the rules set forth in "Robert's Rules of Order".

ARTICLE IV

SECTION 1 - ELECTION
The Board of Directors shall be elected at the annual meeting in October by a majority vote of the eligible "ASSOCIATION" members present.

SECTION 2 - POWERS
The business and property of the "ASSOCIATION", except as otherwise provided by law, charter, or by these By-Laws, shall be conducted and managed by the Board of Directors.

SECTION 3 - COMPOSITION

The board of Directors shall be the following officers of the "ASSOCIATION": President, Vice President, Recording Secretary, Treasurer, and shall include five (5) members of the "ASSOCIATION" elected as Members-at-Large, which composition shall consist of nine (9) Directors.

SECTION 4 - TERM
Directors shall serve for a period of one (1) year following the Annual Meeting of the "ASSOCIATION".

SECTION 5 - QUORUM
A majority of the Board of Directors shall be necessary to transact the business of the "ASSOCIATION".

ARTICLE V

SECTION 1 - OFFICERS
The Officers of the Association shall be President, Vice-President, Recording Secretary and Treasurer.

SECTION 2 - PRESIDENT
The President shall preside at all meetings of the Board of Directors and "ASSOCIATION"; and shall have general management and direction the business of the "ASSOCIATION", and shall have all the powers ordinary exercised by the President. The President shall execute all papers authorized by the Board of Directions, except in certain situations this authority may be delegated by the President to other members of the Board.

SECTION 3 - VICE-PRESIDENT
In the absence of the President the Vice-President shall perform all the duties of the President; and when so acting, shall have the powers of the President. The Vice-President shall assist the President in such.

SECTION 4 - RECORDING SECRETARY
The Recording Secretary shall keep the minutes of all meetings and shall give due notice of all meetings. The Recording Secretary shall be the custodian of the corporate seal and all records of the "ASSOCIATION", except those normally kept by the Treasurer pertaining to money.

SECTION 5 - TREASURER

The Treasurer shall have charge of and be responsible for all funds, securities, recipts and disbursements of the "ASSOCIATION", and shall deposit all monies in such bank or banks as the Boar of Directors may direct. The Treasurer shall be bonded annually in such amount as the Board of Directors shall direct.

SECTION 6 - REMOVAL
The Board of Directors shall have the power to remove any officer, but only for just cause, including, but not limited to, authorizing an action or giving a decision withou the authority ans/or approval of the Board.

SECTION 7 - MISCELLANEOUS
All officers shallhold only one (1) major office.

ARTICLE VI

COMMITTEES

SECTION 1 - NOMINATING COMMITTEE
The President shall appoint a Nominating Committee, which shall consist of three (3) "ASSOCIATION" members, two (2) of which shall not be members of the Board of Directors. The Nomjnating Committee shall develop a slate of officers and directors and shall file its report with the President and Secretary at least one (1) month prior to the annual meeting. The Nominating Committee's report shall be forwarded to all members with the notice of the annual meeting.

SECTION 2 - BUILDING AND ROADS COMMITTEE
The President shall appoint a Building and Roads Committee consisting of three (3) members. It shall be the duty of this committee to review all applications for any construction in Harbor View to insure compliance with the Harbor View Restrictions and Conditions and such other procedures established by the Board of Directors, and to recommend action on the applications to the Board for final approval. It shall be the duty of this Committee to recommend action to the Board dealing with the maintenance and/or construction of existing or proposed roads in Harbor View.

SECTION 3 - AUDIT COMMITTEE
The President shall appoint an Audit Committee in September consisting of three (3) members, two (2) of which shall not be members of the Board of Directors, to audit the accounts of the Treasurer for the year prior to the Annual Meeting in October of each year. This report shall be given the Board of Directors before the Annual Meeting so that said report may be read at the Annual Meeting to advise the "ASSOCIATION" of the receipts, expenditures and balances of the various accounts.

SECTION 4 - OTHER COMMITTEES
the Board of Directors shall appoint such other committees as it deems necessary for the benefit of the "ASSOCIATION", and shall define the duties of said committees.

ARTICLE VII

SUNDRY PROVISIONS

SECTION 1 - FINANCE
All checks, drafts or orders for payment of money shall be signed by the Treasurer and one (1) other officer, President or Vice President.

SECTION 2 - ROAD MAINTENANCE FUNDS
All Road Maintenance Funds collected in accordance with the Restrictions and Conditions imposed on each lot shall be utilized by the Board of Directors for the sole purpose of maintaining roads and/or expenses incurred relating to road maintenance accounts.

SECTION 3 - CONSTRUCTION IN HARBOR VIEW
Plans for the construction of all homes, additions to existing homes, accessory buildings, fences, etc., in Harbor View shall be in accordance with he Restrictions and Conditions, paragraph 2, and amendment to paragraph 2, as recorded among the Land Records of Queen Anne's County. Plans shall be submitted tot he Building and Roads Committee for review and approval prior to the beginning of construction. The approval of the Board of Directors for any construction must be in writing and in the possession of the property owner before the start of construction. Housed shall have a minimum square footage (not including porches, garages, and/or patios) of eleven (1100) square feet, a mush conform in general appearance to other homes in Harbor View; however, each house shall be different in cosmetic design so as to not have a duplication of appearance in the same area. These provision shall take effect upon the acceptance of these By-Laws by a majority of the "ASSOCIATION" membership present at a General Meeting.

SECTION 4 - GENERAL FUND
the General Fund shall consist of membership dues and any other revenues collected by the "ASSOCIATION" from any other source expect Road Maintenance Fees. These funds shall be utilized by the Board of Directors for any purpose deemed to be of general benefit of the Harbor View Community.

SECTION 5 - FISCAL YEAR
The fiscal year of the Harbor View Improvement Association, Inc., shall be from October 1st to September 30 each year.

ARTICLE VIII

AMENDMENTS

These By-Laws may be amended at any annual meeting or any general meeting by a two-thirds (2/3) majority vote of the membership present and qualified to vote. The membership shall be notified by the Recording Secretary, in writing, or any proposed amendment at least two (2) weeks prior to the meeting at which any such amendment is to be considered.

THESE BY-LAWS BECAME EFFECTIVE UPON ACCEPTANCE AND LEGAL VOTE BY THE MEMBERSHIPS THE HARBOR VIEW IMPROVEMENT ASSOCIATION, INC., AT A GENERAL MEETING CALLED SPECIFICALLY FOR THE PURPOSE OF CONSIDERING THE BY-LAWS, HELD ON THE 7TH DAY OF DECEMBER, 1995.

HARBOR VIEW IMPROVEMENT ASSOCIATION, INC.

MICHAEL S. DERRICKSON
PRESIDENT

MICHELE KIRBY
RECORDING SECRETARY

THE HARBOR VIEW IMPROVEMENT ASSOC., INC.

Box 43, Chester, Maryland 21619

RECEIVED
CLERK, CIRCUIT COURT

1988 DEC 12 AM 10: 23

QUEEN ANNE'S COUNTY

MISC 0#
RECD FEE 50.00
CHECK/MO 50.00
#146330 C001 R00 T10:20
12/12/88

BY-LAWS

ARTICLE I - PURPOSE

The Association was formed at the pleasure of the Property Owners of Harbor View in 1961 and is charged with the maintenance of high standards throughout the Community, maintenance of roads, types of houses and buildings permitted therein, and to insure that Harbor View maintains its appearance of a Residential Comminity; to attempt to deter crime and rowdyism; to provide a Recreational Area; to provide safety for the children living in the community; to otherwise provide assistance to the property owners whereever possible providing there is consistence with the County and State Laws.

ARTICLE II - MEMBERSHIP & DUES

SECTION 1 - MEMBERSHIP: Any person, firm, or corporation, that owns property in the subdivision known as "HARBOR VIEW", in Queen Anne County, Maryland, shall be eligible for membership in the "ASSOCIATION".

SECTION 2 - ADMISSION TO MEMBERSHIP: Upon payment of dues, any property owner shall be considered a member of the "ASSOCIATION". Each member shall have one (1) vote regardless of the number of lots owned. Individuals holding title to property as joint tenants, tenants by the entireties, or as a partnership, shall be deemed one (1) person by the terms of these By-Laws and shall pay dues as an individual and have one (1) vote.

If said dues are unpaid within ninety (90) days after the first annual billing (March 1st), the property owner shall no longer be a member of the "ASSOCIATION" until said annual dues are paid in full.

SECTION 3 - ROAD MAINTENANCE FEES & DUES: Each property owner shall pay a Road Maintenance Fee of ten dollars ($10.00) per year, per lot or fraction thereof, in accordance with the Restrictions and Conditions, Paragraph 15, imposed upon assumption of ownership of property in Harbor View, as recorded among the Land Records of Queen Anne County, which fee shall not be pro-rated or refunded for any

portion of the year, and shall pay, as a member of the "ASSOCIATION", an annual membership fee of TEN dollars ($10.00) per year.

SECTION 4 - DELINQUENT ROAD MAINTENANCE FEES & MEMBERSHIP DUES: Any property owner not paying Road Maintenance Fees or Membership Dues for a period of three (3) consecutive years, shall be advised that, unless payment is made in full immediately, they shall be taken into Small Claims Court to insure payment of fees and dues by judgement against them by the Court.

ARTICLE III - MEETINGS

SECTION 1 - ANNUAL MEETING: An annual meeting of all members of the "ASSOCIATION" shall be held in October, at a convenient time and place, selected by the Board of Directors. The purpose of the annual meeting shall be the election of officers and directors and for the transaction of general business.

SECTION 2 - GENERAL MEETINGS: General meetings of all members shall be held in the months of February and June, or at the discretion of the President of the Association at other times.

SECTION 3 - NOTICE OF MEETINGS: Seven (7) days notice shall be sent to all members for all annual and general meetings of of the "ASSOCIATION".

SECTION 4 - BOARD OF DIRECTORS MEETINGS: The Board of Directors shall meet monthly at a time and place designated by the President. Special Board of Directors meetings may be called by the President or by majority of the Board.

SECTION 5 - QUORUM: Ten percent (10%) of the membership qualified to vote must be present at any annual or general meeting in order to transact business. NO proxies shall be allowed unless written notice for authority thereof shall be given the President of the "ASSOCIATION" no less than three (3) days before the call to order of such meeting.

SECTION 6 - ORDER OF BUSINESS: At all meetings the business shall be transacted in accordance with the rules set forth in "Robert's Rules of Order".

ARTICLE IV - BOARD OF DIRECTORS

SECTION 1 - ELECTION: The Board of Directors shall be elected at the annual meeting in October by a majority vote of the eligible "ASSOCIATION" members present.

SECTION 2 - POWERS: The business and property of the "ASSOCIATION", except as otherwise provided by statutes, charter, or by these By-Laws, shall be conducted and managed by the Board of Directors.

SECTION 3 - COMPOSITION: The Board of Directors shall be the following Officers of the "ASSOCIATION"; President, Vice-President, Recording Secretary, Treasurer, and shall include ~~three~~ FIVE (5) members of the "ASSOCIATION" elected as Members-At-Large, which composition shall consist of ~~seven~~ NINE (9) Directors.

AMENDED 11/21/88

SECTION 4 - TERM: Directors shall serve for a period of one (1) year following the Annual Meeting of the "ASSOCIATION".

SECTION 5 - QUORUM: A majority of the Board of Directors shall be necessary to transact the business of the "ASSOCIATION".

ARTICLE V - OFFICERS

SECTION 1 - OFFICERS: The Officers of the Association shall be President, Vice-President, Recording Secretary and Treasurer.

SECTION 2 - PRESIDENT: The President shall preside at all meetings of the Board of Directors and "ASSOCIATION"; and shall have general management and direction of the business of the "ASSOCIATION"; and shall have all the powers ordinarily exercised by the President. The President shall execute all papers authorized by the Board of Directors, except in certain situations this authority may be delegated by the President to other members of the Board.

SECTION 3 - VICE-PRESIDENT: In the absence of the President the Vice-President shall perform all the duties of the President; and when so acting, shall have the powers of the President. The Vice-President shall assist the President in such other duties as requested by the President.

SECTION 4 - RECORDING SECRETARY: The Recording Secretary shall keep the minutes of all meetings and shall give due notice of all meetings. The Recording Secretary shall be the

custodian of the corporate seal and all records of the "ASSOCIATION", except those normally kept by the Treasurer pertaining to money.

SECTION 5 - TREASURER: The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the "ASSOCIATION", and shall deposit all monies in such bank or banks as the Board of Directors may direct. The Treasurer shall render an account of the financial condition of the "ASSOCIATION" at all meetings, and shall, in general, perform all the duties ordinarily pertaining to the office of Treasurer. The Treasurer shall be bonded annually in such amount as the Board of Directors shall direct.

SECTION 6 - REMOVAL: The Board of Directors shall have the power to remove any officer, but only for just cause, including, but not limited to, authorizing an action or giving a decision without the authority and/or approval of the Board.

SECTION 7 - MISCELLANEOUS: All officers shall hold only one (1) major office.

ARTICLE VI - COMMITTEES

SECTION 1 - NOMINATING COMMITTEE: The President shall appoint a Nominating Committee, which shall consist of three (3) "ASSOCIATION" members, two (2) of which shall not be members of the Board of Directors. The Nominating Committee shall develop a slate of officers and directors and shall file its report with the President and Secretary at least one (1) month prior to the annual meeting. The Nominating Committee's report shall be forwarded to all members with the notice of the annual meeting.

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dealing with the maintenance and/or construction of existing or proposed roads in Harbor View.

SECTION 3 - AUDIT COMMITTEE: The President shall appoint an Audit Committee in September consisting of three (3) members, two (2) of which shall not be members of the Board of Directors, to audit the accounts of the Treasurer for the year prior to the Annual Meeting in October of each year. This report shall be given to the Board of Directors before the Annual Meeting so that said report may be read at the Annual Meeting to advise the "ASSOCIATION" of the receipts, expenditures and balances of the various accounts.

SECTION 4 - OTHER COMMITTEES: The Board of Directors shall appoint such other committees as it deems necessary for the benefit of the "ASSOCIATION", and shall define the duties of said committees.

ARTICLE VII - SUNDRY PROVISIONS

SECTION 1 - FINANCE: All checks, drafts or orders for payment of money shall be signed by the Treasurer and one (1) other officer, President or Vice-President.

SECTION 2 - ROAD MAINTENANCE FUNDS: All Road Maintenance Funds collected in accordance with the Restrictions and Conditions imposed on each lot shall be utilized by the Board of Directors for the sole purpose of maintaining roads and/or expenses incurred relating to road maintenance accounts.

SECTION 3 - CONSTRUCTION IN HARBOR VIEW: Plans for the construction of all homes, additions to existing homes, accessory buildings, fences, etc., in Harbor View shall be in accordance with the Restrictions and Conditions, paragraph 2, and amendment to paragraph 2, as recorded among the Land Records of Queen Anne County. Plans shall be submitted to the Building and Roads Committee for review and approval prior to the beginning of construction. The approval of the Board of Directors for any construction must be in writing and in the possession of the property owner before the start of construction. Houses shall be a minimum square footage (not including porches, garages

and/or patios) of eleven hundred (1100) square feet, and must conform in general appearance to other homes in Harbor View; however, each house shall each be different in cosmetic design so as to not have a duplication of appearance in the same area. These provisions shall take effect upon the acceptance of these By-Laws by a majority of the "ASSOCIATION" membership present at a General Meeting.

SECTION 4 - GENERAL FUND: The General Fund shall consist of membership dues and any other revenues collected by the "ASSOCIATION" from any other source except Road Maintenance Fees. These funds shall be utilized by the Board of Directors for any purpose deemed to be of general benefit to the Harbor View Community.

SECTION 5 - FISCAL YEAR: The fiscal year of the Harbor View Improvement Association, Inc. shall be from October 1st to September 30 each year.

ARTICLE VIII - AMENDMENTS

These By-Laws may be amended at any annual meeting or any general meeting by a two-thirds (2/3) majority vote of the membership present and qualified to vote. The membership shall be notified by the Recording Secretary, in writing, of any proposed amendment at least two (2) weeks prior to the meeting at which any such amendment is to be considered.

THESE BY-LAWS BECAME EFFECTIVE UPON ACCEPTANCE AND LEGAL VOTE BY THE MEMBERSHIP OF THE HARBOR VIEW IMPROVEMENT ASSOCIATION, INC., AT A GENERAL MEETING CALLED SPECIFICALLY FOR THE PURPOSE OF CONSIDERING THE BY-LAWS, HELD ON THE 16th DAY OF JUNE, 1982.

HARBOR VIEW IMPROVEMENT ASSOCIATION, INC.

John E Broderick (SEAL)
PRESIDENT

Robert G. Cot 12/1/88
President

ATTEST:

C. Charlene McMahon
SECRETARY

THE HARBOR VIEW IMPROVEMENT ASSOC., INC.

Box 46, Chester, Maryland 21619

ASSOCIATION ACCOUNT BUDGET LINE ITEMS - FISCAL YEAR 1989

Administrative/Finance		
Printing - bills, envelopes, etc.	300.00	
Postage Stamps	125.00	
Post Office Box Rental	10.00	
Liability Insurance	395.00	
Q. A. County Sanitary District	212.00	
K. I. Volunteer Fire Dept. Donation	75.00	
Best Decorated Home Award	25.00	
Kent Island Civic Confederation Dues	25.00	
Supplies for Ownership Records/Treasurer	25.00	
Calculator	50.00	
		$1,242.00
Newsletter		
Bulk Mailing Permit Renewal	50.00	
15 Newsletters @ 37.00	555.00	
		$ 605.00
Safety/Health		
Sign Replacement	50.00	
Supplies	25.00	
		$ 75.00
Youth		
Easter Egg Hunt	100.00	
Pool Party	100.00	
Halloween Party	100.00	
Christmas Party	200.00	
		$ 500.00
Social		
Auction Dinner	100.00	
Pot Luck Dinner (3)	300.00	
Annual Meeting Dinner	100.00	
Yard Sale Expenses	100.00	
		$ 600.00
Beautification		
Plants, etc. for Entrance	150.00	
Clean Up Projects (dumpsters, etc.)	700.00	
		$ 850.00
Building/Roads		
Contingent Expenses - Road Maintenance is paid from Road Maintenance Funds, Investment Account		$ 50.00

APPROVED: NOVEMBER 14, 1988
HARBOR VIEW IMPROVEMENT ASSOCIATION, INC.
BOARD OF DIRECTORS

Mary Lee Montell

Mary Lee Montell, Treasurer

Mary Lee Montell
December 7, 1988

Harbor View, Chester, Maryland
RESTRICTIONS AND CONDITIONS

1. All lots in Harbor View shall be for residential use only and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage and other structures appurtenant to the main residence or to be used in connection therewith and on no lot shall there be more than one main dwelling and on no lot shall more than one family occupy the main dwelling or any structure appurtenant thereto. The main dwelling or residence on any lot shall have a setback from the front line of said lot to be 35 ft. determined and shall have a setback from the dividing lines of said lot at least ten (10) feet and shall have a setback from the rear boundary of the lot at least ten (10) feet.

1-A. No purchaser of any of the lots now owned by THE SELLER in said development shall have any right, as such purchaser, to construct maintain or use water fowl or duck blinds in or upon the waters adjacent to the said development; it being specifically understood that THE Seller, and its successors, licensees and assigns shall have full and exclusive rights to construct, maintain and use water fowl or duck blinds in said waters.

2. No residence, dwelling, garage or other structure appurtenant to the residence shall be erected or built on said land, nor shall any addition to or change or alteration therein be made, until the plans and specifications for such structure or alteration and location thereof are submitted to and approved by THE SELLER or its successors in the ownership or development of the entire tract, or its duly authorized agents. Written permission must be obtained from the SELLER to construct or maintain fences, walls, hedges, buildings, piers, boathouses, bulkheads, bathhouses, and outbuildings.

3. All detached garages and other outbuildings of any kind whatsoever shall be in the rear of the dwelling but shall not be within ten (10) feet of the rear boundry of the lot nor within ten (10) feet of the dividing lines of said lot.

4. No trees shall be cut and no excavations shall be made on the premises except for the purpose of building thereon and at the time when the building operations are commenced and no earth or sand shall be removed from said premises except as part of such excavations.

5. Free and open spaces shall be left on both sides and to the front and to the rear of every building, structure, dwelling, or part thereof, erected on said lot, which free and open spaces shall extend the full length of all lots and shall be not less than ten (10) feet in width from the dividing lines from the front, and from the rear of said lots.

6. No privy of any kind shall be allowed on said property, but each house shall have inside toilets with adequate water supply and septic tank installation for disposal of sewage approved by the Maryland State Board of Health.

7. No noxious or offensive trade shall be carried on upon any lot nor shall anything be done or kept thereon which may be or become any annoyance or nuisance to the neighbors.

8. No trailer, basement, tent, shack, garage, barn, or other outbuilding erected on the tract shall at any time be used as a residence temporary or permanently, nor shall any residence of a temporary character be permitted.

9. In order to preserve or improve the views of land and water hills and valleys, obtainable on and from the various lots shown on the said Plat, and to promote the free movement of breezes and prevent the harboring places for flies, mosquitos and other insects, the SELLER reserves the right to trim any trees or shrubbery now or hereafter standing in said tract which may in its opinion destroy or interfere with such views or the free movement of breezes or furnish harboring places for flies, mosquitos or other insects.

10. The land hereby conveyed shall, in respect to that part of it which lies in the bed of the road or roads, harboring the property, be subject to an easement in favor of the owners and occupants of lots and houses bordering other parts of the said road or roads in respect to free and common use of the said road or roads, both for the purpose of passage to and from and for the laying or erecting of water pipes gas pipes, electric poles or other public utilities to be used in common by the owners and/or occupants of the entire tract, snf further that the owners or owner of any lot will join in a petition to the proper governmental authorities, that this road or roads bordening the property be taken over by the County as public roads under a proper deed or dedication to be signed by such owner or owners at such time when two-thirds of the owners of the lots along such road or roads shall demand.

11. The SELLER hereby reserves the right in its absolute discretion at any time to annul waive, change, or modify any of the restrictions, conditions, covenants, agreements or provisions contained herein, as to any part of said tract then owned by the SELLER, and with the consent of the owner as to any other land, included in said tract, and to grade change the grade of, or regrade any street, road or lane shown on said plat, and shall have the further right before a sale to change the size of, locate or relocate any of the lots shown on the said plat.

12. Easements and rights of way are hereby expressly reserved in and over the strips of ground five feet in width along the rear line of the lots for the purpose of erecting constructing and maintaining wires and the necessary or proper attachments in connection therewith for the transmission of electricity and for telephones and other public utilities or functions, and the SELLERS, its successors, assigns, or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth.

13. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by the SELLER, or the owner of any land included in said tract, their respective personal representatives, heirs, successors, and assigns, and failure by the SELLER or any land owner to enforce any restriction, condition, covenant, or agreement herein contained shall in no event be deemed a waiver of the right to do so thereafter to one occurring prior or subsequent thereto; and the declared invalidity of any one or more of the provisions herein shall not affect the validity of the others.

14. Any or all of the rights and powers, titles, easements and estates reserved or given to the SELLER in this agreement may be assigned to any one or more corporations or associations that will agree to assume said rights, powers, duties and obligations and carry out and preform the same. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purposes of evidencing its acceptance of such rights and powers; and such assignee or transferee shall thereupon have the same rights and powers and be subject to the same obligations and duties as are herein given to and assumed by the SELLER, the SELLER thereupon being released therefrom.

15. The Purchaser, or successor in possession, covenants to pay to THE SELLER, its successors or assigns, on March 1st of each year the sum to Ten Dollars ($10.00) for each and every lot purchased, to be used for construction, maintenance and repair of streets in the subdivision. At such time as THE SELLER, its successors or assigns shall form an association of the purchasers and owners of the lots in this subdivision for the purpose of administrering the road funds each purchaser or owner expressly agrees to join and maintain membership in such association and to accept and abide in all rules and regulations for the conduct of such Association when formed.

Amendment to Restriction #1:

1. All lots in "Harbor View" shall be for residential use only and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage and other structures appurtenant to the main residence, or to be used in connection therewith, and on no lot shall there be more than one main dwelling and on no lot shall more than one family occupy the main dwelling or any structure appurtenant thereto. The main dwelling or residence on any lot shall have a set back front the front line of said lot of at least thirty-five (35) feet, and shall a set back from the dividing lines of said lot of at least ten (10) feet, and shall have a set back from the rear line of at least ten (10) feet.

Amendment to Restriction #2:

1. No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built on said land, nor shall any addition to or change or alteration therein be made, nor shall any well or septic tank be installed therein, until the plans and specifications for such structure or any additon or alteration, or for any well or septic tank, as well as the location of any such structure or any addition or alteration, or any septic tank or well to be installed in said land, are submitted to and approved in writing, by Chester Beach, Inc. herein called the Developer, or its successors in the ownership or development of the entire tract, or its duly authorized agents. The Developer, and its successors and duly qualified agents, shall also have the absolute right to designate in writing, the area, on each or any lot contained within the development, within which the residence, or any change or alteration therein, or any addition thereto, or any well or septic tank, shall be erected, constructed or installed, including the absolute right, prior to the erection of the residence, to establish in writing, to be duly recorded, new set back lines which shall apply to the lot or lots on which the said residence is to be erected. In the absence of recorded evidence of a change or changes in the set back distances applicable to any lot or lots in the development, it shall be conclusively presumed, after a residence has been erected upon a lot or lots within said development, that said residence was permitted to be erected in accordance with the general provisions, contained herein, relating to set back distances. Written permission must be obtained from the Developer, or its successors or its agents, to construct or maintain fences, walls, hedges, buildings, piers, boathouses, bulkheads, bath houses and outbuildings.

THIS IS A COPY OF THE ORIGINAL RESTRICTIONS AND CONDITIONS OF THIS DEVELOPMENT. THEY ARE ASSIGNMENTS FROM THE CHESTER BEACH INC. TO THE HARBOR VIEW IMPROVEMENT ASSOCIATION INC. DATED SEPTEMBER 10, 1964 AND RECORDED IN CENTREVILLE AND THE HARBOR VIEW ASSOCIATION ABIDES BY THEM.

HARBOR VIEW IMPROVEMENT ASSOCIATION INCORPORATED YEAR OF 1961. FEBRUARY 12, 1974

Robert D Cox, President 12/2/88

RECEIVED
CLERK, CIRCUIT COURT

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QUEEN ANNE'S COUNTY

Depository Information Required by the Maryland Homeowners Association Act

HOMEOWNERS ASSOCIATION DEPOSITORY INFORMATION

1. (a) The name, principal address and telephone number of the Declarant are:

RECORDING FEE 50.00
TOTAL 50.00
Rec# 04081 Rcpt # 87153
SM RCB Blk # 842
Sep 13, 2000 01:11 Pm

Weese Development Corporation, Inc.
101 Olde Pointe Village Center
Chester, Maryland 21619
Tel. (410) 643-4663

(b) If the Declarant is a corporation or partnership, list the names and addresses of the principal officers of the corporation, or the general partners of the partnership (as the case may be):

2. The name of the Homeowners Association is: **Heritage Homeowners Association, Inc.** If incorporated, the Homeowners Association was incorporated in the State of **Maryland**. The name of the Maryland resident agent for the Homeowners Association is: **Rodger L. Weese**.

3. The Development is located at: **Route 305, Centreville, Maryland**. The Development consists of **33** lots. The minimum number of lots which may be contained within the Development are **33**. The maximum number of lots which may be contained within the Development are **33**.

4. The Declarant owns the following property which is contiguous to the Development and is to be dedicated to public use: **N/A.**

5. State whether the Development is, or will be, within, or a part of, another development: **No.** If the answer is yes, give a general description of that other development:

6. State whether the Declarant has reserved the right to annex additional property to the Development: **No**. If the answer is yes, give a description of the size and location of the additional property and the approximate number of lots currently planned to be contained in the Development, as well as any time limits within which the Declarant may annex such property: **N/A**.

7. Attach a copy of the Bylaws and Rules of the Development. If the Development is, or will be, within, or a part of, another development, also attach a copy of the Bylaws and Rules of the other development. The obligations set forth in the Bylaws and Rules of the Development (and, if the Development is, or will be, within, or a part of, another development, the obligations set forth in the Bylaws and Rules of the other development) will become the obligations of, and will be enforceable against, the owner of a lot in the Development. State whether these obligations are also intended to become the obligations of, and enforceable against, the tenants of any owner of a lot in the Development:**No.**

8. (a) The Homeowners Association is now, or is expected to be, the owner of the common area described in the Declaration. In addition, the Homeowners Association is now, or is expected to be, the owner of the following property: **N/A**.

(b) The Homeowners Association leases now, or is expected to be the lessee of, the following property: **N/A**.

(c) The following property is not now owned or leased by the Homeowners Association, nor is the Homeowners Association expected to own or lease the following property, but it is maintained by the Homeowners Association: **Common Areas and Open Space**.

9. Information regarding the zoning and other land use requirements affecting the Development is available at the Office of Planning and Zoning for **Queen Anne's County**, Maryland, whose address is: **107 N. Liberty Street, Centreville, Maryland 21617**.

10. (a) If mandatory Homeowners Association fees or assessments are not now being levied, state when they will first be levied against owners of lots: **As set forth in Article V of the Declaration of Covenants, Conditions and Restrictions.**

(b) Provide a description of the procedure for increasing or decreasing such fees or assessments: **As set forth in Article V of the Declaration, Conditions and Restrictions**.

(c) Provide a description of how fees or assessments and delinquent charges will be collected: **Fees and assessments will be collected on annual basis.**

(d) State whether unpaid fees or assessments are personal obligations of owners of lots: **Yes.**

(e) State whether unpaid fees or assessments bear interest: **Yes.** If they do, state the rate of interest: **1% per month (12% per annum)**.

(f) State whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act (§14-201, *et seq.* of the Real Property Article of the Annotated Code of Maryland): **Yes.**

(g) State whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and describe any other consequences for the non-payment of fees or assessments: **Yes.**

11. The following is a description of special rights or exemptions reserved by, or for, the Declarant, including (a) the right to conduct construction activities within the Development, (b) the right to pay a reduced Homeowners Association fee or assessment, (c) exemptions from use restrictions, and (d) architectural control provisions contained in the Declaration or provisions by which the Declarant intends to maintain control over the Homeowners Association: **Easements for Drainage, Utilities and Related Purposes.**

12. Provide the name, address, and telephone number of the management agent of the Homeowners Association (or other officer or agent authorized by the Homeowners Association to provide members of the public the information regarding the Homeowners Association, or state that no such agent (or officer) is presently so authorized: **No such agent is presently so authorized**.

13. Attachments (check if attached)
    Bylaws: ✔.
    Regulations: **N/A.**
    Bylaws and Regulations of any other development of which the Development is or will be a part: **N/A.**

BYLAWS

OF

HERITAGE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Heritage Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 101 Olde Point Village Center, Chester, Queen Anne's County, Maryland 21619, but meetings of members and directors may be held at such places within the State of Maryland, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. The terms "Association," "Common Area," "Declarant," "Lot," "Lot Owner," "Member," and "Open Space" as used in these Bylaws shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for Heritage dated August 3, 2000, and recorded among the Land Records of Queen Anne's County on August 3, 2000 in Liber S.M. No. 747, folio 214 (the "Declaration").

Section 2. "Member" means those persons or entities entitled to membership in the Association as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within the State of Maryland selected by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Members of the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than fifteen (15) nor more than sixty (60) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the

Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to cast one-tenth (1/10) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

ARTICLE IV

BOARD OF DIRECTORS SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who shall be Members of the Association.

Section 2. Term of Office. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members at which their successors are elected. The terms of each director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal. Any director, other than a Charter Director, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal, pursuant to these Bylaws, of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination of Directors for election to the Board of Directors shall be made by the Members of the Association from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At the election the Members of the Association or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Open Space and Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

(d) employ a manager, independent contractors, or other employees or contractors as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Membership, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Members of the Association.

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) Fix the amount of the annual assessment against each Lot not later than January 31st of each year;

(2) send written notice of each annual assessment to every Lot Owner subject thereto not later than February 15th of each year, and of each special assessment, at least forty-five (45) days in advance of its due date; and

(3) foreclose the lien against a Lot if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates; (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Open Space and Common Areas to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Not more than two offices may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds, and other written instruments.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

ARTICLE IX

DIRECTOR AND OFFICER LIABILITY

No Director of Officer shall be liable to the Association or to its Members for money damages except (1) to the extent that it is proved that such Director or Officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (2) to the extent that a judgment or other final adjudication adverse to such Director or Officer is entered in a proceeding based on a finding in the proceeding that such Director's or Officer's action, or failure to act, was (a) the result of active and deliberate dishonesty, or (b) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding.

ARTICLE X

COMMITTEES

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE XI

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the Lot against which the assessment is made. If the assessment is not paid on the due date, the assessment shall bear interest from the date of delinquency at the rate of 1% percent per month (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Open Space or Common Area or abandonment of his Lot.

ARTICLE XIII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken. Anything set forth above in this Article XII to the contrary notwithstanding, the Association shall have the absolute unilateral right, power and authority to modify, revise, amend or change any of the terms or provisions of these Bylaws all as from time to time amended or supplemented.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.

Section 3. Notwithstanding the preceding Sections 1 and 2 of this Article, so long as the Heritage controls the voting rights of the Association, the prior approval of the Federal Housing Administration or the Veterans Administration shall be required to: amend these By-laws, the Articles of Incorporation or the Declaration; to annex additional properties into the Association; to mortgage or dedicate the Common Areas; and, to dissolve the Association.

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, we, being all of the Directors of Heritage Homeowners Association, Inc., have hereunto set our hands this 8TH day of SEPTEMBER, 2000.

Rodger L. Weese

Jeffrey A Weese, VICE PRESIDENT

Brian C Weese, TRES.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of Heritage Homeowners Association, Inc., a Maryland corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 8TH day of SEPTEMBER, 2000.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 8TH day of SEPTEMBER, 2000.

Patricia Weese, Sec.

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CLERK. CIRCUIT COURT
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QUEEN ANNE'S COUNTY

HOMEOWNERS ASSOCIATION DEPOSITORY INFORMATION
(Depository Information Required by the Maryland Homeowners Association Act)

HOME PORT ON WINCHESTER CREEK

1. (a) The name, principal address and telephone number of the Declarant are:

WATERMAN REALTY COMPANY
109 Country Day Road, Suite 1
Chester, Maryland 21619
Tel. (410) 643-5005
Fax.(410) 643-5213

(b) If the Declarant is a corporation or partnership, list the names and addresses of the principal officers of the corporation, or the general partners of the partnership (as the case may be):

Mareen D. Waterman, President
Barry P. Waterman, Vice President
Marian R. Waterman, Secretary
109 Country Day Road, Suite 1
Chester, Maryland 21619
Tel. (410) 643-5005
Fax. (410) 643-5213

RECORDING FEE 50.00
TOTAL 50.00
Rcpt # 42641
Blk # 1651
Aug 11, 2003 03:37 PM

2. The name of the Homeowners Association is: **Home Port Homeowners Association, Inc.**. If incorporated, the Homeowners Association was incorporated in the State of **Maryland**. The name of the Maryland resident agent for the Homeowners Association is: **Mareen D. Waterman**.

3. The Development is located at: **the westerly side of Hissey Road in Grasonville, MD**. The Development consists of **18** lots. The minimum number of lots which may be contained within the Development are **18**. The maximum number of lots which may be contained within the Development are **27**.

4. A plat of the **Home Port on Winchester Creek** subdivision entitled "ADMINISTRATIVE/MAJOR SUBDIVISION FOR HOME PORT ON WINCHESTER CREEK" dated May 18, 1999, by McCrone, Inc., registered engineers and surveyors, is recorded among the Land Records for Queen Anne's County, Maryland in Plat Liber S.M. No. 27, folios 73A through 73F.

5. A **Declaration of Covenants, Conditions and Restrictions** ("Declaration") for the Development, dated September 5, 2001, was recorded among the Land Records for Queen Anne's County, Maryland in Liber S.M. No. 830, folio 002, a copy of which is attached hereto.

6. The Declarant owns the following property which is contiguous to the Development and is to be dedicated to public use: **N/A**

7. State whether the Development is, or will be, within, or a part of, another development: **No**. If the answer is yes, give a general description of that other development: **N/A**.

8. State whether the Declarant has reserved the right to annex additional property to the Development: **No.** If the answer is yes, give a description of the size and location of the additional property and the approximate number of lots currently planned to be contained in the Development, as well as any time limits within which the Declarant may annex such property: **N/A**.

9. Attach a copy of the Bylaws and Rules of the Development. **See 15 below**. If the Development is, or will be, within, or a part of, another development, also attach a copy of the Bylaws and Rules of the other development. **N/A.** The obligations set forth in the Bylaws and Rules of the Development (and, if the Development is, or will be, within, or a part of, another development, the obligations set forth in the Bylaws and Rules of the other development) will become the obligations of, and will be enforceable against, the owner of a lot in the Development. State whether these obligations are also intended to become the obligations of, and enforceable against, the tenants of any owner of a lot in the Development: **Yes.**

10. (a) The Homeowners Association is now the owner of the Common Area described in the Declaration. In addition, the Homeowners Association is now, or is expected to be, the owner of the following property: **N/A**.

(b) The Homeowners Association leases now, or is expected to be the lessee of, the following property: **N/A**.

(c) The following property is not now owned or leased by the Homeowners Association, nor is the Homeowners Association expected to own or lease the following property, but it is maintained by the Homeowners Association: **N/A.**

11. Information regarding the zoning and other land use requirements affecting the Development is available at the **Department of Planning and Zoning for Queen Anne's County**, Maryland, whose address is: **160 Coursevall Drive, Centreville, Maryland 21617, Tel. (410) 758-1255, Fax (410) 758-2905, Website: www.qac.org.**

12. (a) If mandatory Homeowners Association fees or assessments are not now being levied, state when they will first be levied against owners of lots: **upon occupancy on a pro-rata basis.**

(b) Provide a description of the procedure for increasing or decreasing such fees or assessments: **As set forth in Article V of the Declaration**.

(c) Provide a description of how fees or assessments and delinquent charges will be collected: **As set forth in Article V and VI of the Declaration.**

(d) State whether unpaid fees or assessments are personal obligations of owners of lots: **Yes.**

(e) State whether unpaid fees or assessments bear interest: **Yes.** If they do, state the rate of interest: **1% per month (12% per annum)**.

(f) State whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act (§14-201, *et seq.* of the

Real Property Article of the Annotated Code of Maryland): **Yes. See Article VI of the Declaration.**

(g) State whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and describe any other consequences for the non-payment of fees or assessments: **Yes. See Article VI of the Declaration.**

13. The following is a description of special rights or exemptions reserved by, or for, the Declarant, including (a) the right to conduct construction activities within the Development, (b) the right to pay a reduced Homeowners Association fee or assessment, (c) exemptions from use restrictions, and (d) architectural control provisions contained in the Declaration or provisions by which the Declarant intends to maintain control over the Homeowners Association: **See Declaration**.

14. Provide the name, address, and telephone number of the management agent of the Homeowners Association (or other officer or agent authorized by the Homeowners Association to provide members of the public the information regarding the Homeowners Association, or state that no such agent (or officer) is presently so authorized: **No such agent is presently so authorized**.

15. Attachments (check if attached)

Declaration of Covenants and Restrictions: ✔
Articles of Incorporation: ✔
Bylaws: ✔.
Implementing Agreement-U.S. Fish and Wildlife Service: ✔
Deed of Open Space and Environmental Easement IA/ITP Provisions: ✔
Declaration of Common Use Access Easement: ✔
Deed of Open Space Lots 17 & 18: ✔
Regulations: **N/A**.
Bylaws and Regulations of any other development of which the Development is or will be a part: **N/A.**

LIBER 0839 FOLIO 002

DOC. NO. 269773

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CLERK, CIRCUIT COURT
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QUEEN ANNE'S COUNTY

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

HOME PORT ON WINCHESTER CREEK

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made this 5th day of September, 2001 by Waterman Realty Company, hereinafter collectively referred to as "Declarant."

RECITALS

1. Waterman Realty Company ("Declarant") is the owner of a 56.06 acre, more or less, tract of land, situate, lying and being in the Fifth Election District of Queen Anne's County, Maryland by virtue of a deed recorded in the Land Records for Queen Anne's County in Liber No.377, folio 834, the total 56.60 acres of said land being designated on the final subdivision plats entitled, "ADMINISTRATIVE/MAJOR SUBDIVISION FOR HOMEPORT ON WINCHESTER CREEK, Fifth Election District, Queen Anne's County, Maryland" prepared by McCrone, Inc., registered engineers and surveyors, dated June 1998 and recorded among the Land Records of Queen Anne's County, Maryland on July 29, 1999 in Plat Liber S.M., No. 27, folio 73 A through F.

2. Declarant intends to subject certain property consisting of 56.60 acres, more or less, located in Queen Anne's County, Maryland, on the westerly side of Hissey Road and known as "Home Port" to this Declaration of Covenants, Conditions and Restrictions to be recorded among the Land Records of Queen Anne's County, Maryland ("Declaration"); and

3. The Declarant intends by this Declaration to provide for the preservation of values and amenities in the community and for the maintenance of the Common Areas.

NOW, THEREFORE, in consideration of the aforegoing Recitals, which are not merely prefatory but made part hereof, the Declarant hereby declares that the real property described in Article II 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 agreed to be in aid of the plan for the 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 interest solely as security for the performance of an obligation.

10/2/01.

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To R. Lepore	From C. Mulligan
Co.	Co.
Dept.	Phone # 410-758-4600
Fax # 617-527-6848	Fax #

IMP FD SURE $ 5.00
RECORDING FEE 75.00
TOTAL 80.00
Rec# 0A01 Rcpt # 3592
SM RCB Blk # 2223
Sep 25, 2001 01:37 PM

ARTICLE I

1. Definitions. The following words, when used in this Declaration, shall have the following meanings:

(a) "Architectural and Environmental Review Committee" means the Architectural and Environmental Review Committee established pursuant to Article VII hereof.

(b) "Association" or means the Home Port Homeowners Association, Inc., and its successors and assigns.

(c) "Board of Directors" means the Board of Directors from time to time of the Association.

(d) "Boat Slip" means that space on, above and below the surface of the water which is located between the pilings on one side and the finger piers or pilings on the other side. The Boat Slips shall include the pilings, finger piers, platforms or pier surface adjacent to the Boat Ships.

(e) "Common Areas" means all of the land, buildings and property within the Community owned or leased by the Association or otherwise available to the Association for the benefit, use and enjoyment of its Members, including the Open Space Lots 17 and 18, Boat Slips and Community Dock. "Common Areas" shall not include Open Space Lot 16.

(f) "Community Dock" means the dock at which the Boat Slips are located.

(g) "Declarant" or "Developer" or "Grantor" means the Declarant hereinabove identified in the preamble to this Declaration, and 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 assigned by an instrument in writing.

(h) "Deed of Open Space Easement" means the Deed of Open Space and Environmental Easement IA/ITP Provisions dated May 14, 1999 and recorded among the Land Records for Queen Anne's County in Liber S.M. No. 689, folio 497.

(i) "DFS" means Delmarva Fox Squirrel, *Sciurus niger cinereus*.

(j) "Dwelling" means any building or portion of a building situated upon the Property and designed and intended for use and occupancy as a residence by a single person family.

(k) "Environmental Easement Area" means all that area of land consisting of

34.676 acres, more or less, as depicted on Sheet 3 of 6 of the Plat as the ENVIRONMENTAL EASEMENT area.

(l) "ESA" means the federal Endangered Species Act (16 U.S.C. §§ 1531-1544), including all regulations promulgated pursuant to that Act.

(m) "Home Port" shall mean and refer to all areas of those certain tracts or parcels of land consisting of 56.60 acres, more or less, described in this Declaration.

(n) "Implementing Agreement" means the implementing agreement approved by the United States Fish and Wildlife Service ("Service"), pursuant to Section 10 of the federal Endangered Species Act, which contains certain obligations and requirements that are applicable to the Home Port Conservation Plan and Incidental Take Permit. The Implementing Agreement is recorded among the Land Records for Queen Anne's County in Liber S.M. No. 689, folio 506.

(o) "Incidental Take Permit" means a permit issued by the United States Fish and Wildlife Service pursuant to Section 10(a)(1)(B) of the federal Endangered Species Act authorizing the potential "take" of Delmarva Fox Squirrel at Home Port and recorded among the Land Records in Liber S.M. No. 689, folio 541.

(p) "Lot" means all subdivided parcels or property numbered lots 1 through 18 which are part of the Property.

(q) "Member" means every person, group of persons, corporation, trust or other legal entity, or any combination thereof, who holds a Membership in the Association.

(r) "Mortgagee" or "Holder" means 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" shall include a deed of trust. "First Mortgage" means a mortgage with priority over other mortgages.

(s) "Open Space" means the undeveloped land restricted to resource protection or recreational uses and depicted on the Plat as Open Space on Lots 16, 17, and 18, but shall exclude the building pad of Lot 16 reserved for a single residential structure. The Open Space is restricted pursuant to the Deed of Open Space and Environmental Easement IA/ITP Provisions dated May 14, 1999 and recorded among the Land Records for Queen Anne's County in Liber S.M. No. 689, folio 497.

(t) "Owner" or "Owners" means the record Owner, whether one or more persons or entities, of the fee simple title to any Lot, including the Declarant and contract sellers, but excluding those having such interest solely as security for the performance of an obligation.

(u) "Plat" means all those Plats referred to and described in Article II.

(v) "Project" and "Community", means that certain community being developed by the Declarant on the Property.

(w) "Property" means all of the real property described in Section 2 of Article II hereof and such additions thereto as may hereafter be made pursuant to the provisions of Article II.

(x) "Service" means the U.S. Fish and Wildlife Service, an Agency of the United States Department of the Interior.

ARTICLE II

The property described in herein this Article II shall be subject to this Declaration.

All that land described, shown and designated as Lots 1 through 18, including "Open Space" shown on the final subdivision plats entitled, "ADMINISTRATIVE/MAJOR SUBDIVISION FOR HOMEPORT ON WINCHESTER CREEK, Fifth Election District, Queen Anne's County, Maryland, containing 6 pages, prepared by McCrone, Inc., dated June 1998 and recorded among the Land Records of Queen Anne's County, Maryland on July 29, 1999 at Plat Liber S.M. No. 27, folio 73 A through F.

ARTICLE III

1. Association Membership. The Association shall have one class of Members. Every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, including the Declarant and contract sellers, who is a record Owner of a fee interest in any Lot shall be 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 Member solely on account of such interest. Each Member shall be entitled to one (1) vote for each Lot in which such Member holds the interest required for Membership. When there is more than one record Owner of a Lot, all of such record Owners shall be Members; however, the vote for such Lot shall be exercised as such Owners shall among themselves determine and, in no event, shall more than one (1) vote be cast with respect to such Lot. Notwithstanding the aforegoing, the Declarant shall be entitled to three (3) votes for each Lot that it owns.

2. Pre-emptive Rights. 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.

ARTICLE IV

1. Member's Right of Enjoyment. Every member shall have a right and easement of enjoyment in and to the Common Areas and/or Open Space and such easement shall be appurtenant to and shall pass with the fee title to every Lot subject to the following:

(a) the right of the Association, in accordance with its Articles of Incorporation and By-Laws, and with the approval of the members of the Association entitled to cast two-thirds (2/3rds) of the total votes of the membership, to borrow money for the purpose of improving the Common Areas and/or Open Space 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/or Open Space; and

(b) 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; and

(c) the right of the Association to adopt reasonable rules respecting use of the Common Areas and/or Open Space and to reasonably limit the number of guests of Members permitted to use any facilities which are developed upon the Property; and

(d) the right of the Association to take such steps necessary to comply with the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement.

(e) the right of the Association to suspend the voting rights and the rights to use the Common Areas and/or Open Space for any period during which any assessment remains unpaid and for any period not to exceed thirty (30) days for any infraction of any of the published rules and regulations of the Association; and

(f) the right of the Association to dedicate or transfer all or any part of the Common Areas or Open Space to any public or municipal agency, authority or utility for purposes consistent with the purpose of this Declaration and subject to such conditions as may be agreed to by the Members; provided, however, that no such dedication or transfer or determination as to the purposes or as to the conditions thereof, shall be effective unless Members of the Association entitled to cast two-thirds (2/3) of the total votes of the membership consent to such dedication, transfer, purpose and conditions; and, provided further, that any such dedication or transfer shall also be subject to the limitations provided for in Article VIII of this Declaration and subject to the limitations as prescribed in the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement.

(g) the right of the Association, to grant licenses, rights-of-way and easements for access or for the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, the installation of cable television lines, to any municipal agency, public utility, the Declarant or any other person; provided, however, that no such licenses,

rights-of-way or easements shall be unreasonably and permanently inconsistent with the rights of the Members to the use and enjoyment of the Common Areas and/or Open Space and provided that such licenses, rights-of-way or easements shall be subject to the limitations as prescribed in the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement.

2. Delegation of Right of Use. Subject to the terms and conditions of Section 10 of Article VII with respect to Boat Slips, any Member of the Association may delegate his rights to the use and enjoyment of the Common Areas and/or Open Space to the Members of his family who reside permanently with him or to full time tenants occupying the Members' residence.

ARTICLE V

1. Annual Maintenance Assessments.

(a) Each Owner of a Lot within the Property, (i.e., each 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, on the first day of each calendar quarter, a sum (herein referred to as "maintenance assessments") equal to one-fourth (1/4) 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:

(i) the cost of all operating expenses of the Common Areas and/or Open Space and the services furnished to or in connection with the Common Areas and/or Open Space, including charges by the Association for any services furnished by it; and

(ii) the cost of necessary management and administration of the Common Areas and/or Open Space, including fees paid to any management agent, legal, accounting or other professional service; and

(iii) the amount of all taxes and assessments levied against the Common Areas and/or Open Space; and

(iv) the cost of liability insurance on the Common Areas and the cost of such other insurance as the Association may effect with respect to the Common Areas and/or Open Space; and

(v) the cost of utilities and other services which may be provided by the Association, whether for the Common Areas; and

(vi) the cost of maintaining, replacing, repairing, and landscaping the Common Areas, including, without limitation, maintenance of any storm water detention basins or the like located upon the Common Areas and the cost of the maintenance of all pathways upon the Common Areas; and

(vii) the cost of providing for grass cutting and lawn maintenance of all Common Areas, and other areas, and the maintenance and operation of the Open Space and Environmental Easement Area to the extent permitted and/or required by the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement;

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

(b) 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 monthly, semi-annual or annual basis rather than on the quarterly basis hereinabove provided for. Any Member may prepay one or more installments on any annual maintenance assessment levied by the Association, without premium or penalty.

(c) The Board of Directors 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 be sent to the 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 Member from the obligation to pay the annual maintenance assessment, or any installment thereof, for that or any subsequent assessment period shall continue until a new maintenance assessment is fixed. No 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/or Open Space.

(d) Except as may be specifically provided for herein, 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 Common Areas and/or Open Space.

2. 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 described capital improvement located upon, or forming a part of the Common Areas and/or Open Space, 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 of the Association entitled to cast two-thirds (2/3rds) of the total votes of the membership.

3. Reserves for Replacements. The Association shall establish and maintain a reserve fund for replacement of the Common Areas and/or Open Space. 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 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/or Open Space may be expended only for the purpose of affecting the replacement of the Common Areas and/or Open Space, major repairs, equipment replacement, and operating contingencies of a non-recurring nature relating to the Common Areas and/or Open Space. 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.

4. Increase in Annual Maintenance Assessment.

(a) From and after December 31, 2002, the annual maintenance assessment for all Memberships may be increased by the Board of Directors without a vote of the Membership, by an amount equal to five percent (5%) of the annual assessment for the preceding year plus the amount by which any ad valorem real estate taxes and casualty and other insurance premiums and utility costs payable by the Association have increased over amounts payable for the same or similar items for the previous year, plus the amount by which the Consumer Price Index for Urban Wage Earners and Clerical Works, U.S. City Average, All Items, published by the Bureau of Labor Statistics of the Department of Labor of the United States (1982-1984=100) shall have increased above the level prevailing as of the date of the recording of this Declaration. In addition, to the foregoing, the assessments may be further increased as may be dictated by the results of the comprehensive analysis of reserve requirements.

(b) The annual maintenance assessments for all Memberships may be increased 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 change made pursuant to this paragraph shall have the assent of the Members of the Association entitled to cast two-thirds (2/3rds) of the total votes of the membership.

5. Notice & Quorum for Any Action Authorized Under Article V, Sections 2 & 4.

Written notice of any meeting called for the purpose of taking any section authorized under Article V, Sections 2 & 4 herein shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of Membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

ARTICLE VI

1. 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, 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, his heirs, devisees, personal representatives and assigns. 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.

(a) 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 of Directors 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, deed 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 fifteen percent (15%) of the sum claimed shall be added to the amount of each assessment.

(b) The Association may establish and enforce a lien for any assessment, annual, special or additional granted herein pursuant to the Maryland Contract Lien Act. A lien is imposed upon the Lot against which such assessment is made. A lien may be established and enforced for damages, cost of collection, late charges permitted by law, and attorney's fees provided for herein or awarded by a court for breach of any of the covenants herein.

(c) The Association may 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 thirty (30) 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 thirty (30) 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.

2. 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 Twenty-five Dollars ($25.00) may be levied in advance by the Association for each certificate so delivered.

3. Acceleration of Installments. Upon default in the payment of any one or more monthly installments of any assessment levied pursuant to this Declaration, or any other installment thereof, 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.

4. 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 assessment thereon of the lien 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 said lien were current as of the date of recordation of said deed of trust, mortgage instrument or encumbrance.

(c) 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 a 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 mortgagee in possession or 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.

(d) 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.

(e) 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.

5. Commencement of Annual Assessments. Except as may be otherwise resolved by the Board of Directors, the annual maintenance assessment for Membership shall commence on the date a deed for the Lot to which such Membership is appurtenant is delivered by the Declarant to the Member. The first calendar quarterly installment of each such annual assessment shall be made for the balance of the calendar quarter 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 hereinelsewhere provided, the calendar quarterly installments of each such annual assessment for the Lot for any calendar quarter after the first calendar quarter shall become due and payable and a lien on the first day of each successive calendar quarter

ARTICLE VII

1. Architectural and Environmental Review Committee.

(a) Except for construction or development from time to time undertaken by, for or under contract with the Declarant, and except for any improvements to any Lot or to the Common Areas and/or Open Space 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 improvements or structures shall be commenced, directed, placed, moved, altered or maintained upon the Property, nor shall any exterior addition to or change (including any change of color) or other alteration thereupon be made until the complete plans and specifications showing the

location, nature, shape, height, material, color, type of construction and any other proposed form of change (including, without limitation, any other information specified by the Architectural and Environmental Review Committee) shall have been submitted to and approved in writing as to safety, harmony of external design, color and location in relation to surrounding structures and topography and conformity with the design concept for the Community by the Architectural and Environmental Review Committee.

(b) Subject to the same limitations as hereinabove provided for, it shall be prohibited to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, shades, screens, awnings, patio covers, fences, wall, slabs, sidewalks, curbs, gutters, patios, balconies; porches, driveways, or to make any change or otherwise alter (including any alteration in color) in any manner whatsoever the exterior of any improvements constructed upon any Lot or upon any of the Common Areas and/or Open Space, or to remove or alter any windows or exterior doors of any Dwelling, until the complete plans and specifications, showing the location, nature, shape, height, material color, type of construction and any other proposed form of change (including, without limitation, any other information specified by the Architectural and Environmental Review Committee) shall have been submitted to and approved in writing as to safety, harmony of external design, color and location in relation to surrounding structures and topography and conformity with the design concept for the Community by the Architectural and Environmental Review Committee.

(c) No landscaping shall be conducted on any of the Lots until complete plans with respect thereto (including without limitation, any other information specified by the Architectural and Environmental Review Committee) shall have been submitted to and approved in writing as to safety and harmony in design in relation to surrounding Lots and topography and conformity with the design concept for the Community by the Architectural and Environmental Review Committee.

2. Architectural and Environmental Review Committee - Composition and Operation.

(a) The Architectural and Environmental Review Committee shall be composed of three (3) persons and the following persons are designated as the initial members:

(i) Mareen D. Waterman - Member #1

(ii) Barry P. Waterman - Member #2

(iii) Marian R. Waterman - Member #3

Unless the initial members of the Architectural and Environmental Review Committee have resigned, their respective terms of office shall be as follows:

(i) The term of Member #1 shall expire on December 31, 2003.

(ii) The term of Member #2 shall expire on December 31, 2004.

(iii) The term of Member #3 shall expire on December 31, 2005.

Upon the expiration of each of the aforesaid terms of office, the Board of Directors, by a majority vote, shall appoint the new members of the Architectural and Environmental Review Committee and such members shall serve a three (3) year term of office.

(b) The affirmative vote of a majority of the members of the Architectural and Environmental Review Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article.

(c) Any member of the Architectural and Environmental Review Committee may, at any time, resign from the Architectural and Environmental Review Committee upon written notice to the Board of Directors. Vacancies on the Architectural and Environmental Review Committee, however caused, shall be filled by a majority vote of the Board of Directors within thirty (30) days of the creation of the vacancy. Any new member elected to the Architectural and Environmental Review Committee to fill a vacancy shall serve the unexpired term of the member vacated. Members of the Architectural and Environmental Review Committee may serve successive terms.

3. Approvals. Upon approval by the Architectural and Environmental Review Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of such the Architectural and Environmental Review Committee and a copy of such plans and specifications bearing such approved, in writing, shall be returned to the applicant submitting the same. In the event the Architectural and Environmental Review Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within sixty (60) days after such plans and specifications(and all other materials and information required by the Architectural and Environmental Review Committee) have been submitted to it in writing, then approval will not be required and this Article will be deemed to have been fully complied with.

4. Limitations. Construction or alterations in accordance with plans and specifications approved by the Architectural and Environmental Review 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 Architectural and Environmental Review Committee (whether by affirmative action or by forbearance from action, as in Section 3 of this Article provided), and shall be substantially completed within twelve (12) months following the date of commencement, or within such other period as the Architectural and Environmental Review 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 Architectural and Environmental Review Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required. There shall be no deviation from the plans and specifications approved by the Architectural and Environmental Review Committee without the prior consent in writing of the Architectural and Environmental Review Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the Architectural and Environmental Review 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.

5. Certificate of Compliance. Upon the completion of any construction or alterations or other improvements or structures in accordance with plans and specifications approved by the Architectural and Environmental Review Committee in accordance with the provisions of this Article, the Architectural and Environmental Review Committee shall, at the request of the Owners 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 Architectural and Environmental Review Committee and constructed or installed in full compliance with the provisions of this Article and with such other provisions and requirements of the Declaration as may be applicable.

6. Rules and Regulations - Architectural Control. The Architectural and Environmental Review Committee may from time to time adopt and promulgate such rules and regulations regarding the form and contents of plans and specifications to be submitted for approval and may publish and record such statements of policy, standards, guidelines and establish such criteria relative to architectural styles or details, landscaping, fences, colors, setbacks, materials or other matters relative to architectural control and the protection of the environment, 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 Architectural and Environmental Review Committee may charge and collect a reasonable fee of not more than Two Hundred Dollars ($200.00) for the examination of any plans and specifications submitted for approval pursuant to the provisions of this Article. The decisions of the Architectural and Environmental Review Committee shall be final except that any Member who is aggrieved by any action or forbearance from action by the Architectural and Environmental Review Committee (or by any policy, standards or guidelines established by the Architectural and Environmental Review Committee) may appeal the decision of the Architectural and Environmental Review Committee to the Board of Directors and, upon the request of such Member, shall be entitled to a hearing before the Board of Directors.

7. Prohibited Uses and Nuisances.

(a) Except for the activities of the Declarant and its assignees during the construction or development of the Community, or as may be necessary in connection with reasonable and necessary repairs or maintenance upon the Common Areas and/or Open Space:

(i) Owners shall comply with those responsibilities as set forth in Section 6.3 of the Implementing Agreement.

(ii) No noxious or offensive trade or activity shall be carried on upon any Lot or within any Dwelling, 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 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.

(iii) The maintenance, keeping, boarding or raising of animals, livestock, or poultry of any kind, regardless of number, shall be and is hereby prohibited on any Lot or within any Dwelling, except that this shall not prohibit the keeping of dogs, cats or customary household animals as domestic pets, provided that such animals 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 Owners and do not roam at large. The Board of Directors shall have the authority, after a 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 and/or Open Space unless accompanied by a responsible person and unless they are carried or leashed. No domestic pets shall be permitted in the Environmental Easement areas or outside of the individual residences or fenced lots unless they are physically restrained. 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. Notwithstanding the aforegoing, the maintenance of horses, cattle and other livestock on Lot 16 shall be permitted.

(iv) No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any Lot, except building materials during the course of construction of any approved Dwelling or other permitted structure.

(v) No burning of trash shall be permitted on any Lot. If trash or other refuse is to be disposed of by being picked up and carried away on a regular basis, containers may be placed in the open on any day that a pickup is to be made at such place on the Lot so as to provide access to persons making such pickup. At all other times such containers shall be stored in such a manner so that they cannot be seen from any public way or from any other Lot.

(vi) No junk vehicle, unlicensed or inoperable motor vehicle, commercial vehicle, (including, without limitation, panel trucks and other vehicles displaying the names or logos of businesses), trailer, camp truck, boats stored on trailers, house trailer, horse trailers, bus or other similar machinery or equipment of any kind or character (except for such equipment and machinery as may be customary and usual in connection with the use and maintenance of any Lot) shall be kept upon the Property unless stored or parked within garages or other permitted structures nor (except

for bona fide emergencies) shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out thereon.

(vii) No structure of a temporary character shall be erected, used or maintained on any Lot at any time.

(viii) No structure shall be erected, placed or maintained on any Common Area except:

(aa) Structures designed exclusively for the common use of Owners; and,

(bb) Drainage, storm and utility systems.

The Common Areas may be graded, planted with trees, shrubs or other plants for the use, comfort and enjoyment of the Owners, or for the establishment, retention or preservation of the natural growth or topography of the Common Areas, or for aesthetic reasons.

(ix) Except for entrance signs, directional signs, signs for traffic control or safety and such promotional sign or signs as may be maintained by the Declarant, the Association or required by the HPHCP, no signs or advertising devices of any character, shall be erected, posted or displayed upon, in or about any Lot or Dwelling, character except for professionally made, real estate for sale or for rent signs not to exceed 2 feet by 3 feet.

(x) No commercial activities shall be conducted on any Lot.

(xi) No Lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth.

(xii) 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.

(xiii) No sound hardwood trees shall be removed from any Lot without written approval of the Architectural and Environmental Review Committee. The Architectural and Environmental Review Committee may, from time to time, adopt and promulgate such additional rules and regulations regarding the preservation of trees and other natural resources and wildlife as it may consider appropriate in accordance with the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement. Owners are subject to the limitations of the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement.

(xiv) No poles or wires for the transmission of electricity, telephone and the like shall be placed or maintained above the surface of the ground on any Lot.

(xv) No satellite dishes or outside television aerial or radio antenna, or other aerial or antenna for either reception or transmission, shall be maintained upon any Lot except that such aerials or antennae may be erected and maintained within the Dwellings.

(xvi) No Lot shall be subdivided so as to create an additional home site.

(xvii) Hunting for waterfowl and whitetail deer shall be permitted on any Lot, so long as done in conformity with applicable State and Federal regulations and provisions of the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement. The Owners of all Lots in Home Port, by acceptance of a deed, consent to deer hunting with firearms on Lot 16 at a distance not less than 100' from their occupied residence, so long as such hunting is from an elevated stand or platform which is so designed as to restrict the shooter's ability to shoot towards any residences within 450' of the stand or platform.

(xviii) No building appurtenant to a residence, including, without limitation, detached garages, accessory dwellings, sheds, barns, tennis courts, swimming pools, children's play houses, dog kennels, clotheslines, fuel tanks, garbage cans, incinerators, gardens and wood and/or compost piles shall be located outside of the building pad as depicted on the Plat.

(xix) No dock or pier shall be erected on, adjacent to or appurtenant to any Lot, the Owners being restricted to use of the community pier for boat docking.

(xx) No excavation shall be made on any Lot except for the purpose of building thereon at the same time when the building operations are commenced, and no earth or sand shall be removed from any Lot except as a part of such operations; provided, however, that this restriction shall not be construed to prohibit the construction of swimming pools or ponds.

(xxi) No exterior lighting shall be placed or fixed in such a manner as to cause a concentrated beam to be directed outside the boundaries of any Lot.

(xxii) No Lot shall be so used as to cause any pollution to waterways, streams or ponds on or adjacent to the Lots or to any adjoining property's water supplies. No Lots shall be so used or maintained as to cause any erosion of soil or sediment into such waterways, streams or ponds. During the grading and construction of any improvements upon any Lot, adequate arrangements shall be made to ensure that no erosion of soil or sediment into such waterways, streams or ponds shall take place.

(xxiii) The drilling of wells upon all Lots shall be in strict accordance with the regulations of Queen Anne's County and/or the State of Maryland.

(xxiv) The parking of any type of vehicle, including but not limited to cars, vans, trucks and/or trailers on any road is prohibited, except; (1) when said parking is incidental to a permitted function or gathering at a Lot and parking on the road is necessary to accommodate the Owner's guests; or, (2) when construction, maintenance or repair work being performed on a Lot requires the Owner to park its vehicle(s) on the road.

(b) These restrictions shall not be construed as permitting any action or thing prohibited by the applicable zoning laws, the laws, rules or regulations of any appropriate governmental authority, or the rules and restrictions of the Implementing Agreement, the Incidental Take Permit or the Deed of Open Space Easement. In the event of any such conflict, the most restrictive provision of such laws, rules, regulations or the restrictions shall be deemed to govern and control.

8. Residential Use. All Dwellings shall be used for private residential purposes exclusively. Nothing contained in this Article, or elsewhere in this Declaration, shall be construed to prohibit the Declarant from the use of any Lot or Dwelling for promotional or display purposes, or as "model homes", a sales office, or the like, or a home office as permitted by Queen Anne's County zoning regulations.

9. Maintenance. Each Owner shall keep their Lot, and all improvements therein or thereon, in good order and repair, including, but not limited to, the seeding, watering and mowing of the lawn, the pruning and cutting of all trees and shrubbery and the painting (or other appropriate external care) of all buildings and other improvements, all in a manner and with such frequency as is consistent with good property management. No mowing shall be permitted within the environmental easement area except that mowing shall be permitted within the 10- foot wide walking path.

10. Boat Slips. There are fifteen (15) Boat Slips currently located at the Community Dock. The Declarant, or the Association with the approval of Members entitled to cast two-thirds (2/3 rds) of the votes, shall have the right to enlarge the Community Dock and to construct additional Boat Slips or to reconfigure the Boat Slips if permitted by the Zoning Officer or other zoning authority for Queen Anne's County, Maryland. The Owners shall have the exclusive use of the Boat Slips subject to such rental as may be established by the Board of Directors from time to time, but such use may not be assigned, delegated or transferred to others. As among the Owners, each of the waterfront Lot Owners shall on an annual basis have the right of first refusal for the use of a Boat Slip, which right shall be exercisable by such Owner giving written notice of his desired use for the ensuing calendar year to the Board of Directors by no later then thirty (30) days prior to December 31st of the current year.

11. Community Rules. The Board of Directors may, from time to time, adopt and promulgate such rules and regulations regarding the use of the Common Areas and Open Space as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the terms or conditions of any provision or requirement of this

Declaration. The decision of the Board of Directors shall be final.

12. Enforcement - Right to Remove or Correct Violations. In the event any violation or attempted violation of any of the covenants or restrictions contained in this Article or the Implementing Agreement, the Incidental Take Permit or the Deed of Open Space Easement 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 this Declaration, then the same shall be considered to have been undertaken in violation of the Declaration and, upon written notice from the Architectural and Environmental Review Committee, such violation shall be promptly removed or abated. In the event the same is not removed, or the violation is not other wise 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, then the Architectural and Environmental Review Committee shall have the right, through its agents and employees, to enter upon such Lot and to take such steps as may be necessary to remove or otherwise terminate or abate such violation and the cost thereof 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 a continuing lien upon such Lot, and a binding personal obligation of the Owner of such Lot. Any lien established upon a Lot by this Declaration shall have preference over any other assessments, liens, judgements or charges of whatever nature, except for: (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 assessment thereon of the lien or duly recorded on said Lot after receipt of a written statement from the Architectural and Environmental review Committee reflecting that payments on any lien imposed pursuant to this Section 12 were current as of the date of recordation of said deed of trust, mortgage instrument or encumbrance. Upon receipt of a written request, the Architectural and Environmental Review Committee shall issue a written statement certifying as to the existence of any liens established pursuant to this Section 12 within fourteen (14) days following receipt of such written request. In the event that the Architectural and Environmental Review Committee shall fail to issue such a written certification within the aforesaid fourteen a (14) day period, a presumption shall be established that no such lien exists and the person or entity requesting the written certification shall be entitled to rely upon such failure to issue a written certification as conclusive evidence of the absence of any such lien. The Architectural and Environmental Review Committee shall have the further right, through its agents or employees, 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 Architectural and Environmental Review Committee 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.

In addition, the Association shall notify Queen Anne's County and the Service of any violation of the terms of the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement.

ARTICLE VIII

1. Declarant and the Service entered into an Implementing Agreement designed to conserve, protect, restore and enhance the DFS and its habitats located within the Community during the construction and subsequent habitation of Home Port on Winchester Creek. The Owners are bound by the duties and obligations of the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement. To ensure implementation of the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement, the following rules and restrictions shall apply:

(a) The Association shall designate a contact representative who will advise the Association and Members concerning compliance with the terms and conditions of the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement. This representative will also coordinate with the Service. This representative will not be personally responsible for efforts made to comply with the terms of the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement and any other related documents.

(b) The Association shall maintain the permanent sixteen (16) inch high fence along the boundary of the Environmental Easement Area as depicted on the Plat throughout Home Port and shall monitor the Open Space and Environmental Easement Area to ensure that no structures or construction or other activities prohibited in such areas as set forth in paragraph 6.1.A.15 of the Implementing Agreement are conducted.

(c) Education and public awareness are essential to the survival of the DFS. The Declarant, in cooperation with the Service, shall provide the Association with a public information and education program to inform all Members of the terms of the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement, to enlist their support of the measures contained in same, to minimize and mitigate the impacts of incidental take, and to encourage them to respect, protect and enjoy the DFS and its habitat.

(i) Informational/educational brochures will be prepared by the Service and provided to the Association and/or Declarant, as appropriate. Declarant will provide this information to each lot purchaser within two (2) weeks after the purchase of an individual lot until the assignment of this Declaration when the Association will assume this responsibility. The Association shall provide each subsequent Owner or Member with this information upon occupancy.

(ii) After the assignment of the Declaration, the Association will be responsible for posting the required information on site. The Service will provide a laminated copy of the information for the posting.

(d) The Association shall ensure the restraint and control of domestic pets to minimize harassment and/or killing of the DFS and shall enforce the following regulations:

(i) No domestic pets shall be allowed outside of residences, fenced yards, or kennels, unless they are physically restrained (i.e. leashed, chained, etc.). These regulations are not designed to prohibit domestic pets, but rather to ensure that they are restrained and fed within the confines of the Lots.

(ii) No domestic pets shall be allowed within the Open Space and Environmental Easement Area unless they are physically restrained.

(iii) No Owner or person associated with an Owner shall possess a live member of the Mustelidae family (i.e. ferrets, weasels, mink, etc.) within Home Port.

(iv) No Owner or person associated with an Owner shall provide food or shelter for the presence of domestic or feral free-roaming dogs, cats, members of the Mustelidae family (i.e. ferrets, weasels, mink, etc.) or carnivorous animals of any type other than dogs or cats physically restrained or confined on the Lots.

(v) The Association will be responsible for the implementation and enforcement of these regulations, however, Declarant, or the Association, as appropriate, will call in the County Animal Control Officer to apprehend any feral dogs, cats or members of the Mustelidae family. The Association will advise Members of the reasons for these conditions and regulations and will encourage them to report any observations of unrestrained dogs or cats to the Association or the County Animal Control Officer.

(e) Upon the assignment of this Declaration by the Declarant to the Association and continuing for the duration of the Incidental Take Permit, the Association shall ensure immediate notification of the Service regarding the finding and circumstances surrounding discovery of any dead (within a 24-hour period in order to appropriately preserve specimen) or injured (within 2 hours) DFS. Upon locating a dead, injured, or sick specimen of DFS, the Association shall immediately contact the nearest USFWS Law Enforcement Officer (Special Agent, Annapolis, Maryland, 410-573-4514). In conjunction with the preservation of any dead specimens, the finder shall take reasonable efforts to ensure that evidence intrinsic to determining the cause of death of the specimen is preserved to the maximum extent practicable. The finding of dead specimens does not imply enforcement proceedings pursuant to the ESA. The reporting of dead specimens is required to enable the Service to insure that the terms and conditions of the Incidental Take Permit are appropriate and effective. Within five (5) calendar days of discovery, Association shall provide any

known information to the Service describing, to the maximum extent practicable, the circumstances, location, etc. of any such finding, and the measures, if any, that will be taken to avoid further death or injury. The Association, to the maximum extent practicable, use a form which the Service will develop and provide to Declarant in order to provide the written notification required under this section.

(f) The Association shall be responsible for posting and maintaining a 15-mph vehicle speed limit in effect starting at the beginning of the access road and throughout Home Port. Except in emergencies, all vehicles and equipment shall not exceed 15 mph within Home Port.

(g) The Association shall maintain a DFS sign (entailing a squirrel silhouette with text "Endangered Squirrel, Drive Gently") near the entranceway of the development to further educate the public and reduce the likelihood and decrease the amount of take by vehicle strikes.

(h) The Association will maintain an area of low vegetation/grassland between the right-of-way road and the forest edge as an open area for purposes of visibility (to minimize and reduce vehicle strikes) and deterrence to DFS movement. This maintenance will be accomplished by (a) maintaining (via mowing and/or seeding) a vegetation length at 6 inches or less within 20 feet of the roadside and (b) mowing the remaining 130 feet of vegetation at least once during the months of June and September. This obligation is not intended to require the removal of trees.

(i) If at any time Queen Anne's County regulations permit the installation of speed bumps, the Association hereby consents to same and waives all rights to hold the County liable for any event occurring due to speed bumps.

(j) The Association shall request that the County ensure the maintenance of a three-way stop sign (in accordance with local, county, and state regulations and implemented to the maximum possible in accordance with the Federal Highway Administration) at the intersections of the roads connecting lots 1-8 with lots 9-15 to further reduce the likelihood and decrease the amount of take by vehicle strikes.

(k) The Association shall request that the County and State ensure the maintenance of a two-way stop sign (in accordance with local, county, and state regulations and implemented to the maximum extent possible in accordance with the Federal Highway Administration) at the entranceway of the development at the intersections of Hissey and Winchester Creek Service Roads to further reduce the likelihood and amount of DFS take by vehicle strikes.

(l) The Association shall ensure that Members and their contractors and invitees are prohibited from igniting open-air fires, except for cooking, or dumping trash, except into containers. The Association shall ensure that, if needed, appropriate containers for trash are provided in Common Areas and emptied frequently. Except for authorized security personnel, discharge of firearms shall be prohibited within the Environmental Easement Area except as follows:

(i) when hunting legal waterfowl species over the waters of Winchester Creek, in accordance with State and Federal regulations; and

(ii) when hunting deer with a legal weapon firing a single slug or bullet, during any legal hunting season. No small game hunting, trap shooting, target practice, casual plinking or other use of firearms of any type shall be permitted.

(m) The Association shall not approve any proposed conditions or changes which are in conflict with the limitations and restrictions identified in the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement, this Declaration and/or the Plat.

(n) The Association shall grant the right of access to the Home Port Permit Area, to permit entry by:

(i) Service employees at any reasonable time for the inspection and monitoring purposes specified in 50 CFR 13.21(e)(2), and for the specific purposes of trapping, monitoring, and observing the DFS population, the implementation of the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement, or conducting reforestation or habitat improvement activities to insure compliance with the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement, and restoration success. For entry within individual lots pursuant to this subsection (n), Service employees shall provide prior notification to the Home Port residents by mail or by leaving notification at the homeowner's front door; and

(ii) by Service contractors/cooperators acting pursuant to a contract/agreement issued by the Chesapeake Bay Field Office specifically related to the Home Port Permit Area, provided that prior to entry on the Home Port Permit Area by such Service contractors/cooperators, a copy of such contract/agreement shall be provided to the Declarant/Association two weeks in advance of the entry or commencement of the activity and for entry within individual lots, Service contractors/cooperators shall provide prior notification at the homeowner's front door.

(o) The Association shall not be dissolved without the express written approval of the Service. This approval must specify that sufficient alternative procedures and funding mechanisms have been established to ensure the implementation of the terms and conditions of the Implementing Agreement, the Incidental Take Permit and the Deed of Open Space Easement.

ARTICLE IX

1. Management Agent. The Board of Directors may employ for the Association a 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.

2. 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 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. No diminution or abatement of assessments, as hereinelsewhere provided for, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Areas, 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.

ARTICLE X

1. Reservation of Easement Rights by the Declarant. The Declarant hereby reserves a non-exclusive easement and right-of-way in, through, over and across the Common Areas for the purpose of the storage of building supplies and materials, the installation, construction, maintenance, reconstruction and repair of sanitary sewer lines, water lines, cables, storm drains and appurtenances to any of the same, and for all other purposes reasonably related to the completion of construction and the provisions of utility services, whether public or private, to the Community and to other property adjacent to, or in the vicinity of, the Community. Any and all instruments of conveyancing made by the Declarant to the Association with respect to any of the Common Areas shall be conclusively deemed to incorporate this reservation, whether or not specifically set forth in such instruments. At the request in writing of the Declarant, the Association shall from time to time execute, acknowledge and deliver to the Declarant such further assurances of this reservation as may be necessary.

2. Easements for Utilities and Related Purposes. The Association is authorized and empowered to grant (and shall from time to time grant) such other licenses, easements and rights-of-way over the Common Areas for sewer lines, water lines, electrical cables, telephone cables, gas lines, storm drains, cables, underground conduits and such other purposes related to the provisions of utility services to the Community as may be considered necessary and appropriate by the Board of Directors for the orderly maintenance, preservation and enjoyment of the Common Areas and for the preservation of the health, safety, convenience and welfare of the Owners or the Declarant.

3. Utility and Drainage Easements. The Declarant reserves an easement over all land in each Lot lying within thirty (30) feet of a roadway or within fifteen (15) feet of a boundary with an adjacent Lot, for the installation of utility lines and drainage structures.

ARTICLE XI

1. Amendment. This Declaration may be amended only by an instrument executed and acknowledged by Members of the Association entitled to cast two-thirds (2/3 rds) of the total votes

of the Membership which instrument shall be recorded among the Land Records for Queen Anne's County, Maryland. Unless a later date is specified in any such instrument, any amendment to this Declaration shall become effective on the date of recording. No provisions pertaining to the Implementing Agreement, the Incidental Take Permit or the Deed of Open Space Easement shall be amended without the joinder and consent of the U.S. Fish and Wildlife Service.

2. Duration. Unless amended in accordance with the provisions of Section 1 of this Article and the other requirements of this Declaration, and except where permanent easements or other permanent rights or interests are herein created, the covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date of recordation of this Declaration, after which time the said covenants shall be automatically extended for successive periods of ten (10) years each.

3. Construction and Enforcement. The provisions hereof shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the Community. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenants or restriction, either to restrain or enjoin violation or to recover damages or both, and against any Lot to enforce the lien created hereby; and the failure or forbearance by the Association to enforce any covenant or restriction herein contained 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 cannot be adequately remedied by action at law or exclusively by recovery of damages.

4. 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, with or without notice to the Association.

5. Incorporation by Reference on Resale. In the event any Owner sells or otherwise transfers any Lot, and 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.

6. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, by ordinary mail, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

7. 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 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 and/or Open Space.

8. Severability. Invalidation of any one of these covenants or restrictions by judgment, decree or order shall in no way affect any other provisions hereof, each of which shall remain in full force and effect.

9. Consents.

(a) Any other provision of this Declaration 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 and approval of the holders of at least two-thirds (2/3 rds) of the first mortgages of record on the Lots:

(i) abandon, partition, subdivide, encumber, sell or transfer any of the Common Areas; 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 by the Members of the Association shall not be considered a transfer within the meaning of this section; or

(ii) abandon or terminate this Declaration; or

(iii) modify the method of determining and collecting common expense assessments or other assessments as provided for in this Declaration; or

(iv) resolve to use the proceeds of casualty insurance for any purpose other than the repair, replacement or reconstruction of the Common Areas and/or Open Space; or

(v) modify or amend any material or substantive provision of this Declaration or the By-Laws of the Association.

(b) 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.

(c) Any first mortgagee of any Lot may pay any taxes, utility charges or other charge levied against the Common Areas which are in default and which may or have become a charge or lien against any of the Common Areas 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. Any first mortgagee who advances any such payment shall be due immediate reimbursement of the amount so advanced from the Association.

10. Casualty Losses. In the event of substantial damage or destruction to any of the Common Areas, the Board of Directors shall give prompt written notice of such damage or destruction to the holders of all first mortgages of record on the Lots. No provision of this Declaration or the By-laws 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.

11. Condemnation or Eminent Domain. In the event any part of the Common Areas and 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 shall give prompt written notice of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the Lots. No provision of this Declaration or the By-Laws 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.

12. 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 neuter and the male shall include all genders and the singular shall include the plural.

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IN WITNESS WHEREOF, Declarant has caused this instrument to be properly executed and sealed as of the day and year first above written.

WITNESS:

WATERMAN REALTY COMPANY,
Declarant

By: _____
Barry P. Waterman, Vice President

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, to wit:

I HEREBY CERTIFY, that on this 10th day of September, 2001, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared BARRY P. WATERMAN, who acknowledged himself to be the Vice-President of WATERMAN REALTY CO, a Maryland Corporation, that he, as such officer, being authorized so to do, executed the foregoing Declaration for the purposes therein contained by signing the name of the Corporation by himself as such officer.

WITNESS my hand and Notarial Seal.

_____
Notary Public
My Commission Expires: 3-1-02

I HEREBY CERTIFY that the within instrument was prepared by me or under my supervision and that I am an attorney duly admitted to practice before the Court of Appeals in the State of Maryland.

_____
Cynthia M. Mulligan

ARTICLES OF INCORPORATION

OF

HOMEPORT ON WINCHESTER CREEK HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of Title 5, Subtitle 2 of the Corporations and Associations Article of the Annotated Code of Maryland, the undersigned, a resident of Maryland, who is at least eighteen years of age, has this day formed a nonstock corporation, not for profit, and does hereby certify:

ARTICLE I

The name of the Corporation is HOMEPORT ON WINCHESTER CREEK HOMEOWNERS ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II

The principal office of the Association is located at 109 Country Day Road, Suite 1, Chester, Maryland 21619.

ARTICLE III

Mareen D. Waterman, whose address is 109 Country Day Road, Suite 1, Chester, Maryland 21619, is hereby appointed the registered agent of the Association.

ARTICLE IV

DEFINITIONS

The terms "Architectural and Environmental Review Committee," "Association," "Board of Directors," "Common Areas," "Declarant," "Dwelling," "Lot," "Member," "Mortgagee," "Open Space," "Owner" and "Property" as used in these Articles of Incorporation shall have the meanings set forth in a certain Declaration of Covenants, Conditions and Restrictions for Home Port on Winchester Creek intended to be recorded among the Land Records of Queen Anne's County (the "Declaration").

ARTICLE V

PURPOSES AND POWERS OF THE ASSOCIATION

The Association shall not operate for pecuniary gain or profit, shall not issue capital stock, and no part of the net earnings of the Association shall inure to the benefit of any Member or individual (except that reasonable compensation may be paid for services rendered), and the specific purposes for which it is formed are to provide for: (i) the use, improvement, maintenance, operation and repair of the Common Areas/Open Space including any improvements and amenities located thereon; (ii) the establishment of rules and regulations for the use of the Common Areas/Open Space including any improvements and amenities located thereon; (iii) the distribution among the Owners of the costs of the use, improvement, maintenance, operation and repair of the Common Areas/Open Space including any improvements and amenities located thereon; (iv) the promotion of the health, safety, pleasure, recreation, and welfare of the Member residents; (v) the imposition and enforcement of architectural controls for the Improvements to be placed or constructed on the lots in Home Port on Winchester Creek, including any additions, reconstructions and/or replacements thereto, and the imposition and enforcement of land use controls relating to the use of the Lots and Common Areas/Open Space. In furtherance of these purposes, the Association, (by action of its Directors unless otherwise noted in these Articles of Incorporation or in the Declaration) shall have full power to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration as the same may be amended from time to time as therein provided, the Declaration being incorporated herein by reference as if set forth at length;

(b) fix, levy, collect, and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the affairs of the Association, including all licenses, taxes, or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association, subject, however, to the requirements of the Declaration;

(d) borrow money and, with the assent of two-thirds (2/3) of the votes of the Members of the Association, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell, or transfer all or any part of the Common Area or Open Space to any public agency, authority, or utility subject, however, to the requirements of the Declaration and to such conditions as may be agreed to by the Members; and

(f) have and to exercise any and all powers, rights and privileges which a nonstock corporation organized under the Corporation Law of the State of Maryland by law may now or hereafter have or exercise.

ARTICLE VI

MEMBERS

Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

ARTICLE VII

VOTING RIGHTS

The Association shall have one class of voting Membership:

Members shall be all Owners and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members; however, for purposes of a quorum they shall be treated as a single Member. The votes for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot than would be permitted if the Lot were owned by a single person. The Declarant shall be entitled to three (3) votes for every Lot it owns.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be Members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

1. Mareen D. Waterman
2. Marian R. Waterman
3. Barry P. Waterman

These Directors, (herein called "Charter Directors") shall serve until the first annual meeting of the Members at which their successors are elected. In the event of death or resignation of a Charter

Director during his or her term of office, the remaining Charter Directors shall elect a successor Charter Director to fill the unexpired term of such Charter Director.

ARTICLE IX

DIRECTOR AND OFFICER LIABILITY

No Director or Officer of the Association shall be liable to the Association or to its Members for money damages except (1) to the extent that it is proved that such Director or Officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (2) to the extent that a judgment or other final adjudication adverse to such director or officer is entered in a proceeding based on a finding in the proceeding that such director's or officer's action, or failure to act, was (a) the result of active and deliberate dishonesty, or (b) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding.

ARTICLE X

DURATION

The Association shall exist perpetually.

ARTICLE XI

AMENDMENTS

Amendment of these Articles shall require the assent of the holders of two-thirds (2/3) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Maryland, the undersigned, Mareen D. Waterman, whose address is 109 Country Day Road, Suite 1, Chester, Maryland 21619, being at least eighteen years of age, has executed these Articles of Incorporation this 17th day of July, 2001, for the purpose of incorporating this Association.

Mareen D. Waterman

MAREEN D. WATERMAN

S:\Clients\Waterman.M\01-homep.ort\ARTS OF INC.wpd

Return to: Cynthia M. Mulligan
Stevens & Associates, LLC
114 West Water Street
Centreville, MD 21617

BYLAWS

OF

HOMEPORT ON WINCHESTER CREEK HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Home Port on Winchester Creek Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 109 Country Day Road, Suite 1, Chester, Queen Anne's County, Maryland 21619, but meetings of Members and directors may be held at such places within the State of Maryland, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The terms "Architectural and Environmental Review Committee," "Association," "Board of Directors," "Common Area," "Declarant," "Dwelling," "Improvements" "Lot," "Member," "Mortgagee," "Open Space," "Owner" and "Property" as used in these Bylaws shall have the meanings set forth in a certain Declaration of Covenants, Conditions and Restrictions for Homeport on Winchester Creek intended to be recorded among the Land Records of Queen Anne's County (the "Declaration").

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within the State of Maryland selected by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Members of the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than fifteen (15) nor more than sixty (60) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice

shall specify the place, day, and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to cast one-tenth (1/10) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

ARTICLE IV

BOARD OF DIRECTORS SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who shall be Members of the Association.

Section 2. Term of Office. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members at which their successors are elected. The terms of each Director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal. Any Director, other than a Charter Director, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal, pursuant to these Bylaws, of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association, except that a qualified Director may be compensated for review of architectural plans, said compensation not to exceed the plan review fee collected by the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination of Directors for election to the Board of Directors shall be made by the Members of the Association from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At the election the Members of the Association or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Open Space and Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

(d) employ a manager, independent contractors, or other employees or contractors as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the membership, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Members of the Association.

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) fix the amount of the annual assessment against each Lot not later than January 31st of each year;

(2) send written notice of each annual assessment to every Lot Owner subject thereto not later than February 15th of each year, and of each special assessment, at least forty-five (45) days in advance of its due date; and

(3) foreclose the lien against a Lot if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates; (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Open Space and Common Areas to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Not more than two offices may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his

absence, inability, or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds, and other written instruments.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

ARTICLE IX

DIRECTOR AND OFFICER LIABILITY

No Director of Officer shall be liable to the Association or to its Members for money damages except (1) to the extent that it is proved that such Director or Officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (2) to the extent that a judgment or other final adjudication adverse to such Director or Officer is entered in a proceeding based on a finding in the proceeding that such Director's or Officer's action, or failure to act, was (a) the result of active and deliberate dishonesty, or (b) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding.

ARTICLE X

COMMITTEES

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE XI

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lot against which the assessment is made. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 1% percent per month (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Open Space or Common Area or abandonment of his Lot.

ARTICLE XIII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken, except that the Federal Housing Administration shall have the right to veto amendments as long as Declarant, Waterman Realty Company, controls the voting rights of the Association,

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st

day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, we, being all of the Directors of Homeport on Winchester Creek Homeowners Association, Inc., have hereunto set our hands this 17th day of July, 2001.

MAREEN D. WATERMAN

BARRY P. WATERMAN

MARIAN R. WATERMAN

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of Homeport on Winchester Creek Homeowners Association, Inc., a Maryland corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 17th day of July, 2001.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 17th day of July, 2001.

S:\Clients\Waterman.M\01-homep.ort\BY-LAWS.wpd

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QUEEN ANNE'S COUNTY

IMPLEMENTING AGREEMENT

By and Between

UNITED STATES FISH AND WILDLIFE SERVICE

and

WINCHESTER CREEK LIMITED PARTNERSHIP

and

Mareen D. Waterman

IMP FD SURE $ 2.00
RECORDING FEE 75.00
TOTAL 77.00
Rec# 04481 Rcpt # 72073
SM JGG Blk # 2545
Jul 29, 1999 04:12 PM

TO ESTABLISH A MITIGATION PROGRAM FOR THE ENDANGERED DELMARVA FOX SQUIRREL AT THE PROPOSED HOME PORT ON WINCHESTER CREEK HOUSING DEVELOPMENT GRASONVILLE, QUEEN ANNE'S COUNTY, MARYLAND

May 11, 1999

IMP FD SURE $ 2.00
RECORDING FEE 75.00
TOTAL 77.00
Rec# 04481 Rcpt # 72073
SM JGG Blk # 2545
Jul 29, 1999 04:12 PM

LIBER0689 FOLIO507

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HOME PORT ON WINCHESTER CREEK
HOUSING DEVELOPMENT
HABITAT CONSERVATION PLAN
IMPLEMENTATION AGREEMENT

This Implementing Agreement ("Agreement") is entered into as of the 12th day of May 1999, by and among the UNITED STATES FISH AND WILDLIFE SERVICE (SERVICE), an Agency of the United States Department of the Interior, and MAREEN D. WATERMAN and the WINCHESTER CREEK LIMITED PARTNERSHIP ("WCLP"), hereinafter collectively called the "Parties," and defines the Parties' roles and responsibilities and provides a common understanding of actions that will be undertaken to minimize and mitigate the effects on the Delmarva fox squirrel (*Sciurus niger cinereus*) and its habitats during implementation of the proposed Home Port Habitat Conservation Plan (HPHCP).

The parties enter into this Agreement in accordance with the Federal Endangered Species Act of 1973, as amended (ESA).

1.0 RECITALS

This Agreement is based on the following facts:

WHEREAS, the Delmarva fox squirrel (*Sciurus niger cinereus*), is a federally-listed endangered species;

WHEREAS, the Service has determined that portions of the proposed HPHCP area contain and may in the future contain Delmarva fox squirrels and/or their habitat;

WHEREAS, while the WCLP does not agree with the Service determination that the proposed HPHCP area may contain Delmarva fox squirrels, and without conceding that it may be liable under Section 9 of the Endangered Species Act, the WCLP, through consultation with the Service and with agreement of this agency, has developed a series of measures, described in the HPHCP, to minimize and mitigate the effects of the proposed Home Port Housing Development Project upon the Delmarva fox squirrel and its associated habitats during project construction activities and subsequent habitation of houses;

WHEREAS, procedures to obtain permits allowing incidental take of listed species pursuant to Section 10(a)(1)(B) of the ESA require a binding agreement committing the parties to implement specified conservation measures for the subject Covered Species in the HPHCP; and,

WHEREAS, the Service is the agency of the Department of the Interior of the United States of America authorized and empowered by Congress to enforce the terms of the

Endangered Species Act, 16 U.S.C. §§ 1531 et seq. (ESA) and to issue permits to allow the incidental take of endangered and threatened species pursuant to the terms of Section 10 of the ESA. The Service is authorized to enter into this Agreement pursuant to the ESA, Fish and Wildlife Coordination Act, 16 U.S.C. § 661 et seq., and the Fish and Wildlife Act of 1956, 16 U.S.C. § 742f.

THEREFORE, in consideration of the foregoing premises and of the following representations, covenants and agreements, and for other valuable consideration, the Service and the WCLP agree as follows:

2.0 DEFINITIONS AND EXHIBITS

Terms defined and utilized in the HPHCP and the ESA shall have the same meaning when utilized in this Agreement, except as specifically set forth in this section:

2.1 "Building Pad" shall mean the limits of disturbance for each individual Lot as depicted in the Plat.

2.2 "Conservation Activities" shall mean all otherwise lawful activities associated with the acquisition (or transfer to the Service approved Trustee) of property rights in relation to the fulfillment of the WCLP's responsibilities on the Home Port site and on the off-site conservation land under the HPHCP and this Agreement. The term "Conservation Activities" shall also include all otherwise lawful activities of the WCLP (approved by the Service) arising out of or in any way connected with the environmental monitoring or compliance with this Agreement, the Permit, or the HPHCP, including, but not limited to, surveys, Service approved live trapping, Service approved collecting, or Service approved moving of any Delmarva fox squirrel (*Sciurus niger cinereus*) in the Permit Area.

2.3 "Construction Activities" shall mean all otherwise lawful activities of the WCLP, its employees, contractors or subcontractors, or others on the property with permission, arising out of or in any way connected with the grading or preparation of the Home Port site, design, installation, or construction of the Home Port housing development, including, but not limited to, the installation of public utilities and roads within the Permit Area, but excluding construction of individual houses and associated structures.
Construction activities shall not include surveying or the erection of fences as set forth in Section 6.1A.2.

2.4 "DFS" shall mean the Delmarva Fox Squirrel, *Sciurus niger cinereus*.

2.5 "Effective Date" of permit issuance is the date of execution of this Agreement by all Parties.

2.6 "Environmental Easement" shall mean the 34.68 acres of the Permit Area, as more specifically identified in the recorded plat, which excludes all roads, building pads, community recreation areas and facilities, and drainage ponds/utility and sewage facilities area, and designated Open Space to be managed as habitat for the DFS in perpetuity and for other environmental purposes.

2.7 "ESA" shall mean the federal Endangered Species Act (16 U.S.C. §§ 1531 - 1544), including all regulations promulgated pursuant to that Act.

2.8 "Habitation Activities" shall mean all otherwise lawful activities of the residents and HPHA of the Home Port Housing Development that may result in the take of DFS that is incidental to and not the purpose of these activities.

2.9 "HPHCP" shall mean the Habitat Conservation Plan prepared for the Home Port on Winchester Creek Housing Development by Mareen D. Waterman and the WCLP with assistance from the Service and dated May 10, 1999, pursuant to Section 10(a)(2)(A) requiring an applicant for an incidental take permit to submit a "habitat conservation plan".

2.10 "HPHA" shall mean the Home Port Homeowners Association which will be the entity responsible for assorted functions related to the management of the Home Port Housing Development as set forth in a Declaration of Covenants, Conditions and Restrictions and, as related to the DFS and the HPHCP and Permit, will assume certain obligations of the WCLP as set forth in the specific obligations of Section 6.2 of this Implementing Agreement.

2.11 "Home Construction Activities" shall mean home and associated structures, remodeling and expansion activities performed by the owner of an individual lot or by anyone employed/contracted by him and may include the WCLP.

2.12 "Incidental Take" shall mean the take of an animal or plant species listed as threatened or endangered pursuant to the ESA that would otherwise be prohibited under Section 9 of the Act, where such take is incidental to, and not the purpose of, the carrying out of an otherwise lawful activity.

2.13 "Off-site Conservation Area" shall mean 31.40 acres in Queen Anne's County, Maryland which shall be subject to a conservation easement granted to the Service by Waterman, Inc., a corporation wholly owned by Mareen D. Waterman, to be managed as habitat for the DFS in perpetuity pursuant to Section 6.1C4 of this Agreement.

2.14 "Open Space" shall mean the undeveloped land restricted to resource protection or recreational uses and depicted on the Plat as OPEN SPACE on Lots 16, 17, and 18,

but shall exclude a single residential structure confined to the building pad of Lot 16.

2.15 "Permit" shall mean an incidental take permit issued by the Service pursuant to Section 10(a)(1)(B) of the ESA (16 U.S.C. § 1539(1)(1)(B)) to allow the incidental take of DFS.

2.16 "Permittee/s" shall mean any or all of the following: (a) During initial construction activities the sole permittee shall be the WCLP and Mareen D. Waterman and may collectively be referred to as WCLP; (b) As lots are sold to individual lot holders, Permittee shall also include such lot holders, their contractors and assigns; (c) After the HPHA is created and has assumed all obligations of WCLP on the Home Port site, Permittee shall include the HPHA.

2.17 "Permit Area" shall mean the HPHCP Area consisting of approximately 56.6 acres in Grasonville, Queen Anne's County, Maryland as described and depicted on the Plat and in Section III and Figures 1-3 of the HPHCP, in which the Incidental Take of DFS is allowed by virtue of the Permit in accordance with this Agreement.

2.18 "Plat" shall mean the plats of the subdivision prepared by McCrone dated June 1998, titled "HOME PORT ON WINCHESTER CREEK" and recorded prior to commencement of construction activities in the Land Records of Queen Anne's County.

2.19 "Take" and "Taking" shall mean to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture or collect, or attempt to engage in any such conduct, as that term is further defined by ESA and any rules or regulations promulgated thereunder, and by the decisions of courts and other tribunals of competent jurisdiction.

2.20 "Unforeseen Circumstances" shall mean changes in circumstances affecting a species or geographic area covered by a conservation plan that could not reasonably have been anticipated by plan developers and the Service at the time of the conservation plan's negotiation and development, and that result in a substantial and adverse change in the status of the covered species.

3.0 PURPOSES

The purposes of this Agreement are:

A. To implement a plan to conserve, protect, restore and enhance the DFS and its habitats during construction and subsequent to habitation of Home Port;

B. To insure implementation of the terms of the Permittee's HPHCP;

C. To contractually bind each of the Parties to fulfill and faithfully perform the obligations, responsibilities and tasks assigned to it pursuant to the terms of the HPHCP; and

D. To provide remedies and recourse should any party fail to perform its obligations, responsibilities and tasks as set forth in this Agreement;

E. As stated in paragraph 10.3 hereof, to provide assurances to the Permittee that as long as the terms of the HCP and the Permit issued pursuant to the HCP and this Agreement are fully and faithfully performed, no additional mitigation will be required except as provided for in this Agreement or required by law.

4.0 HABITAT CONSERVATION PLAN AND LEGAL REQUIREMENTS

4.1 Pursuant to the provisions of Section 10(a)(1)(B) of the ESA, Mareen D. Waterman and the WCLP have prepared a Habitat Conservation Plan (HCP) and submitted it to the Service with a request that the Service issue a Permit (Permit) to allow DFS to be incidentally taken within the Permit Area as depicted and described in Figures 1-3 of the HCP. The HCP proposes a mitigation program for the DFS and its habitat.

4.2 In order to fulfill the requirements for issuance of the Permit, the HPHCP sets forth measures that are intended to insure that any take occurring within the Permit Area will be incidental; that the impacts of the take will, to the maximum extent practicable, be minimized and mitigated; that procedures to deal with unforeseen circumstances will be provided; that adequate funding for the implementation of the HPHCP will be provided; and that the take will not appreciably reduce the likelihood of the survival and recovery of the DFS in the wild.

4.3 The Service finds that the HPHCP as implemented pursuant to this Agreement does provide such measures and that it does satisfy the legal requirements necessary for the Service to issue a Permit under section 10(a)(1)(B) of the Endangered Species Act.

5.0 MUTUAL ASSURANCES

The primary purpose of this Agreement is to provide for the long-term reconciliation of the WCLP's Activities within the Permit Area with the conservation and protection of the DFS. Based on and in consideration of this Agreement and the HPHCP, the parties hereby agree and extend the following mutual assurances.

5.1 The Service

The Service agrees that:

A. Compliance with the terms of this Agreement and the HPHCP constitutes compliance with the provisions of the ESA;

B. Implementation of this Agreement and the HPHCP will provide for the conservation and protection of the DFS and its habitat within the Permit Area.

5.2 WCLP

A. The WCLP agrees to establish and maintain the minimization, mitigation and habitat conservation measures necessary to implement the HPHCP and this Agreement, as described in this Agreement;

B. the WCLP agrees to establish and maintain sources of funding sufficient to implement this Agreement and the HPHCP, as described in this Agreement.

6.0 OBLIGATIONS OF THE PARTIES

6.1 WCLP OBLIGATIONS

The obligations of the WCLP stated below in subsections 6.1 A and B shall continue for the duration of the permit unless transferred or assigned to the Homeowners Association or to individual landowners by recorded deed or declaration, provided the Service has approved the instrument transferring or assigning such obligations. In the event that some obligations have been satisfied and it is not necessary that they be transferred or assigned, the Service and WCLP may enter into a declaration stating that such specified obligations are no longer extant. Once the Homeowners Association has been formed and the WCLP has transferred or assigned its obligations with USFWS approval, the WCLP's remaining obligations will be limited to those contained in subsection C. The obligations of subsection C will not be transferred or assigned to a Homeowners Association or to individual landowners.

A. Mitigation for Construction Activities

1. WCLP shall designate a contact representative who will be responsible for compliance with the Implementing Agreement and coordination with the Service.

2. Prior to commencement of construction activities, the site will be surveyed and the Environmental Easement areas will be identified and staked. Temporary

fencing will be erected along the boundary line of the Environmental Easement from Lots 1 - 15. All construction related activities shall occur within this fenced disturbance area, in other words, no construction related activities shall occur within the Environmental Easement. Prior to commencement of any future individual home construction activities, a permanent sixteen (16) inch high fence will be erected along the boundary of the Environmental Easement throughout the HPHCP area from Lots 1 - 15. No construction related activities on individual lots shall occur within the Environmental Easement.

3. The Declaration of Covenants, Conditions, and Restrictions and the Conservation Easement for Home Port Development shall contain the following provision: prior to commencement of construction activities, the Service must be notified in writing of the commencement date of anticipated construction.

4a. Education and public awareness are essential to the survival of the DFS. WCLP, in cooperation with the Service, shall implement a public information and education program to inform all construction personnel and contractors who will be conducting construction activities of the terms and conditions of the Section 10(a) incidental take permit, the HPHCP and this Implementing Agreement, to enlist their support of the measures contained in the HCP, to minimize and mitigate the impacts of incidental take, and to encourage them to respect, protect, and enjoy the DFS and the ecosystem in which it lives.

4b. The program will include the following topics: distribution and general ecology of the DFS, sensitivity of the species to human activities, legal protection of the species and penalties for violations of federal laws, reporting requirements, conservation measures designed to reduce impacts to the species, and what to do and whom to contact if conflicts arise with the species during construction and operation activities. The program for construction activities shall be developed and provided to the WCLP by the Service within 14 days of Section 10 permit issuance or as otherwise agreed.

4c. A summary of information related to the DFS will be produced by the Service in a form capable of being posted onsite. WCLP will be responsible for posting the required information onsite throughout the duration of construction activities. The Service will provide a laminated copy of the information for posting.

5. Upon initiation of construction activities, a 15 mph vehicle speed limit shall be posted and enforced starting at the beginning of the access road and throughout the HPHCP site. During construction activities and except in emergencies, all vehicles and equipment shall not exceed a 15 mph speed limit within the HPHCP area.

6. If a DFS must be moved to avoid injury for construction activities to proceed, except in the case of an emergency, the Service will be contacted for instructions.

7. All construction and contract personnel shall be prohibited from dumping trash except into containers, igniting open-air fires, and having unrestrained pets on-site to minimize harassment or killing of the DFS. Except for authorized security personnel, there shall be no use of firearms within the Permit Area except as follows: (a) when hunting legal waterfowl species over the waters of Winchester Creek, in accordance with state and federal regulations; and (b) when hunting deer with a legal weapon firing a single slug or bullet, during any legal hunting season. No small game hunting, trap or skeet shooting, target practice, casual plinking or other use of firearms of any type shall be permitted.

8. WCLP shall insure immediate notification of the Service regarding the finding and circumstances surrounding discovery of any dead (within a 24-hour period in order to appropriately preserve specimen) or injured (within 2 hours) DFS. Upon locating a dead, injured, or sick specimen of DFS, WCLP's representative shall immediately contact the nearest USFWS Law Enforcement Officer (Special Agent, Annapolis, Maryland, 410-573-4514). In conjunction with the preservation of any dead specimens, the finder has the responsibility to insure that evidence intrinsic to determining the cause of death of the specimen is preserved to the maximum extent practicable. The Service's information and education program shall provide the rationale and protocol for preserving the specimen(s). The Service shall bear the responsibility of determining the cause of death. The finding of dead specimens does not imply enforcement proceeding pursuant to the ESA. The reporting of dead specimens is required to enable the Service to insure that the terms and conditions of the 10(a)(1)(B) permit are appropriate and effective. Within 5 calendar days of discovery, WCLP's representative shall provide a written report to the Service describing, to the maximum extent practicable, the circumstances, location, etc. of any such finding, and the measures, if any, that will be taken to avoid further death or injury. Within 14 days of the issuance of the permit, the Service will develop and provide WCLP with a form to be used for reporting under this section. WCLP and the HPHA shall, to the maximum extent practicable, use such form in providing the written notification under this section.

9. If at any time Queen Anne's County regulations permit the installation of speed humps, the WCLP hereby consents to same and waives all rights to hold the County liable for any event occurring due to speed humps.

10. Prior to allowing Home Port to be occupied by residents, WCLP shall request the county to install a three-way stop sign (in accordance with local, county, and

state regulations and implemented to the maximum extent practicable in accordance with the Federal Highway Administration) at the intersections of the roads connecting lots 1-8 with lots 9-15 to further reduce the likelihood and amount of DFS take by vehicle strikes.

11. Prior to allowing Home Port to be occupied by residents, WCLP shall request the County and State to install a two-way stop sign (in accordance with local, county, and state regulations and implemented to the maximum possible in accordance with the Federal Highway Administration) at the entranceway of the development at the intersections of Hissey and Winchester Creek Service Roads to further reduce the likelihood and amount of DFS take by vehicle strikes.

12. WCLP shall install a DFS sign (entailing a squirrel silhouette with text "Endangered Fox Squirrel, Drive Gently")(in accordance with local, county, and state regulations and implemented to the maximum extent practicable in accordance with the Federal Highway Administration) near the entranceway of the development to further educate the public and reduce the likelihood and decrease the amount of DFS take by vehicle strikes. Until assumed by the HPHA, the WCLP agrees to the permanent maintenance and replacement, as required, of the DFS sign.

13. WCLP will maintain the area of low vegetation/grasslands between the right-of-way road and the forest as an open area for purposes of visibility (to minimize and reduce vehicle strikes) and deterrence to DFS movement. This maintenance will be accomplished by (a) maintaining (via mowing and/or seeding) a vegetation length at 6 inches or less within 20 feet of the roadside and (b) mowing the remaining 130 feet of vegetation at least once during the months of June and September. This obligation is not intended to require removal of trees.

14. Prior to the start of construction activities, WCLP shall record, in the land records of Queen Anne's County, Deeds of Open Space and Environmental Easements, this Implementing Agreement, and the Record Plat which establish specific uses permitted and prohibited within identified areas of Home Port Permit Area to protect DFS from human disturbances. These documents, and any deeds to individual homeowners, shall incorporate by reference these recorded documents. The Declaration of Covenants, Conditions and Restrictions shall be recorded prior to conveying any lots to individual homeowners

15. The Deed of Open Space and Environmental Easement shall contain language concerning permitted and restricted uses within the Environmental Easement and Open Space including:

a) Within the Open Space areas:

i) No residential use or construction activities, grading, clearing, cutting, installation of infrastructure or similar activities for the purposes of construction or improving any residence located outside of the building pad of Lot 16 or on Lots 17 or 18;

ii) Permitting one community pier, bathhouse and accessory parking thereto may be located on Lot 17;

iii) Permitting active and passive recreation;

iv) Permitting the construction and placement of drainage structures;

v) Permitting fields or pasture;

vi) Permitting septic disposal systems;

vii) Permitting the growing of trees, plants and flowers for retail and wholesale operations using best management practices for areas of wildlife habitat; and

viii) No domestic pets permitted in Open Space lots or outside of the individual residence or fenced Lot 16 unless they are physically restrained.

b) Within the Environmental Easement area:

i) Prohibiting new development activities, including clearing of existing natural vegetation, erection of structures, construction of new roads, parking areas, or other impervious surfaces, altering the slope of the land surface and the placement of sewage disposal systems, except as provided herein:

ii) Prohibiting placement of dredged spoil except as necessary for:

(A) backfill for permitted shore erosion protection measures;
(B) use in approved vegetated shore erosion projects;
(C) placement on previously approved channel maintenance spoil disposal areas; and
(D) beach nourishment;

iii) Limiting disturbance for the placement of any structures to the building pad on individual lots including any building or structure, appurtenant

thereto, or addition to an existing structure requiring a county building permit or otherwise shall not be constructed, located or maintained outside of the Building Pad of any individual lots as depicted in the plat. This includes, without limitation, detached garages, accessory dwellings, sheds, barns, tennis courts, swimming pools, children's play houses or recreational structures/equipment, fences, dog kennels, clotheslines, fuel tanks, garbage cans, incinerators, gardens and wood and/or compost piles. No construction activities, excavation, grading, clearing, cutting, installation of infrastructure or similar activities shall take place outside of the Building Pad of any individual Lot as depicted in the Plat. The Owner shall insure that any such activities take place within the boundaries of the permanent sixteen (16) inch fence that delineates the rear of the Building Pad.

iv) Prohibiting domestic pets outside of individual residences or fenced lots unless they are physically restrained.

v) Limited cutting or clearing of individual trees for the following purposes:

(A) to prevent trees from falling and blocking waterways or roadways, causing damage to dwellings or other structures, or resulting in accelerated erosion of the shore or streambank;
(B) in conjunction with horticultural practices used to maintain the health of individual trees;
(C) to install or construct shore erosion protection device or measures subject to necessary governmental approval;
(D) to protect forests from extensive pest or disease infestation or threat from fires if approved by the Maryland Department of Agriculture, the Maryland Forest Service, and the Service; and
(E) to enhance the habitat of DFS, as authorized by the Service, provided that such actions are approved by relevant State and/or County authorities.

16. WCLP shall grant a right of access to the HPHCP permit area to the Service employees during all aspects of construction without requiring prior notification by the Service. Where Service contractors/cooperators are present pursuant to a contract/agreement issued by the Chesapeake Bay Field Office of the Service specifically related to the Home Port site, prior to entry on the Home Port Permit Area, a copy of such contract/agreement shall be provided to the WCLP two weeks in advance of the entry or commencement of the activity.

B. Mitigation for Homeowner-Related Activities

1a. Education and public awareness are essential to the survival of the DFS. WCLP, in cooperation with the Service, shall implement a public information and education program to inform all homeowners of the terms and conditions of Section 10(a) incidental take permit, the HPHCP and this Implementing Agreement, to enlist their support of the measures contained in the HPHCP, to minimize and mitigate the impacts of incidental take, and to encourage them to respect, protect, and enjoy the DFS and the ecosystem in which it lives.

1b. The program shall include the following topics: distribution and general ecology of the DFS, sensitivity of the species to human activities, legal protection of the species and penalties for violations of federal laws, reporting requirements, conservation measures designed to reduce impacts to the species, and what to do and whom to contact if conflicts with the species arise during construction or normal habitation. The educational program for homeowners shall be provided to the WCLP within 60 days of permit issuance.

1c. Information/educational brochures will be prepared by the Service and provided to the HPHA and/or WCLP, as appropriate. WCLP will provide this information to each lot purchaser at the time of closing until the assignment of the Covenants when the HPHA will assume this responsibility. Until the assignment of the Covenants, the WCLP shall provide each subsequent owner/tenant with this information upon occupancy.

1d. A summary of information related to the DFS will be produced by the Service in a form capable of being posted onsite. WCLP will be responsible for posting the required information onsite until such responsibilities are assumed by the HPHA. The Service will provide a laminated copy of the information for posting.

2. WCLP shall grant the right of access to the Home Port Permit Area, which by deed to individual homeowners shall continue after lots are sold, to permit entry by

(a) Service employees:

(i) at any reasonable time for the inspection and monitoring purposes specified in 50 CFR 13.21(e)(2); and

(ii) for the specific purposes of trapping, monitoring, and observing the DFS population, the implementation of the HPHCP, or conducting reforestation or habitat improvement activities to insure compliance

with the Section 10 permit, the HPHCP/IA and restoration success. For entry within individual lots pursuant to this section 2(a)(ii), Service employees shall provide prior notification to the Home Port residents by mail or by leaving notification at the homeowner's front door; and

(b) by Service contractors/cooperators acting pursuant to a contract/agreement issued by the Chesapeake Bay Field Office specifically related to the Home Port Permit Area, provided that prior to entry on the Home Port Permit Area by such Service contractors/cooperators, a copy of such contract/agreement shall be provided to the WCLP/HPHA two weeks in advance of the entry or commencement of the activity and for entry within individual lots, Service contractors/cooperators shall provide prior notification at the homeowners front door.

3. WCLP will initially fund the HPHA with sufficient funds for it to carry out its obligations and to be self-supporting after it assumes the obligations set forth below, until such time as the conditions set forth in section 6.C.1e have occurred.

C. Other On-Site and Off-Site Mitigation

Conveyance of the Conservation Easement

1a. Prior to the initiation of ground breaking activities in the Permit Area the WCLP shall convey and record a perpetual Deed of Open Space and Environmental Easement for the Permit Area. This conveyance is necessary in order to maintain a core of suitable forested habitat for squirrels presently located within that habitat and as refuge for squirrels that may be displaced from disturbance during development and subsequent to development and habitation to mitigate for loss of habitat and loss of value of habitat due to construction of 16 residential homes.

1b. WCLP shall permanently preserve through said Deed of Open Space and Environmental Easement, a total of 34.68 acres including forested, wetland, and unforested acreage within the Environmental Easement. Protection of the core forested habitat (i.e., lot 16) will provide permanent refuge, nesting, and foraging capabilities for DFS on the HPHCP area during construction and subsequent human habitation. Environmental easements along the fragmented wood edge alongside Winchester Creek will provide additional travel corridors and/or foraging and nesting habitat for the DFS. Said Deed of Open Space and Environment Easement shall also contain restrictions and affirmative obligations, as set forth in this Agreement, regarding the Open Space areas,

roads and building pads to minimize and mitigate for the anticipated impacts from automobiles, domestic pets, and human habitation.

1c. The Parties acknowledge that the Deed of Open Space and Environmental Easement will include provisions that require the WCLP, or its successors, to enforce the provisions of the Deed of Open Space and Environmental Easement in accordance with the HPHCP and this Agreement.

1d. After recordation of the Deed of Open Space and Environmental Easement, the record plat, the Declaration of Covenants, Conditions and Restrictions, which shall be approved by the Service, and this Agreement, and providing copies of such recorded documents to the Service, individual lots may be freely transferred without notice to the Service.

1e. Fee title to lands within the Permit Area outside of the individual lots may be transferred to the HPHA or a Conservation Entity; provided that: (1) said HPHA or the Conservation Entity assumes, in legally binding form, the obligations of the WCLP for the HPHCP and this Agreement in perpetuity; and (2) a funding mechanism, approved by the Service, is established that will provide permanent funding for management, maintenance and monitoring of the Permit Area in accordance with the HPHCP and this Agreement. Unless and until the WCLP completes the conveyance of those lands within the Permit Area outside of individual lots, the WCLP shall retain ownership of such lands and shall be responsible for implementation of the measures described in Sections 6.1.

2. In order to compensate for the loss of foraging areas and sheltering habitat and the decline of value of foraging, sheltering, and reproductive habitat due to construction of 16 residential homes, and associated disturbances related to human habitation, WCLP will pay the sum of $13,000 into an escrow account to be established with Service oversight to carry out reforestation efforts on 4.5 acres as described in the reforestation plan contained in Appendix A of the HPHCP. The Service shall implement the mitigation and habitat conservation measures to be performed on the Home Port site which are described more fully in Appendix A of the HPHCP. The plan shall be initiated prior to or concurrent with the implementation of ground-disturbing activities, in concert with sound horticultural and forest restoration practices. It is understood that relocation of trees from the building pad of lot 15 or on the access path to the community pier can only be done between mid-February and March 15 and/or mid-November and end of December so site work in these areas will be deferred until the Service has relocated whatever trees will be moved. Provided such practices are followed, ground disturbing activities may proceed throughout the site as consistent with the HPHCP. The Service will be granted the right of access to reforestation areas to conduct such reforestation activities, inspection and

monitoring, including entry onto building pads or road right-of-ways to transplant existing vegetation in advance of ground clearing activities.

3. To compensate for impacts to the DFS caused by the proposed project which cannot be further reduced, Waterman, Inc. shall preserve 31.40 acres of DFS habitat or potential habitat within a single parcel in Queen Anne's County. The acreage will be placed in a perpetual conservation easement attached to the title of the land, to be held by the Service and/or donated to and subsequently managed by an acceptable land conservation program, along with a conservation easement, requiring preservation and management for DFS into perpetuity. If the Conservation Easement is conveyed to a Conservation Entity or such other organization or agency, it shall provide that in the event that such Conservation Entity or organization or agency is dissolved or vacated, the Service will have the right to approved a successor conservation entity

6.2 HOME OWNERS' ASSOCIATION OBLIGATIONS

Prior to transfer of any lots in the HPHCP area, WCLP will complete a Declaration of Covenants, Conditions, and Restrictions for the purposes of creating the Home Port Homeowners' Association (HPHA). This document will, among other things, specify the responsibilities of the homeowners and HPHA in relation to the HPHCP, associated Implementing Agreement, and Section 10(a) permit. Each resident will be required to join and maintain membership in the HPHA prior to being allowed to occupy housing in the HPHCP area. The following responsibilities will be codified in this document:

1. The HPHA shall designate a contact representative who will advise the Homeowner's Association and its members concerning compliance with the terms and conditions of the HPHCP, associated Implementing Agreement, and Section 10(a) permit. This representative will also coordinate with the Service. This representative will not be personally responsible for efforts made to comply with the terms of the HPHCP and related documents.

2. The HPHA shall maintain the permanent sixteen (16) inch high fence along the boundary of the Environmental Easement throughout the Home Port Permit Area and shall monitor the Open Space and Environmental Easement areas to insure that no structures or construction or other activities prohibited in such areas as set forth in paragraph 6.1.A.15 of this Agreement, are conducted. The Declaration of Covenants, Conditions, and Restrictions shall provide mechanisms for the Homeowners' Association to enforce for violations of the Deed of Open Space and Environmental Easement. In addition, the HPHA shall notify Queen Anne's County and the Service of any violation of the terms of the Deed of Open Space and Environmental Easement.

3a. Education and public awareness are essential to the survival of the DFS. WCLP, in cooperation with the Service, shall provide the HPHA with a public information and education program to inform all homeowners of the terms of Section 10(a) incidental take permit, the HPHCP and this IA, to enlist their support of the measures contained in the HPHCP, to minimize and mitigate the impacts of incidental take, and to encourage them to respect, protect, and enjoy the DFS and the ecosystem in which it lives.

3b. Information/educational brochures will be prepared by the Service and provided to the HPHA and/or WCLP, as appropriate. WCLP will provide this information to each lot purchaser within two weeks after the purchase of an individual lot until the assignment of the Covenants when the HPHA will assume this responsibility. The HPHA shall provide each subsequent owner/tenant with this information upon occupancy.

3c. After the assignment of the Covenants, the HPHA will be responsible for posting the required information onsite. The Service will provide a laminated copy of the information for the posting.

4. The Declaration of Covenants, Conditions, and Restrictions shall include strict regulations pertaining to the restraint and control of domestic pets to minimize harassment and/or killing of the DFS. These regulations will include the following:

   a. No domestic pets shall be allowed outside of residences, fenced yards, or kennels unless they are physically restrained (i.e., leashed, chained, etc.). These regulations are not designed to prohibit domestic pets, but rather to insure that they are restrained and fed within the confines of the building pads.

   b. No domestic pets shall be allowed within the Open Space and Environmental Easement Areas unless they are physically restrained.

   c. No homeowner or person associated with a homeowner shall provide food or shelter for the presence of domestic or feral free-roaming dogs, cats, or carnivorous animals of any type which is not physically restrained and on the HPHCP permit area.

   d. The HPHA will be responsible for the implementation and enforcement of these regulations, however, WCLP, or the HPHA, as appropriate, will call in the County Animal Control Officer to apprehend any feral dogs or cats. The HPHA will advise homeowners of the reasons for these conditions and

regulations and will encourage them to report any observations of unrestrained dogs or cats in the HPHCP area to the HPHA.

5. The HPHA will maintain the area of low vegetation/grassland between the right-of-way road and the forest edge as an open area for purposes of visibility (to minimize and reduce vehicle strikes) and deterrence to DFS movement. This maintenance will be accomplished by (a) maintaining (via mowing and/or seeding) a vegetation length at 6 inches or less within 20 feet of the roadside and (b) mowing the remaining 130 feet of vegetation at least once during the months of June and September. This obligation is not intended to require the removal of trees.

6. Upon the assignment of the covenants by WCLP to HPHA and continuing for the duration of the Section 10 permit, the HPHA shall insure immediate notification of the Service regarding the finding and circumstances surrounding discovery of any dead (within a 24-hour period in order to appropriately preserve specimen) or injured (within 2 hours) DFS. Upon locating a dead, injured, or sick specimen of DFS, HPHA or a representative shall immediately contact the nearest USFWS Law Enforcement Officer (Special Agent, Annapolis, Maryland, 410-573-4514). In conjunction with the preservation of any dead specimens, the finder has the responsibility to insure that evidence intrinsic to determining the cause of death of the specimen is preserved to the maximum extent practicable. The Service's information and education program shall provide the rationale and protocol for preserving the specimen(s). The Service shall bear the responsibility of determining the cause of death. The finding of dead specimens does not imply enforcement proceeding pursuant to the ESA. The reporting of dead specimens is required to enable the Service to insure that the terms and conditions of the 10(a)(1)(B) permit are appropriate and effective. Within 5 calendar days of discovery, HPHA shall provide any known information to the Service describing, to the maximum extent practicable, the circumstances, location, etc. of any such finding, and the measures, if any, that will be taken to avoid further death or injury. Within 14 days of the issuance of the permit, the Service will develop and provide WCLP with a form to be used for reporting under this section. WCLP and the HPHA shall, to the maximum extent practicable, use such form in providing the written notification under this section.

7. Upon entrance into the development, a 15 mph vehicle speed limit shall be posted, maintained, and in effect starting at the beginning of the access road and throughout the HPHCP site. Except in emergencies, all vehicles and equipment shall not exceed a 15 mph speed limit within the HPHCP area.

8. If at any time Queen Anne's County regulations permit the installation of speed humps, the HPHA hereby consents to same and waives all rights to hold the County liable for any event occurring due to speed humps.

9. The HPHA shall request that the County insure the maintenance of a three-way stop sign (in accordance with local, county, and state regulations and implemented to the maximum possible in accordance with the Federal Highway Administration) at the intersections of the roads connecting lots 1-8 with lots 9-15 to further reduce the likelihood and decrease the amount of take by vehicle strikes.

10. The HPHA shall request that the County and State insure the maintenance of a two-way stop sign (in accordance with local, county, and state regulations and implemented to the maximum possible in accordance with the Federal Highway Administration) at the entranceway of the development at the intersections of Hissey and Winchester Creek Service Roads to further reduce the likelihood and amount of DFS take by vehicle strikes.

11. The HPHA shall maintain a DFS sign (entailing a squirrel silhouette with text "Endangered Squirrel, Drive Gently")(in accordance with local, county, and state regulations and implemented to the maximum extent practicable in accordance with the Federal Highway Administration) near the entranceway of the development to further educate the public and reduce the likelihood and decrease the amount of take by vehicle strikes.

12. The HPHA shall insure that homeowners and their contractors and invitees are prohibited from igniting open-air fires except for cooking or dumping trash except into containers. The HPHA shall insure that, if needed, appropriate containers for trash are provided in common areas and emptied frequently. Except for authorized security personnel, discharge of firearms shall be prohibited within the HPHCP permit area. There shall be no use of firearms within the Permit Area except as follows: (a) when hunting legal waterfowl species over the waters of Winchester Creek, in accordance with state and federal regulations; and (b) when hunting deer with a legal weapon firing a single slug or bullet, during any legal hunting season. No small game hunting, trap or skeet shooting, target practice, casual plinking or other use of firearms of any type shall be permitted.

13. The HPHA shall not approve any proposed conditions or changes which are in conflict with the limitations and restrictions identified in the Deed of Open Space and Environmental Easement, Declaration of Covenants, Conditions and Restrictions, Implementing Agreement, and the Record Plat.

14. HPHA shall grant the right of access to the Home Port Permit Area, to permit entry by

    a) Service employees:

        (i) at any reasonable time for the inspection and monitoring purposes specified in 50 CFR 13.21(e)(2); and

        (ii) for the specific purposes of trapping, monitoring, and observing the DFS population, the implementation of the HPHCP, or conducting reforestation or habitat improvement activities to insure compliance with the Section 10 permit, the HPHCP/IA and restoration success. For entry within individual lots pursuant to this section 14(a)(ii), Service employees shall provide prior notification to the Home Port residents by mail or by leaving notification at the homeowner's front door; and

    (b) by Service contractors/cooperators acting pursuant to a contract/agreement issued by the Chesapeake Bay Field Office specifically related to the Home Port Permit Area, provided that prior to entry on the Home Port Permit Area by such Service contractors/cooperators, a copy of such contract/agreement shall be provided to the WCLP/HPHA two weeks in advance of the entry or commencement of the activity and for entry within individual lots, Service contractors/cooperators shall provide prior notification at the homeowner's front door.

15. The HPHA shall not be dissolved without the express written approval of the Service. This approval must specify that sufficient alternative procedures and funding mechanisms have been established to insure the implementation of the terms and conditions of the HPHCP, associated Implementing Agreement, and Section 10(a) permit.

6.3 HOMEOWNERS' OBLIGATIONS

Prior to transfer of any lots in the HPHCP area, the Declaration of Covenant, Conditions, and Restrictions and this Implementing Agreement will be recorded and will, among other things, specify the responsibilities of the homeowners in relation to the HPHCP and the Section 10(a) permit. The term "homeowner" shall include tenants.

1. Each homeowner will be required to join and maintain membership in the Home Port Homeowners' Association (HPHA) prior to being allowed to occupy housing in the HPHCP area.

2. The homeowner, his contractors, and invitees shall not conduct any activities prohibited in the Open Space and Environmental Easement areas including those related to structures or construction or other activities prohibited in such areas, as set forth in paragraph 6.1.A.15 of this Agreement.

3. Education and public awareness are essential to the survival of the DFS. Homeowners are responsible for participating in a public information and education program so as to be informed of the terms of Section 10(a) incidental take permit, the HPHCP and this Implementing Agreement, to enlist their support of the measures contained in the HPHCP, to minimize and mitigate the impacts of incidental take, and to encourage them to respect, protect, and enjoy the DFS and the ecosystem in which it lives.

4. Homeowners shall implement the following regulations pertaining to the restraint and control of domestic pets whether owned or conducted by members of their household, contractors or invitees, to minimize harassment and/or killing of the DFS.

   a. No domestic pets shall be allowed outside of residences, fenced yards, or kennels unless they are physically restrained (i.e., leashed, chained, etc.). These regulations are not designed to prohibit domestic pets, but rather to insure that they are restrained and fed within the confines of the building pads.
   b. No domestic pets shall be allowed within the Open Space or Environmental Easement Areas unless they are physically restrained.

   c. Food or shelter shall not be provided for domestic or feral free-roaming dogs, cats, or carnivorous animals of any type, on the HPHCP area which is not physically restrained. The homeowner shall call the WCLP or HPHA, as appropriate, to call in the County Animal Control Officer to apprehend any feral dogs or cats.

5. If at any time Queen Anne's County regulations permit the installation of speed humps, the homeowner hereby consents to same and waive all rights to hold the County liable for any event occurring due to speed humps.

6. Upon entrance into the development, a 15 mph vehicle speed limit shall be posted, maintained, and in effect starting at the beginning of the access road and throughout the HPHCP site. Except in emergencies, all vehicles and equipment shall not exceed a 15 mph speed limit within the HPHCP area. Compliance with the speed limit is a condition of the HPHCP and this Agreement. Homeowners are encouraged to remind their contractors and invitees of the 15 mph speed limit.

7. Homeowners shall immediately notify the Service regarding the finding and circumstances surrounding discovery of any dead (within a 24-hour period in order to appropriately preserve specimen) or injured (within 2 hours) DFS. Upon locating a dead, injured, or sick specimen of DFS, the homeowner shall immediately contact the nearest USFWS Law Enforcement Officer (Special Agent, Annapolis, Maryland, 410-573-4514). In conjunction with the preservation of any dead specimens, the finder has the responsibility to insure that evidence intrinsic to determining the cause of death of the specimen is preserved to the maximum extent practicable. The Service's information and education program shall provide the rationale and protocol for preserving the specimen(s). The Service shall bear the responsibility of determining the cause of death. The finding of dead specimens does not imply enforcement proceeding pursuant to the ESA. The reporting of dead specimens is required to enable the Service to insure that the terms and conditions of the 10(a)(1)(B) permit are appropriate and effective. The homeowner shall also inform the HPHA of the finding and assist the HPHA provide any known information to the Service describing, to the maximum extent practicable, the circumstances, location, etc. of any such finding, and the measures, if any, that will be taken to avoid further death or injury. Within 14 days of the issuance of the permit, the Service will develop and provide WCLP with a form to be used for reporting under this section. WCLP and the HPHA shall, to the maximum extent practicable, use such form in providing the written notification under this section.

8. Homeowners and their contractors and invitees are prohibited from igniting open-air fires except for cooking or dumping trash except into containers. Except for authorized security personnel, discharge of firearms shall be prohibited within the HPHCP permit area. Small game hunting (excluding waterfowl) shall be permanently prohibited within the HPHCP area. There shall be no use of firearms within the Permit Area except as follows: (a) when hunting legal waterfowl species over the waters of Winchester Creek, in accordance with state and federal regulations; and (b) when hunting deer with a legal weapon firing a single slug or bullet, during any legal hunting season. No small game hunting, trap shooting, target practice, casual plinking or other use of firearms of any type shall be permitted.

9. Homeowners shall grant the right of access to the Home Port Permit Area, to permit entry by

   (a) Service employees:

      (i) at any reasonable time for the inspection and monitoring purposes specified in 50 CFR 13.21(e)(2); and

(ii) for the specific purposes of trapping, monitoring, and observing the DFS population, the implementation of the HPHCP, or conducting reforestation or habitat improvement activities to insure compliance with the Section 10 permit, the HPHCP/IA and restoration success. For entry pursuant to this section 2(a)(ii), Service employees shall provide prior notification to the Home Port residents by mail or by leaving notification at the homeowner's front door; and

(b) by the Service contractors/cooperators acting pursuant to a contract/agreement issued by the Chesapeake Bay Field Office specifically related to the Home Port Permit Area, provided that prior to entry on the Home Port Permit Area by such Service contractors/cooperators, a copy of such contract/agreement shall be provided to the WCLP/HPHA two weeks in advance of the entry or commencement of the activity.

10. All homeowner obligations run with the land (i.e., continue to future purchasers and lessees).

6.4 UNITED STATES FISH AND WILDLIFE SERVICE OBLIGATIONS

1a. Education and public awareness are essential to the survival of the DFS. The Service, shall cooperate with and assist the WCLP and the HPHA in implementing a public information and education program to inform all homeowners and construction personnel and contractors who will be conducting construction activities of the terms and conditions of the Section 10(a) incidental take permit, the HPHCP and this Implementing Agreement, to enlist their support of the measures contained in the HCP, to minimize and mitigate the impacts of incidental take, and to encourage them to respect, protect, and enjoy the DFS and the ecosystem in which it lives.

1b. The program will include the following topics: distribution and general ecology of the DFS, sensitivity of the species to human activities, legal protection of the species and penalties for violations of federal laws, reporting requirements, conservation measures designed to reduce impacts to the species, and what to do and whom to contact if conflicts arise with the species during construction and operation activities or normal habitation. The program for construction activities shall be developed and provided to the WCLP by the Service within 14 days of Section 10 permit issuance or as otherwise agreed. The educational program for homeowners shall be provided to the WCLP within 60 days of permit issuance.

1c. Information/educational brochures will be prepared by the Service and provided to the HPHA and/or WCLP, as appropriate, for providing to each lot purchaser at the time of closing and each subsequent owner/tenant upon occupancy.

1d. A summary of information related to the DFS will be produced by the Service in a form capable of being posted onsite. WCLP will be responsible for posting the required information onsite throughout the duration of construction activities and the HPHA will be responsible for posting. The Service will provide a laminated copy of the information for posting.

2a. Service employees may enter the Home Port permit area for the specific purposes of trapping, monitoring, and observing the DFS population, the implementation of the HCHCP, or conducting reforestation or habitat improvement activities, to study behavior of DFS to normal subdivision/human habitation activities, and to monitor compliance with the Section 10 permit, the HPHCP/IA and restoration success. When Service employees enter pursuant for these purposes, they shall provide prior notification to the Home Port residents by mail or by leaving notification at the homeowners' front door. (This shall not circumscribe any authority to enter pursuant to 50 C.F.R. section 13.21(e)(2)).

2b. When the Service's Chesapeake Bay Field Office enters into a contract/agreement specifically related to the Home Port Permit Area, it shall provide that prior to entry on the Home Port Permit Area by such Service contractors/cooperators, a copy of such contract/agreement shall be provided to the WCLP/HPHA two weeks in advance of the entry or commencement of the activity.

3. The Service shall implement the reforestation plan, see Appendix A, and may use the $13,000 paid by the WCLP into an escrow account and any other funds obtained from other sources for this purpose. Any funds obtained from WCLP and not required for plan implementation will be refunded to the WCLP.

4. To the maximum extent practicable, the Service shall insure the availability of its staff to cooperate with and provide technical and research assistance to the Permittees.

5. If during the implementation of construction activities a DFS must be moved to avoid injury for the activity to proceed, the Service will provide appropriate technical assistance to the Permittees.

6. Within 14 days of the issuance of the ITP, the Service will develop and provide WCLP with a form to be used for reporting dead and/or injured DFS.

7. The Service shall cooperate and provide, to the extent funding is available, technical assistance to the Permittee.

7.0 MONITORING RESPONSIBILITIES OF THE PARTIES

7.1 Responsibilities of the Permittee/s

The Permittee/s shall monitor the Permit Area and notify the Service of the discovery of any dead or injured DFS as set forth in paragraphs 6.1A8, 6.26, and 6.37 and provide such reports and information as prescribed therein.

In addition, WCLP agrees to fund a survey study of DFS in the Permit Area, in the spring and fall of 1999 using the protocol set forth in Appendix B of the Port HCP.

Home

7.2 Responsibilities of the Service

After issuance of the Permit, the Service shall monitor the implementation thereof, including each of the terms of this Agreement and the HPHCP in order to insure compliance with the Permit, the HCP and this Agreement.

8.0 INCORPORATION OF HABITAT CONSERVATION PLAN and STATED TERM

8.1 The HPHCP and each of its terms are intended to be and by this reference are, incorporated herein. In the event of any direct contradiction between the terms of this Agreement and the HPHCP, the terms of this Agreement shall control. In all other cases, the terms of this Agreement and the terms of the HPHCP shall be interpreted to be supplementary to each other. In interpreting the HPHCP, consideration shall be given to the fact that the HCP was not drafted as a legal document.

8.2 As between the WCLP and the Service, this Agreement shall become effective on the date that the Service issues the Permit requested in the HPHCP and shall remain in full force and effect for a period of 50 years or until termination of the Permit, whichever occurs sooner.

Notwithstanding the stated term of this Agreement, the Parties agree and recognize that once the DFS has been incidentally taken and its habitat modified pursuant to the Permit and HPHCP, the take and habitat modification will be permanent. It is therefore the intention of the Parties that the provisions of the HPHCP and of this Agreement regarding the establishment and conservation of habitat of the DFS and mitigation of impacts within the Permit Area and the Off-site Conservation Area shall likewise, to the extent permitted by law, be perpetual, and extend beyond the stated term of this Agreement.

9.0 REMEDIES AND ENFORCEMENT

9.1 Remedies in General

Except as set forth below, each Party shall have all of the remedies available in equity (including specific performance and injunctive relief) and at law to enforce the terms of this Agreement and the Permit and the HPHCP, and to seek remedies for any breach thereof, consistent with and subject to the following:

A. None of the Parties shall be liable in damages to the other Parties or to any other person or entity for any breach of this Agreement, any performance or failure to perform a mandatory or discretionary obligation imposed by this Agreement, or any other cause of action arising from this Agreement. Notwithstanding the foregoing, and except for the rights afforded the Permittee by this Agreement and the Permit, each Party shall retain whatever liability it would possess for its present and future acts or failure to act without existence of this Agreement. This provision is not intended to limit the authority of the United States government to seek civil or criminal penalties or otherwise fulfill its enforcement responsibilities under the ESA or other Federal law, for violations of the ESA or the Permit; and

B. The Parties acknowledge that the DFS is a species listed as endangered under the Endangered Species Act, 16 USC & 1531 et seq., meaning that the Service has determined that the DFS is in danger of extinction throughout all or a significant portion of its range and that the loss of the species would result in irreparable damage to the environment. Injunctive and temporary relief may or may not be appropriate in certain instances involving a breach of this Agreement.

C. All Parties shall retain whatever rights, liabilities, and defenses they possess under law. WCLP, its successors and assigns respectfully reserve all defenses and objections in the event that action is brought to enforce this agreement.

9.2 The Permit

A. Permit Suspension

In the event of any material violation or breach of the Permit or this Agreement, in addition to invoking penalties provided under the ESA, the Service may suspend the Permit; provided, however, that except where the Service determines that emergency action is necessary to protect the DFS, it will not suspend the Permit without first (1) requesting the Permittee/s to take appropriate remedial actions, and (2) providing the Permittee/s written notice of

the facts or conduct which may warrant the suspension and an opportunity for the Permittee/s to demonstrate why suspension is not warranted.

B. Permit Reinstatement

In the event the Service suspends the Permit, as soon as possible but no later than ten (10) days after such suspension, the Service shall confer with the Permittee/s concerning how the violation or breach that led to the suspension can be remedied. At the conclusion of any such conference, the Service shall determine the specific actions necessary to effectively redress the violation or breach. In making this determination, the Service shall consider the requirements of the ESA, regulations issued thereunder, the conservation needs of the DFS, the terms of the Section 10(a) Permit and of this Agreement and any comments or recommendations received during the conference process.

As soon as possible, but not later than thirty (30) days after the conference, the Service shall send the Permittee/s written notice of the actions necessary to effectively redress the violation or breach. Upon full performance of such necessary actions, Service shall immediately reinstate the Permit. It is the intent of the Parties that in the event of any suspension of the Permit all Parties shall act expeditiously to cooperatively to reinstate the Section 10(a) Permit.

C. Permit Revocation or Termination

1. The Service agrees that it will revoke or terminate the Permit for an unintentional violation or breach of the permit or this Agreement only if the Service determines that (a) such violation cannot be effectively redressed by other remedies or enforcement action, and (b) revocation or termination is required to fulfill a responsibility of the Service under the ESA.

2. The Service agrees that it will not revoke or terminate the Permit without first (a) requesting the Permittee to take appropriate remedial action, and (b) providing the Permittee notice in writing of the facts or conduct which warrant the revocation or termination and a reasonable opportunity (but not less than sixty (60) days) to demonstrate or achieve compliance with the ESA, the Permit and this Agreement.

3. In the event that the permit is revoked or terminated in accordance with the terms of this Agreement, the Environmental Easement and the Off-Site Conservation Area shall continue to be managed for the conservation of the DFS in accordance with the terms of the HCP and this Agreement in perpetuity.

9.3 No Surprises Policy

The HPHCP incorporates provisions of the "No Surprises Rule" as promulgated by the Service in 63 Federal Register (FR) 8,859-8,873 (February 23, 1998). It is acknowledged that the purpose of the HPHCP and the Implementing Agreement is to set forth the rights and obligations of the parties with respect to the HCP and to provide for the conservation of the DFS and the mitigation and compensatory measures required in connection with incidental taking of DFS in the course of otherwise lawful activities within the HPHCP site. Accordingly, except otherwise required by law and/or provided under the terms of the HPHCP, including "Unforeseen Circumstances" as defined at 63 FR 8,870-71, no additional mitigation for the effects of the proposed project upon the DFS shall be required from either WCLP, the Homeowners' Association, or individual homeowners provided that the terms of the HPCHP are "properly implemented" as defined in 63 FR 8,870.

In the event that Unforeseen Circumstances result in changes not provided for by the HPHCP, and additional conservation and mitigation measures are deemed necessary to respond to Unforeseen Circumstances, the Service may require additional measures of the permittee where the conservation plan is being properly implemented, but only if such measures are limited to modifications within the Open Space and Environmental Easement area, if any, or to the conservation plan's operating conservation program for the affected species, such as installing speed bumps on the roads, if authorized by Queen Anne County, and maintain the original terms of the conservation plan to the maximum extent possible. Additional conservation and mitigation measures will not require the commitment of additional land, water or financial compensation or restrictions on the use of land, water, or other natural resources otherwise available for development or use under the original terms of the conservation plan beyond the level otherwise agreed upon for the species covered by the conservation plan, without the consent of the permittee. In the event that circumstances affecting populations of DFS or their habitats that are beyond the control of the parties to the HPHCP result in the status of the DFS unexpectedly worsening ("Unforeseen Circumstances") the primary obligation for implementing additional conservation and mitigation measures shall be the responsibility of the Service.

The HPHCP and IA and the Section 7 Consultation set forth the limits of the mitigation and conservation obligations required in connection with the incidental taking of the DFS at Home Port. Provided that the terms of the HPHCP are being properly implemented, adjustments or changes to these obligations are not permitted without the unanimous consent of the Permittee and the Service. For example, failure to properly implement the 15 m.p.h. speed limit or restrict free-roaming domestic pets belonging to or in the control of WCLP, homeowners, or their contractors or invitees, would be a failure to properly implement the HPHCP

and IA. If the HPHCP and the IA are being properly implemented, and an amendment to the HPHCP is warranted due to Unforeseen Circumstances of an environmental or biological nature, the appropriate documentation will be prepared by the Service. Changes in circumstances which were not reasonably anticipated by the Plan developers and the Service at the time of the HPHCP/IA's negotiation and development that result in a substantial and adverse change in the status of the DFS may include, for example, an outbreak of rabies.

The Service shall have the burden of demonstrating that such Unforeseen Circumstances exist, using the best scientific and commercial data available. These findings must be clearly documented and based upon reliable technical information regarding the status and habitat requirements of the DFS. The documentation will include a description of the unforeseen event or activity, an assessment of its impacts, and a description of proposed changes to the mitigation and/or conservation measures. The Service has discretion in determining whether Unforeseen Circumstances warrant an amendment to the HPHCP, and shall apply the factors set forth in Section 17.22 of the No Surprises Rule (*see* 63 FR at 8,859-8,871). The implementation of any such amendment shall not require the commitment of additional land, water, or financial compensation or additional restrictions on the use of land, water, or other natural resources beyond the level agreed to in the HPHCP without the consent of WCLP and/or the Homeowner's Association.

9.4 Private Property Rights and Legal Authorities Unaffected

Except as otherwise specifically provided herein, nothing in this Agreement shall be deemed to restrict the rights of the Permittee to the use or development of those lands, or interests in lands, constituting the Permit Area; provided, that nothing in this Agreement shall absolve the Permittee from such other limitations as may apply to such lands, or interests in lands, under other laws of the United States and the State of Maryland.

10.0 THIRD PARTY BENEFICIARIES

Without limiting the applicability of the rights granted to the public pursuant to the provisions of 16 U.S.C. § 1540(g), none of the rights or benefits created by this Agreement shall inure to or benefit any person other than the identified Parties herein and their successors and assigns, nor shall it authorize any person who is not a party to this Agreement or a successor or assign of a Party to seek enforcement of the terms of this Agreement.

11.0 ENVIRONMENTAL REVIEW

Issuance of a Permit to the Permittee by the Service is an action subject to National Environmental Policy Act (NEPA) review. The Service is the "lead" agency under NEPA. An Environmental Assessment (EA) has been prepared pursuant to NEPA.

12.0 AMENDMENTS

Except as otherwise set forth herein, this Agreement may be amended consistent with the ESA and only with the written consent of each of the Parties. Any material amendment of the HPHCP or this Agreement shall require an amendment to the Permit.

13.0 TERMINATION

This Agreement shall not be terminated except by mutual agreement of the Parties.

14.0 MISCELLANEOUS PROVISIONS

14.1 Other Habitat Conservation Plans

Neither this Agreement, the HPHCP, the Permit, nor the Activities shall in any way be subject to any requirements, terms, conditions or restrictions of any existing or future Habitat Conservation Plan issued by the Service to any third party. The Service agrees to include notice of this Agreement and of the HPHCP and Permit in any third party Habitat Conservation Plan in force as of the effective date of this Agreement, which may be affected, or impacted by any Activities undertaken pursuant to this HPHCP. However, the Permittee/s recognizes and encourages voluntary participation in opportunities for cooperative implementation of this Agreement and any other relevant Habitat Conservation Plan to maximize the protective, conservation and mitigation benefits of each for DFS.

14.2 No Partnership

Except as otherwise expressly set forth in the HPHCP and this Agreement, neither the HPHCP or this Agreement shall make or be deemed to make any Party to this Agreement the agent for or the partner of any other Party.

14.3 Successors and Assigns

This Agreement and each of its covenants and conditions shall be binding on and shall inure to the benefit of the Parties hereto and their respective successors and assigns. As provided in 50 C.F.R. 13.25, the Permit may not be assigned or transferred (except as provided below), however, the Permittee/s may assign its

rights and obligations under this Agreement and any Permit issued hereunder, in respect to any Activities, to any Permittee holding company, affiliate or subsidiary, whether such holding company, affiliate or subsidiary exists now or in the future as a result of any corporate reorganization, merger, or acquisition, or to any new corporate entity into which the Permittee may be merged. As provided in section 6.1, it is anticipated and intended that a HPHA shall be formed which shall assume the obligations stated in section 6.2 of this Agreement and that individual lot owners shall assume the obligations stated in section 6.3. Once the HPHA has been formed and the WCLP has transferred or assigned its obligations with Service approval, the WCLP's remaining obligations will be limited to those contained in subsection C.

14.4 Notice

Any notice permitted or required by this Agreement shall be delivered personally to the persons set forth below or shall be deemed given five (5) days after deposit in the United States mail, certified and postage prepaid, return receipt requested and addressed as follows or at such other address as any Party may from time to time specify to the other Parties in writing:

USFWS

United States Fish and Wildlife Service
Assistant Regional Director - ES
300 Westgate Center Drive
Hadley, Massachusetts 01035-9589

United States Fish and Wildlife Service
Field Supervisor
Chesapeake Bay Field Office
177 Admiral Cochrane Drive
Annapolis, Maryland 21401

Permittee/s

Mareen D. Waterman
President
Coldwell Banker
Waterman Realty Company
109 Country Day Road, Suite 1
Waterman Business Park
Chester, Maryland 21619

Homeowners Association

Winchester Creek Limited Partnership

14.5 Availability of Funds

Implementation of this Agreement and the HPHCP by the Service is subject to the requirements of the Anti-Deficiency Act and the availability of appropriated funds. Nothing in this Agreement will be construed by the parties to require the obligation, appropriation, or expenditure of any money from the U.S. Treasury. The Parties

acknowledge that the Service will not be required under this Agreement to expend any Federal agency's appropriated funds unless and until an authorized official of that agency affirmatively acts to commit to such expenditures as evidenced in writing.

14.6 Elected Officials Not To Benefit

No member of or delegate to Congress shall be entitled to any share or part of this Agreement, or to any benefit that may arise from it.

14.7 Reference to Regulations

Any reference in this Agreement, the HPHCP, or the Permit to any regulation or rule of the Service shall be deemed to be a reference to such regulation or rule in existence at the time an action is taken.

14.8 Applicable Laws

All activities undertaken pursuant to this Agreement, the HCP, or the Permit must be in compliance with all State and Federal laws and regulations.

14.9 Entire Agreement

This Agreement supersedes any and all other Agreements, either oral or in writing, among the Parties with respect to the subject matter hereof and contains all of the covenants and Agreements among them with respect to said matters, and each Party acknowledges that no representation, inducement, promise or Agreement, oral or otherwise, has been made by the other Party or anyone acting on behalf of the other Party that is not embodied herein.

14.10 Attorneys' Fees

If any action at law or equity, including any action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, each Party to the litigation shall bear its own attorneys' fees and costs, provided that attorneys' fees and costs recoverable against the United States shall be governed by applicable Federal law.

14.11 Duplicate Originals

This Agreement may be executed in any number of duplicate originals. A complete original of this Agreement shall be maintained in the official records the Service and the Permittee.

IN WITNESS WHEREOF, THE PARTIES HERETO have executed this Implementing Agreement to be in effect as of the date last signed below.

BY _____ Date 5-13-99
Ronald E. Lambertson
Regional Director
United States Fish and Wildlife Service
Hadley, Massachusetts

BY _____ Date 5/11/99
Winchester Creek Limited Partnership
by Waterman Realty Co., General Partner
Mareen D. Waterman, President

BY _____ Date 5/11/99
Mareen D. Waterman

DEPARTMENT OF THE INTERIOR
U.S. FISH AND WILDLIFE SERVICE

3-201
(1/97)

LIBER0689 FOLIO541

FEDERAL FISH AND WILDLIFE PERMIT

2. AUTHORITY-STATUTES
16 USC 1539(A)
16 USC 403-712

REGULATIONS *(Attached)*
50 CFR 17.22
50 CFR 21.23
50 CFR 21.27

1. PERMITTEE

WINCHESTER CREEK LIMITED PARTNERSHIP
C/O WATERMAN REALTY CO.
109 COUNTRY DAY RD., SUITE 1
CHESTER, MD 21619

3. NUMBER
TE006310-0

4. RENEWABLE
☐ YES
☒ NO

5. MAY COPY
☒ YES
☐ NO

6. EFFECTIVE
05/13/1999

7. EXPIRES
05/13/2048

8. NAME AND TITLE OF PRINCIPAL OFFICER *(if #1 is a business)*
MAREEN D. WATERMAN
PRESIDENT

9. TYPE OF PERMIT
ENDANGERED SPECIES

10. LOCATION WHERE AUTHORIZED ACTIVITY MAY BE CONDUCTED

See Condition O.

11. CONDITIONS AND AUTHORIZATIONS:

A. GENERAL CONDITIONS SET OUT IN SUBPART D OF 50 CFR 13, AND SPECIFIC CONDITIONS CONTAINED IN FEDERAL REGULATIONS CITED IN BLOCK #2 ABOVE, ARE HEREBY MADE A PART OF THIS PERMIT. ALL ACTIVITIES AUTHORIZED HEREIN MUST BE CARRIED OUT IN ACCORD WITH AND FOR THE PURPOSES DESCRIBED IN THE APPLICATION SUBMITTED. CONTINUED VALIDITY, OR RENEWAL, OF THIS PERMIT IS SUBJECT TO COMPLETE AND TIMELY COMPLIANCE WITH ALL APPLICABLE CONDITIONS, INCLUDING THE FILING OF ALL REQUIRED INFORMATION AND REPORTS.

B. THE VALIDITY OF THIS PERMIT IS ALSO CONDITIONED UPON STRICT OBSERVANCE OF ALL APPLICABLE FOREIGN, STATE, LOCAL OR OTHER FEDERAL LAW.

C. VALID FOR USE BY PERMITTEE NAMED ABOVE.

D. Further conditions of authorization are contained in the attached Special Terms and Conditions.

☒ ADDITIONAL CONDITIONS AND AUTHORIZATIONS ALSO APPLY

12. REPORTING REQUIREMENTS

ISSUED BY

TITLE
ASSISTANT REGIONAL DIRECTOR - ES

DATE
05/13/1999

E. THE AUTHORIZATION GRANTED BY THIS PERMIT IS SUBJECT TO FULL AND COMPLETE COMPLIANCE WITH, AND IMPLEMENTATION OF THE FOLLOWING DOCUMENTS WHICH ARE INCORPORATED HEREIN, THE TERMS AND CONDITIONS OF THE "HOME PORT HABITAT CONSERVATION PLAN DATED MAY 11, 1999;" THE IMPLEMENTING AGREEMENT DATED MAY 11, 1999; AND THE INCIDENTAL TAKE COMPONENTS OF THE MAY 11, 1999 BIOLOGICAL OPINION.

F. PERMITTEES ARE AUTHORIZED TO TAKE, AS THAT TERM IS CURRENTLY DEFINED IN 16 U.S.C. SECTION 1532(19) AND 50 C.F.R. SECTION 17.3, UP TO 15 DELMARVA FOX SQUIRRELS (SCIURUS NIGER CINEREUS) INCIDENTAL TO THE HOUSING DEVELOPMENT AND RELATED ACTIVITIES WITHIN THE LOCATION IDENTIFIED IN CONDITION O.

G. THE GENERAL PROVISIONS CONTAINED IN 50 C.F.R. 13, SUBPART D, AND SPECIFIC PROVISIONS OF 50 C.F.R. SECTION 17.32 ARE HEREBY INCORPORATED AS CONDITIONS OF THIS PERMIT. THE CONTINUED VALIDITY OR RENEWAL OF THIS PERMIT IS SUBJECT TO PERMITTEES' COMPLETE AND TIMELY COMPLIANCE WITH ALL PERMIT CONDITIONS, INCLUDING THE FILING OF ALL REQUIRED INFORMATION AND REPORTS AS PROVIDED IN THE HCP AND IA.

H. THE APPLICANT HAS PROVIDED A LETTER OF COMMITMENT WHICH:

1. BINDS THE APPLICANT TO EXECUTE AND RECORD A DEED OF CONSERVATION EASEMENT FOR THE OFF-SITE MITIGATION LAND AFTER THE SERVICE HAS IDENTIFIED A THIRD PARTY LAND TRUST OR SIMILAR ORGANIZATION TO RECEIVE THE BENEFITS AND OBLIGATIONS OF THE CONSERVATION EASEMENT AND TO BE NAMED AS GRANTEE. SAID DEED OF CONSERVATION EASEMENT SHALL BE SUBSTANTIALLY SIMILAR TO THE DRAFT DEED OF CONSERVATION EASEMENT ATTACHED AS AN EXHIBIT TO SAID LETTER;

2. PROVIDES THAT THE APPLICANT WILL REFRAIN FROM CONDUCTING ANY OF THE ACTS OR USES PROHIBITED BY SAID DRAFT DEED ON THE OFF-SITE MITIGATION LAND BETWEEN THE TIME OF PERMIT ISSUANCE AND CONVEYANCE OF THE CONSERVATION EASEMENT;

3. RECOGNIZES THAT APPLICANT'S PERMIT IS CONDITIONAL UPON THE OFF-SITE MITIGATION LAND BEING PRESERVED IN ITS NATURAL CONDITION IN ORDER TO PROTECT THE CURRENT HABITAT VALUES THEREON UNTIL SAID DEED OF CONSERVATION EASEMENT IS ACTUALLY EXECUTED.

I. THE SERVICE ANTICIPATES THAT THE THIRD PARTY LAND TRUST OR SIMILAR ORGANIZATION SHALL BE IDENTIFIED AND THE DEED OF CONSERVATION EASEMENT SHALL BE EXECUTED WITHIN 90 DAYS OF PERMIT ISSUANCE, BUT THIS MAY BE EXTENDED AT THE DISCRETION OF THE SERVICE.

J. PRIOR TO CONDUCTING ANY DESTRUCTION OR REMOVAL OF TREES OR VEGETATION IN THE ENVIRONMENTAL EASEMENT AREA, OR ANY GRADING AND ALTERATION OF SOIL WITHIN THE BUILDING PADS OR ACCESS OR ROAD AREAS, THE APPLICANT WILL:

1. CREATE AND FUND, WITH NO LESS THAN $13,000.00, AN ESCROW ACCOUNT TO BE HELD BY ATTORNEY JOSEPH STEVENS OF CENTREVILLE, MARYLAND FOR THE SPECIFIED PURPOSES OF PAYING FOR THE COSTS OF AFFORESTATION OF THE 4.5 ACRES AS SET FORTH IN APPENDIX A OF THE HCP. NO SUCH COSTS SHALL BE PAID UNTIL AN INVOICE OR BILL FOR SERVICES HAS BEEN APPROVED BY THE FIELD SUPERVISOR OF THE SERVICE'S CHESAPEAKE BAY FIELD OFFICE;

2. ENSURE THAT A COMPETENT DFS BIOLOGIST IS RETAINED AND COMPLETES ALL FIELD WORK AS SPECIFIED IN THE PROTOCOL CONTAINED IN APPENDIX B OF THE HCP FOR THE SPRING 1999 PORTION OF THE DFS SURVEY. THE SURVEY WILL INCLUDE BOTH SPRING AND FALL TRAPPING THAT WILL BEGIN IN APRIL 1999 AND CONCLUDE IN THE FALL OF 1999;

3. SIGN A LETTER OF COMMITMENT WHICH BINDS THE APPLICANT TO EXECUTE AND RECORD THE CONSERVATION EASEMENT FOR THE OFF-SITE MITIGATION LAND;

4. EXECUTE AND RECORD THE IMPLEMENTING AGREEMENT;

5. EXECUTE AND RECORD THE DEED OF OPEN SPACE AND ENVIRONMENTAL EASEMENT;

6. RECORD THE INCIDENTAL TAKE PERMIT.

K. THE APPLICANT WILL NOT CUT ANY TREES OR VEGETATION ON THE ONE-HALF ACRE OF LOT 15, WHICH IS TO BE CLEARED FOR A BUILDING PAD AS DESCRIBED IN THE HCP, UNTIL MARCH 15, 2000 OR UNTIL CONFIRMATION FROM THE SERVICE THAT THE TRANSPLANTING OF ALL TREES OR VEGETATION FROM SAID LOT TO THE RESTORATION AREA ON LOT 16 HAS BEEN COMPLETED, WHICH EVER COMES FIRST.

L. PRIOR TO SELLING OR CONVEYING ANY LOTS IN THE PROJECT TO INDIVIDUAL HOMEOWNERS, EXECUTE AND RECORD THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS APPROVED BY THE SERVICE.

M. IF MORE THAN FOUR SQUIRRELS ARE KILLED WITHIN ANY 10-YEAR PERIOD DURING THE ITP ISSUANCE PERIOD, THE PERMITTEE SHALL MEET AND REVIEW THE SITUATION WITH THE SERVICE TO DISCUSS THE NEED FOR POSSIBLE MODIFICATION OF MINIMIZATION MEASURES TO AVOID ADDITIONAL TAKE OR OTHER POSSIBLE MEASURES THAT MAY BE IMPLEMENTED BY GOVERNMENTAL

AGENCIES TO ENSURE THE CONTINUED SURVIVAL OF THE DFS POPULATION. THE PERMITTEE SHALL ALSO MEET AND REVIEW THE SITUATION IF MORE THAN TWO FEMALES ARE KILLED WITHIN ANY 10-YEAR PERIOD DURING THE 50-YEAR PERMIT ISSUANCE PERIOD.

N. BY ACCEPTING THIS PERMIT, PERMITTEES ACKNOWLEDGE THAT THEY UNDERSTAND AND AGREE TO ABIDE BY ALL OF THE TERMS AND CONDITIONS OF THE PERMIT. SECTION 11 OF THE ENDANGERED SPECIES ACT OF 1973, AS AMENDED, PROVIDES FOR CIVIL AND CRIMINAL PENALTIES FOR FAILURE TO COMPLY WITH PERMIT CONDITIONS.

O. THE LOCATION WHERE AUTHORIZED ACTIVITIES MAY BE CONDUCTED UNDER THE PERMIT CONSISTS OF THE HOME PORT SUBDIVISION, GRASONVILLE, QUEEN ANNES COUNTY, MARYLAND.

LIBER 0689 FOLIO 497

DOC. NO. 246061

RECEIVED
CLERK'S CIRCUIT COURT
99 JUL 29 PM 2:18
QUEEN ANNE'S COUNTY

DEED OF OPEN SPACE ENVIRONMENTAL EASEMENT
IA/ITP PROVISIONS

This Deed of Open Space and Environmental Easement, made this 14th day of May, 1999, by and between WINCHESTER CREEK LIMITED PARTNERSHIP, hereinafter referred to as "Grantor"; and THE COUNTY COMMISSIONERS OF QUEEN ANNE'S COUNTY, a Municipal Corporation, hereinafter referred to as "Grantee" or "County Commissioners".

RECITALS

Whereas, on the 7th day of April, 1998 the County Commissioners approved the use of Chesapeake Bay Critical Area growth allocation on 26.553 acres of the subject property in connection with the development of a residential cluster subdivision, and as part of approval of the use of said growth allocation the County Commissioners placed specific conditions on the open space and environmental easement areas within the subject property.

Whereas, the Grantor has agreed to said specific conditions on a portion of the subject property in order to preserve and enhance habitat for the Delmarva Fox Squirrel and to enforce the terms and restrictions contained in its Habitat Conservation Plan and Incidental Take Permit issued by the U.S. Fish and Wildlife Service.

RECORDING FEE 2.00
POSTGE & HAND 20.00
TOTAL 22.00
Reg# QA01 Rcpt # 72062
SM JGG Blk # 2484
Jul 29, 1999 02:21 PM

ARTICLE I

1) "Building Pad" means the limits of disturbance for each individual Lot as depicted in the Plat.

2) "Delmarva Fox Squirrel" means the species of squirrel (Sciurus niger cinereus) listed as endangered pursuant to the federal Endangered Species Act.

3) "Environmental Easement" means that land area depicted on the Plat as ENVIRONMENTAL EASEMENT.

4) "Grantor" refers to Winchester Creek Limited Partnership, its successors and assigns.

RECORDING FEE 20.00
IMP FD SURE 2.00
TOTAL 22.00
Reg# QA01 Rcpt # 72073
SM JGG Blk # 2515
Jul 29, 1999 04:51 PM

5) "Implementing Agreement" means the implementing agreement approved by the United States Fish and Wildlife Service, pursuant to Section 10 of the federal Endangered Species Act, that contains certain obligations and requirements that are applicable to the Homeport on Winchester Creek Habitat Conservation Plan.

6) "Incidental Take Permit" means a permit issued by the United States Fish and Wildlife Service pursuant to Section 10(a)(1)(B) of the federal Endangered Species Act authorizing the potential "take" of Delmarva Fox Squirrel at HomePort on Winchester Creek.

7) "Lot" means any one of lots 1 through 16 as more specifically described on the Plat.

Book 689 Page 497

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Whereas, the Grantor has agreed to said specific conditions on a portion of the subject property in order to preserve and enhance habitat for the Delmarva Fox Squirrel and to enforce the terms and restrictions contained in its Habitat Conservation Plan and Incidental Take Permit issued by the U.S. Fish and Wildlife Service.

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3) "Environmental Easement" means that land area depicted on the Plat as ENVIRONMENTAL EASEMENT.

4) "Grantor" refers to Winchester Creek Limited Partnership, its successors and assigns.

RECORDING FEE 20.00
INFO STATE 2.00
TOTAL 22.00
Rcpt # 72073
Blk # 2515
Jul 29, 1999 04:51 PM

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6) "Incidental Take Permit" means a permit issued by the United States Fish and Wildlife Service pursuant to Section 10(a)(1)(B) of the federal Endangered Species Act authorizing the potential "take" of Delmarva Fox Squirrel at HomePort on Winchester Creek.

7) "Lot" means any one of lots 1 through 16 as more specifically described on the Plat.

8) "Lot Owner", means the person(s) shown by the Land Records of Queen Anne's County to own fee simple title to the lot at the time when the identity of the lot owner is to be determined for purposes of applying any provisions of these covenants. "Lot Owner" does not include a mortgagee, trustee, or beneficiary under a deed of trust or other person who holds only a lien or other security interest on a lot.

9) "Open Space" means undeveloped land required by the Queen Anne's County Zoning Ordinance (or any subsequent amendment thereto) to be restricted to resource protection or recreational uses and depicted on the Plat as OPEN SPACE on Lots 16, 17 and 18.

10) "Plat" means plats of the subdivision prepared by McCrone dated June, 1998, titled "HOMEPORT ON WINCHESTER CREEK" and recorded immediately prior hereto in the Land Records of Queen Anne's County at Plat Book S.M. No. 37 folio 73. A - F

11) "Property" means the 56.6 acres of land depicted on the Plat.

ARTICLE II

1) Enforcement. The provisions of this instrument may be enforced by the County Commissioners, the Queen Anne's County Planning Commission or other department, agency or other public body or person duly authorized by the County Commissioners. The provisions of this instrument pertaining to the Implementing Agreement or the Incidental Take Permit issued pursuant to the federal Endangered Species Act may be enforced by the United States Fish and Wildlife Service. Said Implementation Agreement or Incidental Take Permit intended to be recorded in the Land Records of Queen Anne's County at a future date as a supplement to this Deed of Open Space and Environmental Easement.

2) Amendment. The provisions of this Deed of Easement may not be amended or changed in any manner without prior written approval of the Queen Anne's County Planning Commission or other agency or person duly authorized by the County Commissioners to approve such change or amendment. No such amendment may be inconsistent with the Implementing Agreement or the Incidental Take Permit as determined by the United States Fish and Wildlife Service without prior written approval. Furthermore, such change or amendment shall not be effective until such a time as a written document acknowledging such change or amendment shall be executed by the County Commissioners of Queen Anne's County and recorded among the Land Records of Queen Anne's County.

ARTICLE III

OPEN SPACE

1) Area Designated "Open Space". The "Open Space" area shall consist of 9.036 acres, more or less, as depicted on the Plat as Open Space Lots 16, 17, and 18.

2) Specific Provision Pertaining to "Open Space" Area. The Queen Anne's County Code requires that lands designated "Open Space" be restricted as to use in accordance with its provisions, including any amendments thereto. The provisions of this Deed of Open Space and Environmental Easement are designed to satisfy these requirements and are not to be construed as covenants or conditions which confer any substantive rights and/or responsibilities on the Lot Owners.

3) Restrictions Pertaining to "Open Space" Area. The conditions and restrictions related to provisions of the Implementing Agreement and Incidental Take Permit are hereby incorporated and made part of this Deed of Open Space and Environmental Easement, as described below. The Open Space area shall be used only for uses permitted by Queen Anne's County Code, Title 18, Section 1-026, and as may be amended, for properties zoned E, as described below. The following activities shall not be permitted in the Open Space area:

a) The Open Space area shall not be subdivided or reconfigured.

b) A nursery, as defined in the County Code, shall not be permitted in the Open Space area. Nothing in this paragraph, however, shall prohibit the growing of trees, plants and flowers for retail and wholesale operations so long as said retail or wholesale operations are not conducted on the Property.

c) The Plat establishes the limits of disturbance for the placement of any structures on individual Lots. No construction activities, excavation, grading, clearing, cutting, installation of infrastructure or similar activities for the purposes of constructing or improving any residence to be located on Lot 16 shall take place outside of the Building Pad of Lot 16, as depicted in the Plat. With the exception of those enumerated in this Article, no structure or addition to any existing structure requiring a county building permit or otherwise shall be constructed or maintained outside of the Building Pad of Lot 16, as depicted in the Plat.

d) No residential use, including but not limited to farm employee dwellings, is permitted on Open Space Lots 17 and 18 as depicted in the Plat.

e) No domestic pets shall be permitted in the Open Space lots or outside of the individual residence or fenced Lot 16 unless they are physically restrained.

4) Permitted Activities Pertaining to "Open Space" Area. Subject to the conditions and restrictions contained in this Article and during any period when the County Code expressly permits a use of Open Space other than that referred to in this Article, the Grantor may authorize such other use of the Open Space. A use authorized under this paragraph may be maintained only to the extent and during such period as it is expressly authorized by both a County Code and by the Grantor. In case of any conflict between the provisions of this Article and any other such law, ordinance, rule or regulations, the more restrictive shall be applicable. The following activities shall be permitted

in the Open Space area:

a) One single-family residence may be erected on Open Space Lot 16 within the Building Pad for that lot as depicted in the Plat.

b) One community pier, bathhouse and accessory parking thereto may bc located on Lot 17.

c) Active and passive recreation.

d) The construction and placement of drainage structures.

e) Septic disposal systems.

5) Enforcement by United States Fish and Wildlife Service Pertaining to "Open Space" Area. The Unitcd States Fish and Wildlife Service has, concurrent with Queen Anne's County, right of access, without giving prior notice, to all Open Space areas for the purpose of assessing compliance with and enforcing the restrictions and obligations contained herein and in the Implementing Agreement and the Incidental Take Permit.

6) No provision of this Article shall be construed to enlarge, limit, supersede or otherwise affect application to the Open Space area of any County Code or any law, ordinance, rule, or regulations of the Federal government, the State of Maryland, or Queen Anne's County. In the event that any such law, ordinance, rule or regulations is modified or repealed, the provisions of this Article shall remain in full effect. In case of any conflict between the provisions of this Article and any other such law, ordinance, rule or regulations, the more restrictive shall be applicable. Whether or not such is referred to in this Article, nothing in this paragraph shall be construed to authorize or permit the use of the Open Space for:

a. Any activity which is not authorized by those provisions of a County Code Ordinance which relate to the use of open space.

b. Any activity for which special or conditional exception or other specific approval is required under the County Code, unless such specific approval is given, or in a manner not authorized by such approval.

c. Any activity that is inconsistent with the Implementing Agreement or the Incidental Take Permit.

ARTICLE IV

ENVIRONMENTAL EASEMENT

1) Area Designated "Environmental Easement". The area designated "Environmental Easement" area shall consist of 34.676 acres, more or less, as depicted on the Plat as ENVIRONMENTAL EASEMENT area.

2) Specific Provisions Relating to "Environmental Easement" Area. The Queen Anne's County Code requires that lands within the Critical Area Buffer be restricted as to use in accordance with its provisions, including any amendments thereto. The provisions of this Deed of Open Space and Environmental Easement are designed so that the restrictions applicable to lands within the Critical Area Buffer shall apply to the Environmental Easement area.

3) Restrictions Pertaining to "Environmental Easement" Area. The provisions of the Implementing Agreement and Incidental Take Permit are hereby incorporated and made part of this Deed of Open Space and Environmental Easement, as described below. The Environmental Easement area shall not be reconfigured and shall be used only for uses permitted within the Buffer in accordance with Queen Anne's County Code, Title 14, Section 1-151, as described below. The following activities shall not be permitted in the Environmental Easement area:

a) New development activities, including clearing of existing natural vegetation, erection of structures, construction of new roads, parking areas, or other impervious surfaces, and the placement of sewage disposal systems, are not permitted in the Environmental Easement areas except as provided herein.

b) No natural vegetation shall be removed nor shall the slope of the land surface be altered in Environmental Easement area, except as provided herein.

c) Dredged spoil shall not be placed in the Environmental Easement areas except as necessary for:

(i) backfill for permitted shore erosion protection measures;

(ii) use in approved vegetated shore erosion projects;

(iii) placement on previously approved channel maintenance spoil disposal areas; and

(iv) beach nourishment

d) The Plat establishes the limits of disturbance for the placement of any structures on individual Lots. No building or structure, appurtenant thereto, or

addition to an existing structure requiring a county building permit or otherwise shall be constructed, located or maintained outside of the Building Pad of any individual Lots as depicted in the Plat. This includes, without limitation, detached garages, accessory dwellings, sheds, tennis courts, swimming pools, children's play houses or recreational structures/equipment, fences, dog kennels, clotheslines, fuel tanks, garbage cans, incinerators, gardens and wood and/or compost piles. No construction activities, excavation, grading, clearing, cutting, installation of infrastructurc or similar activities shall take place outside of the Building Pad of any individual Lot as depicted in the Plat. The Owner shall ensure that any such activities take placc within the boundaries of the permanent sixteen (16) inch fence that delineates the area Building Pad.

e) No domestic pets shall be permitted in the Environmental Easement areas or outside of individual residences or fenced lots unless they are physically restrained.

4) Permitted Activities Pertaining to "Environmental Easement" Areas. Subject to the conditions and restrictions contained in this Article and during any period when the County Code expressly permits a use of an Environmental Easement area other than that referred to in this Article, the Grantor may authorize such other use of the Environmental Easement area. A use authorized under this paragraph may be maintained only to the extent and during such period as it is expressly authorized by both a County Code and by the Grantor. In the event of any conflict between these provisions and any County Code or other law, the most restrictive provision of such laws, rules, regulations or other restrictions shall be deemed to govern and control. The following activities shall be permitted in the Environmental Easement area:

a) Limited cutting or clearing of individual trees shall be permitted for the following purposes:

(i) to prevent trees from falling and blocking waterways or roadways, causing damage to dwellings or other structures, or resulting in accelerated erosion of the shore or streambank;

(ii) in conjunction with horticultural practices used to maintain the health of individual trees;

(iii) to install or construct an approved shore erosion protection device or measure;

(iv) to protect forests from extensive pest or disease infestation or threat from fires if approved by the Maryland Department of Agriculture or the Maryland Forest Service; and

(v) to enhance the habitat of Delmarva Fox Squirrel, as authorized by the United States Fish and Wildlife Service, provided that such actions are approved by relevant State and/or County authorities.

6) Enforcement by United States Fish and Wildlife Service Pertaining to "Environmental Easement" Area. The United States Fish and Wildlife Service, or its agents, have, concurrent with Queen Anne's County, right of access to all Environmental Easement areas for the purpose of assessing compliance with and enforcing the restrictions and obligations contained herein and in the Implementing Agreement and the Incidental Take Permit. Such right of access to Environmental Easement areas located within individual Lots, as depicted in the Plat, shall be predicated on the United States Fish and Wildlife Service or its agents giving prior notice to individual Owners by mail or leaving notification in the door of the Owner's home.

7) No provision of this Article shall be construed to enlarge, limit, supersede or otherwise affect application to the Environmental Easement area of any County Code or any law, ordinance, rule, or regulations of the Federal government, the State of Maryland, or Queen Anne's County. In the event that any such law, ordinance, rule or regulations is modified or repealed, the provisions of this Article shall remain in full effect. In case of any conflict between the provisions of this Article and any other such law, ordinance, rule or regulations, the more restrictive shall be applicable. Whether or not such is referred to in this Article, nothing in this paragraph shall be construed to authorize or permit the use of the Environmental Easement area for:

a. Any activity which is not authorized by those provisions of a County Code which relate to the use of the Buffer.

b. Any activity for which special or conditional exception or other specific approval is required under the County Code, unless such specific approval is given, or in a manner not authorized by such approval.

c. Any activity that is inconsistent with the Incidental Take Permit.

ARTICLE VI

RIGHTS OF INSPECTION

The County Commissioners of Queen Anne's County, the Queen Anne's County Planning Commission or other department, agency or other public body or person duly authorized by the County Commissioners shall have the right to enter on the above described "Open Space" and "Environmental Easement" area lands from time to time for the sole purpose of monitoring, inspection and enforcement of the easement, covenants, conditions, limitations and restrictions herein contained. In addition, the United States Fish and Wildlife Service or its agents shall have the right to enter on the above described "Open Space" and "Environmental Easement" areas for the purpose of inspection and enforcement of the Implementing Agreement and Incidental Take Permit

pursuant to the conditions and limitations contained in the Implementing Agreement and Incidental Take Permit. Such right of access to Environmental Easement areas contained within individual Lots, shall be predicated on the United States Fish and Wildlife Service or its agents giving prior notice to individual Owners by mail or leaving notification in the door of the Owner's home.

Witness, the hand and seal of the Grantor the day first written above.

WITNESS:

Winchester Creek Limited Partnership,
A Maryland limited partnership
Waterman Realty Co., General Partner

By: Mareen D Waterman
Mareen D. Waterman, President

The undersigned Waterman Realty Co. hereby joins in the execution of this Deed of Open Space and Environmental Easement as evidence of its consent to be bound by the terms, conditions, restrictions and obligations contained herein.

Waterman Realty Co.

By: Mareen D Waterman
Mareen D. Waterman, President

STATE OF MARYLAND, ~~QUEEN ANNE'S~~ Montgomery COUNTY, TO WIT:

I HEREBY CERTIFY that on this 14th day of May, 1999, before me, a Notary Public of the State and County aforesaid, personally appeared MAREEN D. WATERMAN, who acknowledged himself to be the President of Waterman Realty Co. (the "Corporation") and that he, as such Officer, being authorized so to do executed the foregoing instrument on behalf of the Corporation acting in both its own capacity and as a General Partner in Winchester Creek Limited Partnership for the purposes therein contained by signing the name of the Corporation by himself as such Officer.

WITNESS my hand and Notarial Seal.

Barbara N Hessner
Notary Public
My Commission Expires: 2/1/01

Approved as to form and legal sufficiency.

Planning Commission Attorney

The undersigned does hereby certify that this instrument has been prepared by an attorney admitted to practice before the Court of Appeals for Maryland.

Joseph A. Stevens

C:\SHARED\CLIENTS\WATERMAN,M\01-HOMEP.ORT\ENVEASE.01

LIBER0 8 3 9 FOLIO0 3 0

DOC. NO. 269774

RECEIVED
CLERK, CIRCUIT COURT
01 SEP 25 PM 1:35
QUEEN ANNE'S COUNTY

DECLARATION OF COMMON USE ACCESS EASEMENT

This Common Use Access Easement made this 11th day of September, 2001, by WATERMAN REALTY COMPANY, hereinafter collectively "Declarant," witnesseth that:

RECITALS:

WHEREAS, Declarant is the owner of Lot 9 in the subdivision known as Home Port on Winchester Creek, a 56.06 acre, more or less, tract of land, situate, lying and being in the Fifth Election District of Queen Anne's County, Maryland by virtue of a deed recorded in the Land Records for Queen Anne's County in Liber No.377, folio 834, the total 56.60 acres of said land being designated on the final subdivision plats entitled, "ADMINISTRATIVE/MAJOR SUBDIVISION FOR HOMEPORT ON WINCHESTER CREEK, Fifth Election District, Queen Anne's County, Maryland" prepared by McCrone, Inc., registered engineers and surveyors, dated June 1998, and recorded among the Land Records of Queen Anne's County, Maryland on July 29, 1999 in Plat Liber S.M., No. 27, folio 73 A through F.

WHEREAS, Declarant executed a Declaration of Covenants, Conditions and Restrictions dated September 5, 2001 and recorded in the Land Records for Queen Anne's County in Liber S.M. No. 839, folio 2 (such document as the same may be amended from time to time is hereinafter referred to as the "Declaration").

WHEREAS, the terms "Association," "Board of Directors," Common Area," "Community Dock," "Declarant," "Dwelling," "Improvements," "Lot," "Member," "Mortgagee," "Open Space," "Owner," and "Property" as used herein this Declaration of Common Use Access Easement shall have the meanings set forth in the above described Declaration.

WHEREAS, the Declarant establishes this easement to provide for the existence and maintenance of a non-exclusive common use access easement for utilities and pedestrian access over a portion of Lot 9 within Home Port on Winchester Creek for purposes of ingress to and egress from the Community Dock and Open Space Lot 17.

NOW, THEREFORE, WITNESSETH, that Declarant, for itself, its successors and assigns, establishes forever and in perpetuity a non-exclusive, common use access easement which shall run with the land and be binding upon the Owner of Lot 9 and inure to the benefit of the Owner of Open Space Lot 17, their respective heirs, personal representatives, successors and assigns, and is created for the purposes of providing common access for pedestrian ingress and egress and utilities to the Community Dock and Open Space Lot 17 in, upon, over, across and through the following property:

All of that portion of land on Lot 9 designated as "Proposed 10' Wide Pedestrian Access Easement" on the plat attached hereto as Exhibit A entitled "PROPOSED

IMP FD SURC $ 5.00
RECORDING FEE 20.00
TOTAL 25.00
Rec# 04401 Rct # 35356
CH RCD Blk # 0024
Sep 25, 2001 01:37 pm

PEDESTRIAN ACCESS EASEMENT FOR HOMEPORT ON WINCHESTER CREEK,

Fifth Election District, Queen Anne's County, Maryland."

This common use access easement is established subject to the following terms and conditions:

1. The Declarant hereby reserves for itself and establishes and creates for the benefit of the respective Owners of Lot 9 and Open Space Lot 17, a mutual, reciprocal and non-exclusive easement in common, in, upon, over, across and through all that 1,778 sq. ft, more or less, portion of land located on Lot 9 designated on Exhibit A as the "Proposed 10' Wide Pedestrian Access Easement" (and hereinafter referred to as the "Easement Area") for purposes of providing:

(a) a common access for pedestrian ingress and egress to the Community Dock and Open Space Lot 17;

(b) utility services, whether public or private, to the Community Dock.

This right shall apply to the owners, occupants, guests, and invitees of each Owner of any Lot within Home Port on Winchester Creek.

2. The Declarant hereby reserves a non-exclusive easement and right-of-way in, through, over, across and under the Easement Area for the purposes of:

(a) installation, construction, maintenance, reconstruction and repair of a walkway to and from the Community Dock; and

(b) installation, construction, maintenance, reconstruction and repair of utility services, whether public or private, to and from the Community Dock.

3. The easement created hereunder shall be perpetual, shall run with the land and shall inure to the benefit of Declarant and the Owners of Lot 9 and Open Space Lot 17, their respective mortgagees, heirs, personal representatives, successors and assigns.

4. Maintenance of the Easement Area, including but not limited to landscaping, cleaning, clearing of snow and ice, repair, replacement, casualty insuring and lighting, and the maintenance, repair, resurfacing, resealing or patching of the walkway to be constructed within the common use access easement (collectively, the "Duties"), shall be conducted by the Owner of Open Space Lot 17 (which is intended to be the Home Port Homeowners Association, Inc.). The costs associated with such Duties (the "Costs") shall be borne by the Owner of Open Space Lot 17 as provided for in Article V of the Declaration.

5. Declarant and the Owner of Open Space Lot 17 agree to hold harmless the Owner of Lot 9, his or her heirs, personal representatives, successors and assigns and releases the Owner of

Lot 9, his or her heirs, personal representatives, successors and assigns from any and all liability, claims, losses, expenses, fees, including reasonable attorneys fees, costs, settlements, and judgments directly or indirectly arising out of, or resulting from the use of the Easement Area.

6. The Easement Area shall not be used for any other purposes except as a pedestrian pathway to and from the Community Dock and except for purposes of providing utility services to and from the Community Dock. The Owner of Lot 9 shall not construct or erect any improvements within the Easement Area nor shall he or she obstruct or impede in any way the pedestrian traffic of any benefitted Owner, their occupants, guests and invitees over the Easement Area.

7. No provision herein this Declaration of Common Use Access Easement shall be construed to conflict with those easements reserved unto the Declarant under Article X of the Declaration.

As Witness the hand and seal of the Declarant on the date first above written.

ATTEST:

WATERMAN REALTY COMPANY, Declarant

By: Barry P. Waterman, Vice President

ELIZABETH A. GREEN NOTARY PUBLIC CAROLINE COUNTY, MARYLAND

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, to wit:

I HEREBY CERTIFY, that on this 11th day of September, 2001, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared BARRY P. WATERMAN, who acknowledged himself to be the Vice-President of WATERMAN REALTY CO, a Maryland Corporation, that he, as such officer, being authorized so to do, executed the foregoing Declaration of Common Use Access Easement for the purposes therein contained by signing the name of the Corporation by himself as such officer.

WITNESS my hand and Notarial Seal.

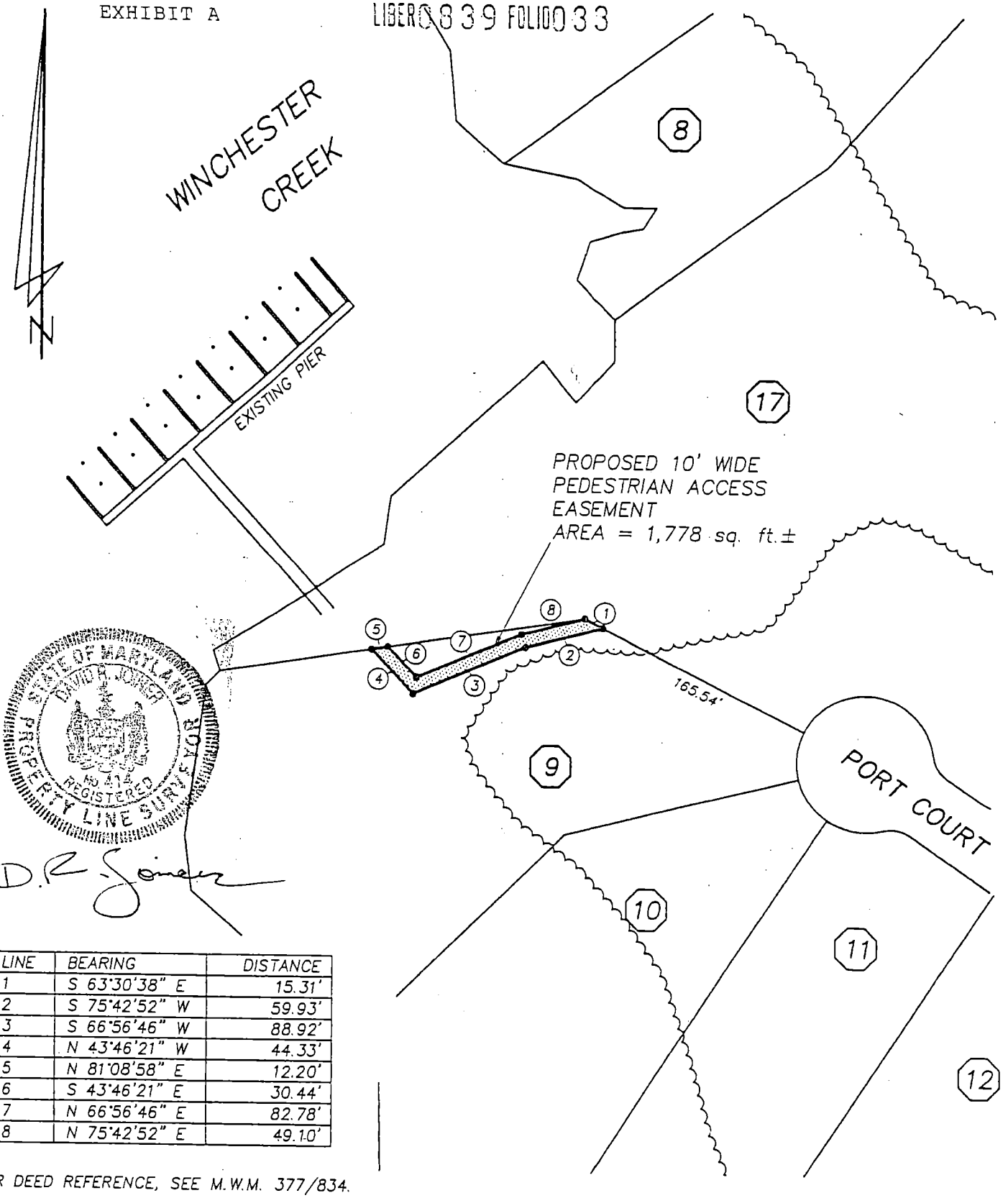
Notary Public
My Commission Expires: 12/1/04

I HEREBY CERTIFY that the within instrument was prepared by me or under my supervision and that I am an attorney duly admitted to practice before the Court of Appeals in the State of Maryland.

Cynthia M. Mulligan

EXHIBIT A

LIBER 8 3 9 FOLIO 3 3



LINE	BEARING	DISTANCE
1	S 63°30'38" E	15.31'
2	S 75°42'52" W	59.93'
3	S 66°56'46" W	88.92'
4	N 43°46'21" W	44.33'
5	N 81°08'58" E	12.20'
6	S 43°46'21" E	30.44'
7	N 66°56'46" E	82.78'
8	N 75°42'52" E	49.10'

FOR DEED REFERENCE, SEE M.W.M. 377/834.

PROPOSED PEDESTRIAN ACCESS EASEMENT

FOR

HOMEPORT ON WINCHESTER CREEK

FIFTH DISTRICT, QUEEN ANNE'S COUNTY, MARYLAND

PREPARED FOR: WINCHESTER CREEK LIMITED PARTNERSHIP

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McCRONE
ENGINEERING ▫ ENVIRONMENTAL SCIENCES
LAND PLANNING & SURVEYING
CONSTRUCTION SERVICES
207 NORTH LIBERTY STREET
SUITE 100
CENTREVILLE, MARYLAND
(410) 758-2237

DRAWN BY	J. MOORE
SCALE	1" = 100'
DATE	AUG. '01
JOB NO.	01940198
FOLDER	1740

DOC. NO. 269898

LIBER 0840 FOLIO 075

RECEIVED
CLERK, CIRCUIT COURT
01 SEP 26 PM 3:01
QUEEN ANNE'S COUNTY

NO TITLE EXAMINATION

NO CONSIDERATION

After recording, please return to:
Stevens & Associates, LLC
114 W. Water Street
Centreville, MD 21617

THIS DEED, made this 15th day of August, 2001, by and between Waterman Realty Co., a Maryland Corporation, GRANTOR, and Home Port on Winchester Creek Homeowners Association, Inc., a Maryland Corporation, GRANTEE.

WITNESSETH, that in consideration of the sum of ONE DOLLAR ($1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the Grantor does hereby grant and convey unto the Grantee, its successors and assigns, in fee simple, all the following described property in Queen Anne's County, Maryland, to wit:

ALL those lots or parcels of land situate lying and being in the Fifth Election District of Queen Anne's County, Maryland being known and designated as Open Space Lot No. 17 and No. 18, as set forth and shown on a plat entitled "MAJOR SUBDIVISION FOR HOMEPORT ON WINCHESTER CREEK, FIFTH ELECTION DISTRICT, QUEEN ANNE'S COUNTY, MARYLAND," prepared by McCrone, Inc., dated July 29, 1999 and recorded among the Land Records of Queen Anne's County, Maryland in Plat Book S.M. No. 27, folio 73 A through D

BEING a portion of the same land granted and conveyed unto the Grantor by Deed dated May 18, 1999 and recorded among the Land Records of Queen Anne's County, Maryland in Liber No. 676, folio 381.

THIS CONVEYANCE is subject to the existing easements, rights of way, and agreements for roadways, electric transmission lines and telephone lines and the service and maintenance thereof, and any covenants, restrictions or conditions of record.

TOGETHER with any of the rights, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging, or in anywise appertaining.

TO HAVE AND TO HOLD the said described lot of ground and premises to the said Grantee, its successors and/or assigns, in fee simple.

AND the said Grantor hereby covenants that it has not done or suffered to be done any act, matter or thing whatsoever, to encumber the property hereby conveyed; that it will warrant specially the property hereby granted; and that it will execute such further assurances of the same as may be requisite.

IMP FD SURE $ 5.00
RECORDING FEE 20.00
TOTAL 25.00
Rcpt QA01 Rcpt # 3724
SM RCB Blk # 2527
Sep 26, 2001 03:02 PM

WITNESS the hand and seal of said Grantor.

WATERMAN REALTY, CO.
A Maryland Corporation

By: Mareen D Waterman (SEAL)
Mareen D. Waterman, Pres

STATE OF MARYLAND, COUNTY OF Queen Anne's to wit:

I HEREBY CERTIFY, that on this 15th day of August, 2001, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared MAREEN D. WATERMAN, who acknowledged himself to be the President of WATERMAN REALTY CO, a Maryland Corporation, the GRANTOR herein, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged the foregoing Deed to be his act, and in my presence signed and sealed the same.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Barbara H Heissler
Notary Public
My commission expires: 2/1/05

BARBARA H. HEISSLER NOTARY PUBLIC QUEEN ANNES CO. MD

This is to certify that the within instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

Cynthia M. Mulligan
Cynthia M. Mulligan

TAXES LEVIED AS OF 9-11-01
PAID TO 6-30-02
Beverly Young
CLERK, Q.A.'S CO. FINANCE OFFICE

A[illegible]ral Transfer Tax
A[illegible]t of $0
Signature Zeneman

RECEIVED FOR TRANSFER
State Department of
Assessments & Taxation
For Queen Anne's County.
Zeneman 9/10/01
By Date

AFFIDAVIT OF NO CASH CONSIDERATION

THE UNDERSIGNED HEREBY CERTIFIES, under the penalties of perjury, that no cash consideration has been paid or will be paid for the foregoing conveyance.

WITNESS:

WATERMAN REALTY CO.
A Maryland Corporation

Barbara N Hessner

By: Mareen D Waterman
Mareen D. Waterman, Pres.,
Grantor

HOME IMPROVEMENT ASSOC.
OF KENT ISLAND EST., INC.
P.O. BOX 216
STEVENSVILLE, MD 21666

RESTRICTIONS AND CONDITIONS

1. All lots in Kent Island Estates shall be for residential use only and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage and other structures appurtenant to the main residence or to be used in connection therewith and on no lot shall there be more than one main dwelling and on no lot shall more than one family occupy the main dwelling or any structure appurtenant thereto. The main dwelling or residence on any lot shall have a setback from the front line of said lot at least ten (10) feet and shall have a setback from the dividing lines of said lot at least ten (10) feet and shall have a setback from the rear boundary of the lot at least ten (10 feet).

2. No residence, dwelling, garage or other structure appurtenant to the residence shall be erected or built on said land, nor shall any addition to or change or alteration therein be made, until the plans and specifications for such structure or alterations and location thereof are submitted to and approved by the Sellers, or its duly authorized agents. Written permission must be obtained from the said Seller to construct or maintain fences, walls, hedges, buildings, piers, boathouses, bulkheads, bathhouses, and outbuildings.

3. All detached garages and other outbuildings of any kind whatsoever shall be in the rear of the dwelling but shall not be within ten (10) feet of the rear boundary of the lot nor within ten (10) feet of the dividing lines of said lot.

4. No trees shall be cut and no excavations shall be made on the premises except for the purpose of building thereon and at the time when the building operations are commenced and no earth or sand shall be removed from said premises except as a part of such excavations.

5. Free and open spaces shall be left on both sides and to the front and to the rear of every building, structure, dwelling, or part thereof, erected on the said lot, which free and open spaces shall extend the full length of all lots and shall be not less than ten (10) feet in width from the dividing lines from the front and from the rear of said lots.

6. No privy of any kind shall be allowed on said property, but each house shall have inside toilets with adequate water supply and septic tank installation for disposal of sewage approved by the Maryland State Board of Health.

7. No noxious or offensive trade shall be carried on upon any lot nor shall anything be done or kept thereon which may be or become any annoyance or nuisance to the neighbors.

8. No trailer, basement, tent, shack, garage, barn or other outbuilding erected on the tract shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.

9. In order to preserve or improve the views of land and water, hills and valleys, obtainable on and from the various lots shown on the said Plat, and to promote the free movement of breezes and prevent the harboring places for flies, mosquitos and other insects, the Company reserves the right to trim any trees or shrubbery now or hereafter standing in said tract which may, in its opinion, destroy or interfere with such views or the free movement or breezes, or furnish harboring places for flies, mosquitos or other insects.

10. The land hereby conveyed shall, in respect to that part of it which lies in the bed of the road or roads harboring the property, be subject to an easement in favor of the owners and occupants of lots and houses bordering other parts of the said road or roads in respect to the free and common use of the said road or roads, both for the purpose of passage to and from and for the laying or erecting of water pipes, gas pipes, electric poles or other public utilities to be used in common by the owners and/or occupants of the entire tract, and further, that the owners or owner of any lot will join in a petition to the proper governmental authorities, that this road or roads bordering the property be taken over by the County as public roads under a proper deed or dedication to be signed by such owner or owners at such time when two-thirds of the owners of the lots along such road or roads shall demand.

11. The Company hereby reserves the right in its absolute discretion at any time to annul, waive, change or modify any of the restrictions, conditions, covenants, agreements or provisions contained herein, as to any part of said tract then owned by the Company, and with the consent of the owner as to any other land included in said tract; and to grade, change the grade of, or regrade any street, road or lane shown on said plat, and shall have the further right before a sale to change the size of, locate or relocate any of the lots shown on the said plat.

12. Easements and rights of way are hereby expressly reserved in and over the strips of ground five feet in width along the rear line of the lots for the purpose of erecting, constructing and maintaining wires and the necessary or proper attachments in connection therewith for the transmission of electricity and for telephones and other public utilities or functions, and the Company, its successors, assigns, or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth.

13. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by the Company, or the owner of any land included in said tract, their respective personal representatives, heirs, successors, and assigns, and failure by the Company or any land owner to enforce any restriction, condition, covenant or agreement herein contained shall in no event be deemed a waiver of the right to do so thereafter to one occurring prior or subsequent thereto; and the declared invalidity of any one or more of the provisions herein shall not affect the validity of the others.

14. Any or all of the rights and powers, titles, easements and estates reserved or given to the Company in this agreement may be assigned to any one or more corporations or associations that will agree to assume said rights, powers, duties and obligations and carry out and perform the same. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purposes of evidencing its acceptance of such rights and powers; and such assignee or transferee shall thereupon have the same rights and powers and be subject to the same obligations and duties as are herein given to and assumed by the Company, the Company thereupon being released therefrom.

15. The purchaser, or successor in possession covenants to pay to the Sellers on March 1st of each and every year, the sum of $10.00 for each and every lot purchased. The aforesaid payment of $10.00 shall cover the construction, maintenance and repairs of streets and unsold lots in the sub-division.

RECEIVED
CLERK, CIRCUIT COURT
1988 DEC 27 AM 11:01
QUEEN ANNE'S COUNTY

MISC 0#
RECD FEE 50.00
CHECK/MO 50.00
#150770 C001 R00 T10:58
12/27/88

(December 7, 1968)

K.I.E. ~~Committee~~ Imp. Asso.

BY-LAWS OF
~~THE HOME IMPROVEMENT~~ ASSOCIATION
~~OF KENT ISLAND ESTATES~~
(AS AMENDED)

HOME IMPROVEMENT ASSOC.
OF KENT ISLAND EST., INC.
P.O. BOX 216
STEVENSVILLE, MD 21666

ARTICLE I

Section 1: Membership

To qualify for membership in the Association a person must own property in Kent Island Estates and be willing to comply with the By-Laws of the Organization.

Section 2: Admission to Membership

Any individual possessing the requisite qualifications for membership, desiring to secure admission to membership in this Organization shall make written application to the Board of Directors, which application shall be approved ~~or rejected~~ at the meeting of the Board of Directors next following receipt of the said application by the Board of Directors. ~~(Remain once member has been approved they will remain members as long as their dues are paid. New members only need new approval.~~

Section 3: Dues

Annual dues will be set from time to time by a majority vote of the Board of Directors, provided that the total yearly dues shall not exceed $ 15.00 unless approved by a majority vote of the general membership. 15.00

Any member whose dues remain unpaid ~~ninety~~ 30 day's days after maturity shall be reported to the Board of Directors either of which may thereupon declare such member delinquent. Thereupon there shall be mailed to such member a bill covering the unpaid dues. If the dues remain unpaid for a period of ~~thirty~~ 10 days thereafter the delinquent may be dropped from membership.

Section 4: Expulsion

Any member of the Organization who violates any of the By-Laws, rules or resolutions of this Organization or who is guilty of conduct unbecoming a member of this Organization, may be suspended or expelled by a two-thirds vote of the Board of Directors at any regular or special meeting. Charges made against any member of the Organization shall be in writing, shall contain the name and address of the individual making the complaint and a concise statement of all the facts constituting the breach of the By-Laws or other cause for expulsion complained of. The complaining member shall cause a true and correct copy of the complaint to be delivered to the member against whom such complaint is entered at the same time the complaint is filed with the Board of

Directors. Notice shall be given by the Organization to the members thereof not less than thirty days prior thereto setting forth the date set for the meeting of the Board of Directors, at which said member is to be expelled and the reasons for which expulsion is proposed, addressed to each member at his last known address. It shall be the privilege of the member proposed to be expelled to appear in person or by counsel and be heard by the Board of Directors before it shall take final vote on the question of said expulsion.

No member who has been expelled shall be eligible for re-election to membership for at least one year from the date of expulsion; such former member shall not be reinstated until all arrears in dues and/or other obligations to the Organization shall have been paid.

Section 5: Resignations

Resignations from memberships shall be made in writing to the Board of Directors, but shall not relieve any member from liability for any dues accrued and unpaid at the time when such resignation is filed.

Section 6: Forfeiture of Property Rights

Any member whose membership in this Organization shall have terminated by resignation, expulsion or other cause shall forfeit thereby all interest in any and all funds, property, rights and interest belonging to this Organization.

ARTICLE II
MEETINGS

Section 1: Annual Meetings

The annual meeting of the members of the Organization shall be held at the principal office of the Organization in June of each year on a Saturday or Sunday at ~~2:00 PM~~ (or at such hour and/or place within the vicinity of Kent Island Estates as may be fixed by the Board of Directors) for the election of Directors and for the transaction of general business. Such annual meetings shall be general meetings open for the transaction of any business within the powers of the Organization without special notice of such business except in any case in which special notice is required by statute.

Section 2: Special Meetings

Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors, either by vote or in writing, or by a majority of the Executive Committee (if created pursuant to the By-Laws) either by vote or in writing. Upon request in writing, delivered

to the Secretary or ~~any Assistant Secretary~~ of a majority of the members entitled to vote, it shall be the duty of the said Secretary or ~~Assistant Secretary~~ to call forthwith a meeting of members, at the expense of the Organization. Such request shall state the purpose of the meeting and notice thereof shall be given as provided in Section 3 of this Article II. No business other than stated in the notice of the meeting shall be transacted at any special meeting of the members, however called. Special meetings of the members shall be held at the principal office of the Organization as named in Section 1 of this Article II. Special meetings may also be called inaccordance with applicable provisions of law.

Section 3: Notice of Meetings

Not less than ten (10) days' and not more than thirty (30) days' written or printed notice of every annual' meeting and of every special meeting of the members (except of any meeting called by the members as provided in Section 2 of this Article II) shall be given to each member having voting rights whose name appears as a member of record upon the books of the Organization at the close of business on the date fixed by the Board of Directors for the determination of members entitled to notice of such meetings in accordance with the provisions of these By-Laws and if no such date shall have been fixed by the Board for such purpose, then to the members of record on the date when such notice shall be given. Such notices of annual or special meetings shall state the place, day and hour of such meeting and in the case of special meetings, shall also state the business proposed to be transacted thereat. Such notice shall be given to each member by leaving the same with him or at his residence or usual place of business, or by mailing it postage prepaid and addressed to him at his address as it appears upon the books of the Organization. No notice of the time, place or purpose of any meeting of members, whether prescribed by law, by the Charter, by these By-Laws need be given to any member who attends in person or who in writing executed and filed with the records of the meeting either before or after the holding thereof, waives such notice. No notice of any meeting, regular or special, need be given to any member who is not entitled to vote thereat.

Section 4: Quorum (Refer to April 7. 1975 Minutes)

At any meeting of the members, the presence in person of a majority of the members having voting rights at such meeting shall be necessary and sufficient to constitute a quorum for the election of Directors for the transaction of other business. If at such meeting a sufficient number of members to approve or authorize the proposed action is not in attendance, then if the notice of such meeting stated that the procedure authorized by this Section might be invoked, the members present at such meeting, in person, may by majority vote call a further meeting of the members for the same purpose. Fifteen days notice of the time,

place and purpose of such further meeting shall be given by advertisement inserted in a newspaper published in the County in which is located the principal office of the Organization. At such further meeting the members present in person shall constitute a quorum and by the majority vote of those present in person may approve or authorize the proposed action and take any of the action which might have been taken at the original meeting if a sufficient number of members had been present and the notice of such further meeting shall so state.

Section 5: Voting

At a meeting of the members, every member of the Organization shall be entitled to one vote. Upon demand of ten percent of the members present in person and entitled to vote, the votes for Directors or upon any question before a meeting, shall be by ballot and except in cases in which it is by statute, by the Charter or by these By-Laws otherwise provided, a majority of the votes cast shall be sufficient to reject or pass any measure. MEMBERSHIP DUES MUST BE PAID BY JUNE 29 OF EACH YEAR IN ORDER TO VOTE

Section 6: Order of Business

At all meetings of members the order of business shall be as far as applicable to and practicable, as follows:

1. Reading of the minutes of the previous meeting.
2. Reports of officers.
3. Reports of standing committees
4. Reports of special committees.
5. At any annual meeting, the election of Directors.
6. Unfinished business.
7. New business.
8. Adjournment.

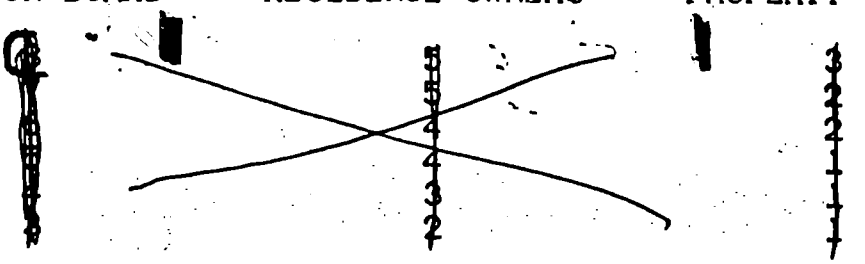
The order of business may be altered or suspended at any meeting by a majority vote of the members present. The usual parliamentary rules as laid down in "Roberts Rules of Order" shall govern all debates.

ARTICLE III
BOARD OF DIRECTORS

Section 1: Election and Powers

The business and property of the Organization, except as otherwise provided by statute or by the Charter or by these By-Laws shall be conducted and managed by its Board of Directors, which shall consist of no more than ~~eight~~ 15 and no less than ~~three~~ 6 members. ~~To provide property owners as well as residence owners a voice on the Board the ratio of residence owners to property owners shall be two to one. By way of example, a Board could be divided as follows;~~ 8

NUMBER ON BOARD RESIDENCE OWNERS PROPERTY OWNERS



If a vacancy shall exist on the Board of Directors that vacancy will be filled by the same type of owner as had previously held the vacated office. To promote a certain continuity of the Board of Directors at the annual meeting held in June, 1969, one-half of the Directors shall be elected for a term of one year and one-half for a term of two years. Each year thereafter all members will be elected to the Board for a period of two years.

The Board of Directors shall keep minutes of its meetings and a full account of its transactions.

Section 2: First Regular Meeting

After each meeting of members at which a Board of Directors shall have been elected the Board of Directors so elected shall meet for the purpose of organization and the transaction of other business, at such meeting; or in the absence of such designation, shall meet as soon as practicable at the principal business office of the Organization.

Section 3: Additional Regular Meetings

Regular meetings of the Board of Directors shall be held at the principal business office of the Organization, ~~on the second Saturday of each month at 2:00 PM, or at such times as may be fixed by general resolution of the Board, or at such other place as shall be specified by the Board.~~ 2nd MON. OF MONTH 7:00 P.M.

Section 4: Special Meetings

Special meetings of the Board of Directors shall be held whenever called by the President, by a majority of the Directors, or by a majority of the Executive Committee, if there shall be an Executive Committee, either in writing or by vote.

Section 5: Place of Meetings

Subject to the provisions of Section 2 of this Article III, the Board of Directors may hold its regular and special meetings at such place ~~or places within or without the~~

State of Maryland as it may from time to time determine. In the absence of any such determination, regular and special meetings of the Board of Directors shall be held at the principal business office of the Organization.

Section 6: Notice of Meetings

Notice of the place, day and hour of every regular and special meeting shall be given to each Director, either;

1. By notice in writing mailed to him postage prepaid not later than the second day before the day set for the meeting and addressed to him at his last known postoffice address according to the records of the the Organization; or

2. By notice in writing delivered to him personally or left at his residence ~~or usual place of business~~ not later than the second day before the day fixed for the meeting; or

3. ~~By telegraph or~~ telephone not later than the day before the day set for the meeting.

Provided, however; That if, at any meeting of members at which a Board of Directors shall be elected, the members shall designate the time and place of the first regular meeting of the Board, then no notice thereof need be given to any Director. No notice, of the time, place or purpose of any meeting need be given to any Director, who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives such notice. No notice of any adjourned meeting of the Board of Directors need be given.

Section 7: Quorum

A majority of the Board of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business at every meeting of the Board of Directors, ~~provided that a ratio of two to one in favor of residence owners over property owners is present.~~ But if at any meeting there be less than a quorum present, a majority of those present may adjourn the meeting for a period of not over ten days without notice other than by announcement at the meeting. The members present at the so announced meeting shall constitute a quorum and any business may be transacted which might have been transacted at the meeting as originally notified.

Section 8: Removal

At any meeting of the members called for the purpose, any Director may by the vote of a majority entitled to vote

be removed from office with or ~~without cause~~ and another may be appointed in the place of the person so removed, to serve for the remainder of his term. ~~Provided that the person so appointed shall come from the same group (property or residence owner) as the member so removed.~~

Section 9: Vacancies

If any Director shall die or resign or if the members shall remove any Director without appointing another in his place, a majority of the remaining Directors (although such majority is less than a quorum) may elect a successor to hold office for the unexpired portion of the term of the Director whose place shall so become vacant, and until his successor shall have been duly chosen and qualified, ~~provided that the person so appointed shall come from the same group (property or residence owner) as the member whose vacancy is being filled.~~ Vacancies in the Board of Directors created by an increase in the number of Directors may be filled by the vote of a majority of the entire Board as constituted prior to such increase and the Director so elected by the Board to fill such vacancies shall hold office until the next succeeding annual meeting of members and thereafter until their successors shall be elected and qualified. As far as possible a general ratio of ~~two~~ to one in favor of residence owners over property owners shall be maintained.

Section 10: Compensation

Directors, as such, shall not receive any stated compensation for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any may be allowed for attendance at any regular or special meeting thereof. Nothing in this Section shall be construed to preclude a Director from serving the Organization in any other capacity and receiving compensation therefor.

ARTICLE IV
OFFICERS

Section 1: Executive Officers

The executive officers of the Organization shall be a President, a Vice-President, a Secretary and a Treasurer and such other officers as the Board from time to time considers necessary for the proper conduct of the business of the Organization. The executive officers shall be elected annually by the Board of Directors at its first meeting following the annual meeting of members. Each such officer shall hold office for a term of one year, and thereafter until his successor is elected and qualified or ~~until his death~~, resignation or removal. The offices of President, Vice-President, Secretary and Treasurer shall be filled by a resident home owner of Kent Island Estates.

Section 2: President

The President shall be a Director of the Organization. He shall be the chief executive officer of the Organization. He shall when present, preside at all meetings of the members and Directors; he shall have general management and direction of the business of the Organization and all powers ordinarily exercised by the President of an Organization; he shall have authority to sign and execute in the name of the Organization, all authorized deeds, mortgages, bonds, contracts or other instruments; he shall annually prepare a full and true statement of the affairs of the Organization including a balance sheet and operating statement which shall be submitted at the annual meeting of the members and shall be filed within twenty (20) days thereafter at the principal office of the Organization in the State of Maryland.

Section 3: Vice-President

In the absence of the President, the Vice-President shall perform all the duties of the President and when so acting shall have the powers of the President. The Vice-President shall (if provided by resolution of the Board of Directors) have authority to sign and execute in the name of the Organization all authorized deeds, mortgages, bonds, contracts or other instruments and shall also have such additional powers and duties as may be assigned to him by the Board of Directors.

Section 4: Secretary

The Secretary shall keep the minutes of the meetings of the members, of the Board of Directors and of the Executive Committee, in books provided for the purpose; he shall see that all notices are duly given in accordance with the provisions of the By-Laws or as required by law; he shall be the custodian of the records and of the corporate seal or seals of the Organization; he shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the Organization under its seal is duly authorized, and when so affixed may attest the same; he may sign, with the President or a Vice-President, certificates of stock of the Organization; and in general, he shall perform all duties ordinarily incident to the office of a Secretary of an Organization and such other duties as from time to time, may be assigned to him by the Board of Directors, or by the President.

Section 5: Treasurer

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Organization and shall deposit, or cause to be deposited, in the name of the Organization all moneys or other valuable effects in such banks, trust companies or other depositories as shall, from time to time, be selected by the Board of Directors;

he shall render to the President and to the Board of Directors, whenever requested, an account of the financial condition of the Organization; he may sign, with the President or a Vice-President, certificates of stock of the Organization; and in general, shall perform all the duties ordinarily incident to the office of a Treasurer of a corporation and such other duties as may be assigned to him by the Board of Directors or by the President.

Section 6: Assistant Officers

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant Secretary and Assistant Treasurer shall hold office for such period and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section 7: Compensation

The Board of Directors shall have power to fix the compensation of all officers of the Organization. It may authorize any officer upon whom the power of appointing subordinate officers may have been conferred to fix the compensation of such subordinate officers.

Section 8: Officers holding more than one office

Two or more offices (except that of President and Vice President) may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity.

Section 9: Removal

The Board of Directors shall have power at any regular of special meeting to remove any officer with ~~or without~~ cause and such action shall be conclusive on the officer so removed. The Board may authorize any officer to remove subordinate officers.

Section 10: Vacancies

~~The Board of Directors~~ the membership at any regular ~~or special~~ meeting shall have power to fill a vacancy occurring in any office for the unexpired portion of the term by open meeting.

ARTICLE V
COMMITTEES

Section 1: Executive Committee

The Board may create an executive committee

of its own members and define its duties, subject to the provisions of law. In the absence of any member, the members thereof present at a meeting may appoint another member of the Board to act in the place of such absent member.

Section 2: Other Committees

The Board may create such other committees as it deems advisable and define their duties.

ARTICLE VI
SUNDRY PROVISIONS

Section 1: Negotiable instruments and other evidence of indebtedness

All checks, drafts or orders for the payment of money notes and other evidences of indebtedness, issued in the name of the Organization, shall be signed by such officer or officers as may be designated from time to time by resolution of the Board of Directors. No checks shall be signed in blank.

Section 2: Fiscal Year

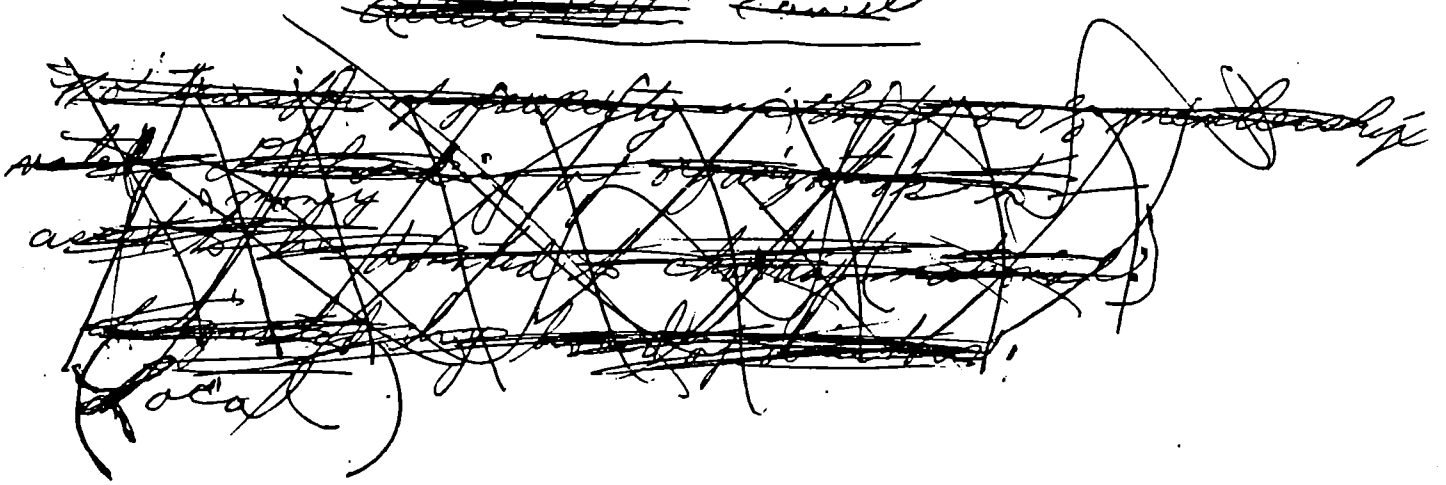
The fiscal year of the Organization shall be the calendar year unless otherwise provided by the Board of Directors.

ARTICLE VII
~~ARTICLE VII~~
~~AMENDMENTS~~

IF THE U.A.A. of K.I.E. SHOULD [redacted] ALL PROCEEDS WILL BE DIVIDED AMONGST MEMBERS IN GOOD STANDING OF (3) YRS. OR MORE, AFTER ALL DEBTS ARE PAID

Section 1: ~~Amendments~~ ~~After June 30, 1929~~ Members shall have the power, at any annual meeting and at any special meeting, if notice thereof be included in the notice of such annual or special meeting, to alter or repeal any By-Laws of the Organization and to make new By-Laws, ~~except~~

~~Article VIII~~ [redacted]



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QUEEN ANNE'S COUNTY

MALLARD POINT COMMUNITY DOCK ASSOCIATION, INC.
MARYLAND HOMEOWNERS' ASSOCIATION ACT DISCLOSURES

The Declarant is Robert William Parker. His principal address is 217 Mallard Drive, Centreville, Maryland 21617. His home telephone number is (410) 758-2931. The Declarant is not a vendor and is not affiliated with any vendor of property in the Mallard Point Subdivision. The Homeowners' Association is known as Mallard Point Community Dock Association, Inc. (the "Association"), which is, or will be, incorporated in Maryland. The initial Directors of the Association are Robert W. Parker, 217 Mallard Drive, Centreville, MD 21617; Mary L. Parker, 217 Mallard Drive, Centreville, MD 21617; and Lisa P. Rewer, 205 Mallard Drive, Centreville, MD 21617. The initial officers of the Association are Robert W. Parker, President, and Mary L. Parker, Secretary/Treasurer. Robert W. Parker is the resident agent.

RECORDING FEE
TOTAL
Rcpt # 21168
SM RCB Blk # 201
Jul 03, 1996 10:01 am

The specific property which is the subject of community usage is depicted on a plat by McCrone, Inc., intended to be filed herewith, dated April, 1996, and entitled "Plat of Proposed Community Dock & Dock Access Easement on Part of and Lands of Robert William Parker". The Mallard Point Subdivision (the "Subdivision"), as originally established, is shown on a plat drawn by J. B. Metcalfe, surveyor, dated June 3, 1955, and recorded among the Land Records for Queen Anne's County at Liber T.S.P. No. 22, Folio 149, a Land Record Book for Queen Anne's County, and also among the Plat Records of Queen Anne's County in Liber T.S.P. No. 1, Folio 31. The Subdivision and community usage property are located in the vicinity of Pioneer Point off of Mallard Drive in Queen Anne's County, Maryland, fronting on the Chester River and Grove Creek.

The Association is located within the aforementioned Subdivision but excludes certain original lots in that Subdivision as is further detailed in the Declaration.

Annexed hereto and incorporated herein are copies of the Articles of Incorporation, Bylaws, Declaration for the Association. The provisions of these documents shall be enforceable against any owners in the Subdivision taking title subject to the same or who otherwise expressly or implicitly consent to the terms thereof by availing, or attempting to avail, themselves of the benefits of the Association.

The property subject to usage by the Association consists of a wood dock and mooring piles for boat mooring purposes extending into the waters of Grove Creek and a Dock Access Easement which are more particularly described on the aforementioned plat by McCrone, Inc.

The annual budget for the Association has not yet been developed. Association fees and Special Dock Usage Fees shall be set, assessed and collected in the manner set forth in the Declaration, paragraphs 6 and 7, and in the Bylaws, Articles XI and XII.

The zoning and land use requirements affecting the area subject to the Association and included the Subdivision are found in the Queen Anne's County Zoning Code, a copy of which is on file in the Queen Anne's County Planning and Zoning office, as well as in the local public library, as well as in the Declaration and Bylaws for the Association. These sources of information reflect separate requirements. Both should be consulted.

Mandatory homeowners association fees or assessments will not be assessed and collected until fiscal year 1997, commencing January 1. However, any lot owner who properly exercises their Usage Election to obtain Dock Privileges as defined in the Declaration and Bylaws will have to pay the appropriate Dock Usage Fee set by the Board of Directors prior to their exercising such privileges. The manner of computing the usage fees is as set forth in the Declaration, paragraphs 6 and 7, the Bylaws, Article XII.

Special rights reserved to the Declarant are as stated in the Declaration, Bylaws and Articles of Incorporation. They include the right to serve on the initial Board of Directors and to serve initially as President of the Association; the right to be reimbursed his Development Expenses for the Association and its amenities, as further defined in the Declaration and Bylaws; and the right to set off unpaid Development Expenses against his Dock Usage Fees, if any, until those Development Expenses are paid off in full, with interest. Further, the Declarant is and shall remain the fee simple owner of the Community Dock and the Dock Access Easement area, and necessarily reserves all rights and prerogatives concerning the same that have not been specifically granted to the Association and its members pursuant to the terms of the Declaration, Bylaws and Articles of Incorporation.

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QUEEN ANNE'S COUNTY

DECLARATION ESTABLISHING MALLARD POINT COMMUNITY DOCK ASSOCIATION, INC.

DECLARATION, made as of this 1st day of May, 1996, by Robert William Parker, Declarant, establishing the Mallard Point Community Dock Association, Inc., WITNESSETH:

1. Declarant. Robert William Parker, Declarant, hereinafter "Declarant", is the fee simple owner of a certain tract of land which he acquired by deed from Mary Louise Parker and Robert William Parker dated October 26, 1994, and recorded among the Land Records for Queen Anne's County in Liber M.W.M. 478, Folios 398. Said parcel of land has appurtenant thereto a certain wooden dock, approximately 99 feet in length (hereinafter the "Community Dock") extending into the waters of Grove Creek, which was developed and constructed by Declarant at his sole expense.

2. Community Dock and Dock Access Easement. Declarant hereby identifies, creates, declares and grants, for the benefit of the Association hereinafter described, a Community Dock and a Dock Access Easement which are more particularly defined and described on a certain "Plat of Proposed Community Dock and Dock Access Easement" dated April, 1996 prepared by McCrone Engineering, Environmental Services, Land Planning & Surveying Construction Services, and a Description of a Dock Access Easement Over the Land of Robert William Parker, Third Election District, Queen Anne's County, Maryland, both of which are attached hereto as **Exhibit A** and incorporated herein by reference.

3. Association. Declarant hereby creates a homeowners association within the meaning of Section 11B-101(g) of the Maryland Homeowner's Association Act (Title 11B of the Real Property Article of the Annotated Code of Maryland) which shall be known as the Mallard Point Community Dock Association, Inc. (hereinafter the "Association"), and which shall be incorporated under the laws of the State of Maryland.

4. Membership. Membership in the Association shall be all of the owners of the lots in the subdivision known as Mallard Point ("Mallard Point Subdivision") shown on a plat drawn by J. B. Metcalfe, surveyor, dated June 3, 1955 and recorded among the Land Records for Queen Anne's County at Liber T.S.P. No. 22, Folio 149, a Land Record Book for Queen Anne's County and also among the Plat Records of Queen Anne's County in Liber T.S.P. No. 1, Folio 31, with the following exceptions, limitations and modifications:

A. Peter G. Sheaffer, present owner of certain lots in Mallard Point, and his successors in title to said lots shall not be entitled to membership in the Association by virtue of his waiver, relinquishment and abandonment unto Declarant of any rights to a certain "Proposed Community Dock Area" (which abuts and encompasses the subject Community Dock and Dock Access Easement), as is more particularly reflected in a document dated May 3, 1984 entitled "Cancellation, Annulment and Abrogation of `Mallard Point Subdivision' Covenants, Conditions and Restrictions, Etc." recorded among the Land Records for Queen Anne's County at Liber M.W.M. 212, Folios 318-19 and also by deed unto Robert William Parker and Mary Louise Parker dated May 3, 1984, and recorded among said Land Records in Liber M.W.M. 212, Folios 207-10.

B. Subject to the aforegoing subparagraph, with respect to any lots within the confines of the original Mallard Point Subdivision that were resubdivided since June 3, 1955, the owners of such resubdivided lots on the latest applicable resubdivision plat shall be members of the Association, and the original or pre-existing lot lines and designations shall be disregarded.

5. Utilization of Community Dock. Utilization of the Community Dock and the Dock Access Easement by members of the Association (hereinafter "Members") shall be for boat mooring purposes only and shall be regulated by the Bylaws of the Association and by such additional rules and regulations that the Board of Directors of the Association shall adopt from time to time. Subject to Paragraph 6, utilization of the Community Dock and Dock Access Easement shall be limited to only those Members who have paid to the Association, in advance, the applicable usage fees set by the Board of Directors pursuant to the Bylaws. Such usage fees shall be in addition to annual dues assessed under Paragraph 7 hereof. Eligibility for utilization of the Community Dock and Dock Access Easement shall be determined on a first-come, first-served basis, with first preference being given to those members who paid for the privilege of utilization in the next preceding year.

6. Recoupment of Declarant's Development Expense. Declarant shall have the right to recoup from those Members of the Association who are using the Dock Access Easement and Community Dock for boat mooring purposes reasonable compensation in the form of usage fees ("Dock Usage Fees") for the development, permitting, construction and past maintenance of the Community Dock and Dock Access Easement and the establishment and incorporation of the

Association (hereinafter "Development Expenses"). The procedures for recoupment of Development Expenses shall be as provided in the Bylaws. Until the Declarant's Development Expenses are paid in full, Declarant shall have the right to set off any usage fees payable by him to the Association against unpaid Development Expenses payable to him by the Association. Dock Usage fees may, in the discretion of the Board of Directors, be set in an amount sufficient to also cover all or part of annual operating expenses described in the ensuing paragraph.

7. Budget. The Board of Directors of the Association shall annually establish a budget for the operation and maintenance of the Community Dock and the Dock Access Easement. The budget may include appropriate allowances for dock maintenance and repairs, improvements, utilities, road work, grass cutting, taxes, insurance, security, reserve for future replacement, accounting or professional services and any other expense item deemed reasonably necessary by the Board of Directors. All members of the Association electing to use the Community Dock and Dock Access Easement (the "Usage Election") shall be assessed annual dues on a per Lot basis to cover, in combination with Dock Usage Fees, the annual budgetary expenses of the Association and shall be personally liable for payment of said dues. Lot owners who have exercised their Usage Election and who are delinquent in the payment of their dues in the present or in any previous year, or whose predecessors in title have any such unsatisfied delinquency shall be subject to such sanctions as are provided for in the Bylaws, including, but not limited to, the loss of eligibility to obtain usage of the Community Dock and the Dock Access Easement, of voting at any meetings of the Association and of serving as officer or director of the Association. Any delinquent assessments may be enforced by the Association as a charge against the delinquent member's lot(s) pursuant to the procedures established in the Maryland Contract Lien Act, Subtitle

2, Title 14 of the Real Property Article of the Annotated Code of Maryland. Notwithstanding any provision hereof to the contrary, no Member shall be assesssed annual dues, Dock Usage Fees, or other charges unless said Member shall have exercised the Usage Election as described herein.

8. Opt-Out Privilege. Any member of the Association shall have the privilege of opting out of the Association. The decision to opt out shall be permanent and irrevocable and shall bind the owner and the heirs, successors and assigns of that lot owner with respect to the Lot (or Lots) so exempted. The procedure for opting out shall be as set forth in the Bylaws. A Lot properly opted out loses forever eligibility to obtain usage privileges of the Community Dock and the Dock Easement Area, of the right to be notified of, or attend or vote at any meetings of the Association, but also becomes exempt from any payment or assessment of membership dues.

9. Duration. The Association shall exist perpetually, except the Articles of Incorporation for the Association may provide for dissolution of the Association if the Declarant, his heirs, successors, personal representatives or assigns, procures or receives under applicable law a basis for maintaining the structure herein referred to as the Community Dock separate and apart from its present zoning classification as a "community pier".

10. Annual Meeting. The Association shall have an annual meeting as provided in the Bylaws of the Association. At the annual meeting the membership shall elect a slate of three (3) directors to serve for the forthcoming year and until their successors are elected.

11. Voting. Each lot enjoying membership in the Association as defined by paragraph 4 ("Lot"), irrespective of whether or not the Usage Election has been exercised, shall be entitled to cast one (1) vote at the annual meeting. Voting by written proxy shall be permitted for all purposes, and proxies shall be valid according to their terms for any time period stated therein. If title to a Lot is transferred during the pendency of a written proxy, the proxy shall be binding on the transference or successors in title to said Lot. When more than one person holds an interest in a Lot, all such persons shall be members; however, for purposes of voting they shall be treated as a single member. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be case with respect to any Lot.

12. Board of Directors. The Association shall be incorporated, and its affairs shall be managed by a Board of three (3) Directors, who may, but need not be members of the Association. The number of Directors may be changed by amendment of the Bylaws of the Association. All Director positions shall be filled by majority vote of the Lots entitled to vote, without cumulative voting. The Directors shall have the power to take all actions necessary to effectively manage the Association, including, but not limited to:

I) Adopt rules and regulations regarding the utilization of the Dock Access Easement and the Community Dock;

ii) Impose sanctions for failure to comply with said rules and regulations, including, but not limited to, the right to restrict or deny utilization of the Dock Access Easement and Community Dock and to forfeit usage fees paid for such utilization;

iii) Authorize procurement of such goods or services as are necessary or appropriate to conduct the business of the Association and the maintenance and operation of the Dock Access Easement and Community Dock;

iv) To elect a President, Vice President, Secretary and Treasurer to conduct the day-to-day business of the Association and to appoint such other agents and committees as are deemed necessary or appropriate to the conduct of the business of the Association.

13. Amendment. This Declaration may be amended only upon recommendation by the Association's Board of Directors duly ratified by the affirmative votes of two-thirds (2/3) of the Lots which are then members of the Association, provided that no amendments shall be made without Declarant's consent if there are any unpaid Development expenses outstanding.

WITNESS my hand and seal affixed as of the day and date above written.

WITNESS:

Deborah P. Travers

Robert William Parker (SEAL)
Robert William Parker

STATE OF MARYLAND
COUNTY OF WICOMICO

I HEREBY CERTIFY, that on this 3rd day of July, 19__, before me, the subscriber, a Notary Public of the State and county aforesaid, personally appeared **Robert William Parker**, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he, being authorized to do so, executed the same for the purposes therein contained, and in my presence, signed and sealed the same.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

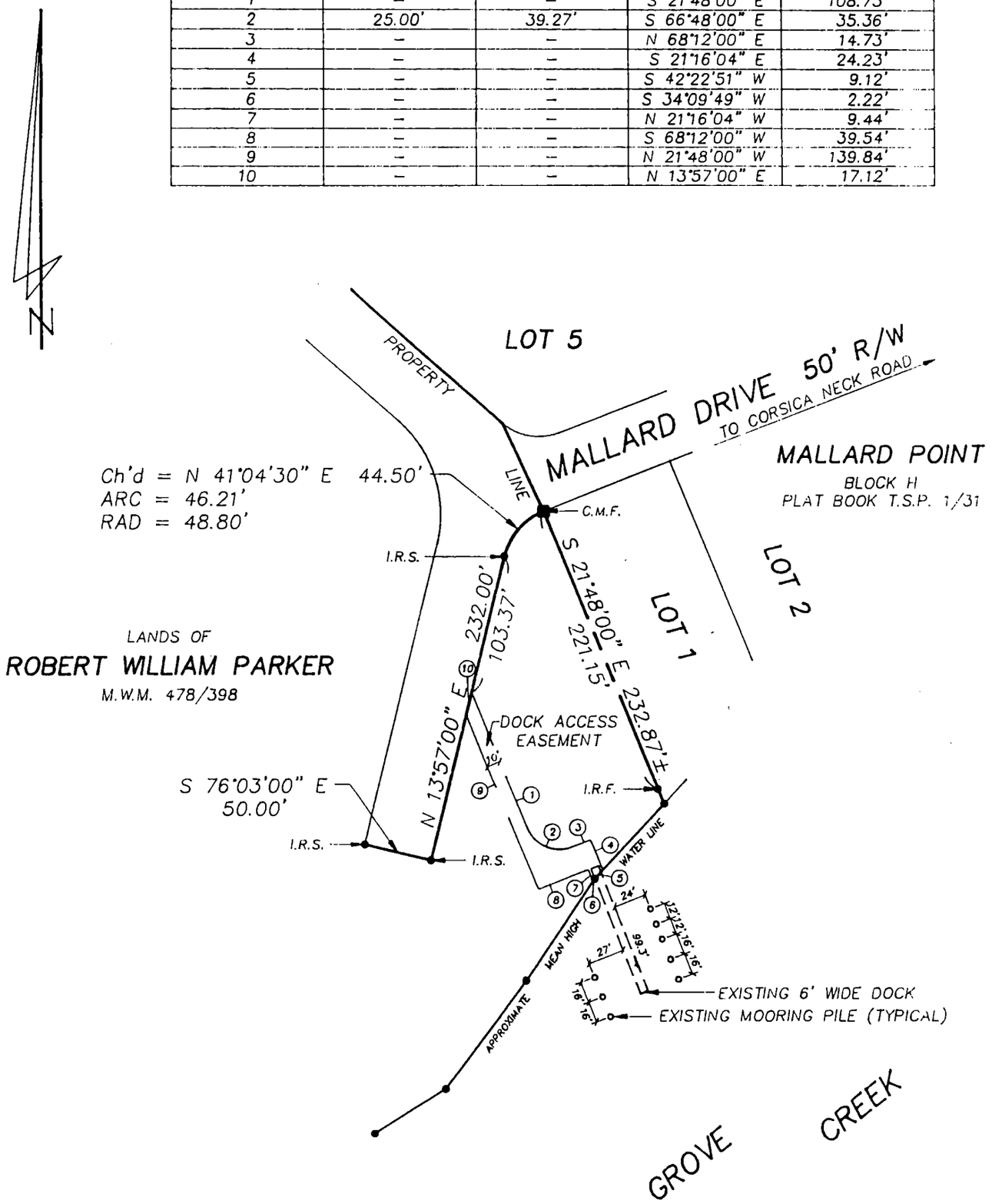
Deborah P. Travers
Notary Public

My Commission expires: 4/1/99

c:\corporat\mall#2.dec
7/1/96

DOCK ACCESS METES & BOUNDS

CURVE/LINE	RADIUS	ARC LENGTH	BEARING	CHORD/DISTANCE
1	–	–	S 21°48'00" E	108.73'
2	25.00'	39.27'	S 66°48'00" E	35.36'
3	–	–	N 68°12'00" E	14.73'
4	–	–	S 21°16'04" E	24.23'
5	–	–	S 42°22'51" W	9.12'
6	–	–	S 34°09'49" W	2.22'
7	–	–	N 21°16'04" W	9.44'
8	–	–	S 68°12'00" W	39.54'
9	–	–	N 21°48'00" W	139.84'
10	–	–	N 13°57'00" E	17.12'



NOTES:

1. FOR DEED REFERENCE, SEE M.W.M. 478/398.
2. ——●—— – DENOTES DEED POINT (UNLESS OTHERWISE NOTED)
3. I.R.F. – DENOTES IRON ROD FOUND
4. I.R.S. – DENOTES IRON ROD SET
5. C.M.F. – DENOTES CONCRETE MONUMENT FOUND
6. FOR REFERENCE TO THE MALLARD POINT SUBDIVISION SEE PLAT BOOK T.S.P. 1/31.

PLAT OF PROPOSED COMMUNITY DOCK & DOCK ACCESS EASEMENT
ON PART OF THE LANDS OF
ROBERT WILLIAM PARKER
THIRD DISTRICT, QUEEN ANNE'S COUNTY, MARYLAND
PREPARED FOR: ROBERT WILLIAM PARKER

McCRONE
ENGINEERING ▫ ENVIRONMENTAL SCIENCES
LAND PLANNING & SURVEYING
CONSTRUCTION SERVICES
207 NORTH LIBERTY STREET
SUITE 100
CENTREVILLE, MARYLAND
(410) 758-2237

DRAWN BY LISTMAN, Sr.
SCALE 1" = 100'
DATE APRIL '96
JOB NO. D1960121
FOLDER 248

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Exhibit A

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BYLAWS
OF
MALLARD POINT COMMUNITY DOCK ASSOCIATION, INC.

ARTICLE I

Name and Location: The name of the corporation is Mallard Point Community Dock Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 217 Mallard Drive, Centreville, Queen Anne's County, Maryland, but meetings of members and directors may be held at such places within the State of Maryland, as may be designated by the Board of Directors.

ARTICLE II
Definitions

Section 1. The terms "Association", "Community Dock", "Dock Access Easement", "Declarant", "Development Expenses", "Lot", "Mallard Point Subdivision", "Members" and "Usage Election", as used in these Bylaws, shall have the meanings set forth in the Declaration Establishing Mallard Point Community Dock Association, Inc. And the Articles of Incorporation for Mallard Point Community Dock Association, Inc., both dated May 1, 1996, and intended to be recorded among the Land Records of Queen Anne's County simultaneously herewith.

ARTICLE III
Meeting of Members

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within the State of Maryland selected by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-half (½) of all the votes of the Membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than fifteen (15) nor more than sixty (60) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice

shall specify the place, day and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to case one-half (½) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Proxies may be irrevocable if so specified therein for a stated time period and shall not automatically cease upon conveyance by the Member of his Lot(s), but shall be binding upon the successors in title to the Member giving such a Proxy. The Association will keep on file copies of any such irrevocable proxies for the information of any Member or prospective Member of the Association.

ARTICLE IV
Board of Directors Selection: Term of Office

Section 1. Number. The affairs of this Association shall be managed by a Board of Three (3) directors, who need not be Members of the Association.

Section 2. Term of Office. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members or until their successors are elected. The terms of each director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal. Any director, other than a Charter Director, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal, pursuant to these Bylaws, of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for his service as such rendered to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties. This provision shall not prevent the Declarant from recovering his Development Expenses incurred in connection with the development, construction and establishment of the Community Dock and Dock Access Easement and the creation of the Association.

Section 5. Action Taken Without A Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V
Nomination and Election of Directors

Section 1. Nomination. Nomination of Directors for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more other persons, who may, but need not be members of the Board of Directors. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting of the Members, to serve until the close of the annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At the election the Member or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI
Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish reasonable rules and regulations governing the use of the Community Dock and Dock Access Easement including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof, all of the aforesaid to benefit Lot Owners generally and/or any Lot Owners specially impacted by the activities on or about the Community Dock;

(b) suspend the voting rights, and eligibility to use the Community Dock and Dock Access Easement during any period in which the Member who has exercised the Usage Election and who is in default in the payment of any dues, usage fees or assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

(d) employ a manager, independent contractors, professionals or other employees or contractors as they deem necessary, and to prescribe their duties.

Section 2. Duties. Subject to availability of funding, it shall be the duty of the Board of Directors to:

(a) keep a record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such a statement is requested in writing by the holders of one-half (½) of the votes of the Members.

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) Fix the amount of the annual assessment against each Lot not later than February 1st of each year;

(2) send written notice of each annual assessment to every Lot Owner who has exercised the Usage Election subject thereto not later than February 1st of each year, and of each special assessment, at least forty-five (45) days in advance of its due date;

(3) establish usage fees for those members who use the Community Dock and Dock Access Easement; and

(4) foreclose the lien against a Lot whose Owner has exercised the Usage Election if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment is due, and whether such has been paid; a reasonable charge may be made by the Board for the issuance of these certificates; (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

(e) procure and maintain adequate liability and hazard insurance on property owned or controlled by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Community Dock and Dock Access Easement to be maintained.

ARTICLE VIII
Officers and Their Duties

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Not more than two offices may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, checks and other written instruments.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds, checks and other written instruments.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditure to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

ARTICLE IX
Committees

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE X
Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association. The Association may impose a reasonable charge for making copies of its books and records.

ARTICLE XI
Assessments

Section 1. As stated in the Declaration, each Member who has exercised the Usage Election is personally obligated to pay to the Association annual assessments which are secured by a continuing lien upon the Lot against which the assessment is made. If the assessment is not paid on the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment.

Section 2. An Owner may waive or otherwise escape liability for the assessments provided for herein only by i) failing to exercise the Usage Election; or ii) opting out of the Association, provided that such opt-out shall be irrevocable and shall be binding upon the Lot(s) opted out as well as on the assignees and successors in interest to that Lot. An Owner desiring to opt out his Lot(s) shall send by certified mail, return receipt requested, a notice to the President of the Association indicating a desire to opt out of the Association. The notice shall be on the form provided by the Association, which shall be notarized. The notice shall specify the Lot(s) opted out by lot and block number and shall be effective on the date received by the Association. The Owner so opting out shall be responsible for the cost of recording the notice in the land records.

ARTICLE XII
Dock Usage

Section 1. Because of the limited number of boat slips available at the Community Dock, the privilege of using the Community Dock and Dock Access Easement by Members of the Association (hereinafter "Dock Privileges") will be determined on a lottery basis, subject to certain exceptions hereinafter enumerated. On or before February 1 of each year, any Member desiring Dock Privileges will submit to the Association a letter of request for dock use (the "Usage Election") accompanied by the required Dock Usage Fee set by the Board of Directors from time to time. The available boat slips at the Community Dock will be apportioned to the members by a lottery conducted by the officers of the Association at the Annual Meeting.

Section 2. Members who have had (and paid the required Dock Usage Fee for) Dock Privileges at the Community Dock in the next preceding year shall have a prior claim upon their mooring slip in the ensuing year. The Member wishing to retain Dock Privileges in the ensuing year shall advise the Association and pay the required usage fee set by the Board of Directors by no later than February 1 of the year in which Dock Privileges are desired.

Section 3. The Board of Directors shall set from time to time an annual usage fee ("Usage Fee") to be paid by members who obtain Dock Privileges. The Usage Fee shall be set, initially, in an amount equal to Declarant's total Development Cost of the Community Dock and Dock Access Easement divided by the number of available slips at the Community Dock, and shall remain at this level until the Development Cost is reimbursed to Declarant in full. Until repaid, the Development Cost reimbursable to the Declarant shall bear interest at the rate of ten percent (10%) per annum, computed from the date of completion of the Community Dock or the date the Development Cost was incurred, whichever is later. After the Development Cost is reimbursed in full to the Declarant, the Board of Directors shall set the Usage Fee at whatever level they deem appropriate to satisfy when due any present or projected expenditures for dock maintenance, repairs, improvements, utilities, road work, grass cutting, taxes, insurance, security, reserve for future replacement, accounting and professional services and any other expense item deemed reasonably necessary by the Board of Directors. In setting the Usage Fee, the Board of Directors shall take into consideration the revenue anticipated from the annual dues payable by all Members of the Association.

Section 4. Usage of the Community Dock and Dock Access Easement shall be restricted to Members who have obtained Dock Privileges in the manner aforesaid and paid the applicable Dock Usage Fee. Members shall not have, merely by virtue of their membership in the Association the right to use the Community Dock or Dock Access Easement. Members who wish to continue their Dock Privileges from one year to the next forfeit such privileges if they fail to pay the prescribed Dock Usage Fee by February 1.

Section 5. Notwithstanding the aforegoing sections of this Article XII, the Declarant shall have the right to set off any Dock Usage Fees payable by him to the Association against his Development Expenses until those Development Expenses are paid off in full, with interest.

Section 6. In any year in which there are any boat slips at the Community Dock which Members have not sought to use and/or pay the appropriate fee, the Association shall have the right

to rent said unused slips to persons who are not members of the Association, provided said slip leases expire before February 1 of the ensuing year and said non-member users agree to follow all the rules and regulations promulgated by the Association concerning the Community Dock and Dock Access Easement. The rental payable by any such non-Member users shall be applied first to Declarant's Development Expenses and subsequently to the general expenses of the Association.

Section 7. The Board of Directors shall have the authority to promulgate from time to time reasonable regulations controlling the use of the Community Dock and Dock Access Easement for the benefit of the Mallard Point Community.

ARTICLE XIII
Amendments

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3rds) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken, provided that no amendment shall be allowed without Declarant's consent, until Declarant's Development Expenses are paid in full.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.

ARTICLE XIV
Miscellaneous

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, we, being all of the Directors of Mallard Point Community Dock Association, Inc., have hereunto set our hands as of this 1st day of May, 1996.

WITNESS:

Deborah P. Draves

CHARTER:
DIRECTORS:

Robert William Parker

Robert W. Parker

Lisa P. Rewer

Mary L. Parker

Mary L. Parker

Lisa P. Rewer

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RECEIVED
CLERK, CIRCUIT COURT
96 JUL -3 AM 10: 07
QUEEN ANNE'S COUNTY

ARTICLES OF INCORPORATION

MALLARD POINT COMMUNITY DOCK ASSOCIATION, INC.

In compliance with the requirements of Title 5, Subtitle 2 of the Corporations and Associations Article of the Annotated Code of Maryland, the undersigned, a resident of Maryland, who is at least eighteen years of age, has this day formed a non-stock corporation, not for profit, and does hereby certify:

ARTICLE I

The name of the Corporation is Mallard Point Community Dock Association, Inc., hereafter called the "Association".

ARTICLE II

The principal office of the Association is located at 217 Mallard Drive, Centreville, Queen Anne's County, Maryland 21617.

ARTICLE III

Robert W. Parker, whose address is 217 Mallard Drive, Centreville, Maryland 21617, is hereby appointed the registered agent of the Association.

ARTICLE IV

The following terms as used in these Articles of Incorporation shall name the definitions indicated:

Association. Shall mean an organization whose members are owners of Lots in the Mallard Point Subdivision, with the exception of those Lots in such subdivision presently owned by Peter G. Sheaffer, who abrogated, waived and relinquished his rights in the Proposed Community Dock Area by an instrument entitled "Cancellation, Annulment and Abrogation of `Mallard Point Subdivision' Covenants, Conditions and Restrictions, Etc.", recorded in the Land Records for Queen Anne's County at Liber M.W.M. 212, Folios 318-19, and also by deed unto Robert William Parker and Mary Louise Parker dated May 3, 1984, recorded among said Land Records at Liber M.W.M. 212, Folios 207-10.

Community Dock. Shall mean a certain wooden dock, approximately ninety-nine feet (99') in length extending into the waters of Grove Creek and more particularly shown and described on a plat by McCrone Engineering, Environmental Studies, Land Planning & Surveying Construction Services dated April, 1996, attached to the Declaration Establishing Mallard Point Community Dock Association, Inc. (the "Declaration"), which is recorded in the Land Records for Queen Anne's County, Maryland at Liber M.W.M. _____, Folios _____.

Dock Access Easement. Shall mean that certain area of land described as such on the aforesaid plat attached to the Declaration, which area is to be used exclusively by members of the Association who are entitled to the use the Community Dock and have paid the applicable usage fees associated therewith, as determined in accordance with the Bylaws and Declaration of the Association.

Declarant. Shall mean Robert William Parker, the present owner of the property to which the Community Dock is appurtenant and which encompasses the Dock Access Easement area leading to the Community Dock.

Lot. Shall mean a lot owned by a person or persons who are members in the Association. No lands in the Mallard Point Subdivision presently owned by Peter G. Sheaffer shall qualify as a Lot or Lots. Any resubdivided lots in the Mallard Point Subdivision occurring since June 3, 1955 shall be treated as Lots according to their resubdivided boundaries, and their previous or original boundaries and number shall be disregarded.

Mallard Point Subdivision. Shall mean that subdivision shown on a plat drawn by J. B. Metcalfe, surveyor, dated June 3, 1955, and recorded among the Land Records for Queen Anne's County at Liber T.S.P. No. 22, Folio 149, a Land Record Book for Queen Anne's County and also among the Plat Records of Queen Anne's County in Liber T.S.P. No. 1, Folio 31.

Members. Shall mean those persons who are members of the Association by virtue of their ownership of a qualifying Lot or Lots.

ARTICLE V
Purposes and Powers of The Association

The Association shall not operate for pecuniary gain or profit, shall not issue capital stock, and no part of the net earnings of the Association shall inure to the benefit of any member or individual (except that reasonable compensation may be paid for services rendered to the Association, and the Declarant shall have the right to recoup his expenses in developing and constructing the Community Dock which is the subject hereof), and the specific purposes for which it is formed are to provide for: (i) the use, improvement, maintenance, operation and repair of the Community Dock and associated Dock Access Easement, including any improvements and amenities located thereon; (ii) the establishment of reasonable rules, regulations

and charges for the use of the Community Dock and Dock Access Easement, including any improvements and amenities located thereon to benefit Lot Owners generally; (iii) the distribution among the Owners of Lots making certain elections of the costs of the establishment, use, improvement, maintenance and repair of the Community Dock and associated easement(s), including any improvements and amenities located thereon. In furtherance of these purposes, the Association, (by action of its Directors unless otherwise noted in these Articles of Incorporation or in the Declaration) shall have full power to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration as the same may be amended from time to time as therein provided, the Declaration being incorporated herein by reference as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office, legal and other expenses incident to the conduct of the affairs of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, subject however, to the requirements of the Declaration;

(d) dedicate, sell or transfer all or any part of the Community Dock and associated easement(s) to any public agency, authority, or utility subject, however, to the requirements of the Declaration and to such conditions as may be agreed to by the members; and

(e) have and to exercise any and all powers, rights and privileges which a non-stock corporation organized under the Corporation Law of the State of Maryland by law may now or hereafter have or exercise.

ARTICLE VI

Every Owner in Mallard Point Subdivision, with the exception of Peter G. Sheaffer and his successors in title (for the reasons aforesaid), shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

ARTICLE VII

The Association shall have one class of membership. Members shall be all Owners of Lots, and shall be entitled to one vote for each Lot owned. Any resubdivided lot(s) within the confines of the original Mallard Point Subdivision will be granted lot status according to the last current resubdivision plat, and the pre-existing lot boundaries and/or quantity of lots in said original subdivision shall be disregarded with respect to such resubdivided lot(s). When more than one person holds an interest in any Lot, all such persons shall be Members, however, for purposes of a quorum they shall be treated as a single Member. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

ARTICLE VIII
Board of Directors

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be Members of the Association. The number of Directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

Robert W. Parker, 217 Mallard Dr., Centreville, MD 21617
Mary L. Parker, 217 Mallard Dr., Centreville, MD 21617
Lisa P. Rewer, 205 Mallard Dr., Centreville, MD 21617

These Directors (herein called "Charter Directors") shall serve until the first annual meeting of the Members or until their successors are elected. In the event of death or resignation of a Charter Director during his or her term of office, the remaining Charter Directors shall elect a successor Director to fill the unexpired term of such Charter Director.

ARTICLE IX
Dissolution

The Association shall exist perpetually. Notwithstanding the aforegoing, however, if the Owner of the parcel of land to which the Community Dock is appurtenant and which encompasses the Dock Access Easement shall ever establish a separate basis under applicable zoning and/or other laws to support the Community Dock then, upon notice of the same to the Members of the Association, the Association shall cease to function, and the person(s) who are the Directors of the Association shall be authorized to file and, upon request of said appurtenant owner, shall file appropriate Articles of Dissolution with the Maryland Department of Assessments and Taxation and an appropriate memorandum in the Land Records for Queen Anne's County formerly terminating the legal existence of the Association.

ARTICLE X

Amendment of these Articles shall require the assent of the holders of two-thirds (2/3rds) of the votes of each class of Members present in person or by proxy at the meeting at which the vote is taken. These Articles may not be amended without the consent of the Declarant until one hundred percent (100%) of the Declarant's expenses in developing, constructing and establishing the Community Dock , Dock Access Easement, and the Association are recouped from Lot owners in the subdivision other than Declarant and/or persons in Declarant's immediate family.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Maryland, the undersigned, Robert William Parker, whose post office address is 217 Mallard Drive, Centreville, Maryland 21617, being at least eighteen years of age, has executed these Articles of Incorporation as of this 1st day of May, 1996, for the purpose of incorporating this Association.

Witness

Robert William Parker (SEAL)

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CLERK, CIRCUIT COURT

Depository Information Required by the Maryland Homeowners Association Act

00 OCT 19 PM 12: 15

QUEEN ANNE'S COUNTY

HOMEOWNERS ASSOCIATION DEPOSITORY INFORMATION

1. (a) The name, principal address and telephone number of the Declarant are:

James DiDonato
Mallard Run, LLC
Suite 500, Rainbow Plaza
P.O. Box 142
Chester, MD 21619
Tel. (410) 643-4131
Fax.(410) 643-6501

RECORDING FEE 30.00
TOTAL 30.00
Rcpt # 98433
Blk # 1423
Oct 19, 2000 12:17 PM

(b) If the Declarant is a corporation or partnership, list the names and addresses of the principal officers of the corporation, or the general partners of the partnership (as the case may be):

2. The name of the Homeowners Association is: **Mallard Run Homeowners Association, Inc.**. If incorporated, the Homeowners Association was incorporated in the State of **Maryland**. The name of the Maryland resident agent for the Homeowners Association is: **James DiDonato**.

3. The Development is located at: **Benton Rd., Stevensville, MD**. The Development consists of **81** lots. The minimum number of lots which may be contained within the Development are **26**. The maximum number of lots which may be contained within the Development are **81**.

4. The Declarant owns the following property which is contiguous to the Development and is to be dedicated to public use: **N/A**

5. State whether the Development is, or will be, within, or a part of, another development: **No.**. If the answer is yes, give a general description of that other development: **N/A**.

6. State whether the Declarant has reserved the right to annex additional property to the Development: **No.** If the answer is yes, give a description of the size and location of the additional property and the approximate number of lots currently planned to be contained in the Development, as well as any time limits within which the Declarant may annex such property: **N/A**.

7. Attach a copy of the Bylaws and Rules of the Development. If the Development is, or will be, within, or a part of, another development, also attach a copy of the Bylaws and Rules of the other development. The obligations set forth in the Bylaws and Rules of the Development (and, if the Development is, or will be, within, or a part of, another development, the obligations set forth in the Bylaws and Rules of the other development) will become the obligations of, and will be enforceable against, the owner of a lot in the Development. State whether these obligations are also intended to become the obligations of, and enforceable against, the tenants of any owner of a lot in the Development: **Yes.**.

8. (a) The Homeowners Association is now, or is expected to be, the owner of the common area described in the Declaration. In addition, the Homeowners Association is now, or is expected to be, the owner of the following property: **N/A**.

(b) The Homeowners Association leases now, or is expected to be the lessee of, the following property: **N/A**.

(c) The following property is not now owned or leased by the Homeowners Association, nor is the Homeowners Association expected to own or lease the following property, but it is maintained by the Homeowners Association: **Common Areas and Open Space.**

9. Information regarding the zoning and other land use requirements affecting the Development is available at the Office of Planning and Zoning for **Queen Anne's County**, Maryland, whose address is: **107 N. Liberty Street, Centreville, Maryland 21617**.

10. (a) If mandatory Homeowners Association fees or assessments are not now being levied, state when they will first be levied against owners of lots: **As set forth in the Declaration and By-Laws.**

(b) Provide a description of the procedure for increasing or decreasing such fees or assessments: **As set forth in Declaration and By-Laws**.

(c) Provide a description of how fees or assessments and delinquent charges will be collected: **Fees and assessments will be collected on a quarterly basis.**

(d) State whether unpaid fees or assessments are personal obligations of owners of lots: **Yes.**

(e) State whether unpaid fees or assessments bear interest: **Yes.** If they do, state the rate of interest: **1% per month (12% per annum)**.

(f) State whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act (§14-201, *et seq.* of the Real Property Article of the Annotated Code of Maryland): **Yes.**

(g) State whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and describe any other consequences for the non-payment of fees or assessments: **Yes.**

11. The following is a description of special rights or exemptions reserved by, or for, the Declarant, including (a) the right to conduct construction activities within the Development, (b) the right to pay a reduced Homeowners Association fee or assessment, (c) exemptions from use restrictions, and (d) architectural control provisions contained in the Declaration or provisions by which the Declarant intends to maintain control over the Homeowners Association: **Easement rights as set forth in Article IX of the Declaration**.

12. Provide the name, address, and telephone number of the management agent of the Homeowners Association (or other officer or agent authorized by the Homeowners Association to provide members of the public the information regarding the Homeowners Association, or state that no such agent (or officer) is presently so authorized: **No such agent is presently so authorized**.

13. Attachments (check if attached)
    Bylaws: ✔.
    Regulations:.
    Bylaws and Regulations of any other development of which the Development is or will be a part: **N/A.**

BYLAWS

ARTICLE I

NAME AND LOCATION. The name of the corporation is Mallard Run Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at P.O. Suite 500, Rainbow Plaza, P.O. Box 142, Chester, Queen Anne's County, Maryland 21619, but meetings of members and directors may be held at such places within the State of Maryland, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. The terms "Access Easement," "Open Space," "Declarant," "Improvements" "Lot," "Lot Owner," "Common Area" and "Residents" as used in these Bylaws shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for Mallard Run dated December 21, 1999, and recorded among the Land Records of Queen Anne's County on January 24, 2000 in Liber S.M. No. 717, folio 413 (the "Declaration").

Section 2. "Member" means those persons or entities entitled to membership in the Association as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within the State of Maryland selected by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Members of the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than fifteen (15) nor more than sixty (60) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to cast one-tenth (1/10) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

ARTICLE IV

BOARD OF DIRECTORS SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who shall be Members of the Association.

Section 2. Term of Office. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members at which their successors are elected. The terms of each director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal. Any director, other than a Charter Director, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal, pursuant to these Bylaws, of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination of Directors for election to the Board of Directors shall be made by the Members of the Association from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At the election the Members of the Association or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Open Space and Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

(d) employ a manager, independent contractors, or other employees or contractors as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) keep a complete record of all its acts and corporate affairs and to present a statement

thereof to the Members at the annual meeting of the Membership, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Members of the Association.

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) Fix the amount of the annual assessment against each Lot not later than January 31st of each year;

(2) send written notice of each annual assessment to every Lot Owner subject thereto not later than February 15th of each year, and of each special assessment, at least forty-five (45) days in advance of its due date; and

(3) foreclose the lien against a Lot if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates; (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Open Space and Common Areas to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Not more than two offices may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds, and other written instruments.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper

books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

ARTICLE IX

COMMITTEES

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the Lot against which the assessment is made. If the assessment is not paid on the due date, the assessment shall bear interest from the date of delinquency at the rate of 1% percent per month (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Open Space or Common Area or abandonment of his Lot.

ARTICLE XII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3) of the votes of the Members of the Association present in person

or by proxy at the meeting at which the vote is taken. Anything set forth above in this Article XII to the contrary notwithstanding, the Association shall have the absolute unilateral right, power and authority to modify, revise, amend or change any of the terms or provisions of these Bylaws all as from time to time amended or supplemented.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.

Section 3. Notwithstanding the preceding Sections 1 and 2 of this Article, so long as the Mallard Run, L.L.C. controls the voting rights of the Association, the prior approval of the Federal Housing Administration or the Veterans Administration shall be required to: amend these By-laws, the Articles of Incorporation or the Declaration; to annex additional properties into the Association; to mortgage or dedicate the Common Areas; and, to dissolve the Association.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, we, being all of the Directors of Mallard Run Homeowners Association, Inc., have hereunto set our hands this 28th day of March, 2000.

James DiDonato

Pasquale DiDonato

Angelina DiDonato

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of Mallard Run Homeowners Association, Inc., a Maryland corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 28th day of March, 2000.

MALLARD RUN HOMEOWNERS ASSOCIATION INC.

RESOLUTIONS APPROVING EASEMENTS

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CLERK, CIRCUIT COURT
02 SEP 12 AM 11:19
QUEEN ANNE'S COUNTY

The undersigned Directors, pursuant to the provisions of the Maryland Corporations and Associations Article, hereby unanimously consent to the following resolutions:

RESOLVED: That Pasquale DiDonato shall continue to serve as the Corporation's President until his successor is elected and appointed by the Directors.

RESOLVED: That the current and only Members of the Board of Directors of the Corporation at this time are:

Pasquale DiDonato and Angelina DiDonato and James Didonato

RESOLVED: That the Utility Easement from Mallard Run LLC to Energy Resources LLC is hereby ratified and confirmed and approved and consented to.

RESOLVED: That the Utility Easement from Energy Resources LLC to K. Hovnanian at Kent Island LLC is hereby ratified and confirmed and approved and consented to.

RESOLVED: That the Emergency Access Easement from Mallard Run LLC to K. Hovnanian at Kent Island LLC is hereby ratified and confirmed and approved and consented to.

These Resolutions were effective as of the October 9, 2001, when the Directors first approved the granting of the easements by the Corporation. They are being signed in 2002 to ratify and confirm the Easements that have been granted in 2002.

We hereby certify that these Resolutions were duly adopted by the Corporation; are now in full force and effect; are in conformity with the Corporation's Articles of Incorporation and By-Laws and the Declaration of Covenants for Mallard Run; that there have been no amendments or modifications; and are within the LLC's lawful powers.

Mallard Run Homeowners Association, Inc.

Dated: April 30, 2002

By: _____
Pasquale DiDonato, President

Members of the Board of Directors:

_____ _____ _____
Pasquale DiDonato Angelina DiDonato James Didonato

RECORDING FEE 5.00
TOTAL 5.00
QA01 Rcpt # 21457
JGG Blk # 1171
SEP 12, 2002 11:19 am

Route 1, Box 357B
Chester, MD 21619

November 18, 1988

Mr. Joseph E. Finke, President
Marling Farms Community Assn., Inc.
P.O. Box 123
Chester, Maryland 21619

Dear Mr. Finke:

This is to confirm, in writing, that authorization has been given to Marling Farms Community Association, Inc., by Ewing & Foster, to collect annual dues from resident families in Marling Farms in lieu of a front foot assessment.

Sincerely,

Carlton B. Foster

CBF:msl

RECEIVED
CLERK, CIRCUIT COURT
1989 JUN 16 AM 11:09
QUEEN ANNE'S COUNTY

Joseph Finke - President - Marling Farms Comm. Assn. 11-18-88

JANUARY 25, 1989

Ms. Marguerite W. Mankin
Clerk of the Circuit Court
for Queen Anne's County
Centreville, Maryland 21617

Dear Ms. Mankin:

The Board of Directors of the Marling Farms Community Association has voted to start enforcing the collection of dues as stated in the Association's by-laws. The amount is $20.00 pe ryear and is due on July 1. We will start with ~~the~~ 1988-89 and will collect retroactively for three years
Fiscal

The Board of Directors of the Marling Farms Communnity Association ~~have voted~~ intends to start enforcing the collection of dues. As stated in the by-laws, dues are $20.00 per family per year, and are due on July 1. The Association will only collect retroactively for the past three years.

Enclosed are copies of the by-laws and the covenants of the Association.

Enclosed is a copy of the by-laws of the Association and a copy of the covenants covering residents in Marling Farms.

COPY TO M.F.C.A. FILES

Joseph E. Hinkle
President
Marling Farms Comm. Assn.

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1989 JUN 16 AM 11:09
QUEEN ANNE'S COUNTY

REC'D FEE 50.00
SUBTOTAL 50.00
CHECK NO 50.00
[illegible] C002 R01 T11:07
06/16/89

MARLING FARMS COMMUNITY ASSOCIATION, INC.

BY-LAWS PROPOSALS

ARTICLE I -- Name and Location

SECTION 1 -- Name:

The name of this organization shall be the Marling Farms Community Association, a non-profit organization hereinafter known as the Association.

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SECTION 2 -- Mailing Address:

The mailing address of the Association shall be:

Marling Farms Community Association
P. O. Box 123
Chester, Maryland
21619

ARTICLE II -- Purpose

SECTION 1:

The purpose of this Association is to promote the general welfare of the Community.

ARTICLE III -- Membership and Dues

SECTION 1 -- Membership

Membership will be required by each property owner.

Each property owner, who is a member of the Association in good standing, or in his absence, the property co-owner only, will have one vote regardless of the amount of property involved. In order to vote at a meeting, the membership card must be presented. One card -- one vote. Voting will be either by ballot or voice vote, at the discretion of the President or as requested from the floor.

SECTION 2 -- Dues

(a) The annual dues for membership in the Association shall be twenty dollars ($20.00). Such dues shall cover a period of one calendar year. Any property owner may apply for exemption if so desired. May apply to the Executive Council due to hardship.

Joseph Fiske President Marling Farms Comm. Assn.
11-18-88

(b) Each member whose annual dues remain unpaid as of June 1, shall be considered delinquent and membership and all privileges forfeited. In order to be reinstated, all delinquent dues must be paid to date.

SECTION 3 --

The fiscal year shall be from June 1, to May 31st.

ARTICLE IV -- Executive Council

SECTION 1 -- Executive Council shall consist of a President, a Vice-President, a Secretary, and a Treasurer as officers, a Board of Directors composed of duly elected members, and which will constitute the executive council which is comprised of all officers and Board members.

SECTION 2 -- President

Shall be elected for a term of two years and not to exceed two consecutive terms.

Shall preside at all general membership and executive council meetings. He/she shall direct the business of the Association and with powers ordinarily exercised by the President of an Association.

SECTION 3 -- Vice-President

In the absence of the President, the Vice-President shall perform all the duties of the President and when so acting shall have the powers of the President. Shall be elected for a term of two years and not to exceed two consecutive terms.

SECTION 4 -- Secretary

The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors, see that all notices are duly given in accordance with the provisions of the By-Laws; and shall be the custodian of the records. Shall be elected for a term of two years and not to exceed two consecutive terms.

SECTION 5 -- Treasurer

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Association. An account of the financial condition of the Association shall be kept and reported at all members and board meetings. Shall be elected for a term of two years and not to exceed two consecutive terms.

The Treasurer's books shall be audited by a Committee appointed by the President prior to the annual election meeting. A report will be made to the membership at that meeting.

SECTION 6 -- Board of Directors

Shall consist of 7 members, elected yearly.

SECTION 7 -- Removal

At a special meeting of the members, called for this purpose, an Executive Council member may be removed from office, for just cause by a majority vote of the membership.

A member of the Board of Directors may be removed for good cause by a two-thirds Executive Council vote.

SECTION 8 -- Vacancies

The President with approval of the Board, shall appoint someone to fulfill the vacancy until the next general election.

ARTICLE V -- Elections and Quorums

SECTION 1 -- Election

The nominating committee shall be appointed by the President at least eight weeks prior to the June meeting. Their selections and those submitted by members, shall be presented at the annual meeting in writing to the members with the notice of this meeting. Nominations by any member shall be accompanied by an acceptance of the member. Nominations may also be made from the floor with prior commitment.

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SECTION 2 -- Quorum -- General Membership

A quorum shall consist of not less than twenty three (23) members for voting purposes. A majority vote cast is sufficient to addopt a motion that is in order. Executive Council will have a quorum of 7.

ARTICLE VI -- Committees

SECTION 1 -- An auditing committee shall be appointed by the President to fulfill the duties described in Article IV, Section 5.

SECTION 2 -- The President may create special committees when deemed advisable and define their duties.

ARTICLE VII -- Revisions

SECTION 1 -- These By-Laws may be revised as amended at any regular or special meeting of the membership. Proposed revisions or amendments to these By-Laws must be submitted to the membership at least 10 days before any action is taken on them. Two-thirds or more of those present at any meeting where the revision or amendment of these By-Laws is considered must be in favor of the revision or amendment in order for such revision or amendment to be effected.

ARTICLE VIII -- Meetings

SECTION 1 -- There shall be at least two (2) general membership meetings. All members shall be notified at least 10 days in advance. Executive Council may call special general meetings as deemed necessary.

SECTION 2 -- Executive Council meetings shall be called by the President as need arises.

ARTICLE IX -- Order of Business

SECTION 1 -- At all general membership meetings the order of business shall be as follows:

1. Reading of Minutes
2. Treasurer's Report
3. Report of Committees
4. Old Business
5. New Business
6. Adjournment

The order of business may be altered or suspended at any meeting by a majority of members present. The usual parliamentary rules as laid down by Roberts Rules of Order shall govern all debates.

ARTICLE X -- Monies

No monies shall be spent over $250.00 unless approved by a majority vote at membership meeting. Monies less than $250.00 may be spent on a majority vote by the Executive Council. Under $50.00 may be approved by the President.

ARTICLE XI -- Beach/Boating Facilities

SECTION 1 -- Beach/Ramp at Beach #3

This ramp is for the use of paid members and non-resident guests of these paid members only. All others attempting to use these facilities will be prosecuted as trespassers.

SECTION 2 -- Boat -- Anchorage/Mooring

All paid members having existing anchorage/mooring berths as of June 1, 1981, shall retain these positions. Anyone desiring a new berth may submit their request in writing to an officer of the Association. New berths will be assigned as available on a first-come first-serve basis.

LAW OFFICES
TURNER & THOMPSON
109 LAWYERS ROW
CENTREVILLE, MARYLAND 21617

EDWARD TURNER
PATRICK E. THOMPSON

TELEPHONE
(301) 758-1705

August 6, 1981

Michael R. Foster, Esquire
Kent Island Shopping Center Rd.
Stevensville, Maryland 21666

In re: Deed from Ewing and Foster, Inc.
to Marling Farms Community Association

Dear Michael:

You will find herewith enclosed the original and one copy of the long awaited Deed involved in the above referended matter.

Would you be kind enough to review the same for accuracy and legal sufficiency and if you are satisfied, have the original executed appropriately by Ewing and Foster, Inc. and return to me for recording.

Michael, the metes and bounds descriptions which appear in the Deed are the result of a survey which Ken McDonald and Bob Ferguson had done at my suggestion. We are told that Russell Klages is the person who conducted this survey.

If there are any questions, please call me promptly because Mr. McDonald informed me yesterday that they are most anxious to wind up this matter.

With kind regards,

Sincerely,

EDWARD TURNER

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CLERK, CIRCUIT COURT
1989 JUN 16 AM 11:09
QUEEN ANNE'S COUNTY

/ld

Enclosures

cc: Ken McDonald

I hope that you can now appreciate the reason for the delay which rests with your Association and is not attributable to any reluctance on the part of Ewing and Foster to execute a deed. I hope that you would take the time to correct any misunderstandings that other members of your Association may have in this regard.

Very truly yours,

Michael R. Foster

MRF/kj
cc: Thomas R. Ewing
Carlton L. Foster
Edward Turner

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LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MARYLAND 21666
(301) 643-2141

September 25, 1981

Mr. Robert R. Ferguson, President
Marling Farms Community Assoc.
Chester, Maryland 21619

Re: Deed from Ewing & Foster, Inc.
to Marling Farms Community Assoc.

Dear Mr. Ferguson:

It has come to my attention that members of your Association have been reporting that Ewing and Foster, Inc. is no longer willing to deed over the various community properties in Marling Farms to your Association. This represents the furtherest thing from the truth, Ewing and Foster continues to stand ready to execute a deed to the appropriate properties.

The transfer of these various parcels, together with the accompanying agreements as to restrictive covenants, should have been a matter which could have been easily accomplished within two weeks. As early as last May Edward Turner and myself both agreed upon the necessity for having survey descriptions and plats to the community areas, not enumerated by lots numbers on the various plats of Marling Farms. It took from May to mid August for us to be presented with a deed, which again did not contain plats to the unnumbered lots. I draw your attention to Parcel No. 3, Parcel No. 5 and Parcel No. 6 contained therein. Additionally, the description contained in Parcel No. 1 is incorrect in as much as you have left out a couple of lots which should be included. Since those are numbered lots, we can correct that on our own.

The aforementioned deed also does not include a reverter clause as referred to in my letter of May 20, 1981 to Ken McDonald. The purpose of the reverter clause is to provide that should the Association become inactive or defunct, the lots which are held for the benefit of all lot owners in Marling Farms would revert to the grantors or another entity which would preserve and protect the property on behalf of the lot owners.

I hope that you can now appreciate the reason for the delay which rests with your Association and is not attributable to any reluctance on the part of Ewing and Foster to execute a deed. I hope that you would take the time to correct any misunderstandings that other members of your Association may have in this regard.

Very truly yours,

Michael R. Foster

MRF/kj
cc: Thomas R. Ewing
Carlton L. Foster
Edward Turner

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MONUMENTAL TITLE CORPORATION

1989 JUN 16 AM 11: 09
QUEEN ANNE'S COUNTY

1987 HOMEOWNERS ASSOCIATION LAW

RESALE REQUIREMENTS

A. What is this law?

1. New law requiring seller/owner of property to disclose information about the neighborhood homeowner's association to potential buyers
2. Gives buyers the right to back out of signed contracts any time before settlement if the information is not disclosed.

B. When does this apply?

1. Lot/Property is in a development with:

   A. Homeowners Association
   B. with mandatory charges

2. The law also applies to development where there is a right to assess charges, whether or not the charges are assessed. This is a difficulty for the resale market because the homeowner who is not being charged is unlikely to know that the Association has the right to charge and has not exercised it. BEST ADVICE: 1. Ask the Homeowner, (especially if this is the first resale of a nearly new development.), 2. Suggest owner re-read any copy of HOA restrictions that he/she has, 3. Check with title company.

3. All contracts signed after July 1, 1987.

C. What information must be given buyer?

A written statement listing:

1. whether the property is in a development with a mandatory homeowners association
2. current fees
3. All prior charges within the last fiscal year of the association.
4. Any delinquent fees or late charges the homeowner owes.
5. Name, address and phone # of
   a) the management agent of the association, or
   b) Any other authorized agent of the HOA, or
   c) A statement that there is no authorized agent of the HOA

6. Any pending lawsuits, unsatisfied judgments or covenant violations that the owner/seller has actual knowledge of. NOTE: if seller knows of none of these, it is best to include a statement like "seller has no actual knowledge of any unsatisfied judgment etc."

7. A copy of the Homeowners Association Declaration and By-Laws

SAMPLE RESALE DISCLOSURE STATEMENT

1. This property is located within a development known as _____.

2. The current fees are $_____ per year.

3. Within the last fiscal year the Homeowners Association has charged this property _____.

4. There are no delinquents fees or late charges charged to this property unless they are set forth below.
   late charges_____
   delinquent fees_____
   attorneys fee_____

5. There is not an authorized agent for the Homeowners Association unless one is listed below.
   name of agent_____
   address_____
   phone number_____

6. The Seller/Owner has no actual knowledge of any pending lawsuits, unsatisfied judgments or covenant violations except those listed below. If none are listed, owner has no actual knowledge of any such claims.

   _____
   _____
   _____
   _____

7. A copy of the Covenants, Conditions and Restrictions covering this property and By-Laws of the Homeowners Association, if applicable are attached.

SUB-DIVISION I

The word "street" as used in this Deed and Agreement is intended to mean any street highway, or other thoroughfare shown on said plat or hereafter laid out in Marling Farms — Section One, whether designated as street, avenue, road, place, court, alley, land, path, way, or otherwise.

A "Front Street" shall, as to any lot except a corner lot, be deemed the street, not less than fifty (50) feet in width, upon which the particular lot abuts. A corner lot shall be deemed to front on the street, not less than fifty (50) feet in width, upon which it has its smallest frontage, except in cases where the Company shall designate in any deed hereafter made by it conveying any corner lot, the street on which such corner lot shall thereafter be considered as fronting.

The word "building" as used in this Deed and Agreement is intended to mean either a detached building or a block of two or more attached buildings.

The word "parcel" as used in this Deed and Agreement is intended to mean a piece of land which has not been opened up and laid out with streets and lots.

The word "lot" as used in this Deed and Agreement is intended to mean any piece of land on which, in accordance with the provisions hereof or of any deed from the Company hereafter transferring title thereto, the owner shall have the right to erect a building as above defined.

The words "Marling Farms — Section One", "tract", and "tract of land" as used hereinafter in this Deed and Agreement are each intended to mean all the land shown on and included in said plat filed for record as hereinbefore stated.

SUB-DIVISION II

There shall not be erected, permitted, maintained or operated upon any of the land included in the tract any brewery, distillery, malthouse, slaughterhouse, brass foundry, tin, nail, iron or other foundry, lime-kiln, stone quarry, cement mill, sugar refinery, crematory, graveyard, jail, penitentiary, house of correction, hospital, asylum sanatorium or institution of like or kindred nature, stable of any kind, cattle yard, hog-pen, fowl yard or fowl house, cesspool, privy vault or any form of privy (not including, however, septic tanks with leaching pits or dry wells); nor any plant, manufactory or establishment for the purpose of making or preparing soap, candles, starch, vitriol, vinegar, glue, ink, turpentine, oil, lamp black, gunpowder, dynamite or other explosive, baking powder, cream of tartar, gas, asphalt or fertilizer, nor for bone boiling, fat boiling, dyeing, tanning, dressing or preparing of skins, hides or leather; nor shall any noxious, dangerous or offensive thing, trade or business whatsoever be permitted or maintained on the tract; nor shall any live poultry, hogs, cattle or other livestock be kept thereon.

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SUB-DIVISION III

The land included in the tract, except as hereinbefore or hereinafter provided, shall be used for private residence purposes only; and, with such exceptions, no building of any kind whatsoever shall be erected or maintained thereon except private dwelling houses, one (1) to each lot, each dwelling being designed for occupancy by a single family, and private garages for the sole use of the occupants of the lots upon which such garages are erected.

No trailer, basement, tent, shack, garage, barn, or other out-building erected on the tract shall at any time be used as a residence, temporarily or permanently; nor shall any residence of a temporary character be permitted.

Every dwelling erected upon the tract shall be provided with inside toilets with adequate water supply and septic tank installation for disposal of sewage, approved by the Company.

Buildings to be used for schools, churches, libraries, art galleries, museums, apartment houses, clubs, offices, studios, public garages, or for recreational, educational, religious or philanthropic purposes may be erected or maintained by the Company in such locations as it may determine and by others in locations approved by the Company; provided, however, that in the latter event no building shall be erected, maintained or used for any of the said purposes, except by the Company, unless in each case there shall first have been filed in the proper office of record a deed or other instrument in writing executed by the Company, approving, specifying and limiting the uses to which such building may be put; with the approval of the Company buildings may be erected, maintained or used for business purposes on any part or parts of any parcel or parcels of land contiguous or near to Marling Farms-Section One which may hereafter be subjected by the Company to the provisions of this Deed and Agreement as part of the Marling Farms development; provided, however, that the restrictions contained in Sub-Division II hereof shall in all cases be observed.

Parks, playgrounds, and public beaches may be laid out and maintained by the Company and by others in locations previously approved in writing by the Company.

No "For Sale" and/or "For Rent" sign, or sign of similar character, shall be erected or maintained on the tract or on any building or structure on the tract; provided, however, that the Company may from time to time suspend this restriction, as to the tract as a whole, for such period or periods of time and subject to such conditions and regulations as it may determine; no signs of any kind (including the above mentioned signs if permitted) nor billboards, posters or advertising devices of any character shall be erected or maintained on said tract, or on any building or structure on the tract, without the written consent of the Company and its approval in writing as provided in Sub-Division VI hereof.

Joseph Fischer - Pres. Marling Farms Com. Assn 11/18/88

SUB-DIVISION IV

No building or part thereof, except as hereinafter provided, shall be erected or maintained on any part of the tract closer than twenty-five (25) feet to any front street less than fifty-one (51) feet in width or closer than thirty (30) feet to any front street fifty-one (51) or more feet in width.

Steps, uncovered porches and terraces, no part of which is more than three (3) feet above the level of the first floor of the building, may be built and maintained on any part of such restricted areas.

Single story bay, bow and oriel windows not more than fifteen (15) feet in height (exclusive of foundation or other support) may encroach on such restricted areas by projecting thereon not more than three (3) feet, but the total horizontal plane area of such encroachments on any side of a detached building or of each of a block of buildings is not to exceed thirty (30) square feet.

No building or part thereof, nor any garage, shall be erected or permitted within five (5) feet of the rear line of any lot. No part of any garage shall be erected or maintained more than thirty (30) feet from the rear line of any lot unless the garage be attached or connected by a breezeway, or similar architectural device, to the dwelling house on the lot, nor in any case closer than fifteen (15) feet to any side street fifty (50) feet or more in width.

The Company shall, in all cases, have the right to say and determine, for the purposes of this Deed and Agreement, what is the level of the first floor of any building or of any part thereof, which shall be held to be the front, side or rear lines of any lot and, also, the amount of the setback from said lines necessary to conform to the requirements hereof, and the Company's judgment and determination thereon shall be final.

SUB-DIVISION V

Free, or open, spaces shall be left on every lot built upon, on both sides of every building erected thereon, which free spaces shall, except as hereinafter provided, extend the full depth of the lot and shall be in addition to and independent of any free spaces pertaining to or required for any other building or any other lot. No part of any building, except as hereinafter provided, shall encroach on any such free space. The width of such free space to be left on either side of any building shall be not less than twenty per cent (20%) of the front footage (along the front street) of the lot upon which such building is to be erected.

Steps, uncovered porches and terraces, no part of which is more than three (3) feet above the level of the first floor of the building, may be built and maintained on any part of such free spaces.

An encroachment of not more than two (2) feet may be made on any such free space by eaves, cornices and gutters.

A garage, no part of which is further than thirty (30) feet from the rear line of the lot, shall not be subject to the provisions of this Sub-Division.

SUB-DIVISION VI

No building, fence, wall or other structure shall be commenced, erected or maintained on the tract, nor shall any addition to or change or alteration therein (including any retreatment by painting or otherwise of any exterior part thereof) be made, until the plans and specifications, showing the nature, kind, shape, height, materials, floor plans, color scheme and location of such structure and the grading plan of the lot to be built upon shall have been submitted to, and approved in writing by, the Company, and a copy thereof, as finally approved, lodged permanently with the Company; no roadway shall be constructed or maintained into a lot from any street until the plans and specifications therefor shall have been submitted to, and approved in writing by, the Company, and a copy thereof, as finally approved, lodged permanently with the Company. No pier, boat house, bulkhead, bath house, or similar outbuilding shall be erected upon the tract without the prior written approval and permission of the Company.

The Company shall have the right to refuse to approve any such plans or specifications, grading plan or material that are not suitable or desirable, in its opinion, for aesthetic or other reasons; and in so passing upon such plans, specifications, grading plan or material it shall have the right to take into consideration the suitability of the proposed building, or other structure, and of the materials of which it is to be built, to the site upon which it is proposed to erect the same, the harmony thereof with the surroundings, and the effect of the building or other structure, or the roadway, as planned, on the outlook from the adjacent or neighboring property.

Approval given hereunder shall become null and void unless construction is begun within six (6) months from the date of such approval and completed with reasonable expedition.

SUB-DIVISION VII

The Company hereby expressly reserves the right, at any time or from time to time, to annul, waive, change or modify any of the restrictions, conditions, covenants, agreements or provisions contained in Sub-Divisions III, IV, V, VI and XV hereof, as to any part of the land then owned by the Company in said tract and, with the consent of the then owner (not including a mortgagee), as to any other part of the land included in said tract; provided, however, that any such annulment, waiver, change or modification shall be evidenced by a written instrument duly e[illegible]

and acknowledged by the Company and recorded in the Land Records of Queen Anne's County, the said then owner joining as a party in said instrument where necessary to show consent in respect of any land belonging to said owner.

SUB-DIVISION VIII

Easements and rights-of-way are hereby expressly reserved (a) in and over a strip five (5) feet in width along the rear line of each lot as shown on said plat, except the waterfront lots and Lots Nos. twenty-nine (29), forty-seven (47), sixty-three (63), eighty-eight (88), and ninety-nine (99); and (b) in a strip five (5) feet in width along the side lines of Lots Nos. twenty-nine (29), forty-seven (47), sixty-three (63) and eighty-nine (89) as shown on said plat; and (c) in and over the strips of land indicated as reservations on the said plat. Such easements and rights-of-way shall be for the following purposes;

For the erection, construction and maintenance of poles, wires and conduits, and of the necessary or proper attachments in connection therewith for the transmission of electric current and for telephone and other public utility services;

For the construction and maintenance of storm-water drains, land drains, sewers, pipe lines for supplying gas, water and heat, and for any other public or quasi-public utility or function conducted, maintained, furnished or performed by or in any method beneath the surface of the ground.

The Company shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights-of-way are reserved.

The right is reserved to prune or trim any tree or shrub on any lot that interferes with the construction, maintenance or efficiency of said electric, telephone or other public utility services.

The Company reserves the right, at the time of or after grading any street or part thereof, to enter upon any abutting lot and grade the portion of such lot adjacent to such street to a slope of not to exceed two (2) feet horizontally for each one (1) foot of height thereof, but the Company shall not be obligated to do such grading or to maintain the slope.

SUB-DIVISION IX

It is hereby expressly stated and provided that nothing herein contained shall constitute a dedication of any street shown on said plat, the title to all such streets being hereby expressly reserved to the Company; nor shall any deed from the Company hereafter made, conveying any part of the land included in said tract, be held to convey the title to or to dedicate the bed of any street, except where expressly so conveyed or dedicated in the deed.

If any public authority shall condemn for public uses any street or streets included in said tract and if in the condemnation proceedings damages shall be awarded to the Company for the taking of such street or streets, the Company agrees to apply the amount received by it as damages in each condemnation proceeding, or so much thereof as may be necessary for the purpose, toward reimbursing the owners of any land included in said tract, against whom in such proceeding benefits may have been assessed in excess of the damages awarded to them.

The Company hereby gives and grants to each owner hereafter acquiring title to any lot included in said tract the right to such use of the streets, shown on said plat or which may hereafter be laid out in said tract, as may be necessary for reasonable and convenient ingress and egress to and from the lot belonging to such owner; but, subject to such use by said owners, the Company expressly reserves to itself the title to both the surfaces and beds of all said streets and the right to use and occupy the same or to allow others so to do in any manner that does not materially interfere with said user of ingress and egress; and it further expressly reserves the exclusive right to grade, change the grade of, regrade, change the location of, close or partly close any such street; but no change of location, grade or closing shall be made that will prevent reasonably convenient ingress and egress to and from, or take any portion of, any lot sold or conveyed by the Company prior to such change of location, grade or closing.

The Company reserves, however, the right to dedicate to public use and the right to convey to any public authority or to any corporation having power to acquire the same, any or all of its right, title and interest in and to any street shown on said plat or hereafter laid out in said tract, subject to the rights of owners of any land included in said tract as hereinbefore granted.

SUB-DIVISION X

All the land included in said tract (except land owned by the Company and except, further, as hereinafter provided) whether owned by the Company or by others, except streets shown on said plat or hereafter laid out and except land taken or sold for or devoted to public improvements or uses, or to the general benefit or use of the occupants of said tract, shall be subject to an annual Community Maintenance Charge at the rate of Twenty Cents (20¢) per foot of frontage on a front street, for each year, commencing with the year 1953, for the purpose of creating a fund, to be known as the Community Maintenance Fund, to be paid by the respective owners of the land included in said tract to the Company annually, in advance, on the first day of January in each year, commencing with January 1, 1953.

The amount of said annual charge may be adjusted from year to year by the Company as the needs of the property may, in its judgment, require; but in no event shall such amount be raised above Twenty Cents (20¢) per foot of frontage on a front street for any calendar year.

If a deficit occurs in the Community Maintenance Fund in any calendar year, said deficit may be made up from the fund collected during the succeeding calendar year or years.

If the amount of the annual Charge levied on the first day of January in any year be less than Twenty Cents (20¢) per foot of frontage on a front street, the Company may, in its discretion increase such levy at any time during said year to Twenty Cents (20¢) per foot of frontage on a front street; but in no event shall the total amount levied for said year be raised above Twenty Cents (20¢) per foot of frontage on a front street.

The Company agrees to apply the total fund arising from said Charge, as far as the same may be sufficient, towards the payment of Community Maintenance Expenses incurred for the following purposes:

For lighting, improving and maintaining the streets, and the parks and playgrounds, if any, maintained for the general use of owners and occupants of land included in said tract, including all grass and planted areas within the boundaries of such streets, parks and playgrounds;

For operating and maintaining storm-water drains and sanitary sewers now or hereafter constructed in said tract;

For employing policemen and watchmen;

For caring for unimproved and for improved by unoccupied land, on which said Community Maintenance Charge is being paid, and for removing grass and weeds therefrom.

For expenses incident to the examination and approval of plans as herein provided, and to the enforcement of the restrictions, conditions, covenants, easements, charges and agreements herein contained.

For taxes and assessments, if any, that may be levied by any public authority upon the streets, parks and playgrounds, now or hereafter opened, laid out or established for the general use of the owners of land included in said tract;

For doing any other thing that, in the opinion of the Company, may be of general benefit to the said owners.

It is expressly agreed that said Community Maintenance Charge shall constitute a lien or encumbrance on the land with respect to which said Charge is made, and that by the acceptance of title to any of the land included in said tract the owner (not including thereby a mortgagee), from time of acquiring title thereto, shall be held to have covenanted and agreed to pay to the Company the Charge provided for in this Sub-Division, due and unpaid at the time of his acquiring title, in respect of the land acquired, and to pay such Charge thereafter falling due, as long as he shall hold title of record, without the right in any event to reimbursement for any charge that he may have paid in advance; a certificate in writing, signed by an officer of the Company, shall be given on demand to any owner liable for said Charge, setting forth the status of such owner and of the land in reference to which the inquiry is made, with respect to said Charge; such certificate, in favor of anyone relying thereon to his damage, shall be binding on the Company.

By acceptance of title each owner shall be held to vest in the Company the right and power, in its own name, to take and prosecute all actions or suits, legal, equitable or otherwise, which may, in the opinion of the Company, be necessary or advisable for the collection of such Charge.

Said Charge, at the discretion of and with the consent in writing of the Company, signed by its President or Vice President, and upon such conditions as it may impose, may be made subject to the lien of any mortgage on any part of said tract, provided such subordination shall apply only to the Charge that shall have become payable prior to the passing of title under foreclosure of such mortgage; and nothing herein or in any consent to subordination given by the Company shall be held to affect the rights herein given to enforce the collection of such Charge accruing after sale under foreclosure of such mortgage.

If the Company shall carry out the intention, hereinbefore expressed, of developing part or all of the lands, hereinbefore mentioned, that it owns or may hereafter acquire contiguous or near to Marling Farms — Section One, and if the said development shall be of the same general character as Marling Farms — Section One and the Company shall impose on any land so developed as part of Marling Farms a Community Maintenance Charge of a similar character and at the same rate as is imposed by this Sub-Division on the land included in Marling Farms — Section One and shall also subject such land to covenants, agreements, easements, restrictions, conditions and charges of the same general character as those contained in the other Sub-Divisions of this Deed and Agreement, it is agreed that the Company shall have the right to provide, in any recorded deed and agreement making any part of such land a part of the development of Marling Farms, that the Community Maintenance Fund, so long as the same shall be in existence, arising from the tract of land included in Marling Farms — Section One and the Community Maintenance Fund or Funds, so long as the same shall be in existence, arising from such contiguous or nearby lands, shall be considered as one fund and shall be applied to Community Maintenance Expenses incurred with respect to all of the land on which said Community Maintenance Charge is being paid, without regard to whether the contributions to the fund are made from or on account of the land included in Marling Farms — Section One or from lands contiguous or near thereto.

SUB-DIVISION XI

Violation of any restriction or condition or breach of any covenant or agreement herein contained shall give the Company, in addition to all other remedies, the right to enter upon the

land upon or as to which such violation or breach exists, and summarily to abate and remove, at the expense of the owner thereof, any structure, thing or condition that may be or exist thereon contrary to the intent and meaning of the provisions hereof; and the Company shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal.

SUB-DIVISION XII

The provisions herein contained shall run with and bind the land included in said tract and shall inure to the benefit of and be enforceable by the Company and/or by the owner of any land included in said tract, their respective legal representatives, heirs, successors and assigns; and failure by the Company and/or by any land owner to enforce any restriction, condition, covenant or agreement herein contained shall in no event be deemed a waiver of the right to do so thereafter as to the same breach or as to one occurring prior or subsequently thereto.

SUB-DIVISION XIII

All the covenants, agreements, easements, restrictions, conditions and charges contained herein shall be in perpetuity; provided, however, that in the year 2000, and in each twentieth year thereafter (this is, in the year 2020, in the year 2040, etc.) any of the provisions contained in Sub-Divisions III, IV, V, VI, VII, X, and XV may be cancelled, annulled or abrogated, in whole or in part, by the recording the proper public Land Records of appropriate instruments, in writing, executed by the then owners (not including mortgagees) of a majority in area of the land included in said tract, exclusive of streets, parks, playgrounds and other land then devoted to public use or the general use of the occupants of said tract, which instruments shall specifically set out the provisions of this Deed and Agreement that are thereby cancelled, annulled or abrogated.

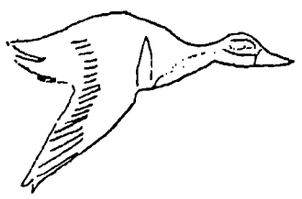
SUB-DIVISION XIV

The Company hereby accepts each of the trust, duties and obligations imposed upon it by this Deed and Agreement and agrees to discharge the same without charge for its services; except that the collection and disbursement of the Community Maintenance Fund provided in Sub-Division X hereof and for all overhead and office expenses and for the use of all hand tools furnished by it, the Company shall be entitled to charge twenty per cent (20%) of the amount of all expenditures made by it from said Fund, including in such expenditures payment to the Company at current market prices for labor and materials furnished and work done by it.

The Company shall exercise its discretion and judgment as to the amount of said Fund to be expended in connection with each of the purposes, for which said Fund is collected, and its decision in reference thereto shall be binding upon all parties interested.

The Company does not guarantee the sufficiency of said Fund for the purposes set forth in Sub-Division X hereof, and its liability in respect thereto shall be limited to the payment of its proper share thereof, in proportion to the land owned by it and liable therefor.

Any or all of the rights, titles, easements and estates given to or reserved by the Company in this Deed and Agreement may be assigned in whole or in part to one or more corporations or associations; and likewise all of the powers (including discretionary powers), duties and obligations given to, assumed by, or imposed upon, the Company by this Deed and Agreement may be assigned and transferred to one or more corporations agreeing to assume, exercise, carry out and perform the same. Any such assignment or transfer shall be made by appropriate instrument in writing, in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance and assumption of such powers, duties and obligations; and such assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are herein given to, assumed by, or imposed upon the Company, the Company thereupon being released therefrom.



Restrictions pertaining to Matapeake Estates, Inc., Kent Island, Queen Anne's County, Stevensville, Maryland

Definitions:

a. The word "person" shall include individuals, co-partnerships, associations and corporations; the singular shall include the plural and the masculine, the feminine and neuter.

b. The word "Company" as hereinafter used is intended to mean Matapeake Estates, Inc., or its successors in interest, or assigns, in the ownership and development of said lands.

c. The words "Matapeake Estates, Inc., Kent Island, Fourth Election District, Queen Anne's County, Maryland," as hereinafter used are each intended to mean all those individual lots hereinabove designated and set forth on a plat entitled "Matapeake Estates, Inc., Kent Island, Fourth Election District, Queen Anne's County, Maryland," by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated the 20th day of September, 1961, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No._____ folio_____, or any amendment or revision thereof.

d. The word "lot" as hereinafter used shall include the plural and/or any two or more lots consolidated into one lot by the owner or owners thereof.

e. The words "front lot line" as hereinafter used shall mean that line of any lot binding upon a street, avenue or roadway.

f. The words "street" or "roadway" as hereinafter used shall be those streets or roads as shown on said plat of not less than fifty feet in width.

g. A "corner lot" shall be deemed to be any lot fronting on two or more streets or roads each of not less than fifty (50) feet in width.

h. The word "owner" or "owners" as hereinafter used shall mean the person or persons having publicly recorded title to any lot or lots within said subdivision.

i. The words "tract" or "parcel" as hereinafter used is intended to mean any portion of the lands of Matapeake Estates, Inc., its successors and assigns, which has not been subdivided into lots.

1. No owner of any lot fronting on Chesapeake Bay shall acquire, by reason of his ownership, any riparian rights in and to any of the waters of Chesapeake Bay, such riparian rights being hereby expressly reserved to Matapeake Estates, Inc., its successors in interest or assigns.

2. No owner of any of the lots in Matapeake Estates subdivision shall acquire by reason of this ownership of any lot therein, any right to erect ducking or other wild fowl blinds, or to hunt or shoot ducks or other wild fowl upon

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QUEEN ANNE'S COUNTY

on Chesapeake Bay

RECORDING FEE 50.00
TOTAL 50.00
Rec# 0001 Rcpt # 39371
SM RCB Blk # 2603
May 28, 1997 09:11 am

any shore of Matapeake Estates, or upon, in or over the waters upon which Matapeake Estates abounds, such rights being hereby expressly reserved to Matapeake Estates, Inc., its successors in interest or assigns.

3. No building, including additions or accessories thereto, or fences, wells, piers, docks, bulkheading, or any other structure of any kind or nature whatsoever, whether upon fast land or above or beneath any of the waters adjacent to Matapeake Estates shall be commenced, erected or maintained, nor shall any addition to or change, or alteration therein be made until the written or printed plans and specifications showing the nature, kind, shape, heights, material, floor plans, location of the building with respect to plat plan, shall have been submitted to and approved in writing by the Company, and copies of all building plans, specifications, alteration plans, plat plans, etc., as above required permanently lodged with the Company.

The Company shall have the right to refuse to approve any plans or specifications, grading plan or material, either external or internal, that, in its opinion, are not considered suitable or desirable for aesthetic or other reason; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement, and the materials of which the same is to be built, erected, or constructed, to the proposed site; the harmony thereof with the surroundings; and the effect on the outlook from adjacent or neighboring properties.

The Company shall further have the right to establish minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected in Matapeake Estates.

Any approval given hereunder shall become null and void unless construction is commenced within ninety days of the date of such approval.

4. The floor area of any dwelling house erected upon any lot, exclusive of attached porches and garages, shall be not less than six hundred (600) square feet for a one story dwelling, nor less than one thousand (1000) square feet for a one and one-half story dwelling, nor less than eighteen hundred (1800) square feet for a two story dwelling. No dwelling, garage, porch, guest house shall be more than twenty-five (25) feet in elevation from ground level, and no roof pitch shall be less than 3:1; provided, however, that the Company reserves the right from time to time to amend or modify such requirements in its sole discretion, if it deems it best so to do.

5. No dwelling shall be located on any lot closer to any front lot line than seventy-five (75) feet, or closer than thirty (30) feet to any side lot line abutting on a street for a corner lot. No dwelling shall be located nearer than twenty (20) feet to any side lot line. No dwelling house shall be located within sixty (60) feet of the rear lot line. The main dwelling or residence on any lot which is bounded on the west by Chesapeake Bay shall be set back from the Bay property line not less than one hundred (100) feet. Porches, terraces, steps, eaves, cornices and gutters, as may be approved by the Company, may be built, erected and maintained on any part of the restricted area.

6. All detached garages and other outbuildings, of any kind whatsoever, shall be located not less than thirty (30) feet from rear lot lines and not less than fifteen (15) feet from side lot lines.

The Company shall, in all cases, have the right to determine the front, side or rear lines of any lot and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Company thereon shall be final.

7. No trees shall be cut and no excavation shall be made on the premises except for the purpose of building thereon and at the time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such excavations. Any dwelling, outbuilding or other structure, commenced as provided hereunder shall be completed within nine (9) months of the date the same is commenced, unless the time for completion shall be extended by the Company.

8. No privy of any kind shall be allowed on said property, but each house shall have inside toilets only, with adequate water supply and septic tank ... for disposal of sewage approved by the appropriate health authorities of ... County, and/or the State of Maryland

9. No noxious or offensive trade shall be carried on upon any lot, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. All lots set forth in the aforementioned plat shall be for residential use only, and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage and other structures appurtenant to the main residence or to be used in connection therewith and on no lot shall there be more than one main dwelling and on no lot shall there be more than one family and their servants occupying the main dwelling, or any structure appurtenant thereto.

10. No basement, tent, shack, garage, barn or other outbuilding shall be erected on any lot and used temporarily or permanently as a residence. No trailer shall be used temporarily or permanently for residential purposes, but trailers may be stored on a lot after completion of the main dwelling, providing that they are parked beyond the rear of the main dwelling, and at least fifteen (15) feet from the side lot line, and not less than twenty (20) feet from the rear lot line.

11. No Animal,Livestock,Poultry,or other foul of any kind shall be raised,bred,or kept on any lot,with the exception of Dogs,Cats,or other household pets ; provided they are not kept ,bred or maintained for any commercial purpose,but not more than three (3) household pets on any one lot.

The area in which they are kept ,shall be kept free and clean of any fieces and other debris so as to deter noxious oders and insects.

#12.

Commercial vehicles for hire,School Busses,and other siminlar vehicles,Large Trucks,Heavey Equipment Ect.

At such time as the life of the last remaining school bus being stored in the community expires ,under school board regulations no other will be permitted to be kept,parked,or stored in the community(Matapeake Estates) ,other siminlar vehicles may also be excluded at the descresion of the executive committee.

#13

In order to preserve the view of the land and water ,to promote the free movement of breezes and to prevent the harboring of flies mosquitoes,and other insects,The company reserves the right to require the owner of any lot ,upon thirty (30) days notice , to trim any trees ,schrubbery ,cut grass,rake leaves or remove any unsightly debris now or hereafter standing on any lot or any part of the lands known as Matapeake Estates,which may in the opinion of the company violates any of the above provisions.

The company reserves the right to remove or abate any violations of this paragraph at the expense of the owner after given thirty (30) days notice of said violation,or seek releif under the provisions of paragraph #19.

days of the mailing of said notice.

14. The Company hereby gives and grants to each owner hereafter acquiring title to any lot or lots in Matapeake Estates, and to their invitees, licensees, servants, agents and employees the right to use the streets, roads, roadways, avenues, lanes and alleyways, shown upon the aforementioned subdivision plat, or any amendment or revision thereof. The Company further reserves the right to use and utilize the beds of said streets, roads, roadways, avenues, lanes and alleyways, for the laying or erecting of water pipes, gas pipes, electric poles, or other public utilities as may be found necessary to adequately provide such facilities to the owners or occupiers of said tract or parcel, or any part thereof; and the said Company expressly reserves the right to create slopes, grade, change the grade of, re-grade, change the location of, close or partially close any street, road, roadway, avenue, lane or alleyway, on the aforesaid plat, provided that no change of location or closing shall be made that will prevent reasonable and convenient ingress to and from, or take any portion of, any lot sold or conveyed by the Company prior to such change or location of closing. The Company further reserves the right to dedicate to public use and the right to convey to any public authority, or to any Corporation having the right to acquire the same, all its right, title and interest in and to any

parcel or tract of land on any street, road, roadway, avenue, lane or alleyway shown on said plat, or hereafter laid out in said tract or parcel, subject to the rights of property owners heretofore granted.

It is expressly stated and provided that nothing herein contained shall constitute a dedication of any street, road, roadway, avenue, lane or alleyway shown on the aforementioned plat, or hereafter laid out in Matapeake Estates; the title to all such streets, roads, roadways, avenues, lanes and alleyways being expressly reserved in the Company. Nor shall any deed hereafter made and delivered by the Company, or its successors in interest or assigns, conveying any lot or other part of said tract or parcel be held to convey the title to, or to dedicate the surface or bed of any street, road, roadway, avenue, lane or alleyway except where expressly so conveyed or dedicated in the deed.

15. Easements and rights of way are hereby expressly reserved upon, in and over strips of land five feet in width along the rear and interior lines of all lots in Matapeake Estates for the purpose of erecting, constructing and maintaining poles, wires and conduits with the necessary or proper attachments in connection therewith for the transmission of electricity and for telephone and other public utilities or services and for public sanitary sewers and storm water drainage; and Matapeake Estates, Inc., its successors, assigns, or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth. The Company shall have the right to prune or trim any tree or shrub on any lot interfering with the construction of maintenance of electric or tele-

#16

All purchasers of any lands within Matapeake Estates ,and all succesors in ownership of possession ,shal pay to the Matapeake Estates Inc. and its seccessiors or assigns,on or before March 1 st of each year ,the sum of not less than sixty (60) dollars for each and every lot purchased,it being understood and agreed,however, that the liability of each owner of each said lot,shall be determined by the company onnor before the 30 th day of January of each year ,for the payment of said annul maintaince charge shall be a personal liability,recoverable by suit ,and that said annual maintance charge shall not be a lien upon any said lots..

Such funds, as far as they be sufficient, shall be applied toward the payment of taxes of the community beach and park areas and the maintenance and repair of streets, roads, roadways, avenues, lanes, alleyways, storm drains, sanitary sewers, community beach and park areas, community areas of any type or nature and easement areas now or hereafter constructed or erected in said tract; for lighting improvement within said subdivision for the general use of the owners or occupants of the land included in said tract; for caring for unimproved and for improved but unoccupied land within said tract; for expenses incident to the examination and approval of plans herein provided, and the enforcement of these restrictive covenants and conditions; and for any other purpose which, in the opinion of the Company, shall be for the general benefit of the owner, users and occupiers, of said tract, or any part thereof.

17. All the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty (20) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary or mortgagee interests), of the lots subject hereto may, except as herein noted, amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments duly executed and properly recorded among the Land Records of Queen Anne's County; provided, however, that nothing herein contained shall permit or allow the annulment, cancellation or abrogation of Paragraph No. 16 or Paragraph No. 18 hereof.

18. The Company, for itself, and for any successor in the ownership or development of the hereinabove described lands, hereby agrees to sponsor and promote the formation of an association or club (which shall be a body corporate duly incorporated under the laws of the State of Maryland) for the promotion of such moral, spiritual, social, athletic, recreational and community activities and interests as may be conducted, sponsored and encouraged by the membership of said association, for the purpose of paying public charges upon and all community beach and park areas, or other community areas, and to maintain the same in a good, neat and usable condition and for the administraction and enforcement of the reservations, restrictions, covenants and understandings and agreements herein contained and set forth.

Such an association or club shall be primarily composed of the contract purchaser and/or owners of lots in Matapeake Estates, and their assigns, and by persons who occuply said lots, but may also include such other person as may desire to participate in the general activities and interest of the membership of said association or club.

At such time as Matapeake Estates, Inc., or its successors in the ownership or development of said lands, shall form such club or organization aforesaid, the purchasers and owners of lots in this subdivision expressly agree to join and maintain membership in such association or club and to accept and abide by all rules and regulations for the conduct thereof as the same shall from time to time exist.

No person, firm or corporation shall ever sell, convey or transfer any part of the lands hereinabove described to any person, firm or corporation who or which shall not have applied for membership in the aforesaid association or club and approved for membership therein by Matapeake Estates, Inc., during such period as Matapeake Estates, Inc., or its successors in the ownership or development of said lands shall have and maintain the management, supervision and control of said association or club and thereafter by the Board of Directors or membership committee of said association or club. This provision shall not apply to any lot sold by or under any mortgage foreclosure proceeding, or to any sales or conveyance directed by decree or order of court, or to any sale or conveyance under any execution, or attachment resulting from any judgment or decree against any lot owner or lot owners.

Upon the formation of such an association or club, the Company, for itself, and for any successor in the ownership or development of the lands hereinabove described may, in its absolute discretion, and at any time, transfer, grant, convey and assign unto said association or club, by written instrument, to be duly recorded:

(a) the right to administer and enforce, for a limited time, or from time to time, or forever, all the reservations, restrictions, covenants, agreements and provisions herein contained.

(b) the right to collect and disburse, for a limited time, or from time to time, or forever, the annual maintenance charge reserved and provided for in Paragraph 16 of these restrictions, conditions and covenants.

(c) the fee simple title or other interest of the Company in and to all community facilities in Matapeake Estates, recreational or otherwise, including but not limited to, the "Park Area" and "Community Beach", and all and each of roads, streets, lanes, alleys, avenues, ways, easements, easement areas, drainage structures or facilities therein, of every kind and nature, whether now or hereafter existing; subject to the dedications, restrictions, agreements and understandings now or hereafter imposed thereon prior to such transfer, grant, conveyance or assignment. Pending such conveyance to the association or club, Matapeake Estates, Inc., or its successors in the ownership or development of the hereinabove described lands, agrees to maintain the community beach and community park areas in a good, neat and usable condition.

Matapeake Estates, Inc., or its successors in the ownership or development of a hereinabove described land, hereby reserves the right to the management, supervision and control of all community areas and facilities for recreation or otherwise, including, but not limited to, the "Park Area" and "Community Beach" shown on the aforementioned plat, and of all roads, streets, avenues, lanes, alleys and ways, shown on the above mentioned subdivision plat, until such time as one hundred percent (100%) of all lots in Matapeake Estates have been sold and conveyed, but nothing herein contained shall deny unto Matapeake Estates, or its successors in the ownership or development of said lands, the right, within the sole discretion of the company, to transfer by appropriate instrument or instruments the management, supervision and control thereof at any time prior thereto unto said association or club.

(d) At such time as one hundred percent (100%) of all lots and/or lands hereinabove described have been sold and conveyed, Matapeake Estates, Inc., and/or its successors in the ownership and development thereof, shall be required to:

(1) transfer by proper deeds of conveyance to said association or club the fee simple title to all community facilities in Matapeake Estates, including but not limited to, the "Park Area" and "Community Beach",

(2) transfer by proper deeds of conveyance to said association or club all and every the fee simple title or all other interest of every kind in and to the roads, streets, lanes, avenues, alleys, ways, easements, easement areas, drainage structures or facilities in said development as may then be remaining in Matapeake Estates, Inc., or its successors in the ownership and development of said lands,

(3) the right to collect and disburse the annual maintenance charge reserved and provided for in Paragraph 16 of these restrictions, conditions, and covenants,

(4) the right to administer and enforce the reservations, restrictions, covenants and agreements herein provided and contained; it being the purpose and intent hereof that said association or club, representing the owners of said land, shall thereafter maintain the above, pay all public charges and taxes thereon, and be responsible to the demands of all public authority, so long as the same shall be and exist.

19. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by Matapeake Estates, Inc., and its successors in the ownership and development of said lands, or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interests) of any lot or other area, their respective legal representatives, heirs, successors and assigns; and failure by the Company or any land owner to enforce any restriction, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so. Violation of any covenant, condition or restriction herein shall give the Company, in addition to all other remedies, (1) the right to enter upon the land or lands as to which such violation exists and summarily to abate and remove such violation at the expense of the owner thereof, and the corporation shall not thereby be deemed guilty of any manner of trespass for such entry, abatement, or removal or for any damages resulting therefrom, and (2) the right to apply for relief by injunction, since the parties hereto agree that any breach, as aforesaid, cannot be compensated adequately by recovery of damages.

20. The Company hereby expressly reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained hereby so long as such changes do not substantially affect the rights of any owner of any lot. Where any owner's rights are so affected, before any such change can become operative, all affected owners must indicate their consent and approval to such annulment, waiver, modification or change by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

21. If any provisions of the covenants and restrictions herein contained or the application of such provision to any person or circumstances shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Revised & Refiled 5-97

President - Walter T. Gray

Vice /President-William Goodhand

Treasure Ray Hastings

Sec/ Micheal Hiebel

Execut/at Large Donald Anderson

Subscribed and sworn to me this 27TH day of MAY, 1997

Notary Public in and for Queen Anne's County, Maryland

Oyster Cove Homeowners Association, Inc.

HOMEOWNERS' ASSOCIATION DEPOSITORY INFORMATION

Date: December 30, 1988

The following information is submitted for deposit pursuant to Md. Code Ann. Real Property Section 11B-112(c):

1. The Declarant of Oyster Cove Homeowners Association, Inc. is Oyster Cove Limited Partnership, a Maryland Limited Partnership. The principal address and telephone number of the Declarant are:

MISC 0#
RECD FEE 50.00
CHECK/MO 50.00
#152580 C001 R00 T12:08
12/30/88

Principal Address: P.O. Box 577
Grasonville, MD 21638

Telephone No.: (301) 827-6710

Declarant is a Maryland limited partnership; the names and addresses of the general partners are:

C-A Pearl Corp.: c/o Edmund B. Cronin, Jr., Pres.
16320 Batchellors Forest Road
Olney, Maryland 20832

Wells Cove Development Co.: c/o J. Michael Warring, Pres.
P.O. Box 577
Grasonville, Maryland 21638

The individual purchaser should consult his/her sales contract for the name, address and phone number of his/her vendor and, if the vendor is not the Declarant, contact the vendor for any other required information about such vendor.

2. The name of the homeowners association is Oyster Cove Homeowners Association, Inc. It is a Maryland corporation. The

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Maryland resident agent is: J. Michael Warring, P.O. Box 577, Grasonville, Maryland 21638.

3. The association is located in the 5th Election District of Queen Anne's County, Maryland. The minimum number of lots currently planned within the development is 78 residential condominium units plus 115 boat slip condominium units; the maximum number of lots is 224 residential condominium units plus 220 boat slip condominium units. The property owned by the Declarant or the original vendor contiguous to the development which is to be dedicated to the public use is as follows: none. The association makes no representation about contiguous property which may be owned by individual vendors of lots on resale.

4. The development is not nor will it be within or a part of another development.

5. The Declarant reserved in the Declaration the right to annex additional property to the development as provided in Article II, Section 2 of the Declaration of Covenants, Conditions and Restrictions for Oyster Cove Homeowners Association, Inc., recorded among the land records for Queen Anne's County, Maryland at Liber 266, Folio 1 (hereafter the "Declaration") and attached hereto as Exhibit A.

6. A copy of the Bylaws is attached as Exhibit B. The Bylaws are enforceable against an owner and the owner's tenants, if applicable.

7. The property which is currently planned to be owned, leased or maintained by the homeowners' association is as described in Exhibit 1 the Declaration of Covenants, Conditions

and Restrictions for Oyster Cove Homeowners' Association, Inc. and recorded in the Land Records for Queen Anne's County at Liber 266, Folio 1, and amendments thereto, and attached hereto as Exhibit C.

8. Information relating to the zoning and other land use requirements affecting the development is available for inspection at Queen Anne's County Department of Planning & Zoning, County Annex Building, Commerce Street, Centreville, Maryland 21617.

9. Mandatory homeowners association fees are currently levied against owners of lots from the date each becomes an owner. Assessments may be increased or decreased by the Board of Directors, which is responsible for setting the annual assessment in accordance with Article VI, Section 2 of the Declaration. In addition, special assessments may be levied by the Board of Directors (Article VI, Section 3). Fees, assessments and delinquent charges will be collected in accordance with Article VII, Section 1 of the Declaration and applicable law, including but not limited to by imposing a lien (Article VII, Section 2) on the lot under the terms of the Maryland Contract Lien Act, Md. Code Ann. Real Property Section 14-201 et seq.. Unpaid fees or assessments are a personal obligation of the owners of units. Unit owners may be assessed late charges, costs of collection and attorneys' fees for collecting unpaid fees or assessments. The Declaration also provides for the following other consequences for nonpayment of fees or assessments: see Article VII, Sections 1, 2 and 3 of the Declaration.

10. The following special rights or exemptions were reserved by or for the benefit of the Declarant or the original vendor: The Declarant is a "Class C" member of the association with special voting rights as provided in Article IV, Section 1(c) and (d) of the Declaration, these special rights will expire when eighty five percent (85%) of the units in all of the condominiums as fully expanded have been sold and conveyed, or on December 1, 1995. The Declarant reserved the right to annex property and to convey property to Queen Anne's County for a water treatment facility as described in Article II of the Declaration. The Declarant reserved easements for its benefit as provided in Article III, Section 1 of the Declaration for the time periods set forth therein. Original construction activities by the Declarant are exempt from the Architectual Control, Fences and Walls, and Prohibited Uses and Nuisances provisions of Article IX of the Declaration, as provided therein.

11. The name, address and telephone number of the management agent for the homeowners association or other officer or agent authorized by the homeowners association to provide to members of the public information regarding the homeowners association and the development are as follows:

Name: Comanco, Inc.

Address: P.O. Box 3637, Crofton, MD 21114

Telephone No: (301) 721-7171

DOCUMENT NO. 13383 | LIBER 266 PAGE 1 | EXHIBIT A

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QUEEN ANNE'S COUNTY

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR OYSTER COVE HOMEOWNERS ASSOCIATION, INC.

THIS DECLARATION is made this 28th day of November, 1986, by Oyster Cove Limited Partnership, sometimes called the "Declarant".

WITNESSETH:

WHEREAS, the Declarant is the owner of the real property described in Exhibit 1 hereto and desires to create thereon a residential community with permanent common areas and community facilities for the benefit of said community, and

MISC 0#
RECORDING FEE 96.00
.50
SUBTOTAL 96.50

WHEREAS, the Declarant desires to provide for the preservation of the values and amenities in said community and its overall scheme of development, and for the maintenance of said common areas and community facilities, and to this end, desires to subject the real property described in Exhibit 1 hereof to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and 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, scheme of development 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, conditions and restrictions and collecting and disbursing the charges and assessments hereinafter created; and

WHEREAS, the Declarant has formed (or intends to form) OYSTER COVE HOMEOWNERS ASSOCIATION, INC., as a non-profit corporation without capital stock under the General 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 Exhibit 1 hereto is and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to the covenants, conditions, restrictions, easements, charges and liens (hereinafter sometimes referred to as "covenants and restrictions") hereinafter set forth:

ARTICLE I

Section 1. Definitions. The following words when used in this Declaration shall have the following meanings:

(a) "Articles of Incorporation" shall mean and refer to the Articles of Incorporation for Oyster Cove Homeowners Association, Inc.

(b) "Association" shall mean and refer to the Oyster Cove Homeowners Association, Inc., and its successors and assigns.

(c) "Common Areas" or "Common Facilities" shall mean and refer to all The Property and improvements thereon which are not Units or Common Elements, including but not limited to the swimming pool, tennis courts and community clubhouse, and which are owned by or leased by the Association for the benefit, use and enjoyment of its members.

(d) "Common Elements" shall mean and refer to the common elements of any Condominium.

(e) "Condominium" shall mean and refer to Oyster Cove Townhouse Condominium, Oyster Cove Villa Condominium, Oyster Cove Boat Basin Condominium, or any other condominium or condominiums which may hereafter be established on The Property.

(f) "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions.

(g) "Developer" shall mean and refer to the Declarant, Oyster Cove Limited Partnership, its successors, or its assigns who sell units for the first time to members of the public.

(h) "Member" shall mean and refer to every person, group of persons or entity who holds membership in the Association.

(i) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Unit situated on The Property including contract sellers, but excluding those having such interest solely as security for the performance of an obligation.

(j) "Plat" shall mean and refer to the plats for The Property as prepared by Andrews, Miller & Assoc., Inc. and recorded simultaneously herewith as Exhibit 2 hereto; as amended from time to time.

(k) "The Property" shall mean and refer to all real property described in Exhibit 1 hereto and shown on the Plat for Oyster Cove Homeowners Association, Inc. including such additions and improvements thereto as may hereafter be made pursuant to the provisions of Article II.

(l) "Unit" shall mean and refer to any condominium unit in any Condominium.

ARTICLE II

Section 1. Property Subject to 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 the County of Queen Anne's, State of Maryland, and is more particularly described on Exhibit 1 and the Plat attached hereto as Exhibit 2 and by this reference made a part hereof.

Section 2. Additions. For a period of 15 years after the date this Declaration is recorded among the land records of Queen Anne's County, additional property to which the Developer might acquire title after the recordation of this Declaration may be annexed by the Developer to the above-described property without the assent of the Class A or Class B members of the Association, if any. Thereafter, such additional property may be annexed only with the consent of two-thirds (2/3) of the Class A and Class B members of the Association. Any additional property so annexed, however, must be adjacent to or in the immediate vicinity of the above-described Property. The conditions of this Declaration shall not apply, however, to any such additional property unless and until the same is annexed to the real property described on Exhibit 1, as hereinafter provided by this section.

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 Queen Anne's County, Maryland, which Supplementary Declaration shall impose the conditions of this Declaration to such annexed property. Such Supplementary Declaration may contain additions and modifications to the covenants, conditions and restrictions set forth in this Declaration as may be necessary to reflect the different character or use, if any, of such annexed property.

The Developer may add certain land and associated rights, including riparian rights, easements, and rights of way, privileges, appurtenances and advantages it owns to The Property, and may subject such property and any Condominum units and common elements created or to be created thereon or therefrom to this Declaration by so stating in an executed and recorded Declaration for Oyster Cove Boat Basin Condominium pursuant to Title 11 of the Real Property Article of the Annotated Code of Maryland (1981 Repl. Vol. and 1985 Supp., as amended). Land added pursuant to this paragraph need not be owned by the Association in order to form part of The Property.

Section 3. Conveyances. The Declarant may, and does hereby reserve the right to, after the recordation of the Declaration

and Plat, convey any portion of the Property to Queen Anne's County, Maryland as the Declarant and Queen Anne's County, Maryland may deem necessary or appropriate for the completion, operation or maintenance of the water treatment facility which will serve the Association and its Members. The Declarant may complete such a conveyance without the consent of any Member or Mortgagee of a Member, but may only convey that portion of the Property which is deemed necessary or appropriate, by the Declarant and Queen Anne's County, for the comptroller, operation or maintenance of the water treatment facility. Upon such a conveyance, the Declarant shall prepare and record the necessary legal documents to complete the conveyance; including proper amendments to the Plat and to Exhibit 1 to this Declaration. Said amendment shall become effective upon being recorded among the land records of Queen Anne's County, Maryland.

ARTICLE III

Section 1. Easements, Restrictions and Conditions.

A. In addition to the dedications and easements of record and those easements, restrictions and conditions imposed by Queen Anne's County as reserved and shown on the Plats aforesaid which are for the benefit of the Developer, Mortgagees, Beneficiaries, Trustees under Deeds of Trust, Unit Owners and Members, Developer hereby declares that:

1. Except for portions of The Property which are subject to exclusive easements as hereinafter provided, every Unit Owner shall have an easement of use and enjoyment in, upon, through and over The Property.

2. Subject to the other easements provided for in this Section, each Unit Owner of a Unit in Oyster Cove Townhouse Condominium shall have the following exclusive easements as designated on the Plats:

a. an exclusive easement for storage in the crawlspace directly beneath his Unit;

b. an exclusive easement for use, enjoyment, and planting approved by the Architectural Control Committee, in the designated areas directly beneath and adjacent to the Unit's balcony; and

c. an exclusive easement for use and enjoyment in the designated area extending from his Unit toward the water.

3. Each Unit Owner shall have an easement in, upon, through and over The Property to keep, maintain, use, operate, repair and replace his Unit in its original position and in every subsequent position in which it changes by reason of the

gradual forces of nature and the elements.

4. Each Unit Owner shall have an easement for the continuation of any encroachment by his Unit on any portion of The Property, now existing as a result of construction of the Unit or which may come into existence hereafter as a result of construction or the reconstruction of the Unit after damage by fire or other casualty, or as a result of condemnation or eminent domain proceedings, so that any such encroachment may remain undisturbed so long as the dwelling stands.

5. Notwithstanding any other easement granted or reserved herein, the Association and the council of unit owners of each Condominium shall have an easement in, through and over The Property for purposes of carrying out any of its powers and duties.

6. Developer hereby reserves unto itself, its successors, assigns and agents, an easement in, through and over The Property for as long as the said Developer, its successors, assigns and agents, and Mortgagees, Beneficiaries and Trustees under Deeds of Trust, shall be engaged in any construction, development, sales or other Developer activities, which easement shall be for the purpose of carrying out any such activities, including but not limited to construction, installation, sales, maintenance and repair of buildings or other improvements, and appurtenances thereto, ingress and egress to all Units, Common Elements, Common Areas and Common Facilities, and use of all sidewalks, walkways, roadways, parking areas, and existing and future models. This easement includes, but is not limited to, the right of the Developer to maintain model units, and "for sale" and other promotional signs and materials on The Property. In addition, Developer hereby reserves unto itself, its successors, assigns and agents the irrevocable right to enter into, upon, over and under any Units and Common Elements for a period of three (3) years after the date of delivery of the deed for such purposes as may be reasonably necessary for the Developer or its successors, assigns and agents to complete the Units and Common Elements in any Condominium or service any Units and Common Elements, any Condominium or The Property.

7. Developer reserves unto itself, its successors, assigns and agents, an easement in, upon, through and over The Property for the purpose of installation, maintenance, repair, and replacement of all sewer, water, power, cable television and telephone, pipes, lines, mains, conduits, poles, transformers and the storage of any and all other equipment or machinery reasonably necessary or incidental to the proper functioning of any utility system serving The Property or any Unit, Common Element, Condominium, Common Area or Common Facility.

8. Queen Anne's County shall have an easement in,

through and over The Property for purposes of maintaining, repairing or replacing any land or improvements to the land, including but not limited to the water and sewage treatment facilities, which are owned by Queen Anne's County.

B. The Association shall have the authority to grant easements, rights-of-way, licenses, leases or similar interests through or over The Property by a 2/3 vote of the Board of Directors.

Section 2. Lots and Dwellings--Subject to Declaration, Bylaws and Rules. The Association, all present and future owners, tenants, and other occupants of a Unit shall be subject to, and shall comply with, the provisions, conditions and restrictions of this Declaration, the Plat and the Bylaws, and any amendments thereto, and the Rules as provided for in the Bylaws, as they may be amended from time to time. The acceptance of a deed, or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit thereon, shall constitute an agreement that the provisions of this Declaration and Bylaws and any amendments thereto, and the Rules, as they may be amended from time to time, are accepted and ratified by such Owner, tenant, or other occupant; and all of such provisions shall be deemed and taken to be convenants running with the land, and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

Section 3. Enforcement. Enforcement of these covenants, conditions and restrictions shall be by the Association, acting through its Board of Directors, any Condominium or any Owner in a proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain or enjoin violation or to recover damages, and against the land to enforce any lien created by law or these covenants. The failure or forbearance by law or the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver or the right to do so thereafter. There shall be and there is hereby created and declared to be a conclusive presumption that any violation of these covenants or restrictions cannot be adequately remedied by action at law or by recovery of damages. Any mortgagee of any Unit, upon written request, shall be entitled to written notification from the Association of any violation of these covenants and restrictions by its mortgagor which is not cured within sixty (60) days.

ARTICLE IV

Section 1. Membership. The Association shall have three classes of voting membership.

(a) With the exception of the Declarant, every person, group of persons or entity who is a record owner of a fee interest in any residential Unit which is subject to this Declaration shall be a Class A member of the Association, provided, however, that any such person, group of persons or entity who holds such interest solely as security for the performance of an obligation shall not be a member. Class A members shall be entitled to one vote for each Unit in which they hold the interest required for membership. In the event that more than one person, group of persons or entity is the record owner of a fee interest in any residential Unit, then the vote for membership appurtenant to such Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any residential Unit. If the members cannot determine among themselves how to vote, then no vote shall be allowed to be cast.

(b) With the exception of the Declarant, every person, group of persons or entity who is a record owner of a fee interest in any nonresidential Unit which is subject to this Declaration shall be a Class B member of the Association, provided, however, that any such person, group of persons or entity who holds such interest solely as security for the performance of an obligation shall not be a member. Class B members shall be entitled to one-half vote for each Unit in which they hold the interest required for membership. In the event that more than one person, group of persons or entity is the record owner of a fee interest in any nonresidential Unit, then the one-half vote for membership appurtenant to such Unit shall be exercised as they among themselves determine, but in no event shall more than one-half vote be cast with respect to any nonresidential Unit. If the members cannot determine among themselves how to vote, then no vote shall be allowed to be cast.

(c) The Class C member shall be the Declarant. Each Class C member shall be entitled, for each Unit in which it holds the interest otherwise required for Class A or B membership, to three times the number of votes which would be appurtenant to such Unit if it were owned by a Class A or B member, provided however, that each Class C membership shall lapse and become a Class A or B membership on the first to happen of the following events:

(i) When eighty five percent (85%) of the Units in all of the Condominiums as fully expanded have been sold and conveyed to, and occupied by, Class A or B members; or

(ii) on December 31, 1995.

(d) Prior to the existence of any Class A or B memberships, the Declarant reserves the right to unilaterally alter, modify, remove or add to or terminate any or all of the Covenants, Conditions, Restrictions and/or Agreements set forth herein with the provision that any alterations, modifications, removals or additions shall not be in violation of applicable federal, state or local laws.

ARTICLE V

Section 1. Member's Right of Enjoyment. Every Member shall have a right and easement of enjoyment in and to the Common Areas and Common Facilities and such easement shall be appurtenant to and shall pass with the title to every Unit subject to the following:

(a) The right of the Association, in accordance with its Articles of Incorporation and Bylaws, to borrow money for the purpose of improving the Common Areas or Common Facilities and in aid thereof to mortgage said Areas or Facilities upon a two-thirds (2/3) vote of the Members of each class. In the event of a default and foreclosure upon any such mortgage, the lender shall have the right, after taking possession of such property, to charge admission and other fees as a condition to continued enjoyment by the Members and their families, tenants or guests; and

(b) The right of the Association to levy reasonable admission and other fees for the use by the Members of the Association and their guests of any recreational facility situated upon the Common Areas, or that may be constructed upon the Common Areas or any other land which may be purchased by the Association; and

(c) The right of the Association to take such steps as are reasonably necessary to protect the above-described property against mortgage default and/or foreclosures; and

(d) The right of the Association to limit the number of guests of Members who may use the Common Areas and Common Facilities; and

(e) The right of the Association to suspend any Member's voting rights and the rights of the Member, his family, tenants or guests to use the Common Areas and Common Facilities (i) for any period during which any assessment, fine or other charge due in connection with the Member's Unit remains unpaid, and (ii) for any period not to exceed sixty (60) days or the length of the infraction for any infraction of the Declaration, Bylaws, or published rules and regulations; and

(f) The right of the Association to dedicate or transfer all or any part of the Common Areas or Common Facilities to any public or municipal agency, authority or utility for purposes consistent with the purpose of this Declaration and subject to such conditions as may be agreed to by the Members, provided, however, that no such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of the then Members of the Association has been recorded, agreeing to such dedication, transfer, purpose or conditions, and unless written notice of the proposed agreement and action thereunder is sent to each Member at least ninety (90) days prior to the taking of any action;

(g) The rights of the fee owners of Units to an easement over any Common Area or Common Facility for such portions of their Units that may encroach upon said Common Areas or Common Facilities, and for necessary pedestrian ingress and egress to and from any such Units over said Common Areas and Common Facilities; and

(h) The right of the Association's Board of Directors, or its designee, to restrict or prohibit parking on the Common Areas on twenty four (24) hour notice given to the Members by any reasonable means or, in case of emergency, without such notice.

Section 2. Rights Not Subject to Suspension. Notwithstanding anything herein contained to the contrary, the rights and easements created in, or pursuant to, Article III hereof or in Paragraph (g) of Section 1 of this Article V shall not be suspended by the Association for any reason.

ARTICLE VI

Section 1. Covenant for Maintenance Assessments. Each Class A Member, each Class B Member, and each Class C Member, whether or not it shall be so expressed in its deed or other conveyance, shall be deemed to covenant and agree to pay the Association: (1) annual assessments or charges; (2) special assessments for capital improvements, or maintenance provided by the Association; (3) fines and other charges levied by the Board of Directors as provided for herein and in the Bylaws; and (4) any admission or other fees levied by the Association for use of any recreational facility situated in the Common Area. The annual and special assessments shall be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, fines and admission or other fees, together with such interest thereon and costs of collection thereof as hereinafter provided shall be a charge on the Unit and shall be a continuing lien upon the Unit against which such assessment is made. Each such assessment, together with interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal, joint and several obligation of the

person, group of persons or entity who was the Owner of such Unit at the time when the assessment became due.

Section 2. Annual Assessments. The annual assessment for each Unit shall be levied by the Board of Directors at the beginning of each calendar year and may be payable on a monthly, quarterly, semiannual or annual basis as determined by the Board of Directors. The annual assessment for residental Units shall be in the same amount for each residential Unit. If a residential Unit Owner also owns a nonresidential Unit or Units, there shall be no annual assessment for one such nonresidential Unit, and the annual assessment for each such nonresidential Unit in excess of one shall be twenty five percent (25%) of the amount of the annual assessment for his residential Unit. If a nonresidential Unit Owner does not also own a residential Unit, the annual assessment for one nonresidential Unit owned by such Unit Owner shall be in the same amount as the annual assessment for a residential Unit (subject to Section 5 of this Article VI), and the annual assessment for each nonresidential Unit in excess of one owned by such Unit Owner shall be twenty five percent (25%) of such amount. The annual assessment shall include amounts sufficient to create and maintain an adequate reserve fund for operating contingencies, maintenances, repair and replacment of those Common Areas or Common Facilities which require repair or replacement periodically, and to provide for insurance.

Section 3. Special Assessments. In addition to the annual assessments authorized by this Article, the Board of Directors may levy in any assessment year a special assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a Community Facility or described capital improvement located upon The Property and for the acquisition of additional Property by and for the Association. Any special assessment levied by the Board of Directors pursuant to the provisions of this section shall be fixed at a uniform rate for each Unit, except as hereinafter provided to the contrary in this Section, and in Section 5 of this Article VI for Units owned by the Developer. The Board of Directors shall fix the special assessment for each nonresidential Unit at one-half of the amount of the special assessment for each residential Unit.

Section 4. Commencement of Annual Assessments. The annual assessment for each Unit shall commence on the day of the initial transfer of title to that Unit from the Declarant to a Class A or B Member. The first annual assessment for any such Unit shall be made, on a prorated basis, for the balance of the calendar year and shall become due and payable and a lien on the date due. Except as hereinafter provided or otherwise decided by the Board, the assessment for any Unit for any year after the first year shall become due and payable and a lien on the first day of said

year.

It shall be the duty of the Board of Directors of the Association to periodically fix the amount of the annual assessment against each Unit for each assessment period and the Board of Directors shall make reasonable efforts to fix the amount of the assessment against each 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 Units and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member upon reasonable notice to the Board. Written notice of the assessment shall thereupon be sent to the Owner of any Unit subject thereto.

Section 5. Assessment of Declarant. The Declarant shall pay the full amount of annual and special assessments on any such Unit owned by it, in accordance with Sections 2 and 3 of this Article.

Section 6. Assessment Certificates. The Association shall, upon demand, at any reasonable time, furnish to any Member liable for assessments, and to any first mortgagee of a Member, a certificate in writing signed by an officer or other authorized agent 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 reasonable charge may be levied in advance by the Association for each certificate so delivered.

ARTICLE VII

Section 1. Non-payment of Assessment. Any assessment, fine or other charge levied pursuant to these covenants which is not paid on the date when due shall be delinquent and shall, together with interest, late charges, reasonable attorney's fees of not less than twenty-five percent (25%) of the amount due, and costs of collection thereof, as hereinafter provided, thereupon become a continuing lien upon the Unit when recorded, and may be enforced pursuant to the requirements of the Maryland Contract Lien Act or other applicable law then in effect or in the same manner as a mortgage or deed of trust as if the Association were the mortgagee and the Member the mortgagor. The personal obligation for the then Owner to pay such assessments, fines or other charges, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them with the consent of the Association.

The Board of Directors of the Association may provide by rule for reasonable late charges to be imposed on any delinquent assessment, and any late charge so imposed shall be deemed part

of the delinquent assessment. If the assessment is not paid within thirty (30) days after it becomes delinquent, the assessment shall bear interest at a rate determined by the Board of Directors. The Association, through the Board of Directors or its authorized designee, may bring an action at law against the Owner personally obligated to pay the same without waiving the lien provided for herein. No Owner may waive or otherwise escape liability for the assessments herein provided for by non-use of the Common Areas or Common Facilities or by abandonment of his Unit.

Section 2. Lien; Foreclosure of Lien. In accordance with the requirements of the Maryland Contract Lien Act or other applicable law then in effect, if any assessment, fine or other charge is delinquent as hereinabove provided, the Board of Directors may cause a statement of lien to be recorded among the land records for Queen Anne's County, Maryland, stating the description of the Unit, the name of the record owner, the amount due, and the period for which the amount was due. The statement of lien shall be signed and verified by an officer or agent of the Association. On full payment of the assessment and other amounts specified in Section 1 of this Article for which the lien is claimed, the Owner shall be entitled to a recordable satisfaction of the lien. A lien recorded as provided herein may be foreclosed in accordance with the Maryland Contract Lien Act or the Maryland Rules of Procedure for Foreclosure of Mortgages and Other Security Devices or other applicable law or rules of procedure then in effect, and specifically those Rules relating to mortgages containing a power of sale and assent to decree, as if the Association were the mortgagee and the Owner were the mortgagor. The Association, acting through the Board of Directors or its authorized designee, shall have the power to sell the Unit upon foreclosure, and shall pay the proceeds of such sale, less expenses of sale and all sums due to the Association from the Owner under the lien, to the Owner, subject to the rights of mortgagees as hereinafter provided, and to the requirements of Maryland law and any applicable court decree.

Section 3. Subordination Provisions. The lien provided for in this Declaration shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the Units and recorded prior to the recordation of the statement of lien, provided, however, that such subordination shall apply only to the assessments, fines and other charges which have become due and payable prior to a sale or transfer of such Unit pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments, fines or other charges thereafter becoming due, nor from the lien of any such subsequent amount.

ARTICLE VIII

Section 1. Other Maintenance. If in the opinion of the Board of Directors, it is in the interest of the general welfare of the Members, the Association may provide for reasonable periodic maintenance, at Association expense, of any Unit, Common Element, or property adjoining or adjacent to The Property including, but not limited to, adjoining or adjacent public or park land.

Section 2. Assessment of Cost. Notwithstanding Section 1 of the Article, in the event that any need for maintenance or repair is caused through the willful or negligent act of a Member, his family, agents, employees, tenants, guests or invitees, the cost of any maintenance to the Common Areas or Common Facilities or any other maintenance performed pursuant to Section 1 of this Article shall be assessed against the Unit upon which such maintenance is done or against the Unit of the Member responsible, and when so assessed, a statement for the amount thereof shall be rendered to the Owner of said Unit at which time the assessment shall become due and payable and a continuing lien and obligation of the Owner in all respects as provided in Article VII of this Declaration.

Section 3. Access at Reasonable Times. For the purpose of performing the maintenance required or authorized by this Article, or to preserve the health, safety or general welfare of The Property, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Unit at reasonable hours on any day except Sunday, provided that the Association shall have access to the interior of a Unit only after written notice and at a time reasonably convenient to the Member, except in emergencies affecting health and safety of the Members, the Condominiums, The Property, the Common Areas, or the Common Facilities, in which event notice shall not be required.

ARTICLE IX

Section 1. Architectural Control Committee. Except for original construction or as otherwise provided in this Declaration, no building, fence, wall or other structure shall be commenced, erected, or maintained upon The Property, nor shall any addition or change (including any change of color or alteration in any building, fence, wall or other structure) be made in any Unit's Exterior or Common Element Exterior unless and until complete plans and specifications showing the nature, shape, height, materials, color and location of the same shall have been submitted to and approved in writing by the Board of Directors of the Association, or by an Architectural Control Committee composed of three (3) or more Members appointed by the Board of Directors. The members of the Architectural Control Committee shall include at least one Member from each Condominium. In the event the Board of Directors, or its

designated committee, fails to approve, approve with modifications, or disapprove such complete plans and specifications within ninety (90) days after said complete 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, provided however that upon notice to the Member(s) or Condominium(s) submitting said plans and specifications, the Board of Directors or its designated committee may extend the ninety (90) day period for up to thirty (30) additional days for the purpose of submitting the plans and specifications to an architect and/or landscape architect or other expert for determination of the harmony of the proposal with surrounding stuctures and topography. If the Architectural Control Committee disapproves plans and specifications submitted to it, an appeal to the Board of Directors from the committee's decision may be taken by written notice of appeal given to the committee and the Board within fifteen (15) days of the date of the committee's decision. The Board of Directors may adopt rules and regulations for handling such appeals.

Section 2. Fences and Walls. Except for original construction, any fence or wall constructed upon The Property shall not extend beyond the extension of the front building line of any Unit unless approved by the Board of Directors or the Association Architectural Control Committee. The construction of all fences and walls shall also be subject to the provisions of Section 1 of this Article. All fences and walls erected during original construction and any sheds erected during original construction with joint party walls shall be jointly maintained by the joint owners, and access for maintenance and repair shall be granted by each owner to his joint property owner.

Section 3. Prohibited Uses and Nuisances. Except for the activities of the Declarant during original construction or as permitted by express written approval of the Board of Directors:

(a) No noxious or offensive trade or activity shall be carried on upon Common Areas or Common Facilities or within any Unit or Common Element situated upon 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. Except for the Declarant's activities, no part of The Property shall be used for commercial activities of any character.

(b) There shall be no obstruction of any Common Areas or Common Facilities, except as herein provided. Nothing shall be stored upon The Property, or upon the Common Areas or Common Facilities, without the approval of the Board of Directors. Vehicular parking upon The Property by anyone other than the Declarant or its agents shall be regulated by the Board of Directors.

(c) Nothing shall be done or maintained in any Unit, or upon any Common Elements, Common Areas or Common Facilities, or anywhere on The Property, which will increase the rate of insurance on any Unit or the Common Elements, Common Areas or Common Facilities, or result in the cancellation of any such insurance, without the prior written approval of the Board of Directors. There shall be no storage of combustible materials in any storage easement granted by Article III, Section 1.A.2.a. hereof in Oyster Cove Townhouse Condominium. Nothing shall be done or maintained in any Unit or upon the Common Elements, Common Areas or Common Facilities, or anywhere on The Property which would be in violation of any law. No waste shall be committed upon the Common Areas or Common Facilities, or anywhere on The Property.

(d) The maintenance, keeping, boarding and/or raising of animals, livestock or poultry of any kind, regardless of number, shall be and is hereby prohibited in any Unit or within The Property, except that this shall not prohibit the keeping of dogs, cats and/or caged birds as domestic pets provided they are not kept, bred or maintained for commercial purposes, and provided further that their being kept is subject to reasonable rules which may be promulgated from time to time by the Board of Directors, which may include a reasonable limit on the number of pets kept in any one Unit. Dogs must be leashed when walked on The Property. No pet shall be permitted to run at large.

(e) No burning of trash and no accumulation or storage of litter, new or used building materials, or trash of any other kind shall be permitted on The Property except in connection with original construction.

(f) Except as otherwise specifically provided herein, no junk vehicle or other vehicle on which current registration plates are not displayed, recreational vehicle, trailer, truck over 3/4 ton capacity, camper, camp truck, camp van, house trailer, motor home or the like, 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.

(g) Trash and garbage containers shall not be permitted to remain in public view except within locations and at times designated by the Board of Directors.

(h) Outdoor clothes dryers or clothes lines shall not be maintained upon The Property at any time. Nothing shall be hung out of any window or over any railing within The Property without the prior written approval of the Board of Directors.

(i) No living hardwood trees shall be removed from The Property without prior written approval of the Board of Directors

or a duly appointed committee.

(j) No structure of a temporary character, tent, shack, barn or other outbuilding shall be used or maintained on The Property at any time.

(k) Except for such signs as may be posted by the Developer, no signs of any character shall be erected, posted or displayed upon, in or about The Property without prior approval of the Board of Directors or a duly appointed committee and if permitted by local ordinances.

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

(m) No outside television or radio aerial or antenna, other outside aerial or antenna, or TV satellite "dish" for reception or transmission, shall be maintained upon any Unit or Common Elements, Common Areas or Common Facilities, or anywhere upon The Property, without prior written approval of the Board of Directors, or a duly appointed committee. The Board of Directors may authorize the installation on the Common Areas of an antenna or other device or system for television or radio reception serving the entire Property.

(n) Outdoor cooking is strictly prohibited within The Property, the Units, Common Elements, Common Areas and Common Facilities except in areas permitted by a Condominium Declaration or Bylaws, or which may be designated by the Board of Directors, if permitted by applicable law.

(o) There shall be no violation of any rules for the use of the Units, Common Elements, Common Areas or Common Facilities which may from time to time be adopted by the Board of Directors and promulgated among the Membership in writing, and the Board of Directors is hereby and elsewhere in the Bylaws authorized to adopt such rules.

(p) The Board of Directors shall have the power to levy fines against Members for violation of the covenants and restrictions contained in this Article or of any rule adopted pursuant thereto, after notice and hearing.

Section 4. Right of Association to Remove or Correct Violations of this Article. The Association may, in the interest of the general welfare of all the Owners of The Property and after reasonable notice to the Owner, enter upon any Unit or Common Element at reasonable hours on any day for the purpose of removing or correcting any violation or breach, or any attempted

violation, of any of the covenants and restrictions contained in this Article, or for the purpose of abating anything herein defined as a prohibited use or nuisance, provided, however, that except in bona fide emergencies, no such action shall be taken without resolution of the Board of Directors.

ARTICLE X

Section 1. Insurance. To the extent such coverage is reasonably available, the Association shall maintain comprehensive public liability insurance in amounts determined by the Board of Directors but not less than Two Million Dollars ($2,000,000.00), and flood, fire and extended coverage on insurable land and improvements (not including the Units and Common Elements) built on The Property and the Common Areas and Common Facilities on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement costs). The Association may also maintain other insurance including but not limited to flood insurance on the Units and Common Elements. In order to protect adjoining owners and to insure that there are sufficient funds available to an Owner to restore his Unit in case of damage or destruction, each Condominium shall maintain fire, flood and extended coverage on the Units and Common Elements on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement costs) to the extent such coverage is reasonably available and not provided by the Association. Any policy so maintained shall provide that it may not be cancelled except upon ten (10) days' written notice to the Association. From time to time, the Association may require the Condominiums to provide evidence of compliance with this Section.

Section 2. Insurance Proceeds. Any proceeds paid to the Association pursuant to any insurance coverage maintained by the Association pursuant to Section 1 of this Article shall be used exclusively for the repair, replacement or reconstruction of the Common Areas, Common Facilities, Units or Common Elements, to satisfy judgments entered against the Association, or shall otherwise be deposited in the Association's accounts as determined by the Board of Directors.

Section 3. Rights of Mortgagees. First mortgagees of a Unit, jointly or singly, may pay taxes or other charges which are in default and which may or have become a charge against the Units, Common Elements, Common Areas or Common Facilities, and may pay overdue premiums on insurance policies maintained pursuant to Section 1 of this Article or secure new insurance coverage on the lapse of such a policy, and first mortgagees making such payments shall be owed immediate reimbursement therefor by either the Member, the Association, or the Condominium Council of Unit Owners depending upon who is

responsible for maintaining the insurance.

ARTICLE XI

Section 1. Duration. Except where permanent easements or other permanent rights or interests are herein created, the convenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date of recordation of this Declaration, after which the said covenants shall be automatically extended for successive periods of ten (10) years each.

Section 2. Amendment.

(a) For so long as it is selling Units in The Property, or has the right to expand The Property or any of the Condominiums, the Developer may make any amendment required by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration, the Queen Anne's County Planning Commission, or any other governmental or quasi-governmental body or institutional lender as a condition of approval of the Association's documents, by the execution and recordation of such amendment following notice to all Members.

(b) Except as otherwise specifically provided herein, this Declaration may be amended by an instrument signed by not less than two-thirds (66 2/3%) of each class of the then Members of the Association. For purposes of this section, if a Unit is owned by more than one person or entity, all the persons or entities constituting the Owner of the Unit shall be deemed one "Member" and the signature of any such person or entity on behalf of the Owner shall, unless challenged in a writing delivered to the Board of Directors by another such persons or entities within ten (10) days of the date of such signature, be deemed to be the signature of that Member. Any amendment must be recorded and is not effective until recorded.

Section 3. Incorporation by Reference on Resale. In the event any Owner sells or otherwise transfers his Unit, any deed purporting to effect such transfer shall contain a provision incorporating by reference the covenants, restrictions, easements, charges and liens set forth in this Declaration, and any amendments thereto. However, failure to make this recital shall not negate the effectiveness of this Declaration and its covenants, conditions and restrictions, which shall continue to apply to the Unit.

Section 4. Notice Upon Sale. Upon the sale and conveyance of his Unit, every Owner shall provide to the Association and the Condominium in which he is a member, the name and forwarding address of the seller, the name and address of the purchaser, the name and address of any mortgagee, the date of settlement, and the proportionate amounts of any assessments assumed by the Owner and seller, if the contract of sale provides for an adjustment other than an adjustment pro rated to the date of settlement.

Section 5. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, by ordinary mail, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing. Notice to the Association shall be sufficient when mailed, by ordinary mail, postage prepaid, to the mailing address of the Association.

Section 6. No Dedication to Public Use. Except for those publicly dedicated streets, roads, rights-of-way and easements shown on the Plats, nothing herein contained shall be construed as a dedication to public use or as an acceptance for maintenance of any Common Areas or Common 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 said Common Areas or Common Facilities, and the Association, its successors and assigns, shall indemnify and save harmless Queen Anne's County, Maryland, or any public or municipal agency, authority, or utility from any and all claims, suits, costs, expenses, demands or damages that may result from surface water drainage and/or the maintenance or other operation of said Common Areas or Common Facilities.

Section 7. Severability. Invalidation of any one of these covenants or restrictions by judgment, decree or order shall in no way affect any other provision hereof, each of which shall remain in full force and effect.

IN WITNESS WHEREOF, Oyster Cove Limited Partnership has caused these presents to be executed by Edmund B. Cronin, the President of C-A Pearl Corp. and attested by Raymond J. Howar, the Vice President of C-A Pearl Corp., and its seal to be hereunto affixed this 28th day of November, 1986, and has appointed

Edmund B. Cronin, its attorney-in-fact to acknowledge and deliver these presents as the act and deed of said limited partnership.

Attest:

Raymond J. Howar

Raymond J. Howar, Vice President

OYSTER COVE LIMITED PARTNERSHIP
By: C-A Pearl Corp., Managing General Partner

By: Edmund B. Cronin (SEAL)
Edmund B. Cronin, President

STATE OF MARYLAND)
COUNTY OF PRINCE GEORGES)

I HEREBY CERTIFY that on the 28th day of November, 1986, before me the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Edmund B. Cronin, who has acknowledged himself to be the President of C-A Pearl Corp., a general partner of Oyster Cove Limited Partnership, a Maryland limited partnership, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited partnership by himself as President.

WITNESS my hand and notarial seal the year and day first written above.

Joan M. Austin
Notary Public

My Commission Expires:

July 1, 1990

The undersigned, a member in good standing of the Bar of the Court of Appeals of Maryland, hereby certifies that the within instrument was prepared by him or under his supervision.

Philip J. Tierney

Exhibit 1

CONSULTING ENGINEERS AND SURVEYORS
Andrews, Miller & Assoc., Inc.

DONALD E. ANDREWS, P.E.
HAROLD M. MILLER, JR., P.E.
WILLIAM W. LUDLOW, JR., L.S.

LEGAL DESCRIPTION
OYSTER COVE

July 23, 1985
Rev. March 13, 1986

Beginning at a concrete monument formed by the intersection of the southerly right-of-way line of Maryland Rt. 18, 40' wide, with the westerly line of the lands of now or formerly Lippincott Sailing Yacht, Inc. as recorded in the Land Records of Queen Anne's County, Maryland in liber MWM 202, folio 382, said beginning point being coordinated on the Maryland State Plane Coordinate System as N413295.44 E1017439.02, based on Maryland Bureau of Control Survey Station USC&GS Monument W-122, thence running, in the datum, of said Maryland State Plane Coordinate System, 1) leaving said right-of-way line of Md. Rt. 18 and running southwardly along the westerly line of said Lippincott Sailing Yacht, Inc., S 07° 15' 37" W 1166.36' to a point on the high water line of Marshy Creek, passing over an iron pipe found 30.32' reversely from end of said course, thence running, 2) leaving said Lippincott Sailing Yacht, Inc. and running westwardly meandering along the high water line of said Marshy Creek the next several courses in the general direction of S 61° 32' 42" W 227.24' to a point, thence running,

3) S 61° 31' 30" W 142.60' to a point, thence running,
4) S 68° 31' 36" W 128.97' to a point, thence running,
5) S 72° 15' 04" W 100.74' to a point, thence running,
6) S 38° 34' 13" W 73.01' to a point, thence running,
7) S 61° 12' 12" W 35.42' to a point, thence running,
8) N 81° 21' 26" W 33.20' to a point, thence running,
9) N 42° 14' 20" W 84.32' to a point, thence running,
10) N 03° 08' 16" W 123.52' to a point, thence running,
11) N 62° 51' 44" W 214.41' to a point, thence running,
12) N 88° 15' 55" W 83.40' to a point, thence running,
13) S 50° 05' 26" W 104.78' to a point, thence running,
14) S 12° 01' 59" W 66.55' to a point, thence running,
15) S 48° 40' 09" W 25.86' to a point, thence running,
16) S 72° 36' 48" W 21.49' to a point, thence running,
17) N 86° 12' 20" W 182.66' to a point, thence running,
18) S 78° 21' 02" W 39.46' to a point, thence running,
19) N 66° 20' 54" W 135.51' to a point, thence running,
20) N 77° 45' 28" W 86.88' to a point, thence running,
21) N 44° 48' 28" W 76.68' to a point, thence running,
22) N 28° 18' 59" W 39.99' to a point, on the high water line of Wells Cove, thence running,
23) leaving said Marshy Creek and running the next several courses along the high water line of Wells Cove in a general direction of N 50° 08' 53" E 130.81' to a point, thence running,
24) N 42° 58' 56" E 81.92' to a point, thence running,
25) N 45° 54' 05" E 91.14' to a point, thence running,
26) N 45° 00' 24" E 96.89' to a point, thence running,
27) N 87° 28' 43" E 70.71' to a point, thence running,

Rev. March 13, 1986

Legal Description
Oyster Cove Contd.

28) S 32° 32' 53" E 16.94' to a point, thence running,
29) S 84° 51' 29" E 84.14' to a point, thence running,
30) N 50° 47' 03" E 71.78' to a point, thence running,
31) N 52° 18' 56" E 195.31' to a point, thence running,
32) N 52° 15' 27" E 98.49' to a point, thence running,
33) N 37° 43' 47" E 46.42' to a point, thence running,
34) S 54° 04' 09" E 121.08' to a point, thence running,
35) S 56° 49' 07" E 149.15' to a point, thence running,
36) S 45° 44' 54" E 42.43' to a point, thence running,
37) S 76° 14' 27" E 62.33' to a point, thence running,
38) S 83° 47' 15" E 66.40' to a point, thence running,
39) S 86° 01' 15" E 64.92' to a point, thence running,
40) N 86° 55' 09" E 154.17' to a point, thence running,
41) N 47° 04' 52" E 50.74' to a point, thence running,
42) N 03° 08' 04" W 142.25' to a point, thence running,
43) leaving said High Water Line and running the next eight courses along the bulkhead line, N 07° 15' 37" E 583.17' to a point, thence running,
44) N 82° 44' 23" W 77.00' to a point, thence running,
45) N 07° 15' 37" E 50.00' to a point, thence running,
46) N 82° 44' 23" W 154.50' to a point, thence running,
47) S 07° 15' 37" W 500.50' to a point, thence running,
48) S 29° 44' 23" E 42.50' to a point, thence running,
49) S 62° 44' 23" E 99.50' to a point, thence running,
50) S 14° 15' 37" W 100.50' to a point on the High Water Line of the previously mentioned cove, thence running,
51) leaving said bulkhead line and running the next several courses along said cove and said High Water Line in the general direction of N 83° 36' 13" E 7.76' to a point, thence running,
52) S 36° 33' 15" W 40.90' to a point, thence running,
53) S 74° 29' 30" W 54.67' to a point, thence running,
54) N 87° 36' 57" W 28.65' to a point, thence running,
55) S 57° 16' 18" W 25.89' to a point, thence running,
56) N 78° 40' 54" W 66.02' to a point, thence running,
57) N 82° 44' 36" W 24.00' to a point, thence running,
58) N 24° 38' 20" W 47.03' to a point, thence running,
59) N 37° 50' 54" W 23.04' to a point, thence running,
60) N 44° 03' 22" W 142.51' to a point, thence running,
61)N 17° 54' 40" W 82.48' to a point, thence running,
62) N 69° 28' 13" W 52.15' to a point, thence running,
63) N 05° 48' 25" W 113.13' to a point, thence running,
64) N 13° 22' 37" W 272.98' to a point, thence running,
65) N 25° 41' 41" W 118.52' to a point, thence running,
66) leaving said High Water Line of said cove and running northeastwardly along the southeasterly line of an out parcel, N 37° 54' 33" E 320.52' to a concrete monument on the southerly right-of-way line of Md. Route 18 also being the northeasterly corner of the Lands of the Commissioners of Queen Anne's County as recorded in the Land Records of said Queen Anne's County in liber MWM 154, folio 711, thence running,

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Legal Description
Oyster Cove Contd.

67) leaving said Queen Anne's County Commissioners and running the next three courses along the southerly right-of-way line of said Md. Route 18, S 65° 49' 54" E 230.57' to a point of curvature, thence running,
68) along a curve deflecting to the left an arc length of 608.36' with a radius of 1751.11' having a chord bearing and chord of S 75° 47' 04" E 605.31' to a point of tangency, thence running,
69) S 85° 44' 15" E 49.96' to the point and place of beginning; containing 31.3 more or less acres of land. The above described parcel of land is intended to be all of that land as shown on a plat entitled, "Plat of a portion of the land of Walter E. Thompson, et. ux. for "Oyster Cove" Wells Cove Development Co., Inc." as prepared by Andrews, Miller & Assoc., Inc. revised February 6, 1986.

WWL,Jr:mw

EXHIBIT B

BYLAWS

OF

OYSTER COVE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Oyster Cove Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located in Grasonville, Maryland, as determined by the Board of Directors, but the meetings of members and directors may be held at such places as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation for Oyster Cove Homeowners Association, Inc.

Section 2. "Association" shall mean and refer to Oyster Cove Homeowners Association, Inc., and its successors and assigns.

Section 3. "Common Area" or "Common Facilities" shall mean all of The Property and improvements thereon which are not Units or Common Elements, including but not limited to the swimming pool, tennis courts and community clubhouse, if any, and which are owned or leased by the Association for the common use and enjoyment of the Owners.

Section 4. "Common Elements" shall mean and refer to the common elements of any Condominium.

Section 5. "Condominium" shall mean and refer to Oyster Cove Villa Condominium, Oyster Cove Townhouse Condominium, Oyster Cove Boat Basin Condominium and any other condominium or condominiums which may hereafter be established on The Property.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to The Property and recorded among the Land Records for Queen Anne's County.

Section 7. "Developer" shall mean and refer to the Declarant, Oyster Cove Limited Partnership, its successors, or its assigns who sell units for the first time to members of the public.

Section 8. "Member" shall mean and refer to every person, group of persons or entity who holds membership in the Association.

Section 9. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Unit situated on The Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 10. "Plat" shall mean and refer to the plats for The Property as prepared by Andrews, Miller & Assoc., Inc. and recorded simultaneously with the Declaration as Exhibit 2 thereto.

Section 11. "The Property" shall mean and refer to all real property described in the Declaration of Covenants, Conditions and Restrictions for Oyster Cove Homeowners Association, Inc., and shown on the Plat, including such improvements and additions thereto as may hereafter be made pursuant to the Declaration.

Section 12. "Unit" shall mean and refer to any condominium unit in any Condominium.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association. The time and place thereof shall be set by the Board of Directors named in the Articles of Incorporation. Every subsequent meeting shall be set by the Board of Directors. There shall be a minimum of one (1) meeting of the Members in each calendar year after the first meeting.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A, Class B and Class C Memberships.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address on the books of the Association. Each Member shall supply his or her address to the Association for the purpose of receiving notice of meetings of the Members. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence in person or by proxy at the meeting of Members entitled to cast twenty-five percent (25%) of the votes of each class of Membership shall constitute a quorum for any action except as otherwise required in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such a quorum shall not be present or represented at any meeting, the Members in attendance and entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable, shall be valid only for the meeting for which it is given, and shall automatically cease upon conveyance by the Member of his Unit.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE

Section 1. Number. After the first annual meeting, the affairs of this Association shall be managed by a Board of Directors consisting of nine (9) directors. Except for the initial directors named in the Articles of Incorporation of the Association, who need not be Members of the Association, there shall be at least one (1) director from each Condominium established on The Property, elected by the unit owners of such Condominium. The remaining directors shall be elected by the Members on an at-large basis.

Section 2. Term of Office. At the first annual meeting the Members shall elect nine (9) directors: three directors for a term of three (3) years, three (3) directors for a term of two (2) years, and three (3) directors for a term of one (1) year. The three (3) directors receiving the three (3) greatest number of votes shall be elected for three (3) year terms, the three (3) directors receiving the next three (3) greatest number of votes shall be elected for two (2) year terms, and the remaining three (3) directors shall be elected for a one (1) year term. At each annual meeting thereafter, directors to replace those whose terms are expiring shall be elected for three (3) year terms.

Section 3. Removal; Vacancies. After the first annual meeting of the Association, any director may be removed from the Board of Directors, with or without cause, by a majority vote of the Members of each Membership class of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining Directors on the Board of Directors (whether or not they constitute a quorum) and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. Except for those original Directors named in the Articles of Incorporation for this Association, any of their successors elected prior to the First Meeting of the Members, no remuneration shall be paid to any Director who is also a Unit Owner for services performed by him unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors before the services are undertaken.

Section 5. Action Taken Without a Meeting. To the greatest extent permitted by law, the directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall be appointed by the Board of Directors and shall consist of a Chairman, who may be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least 45 days prior to each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or nonmembers, subject to Article IV, Section 1 hereof.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The eligible persons receiving the largest number of votes shall be elected, as provided by Section 2 of Article IV of these Bylaws. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually and otherwise as needed. Notice of regular meetings shall be sent to the Members via newsletter or by any other reasonable means, as required by law. Meetings shall be at such place and hour as may be fixed from time to time by resolution of the Board of Directors. Should said meeting fall upon a legal holiday, then that meeting

shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days notice to each director, and upon such notice to the Members as is required by law.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors. Each Director of the Board of Directors shall be entitled to cast one vote on each issue being decided by the Board of Directors. There shall be no voting by proxy at meetings of the Board of Directors.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS; LIABILITY AND INDEMNIFICATION

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and Facilities, and the personal conduct of the Members and their guests thereon, and to establish reasonable penalties, including fines, for the infraction thereof;

(b) suspend the voting rights and the right of a Member to use the Common Areas or Common Facilities during any period in which such Member shall be in default in the payment of any assessment, fine or other charge levied by the Association, or for infraction of published rules and regulations. Such rights may only be suspended after notice and a hearing before the Board of Directors, if one is requested in writing by the Member within 10 days of receiving notice, and for a period not to exceed 60 days, or for such period of time as the Member remains in default or in violation of the rules;

(c) levy fines against Members for violations of any covenants or use restrictions contained in the Declaration or for any rule adopted pursuant thereto, after notice and a hearing before the Board of Directors, if one is requested by the Member in writing within 10 days of receiving notice;

(d) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by law or other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(e) declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent without sufficient cause from three (3) consecutive regular meetings of the Board of Directors; and

(f) employ a manager, an independent contractor, and such other employees as they deem necessary, and to prescribe their duties and other terms and conditions of employment, provided however that the term of any agreement for management of the Association by or any other contract providing for services of, the Declarant, may not exceed three (3) years, and any such agreement must provide for termination by either party without cause and without termination fee on not more than ninety (90) days' written notice.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A and Class B Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any Unit for which assessments are delinquent and/or bring an action at law against the Owner personally obligated to pay the same;

(d) issue or to cause an appropriate officer to issue, upon demand by any Owner liable for assessment or any first mortgagee, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate comprehensive public liability and flood, fire and extended coverage insurance on insurable land and improvements owned by the Association as detailed in the Declaration, and cause to be written at the expense of the Association an officers and Directors liability insurance policy;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Common Areas and Common Facilities to be maintained.

Section 3. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and Director of the Association against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or Director in connection with any action, suit or other proceeding, including the settlement of any such suit or proceeding, if approved by the then Board of Directors, to which he may be made a party by reason of being or having been an officer or Director of the Association, whether or not such person is an officer or Director at the time such expenses are incurred. The officers and Directors of the Association shall be liable to the Association and the Members for any willful misconduct or bad faith, but shall not be liable for mistakes of judgment or otherwise if made in good faith. The officers and Directors of the Association shall not have any personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or Director of the Association, or former officer or Director of the Association, may be entitled.

Section 4. Common or Interested Directors.

(a) The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Association.

(b) No contract or other transaction between the Association and one or more of its Directors, or between the Association and any corporation, firm or association, including the Developer, in which one or more of the Directors are directors or officers, or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board of Directors, or any committee thereof, which authorizes or approves the

contract or other transaction, or because his or their votes are counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

(1) The fact of the common directorate, office or interest is disclosed or known to the Board of Directors, or a majority thereof, or noted in the Minutes, and the Board of Directors authorizes, approves or ratifies such contract or other transaction in good faith by a vote sufficient for the purpose; or

(2) The fact of the common directorate, office or interest is disclosed or known to the Members, or a majority thereof, and they approve or ratify the contract or other transaction in good faith by a vote sufficient for the purpose; or

(3) The contract or other transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

(c) Common or interested Directors may be counted in determining the presence of a quorum at any meeting of the Board of Directors, or any committee thereof, which authorizes, approves or ratifees any contract or other transaction, and may vote thereat to authorize any contract or other transaction with like force and effect as if he were not such Director or officer of such other corporation or not so interested.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board of Directors may from time to time by resolution create.

Secion 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by majority vote of the Board of Directors. The officer appointed to fill such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall be the chief executive officer of the Association and a Member of the Board of Directors. He shall preside at all meetings of the Association and the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of a corporation including but not limited to the power to appoint committees from among the Members, or other persons whom he feels are qualified, from time to time, as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Vice-President

(b) The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to do so on an interim basis. The Vice President shall also perform such other duties as shall, from time to time, be imposed upon him by the Board of Directors.

Secretary

(c) The Secretary shall cause the minutes of all meetings of the Board of Directors and the Association to be kept; he shall have charge of such other books and papers as the Board of Directors may direct; and he shall, in general, perform

or cause to be performed all the duties incident to the office of Secretary including counting the votes at meetings of the Association. In the Secretary's absence, the President shall designate some other person to count or cause the counting of such votes, and to assume the other duties of the Secretary.

Treasurer

(d) The Treasurer shall have responsibility for Association funds and securities, and shall be responsible for causing full and accurate accounts of all receipts and disbursements to be kept in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects, in the name and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors. The Board of Directors may delegate any or all of these duties to a Management Agent or banking institution.

ARTICLE IX

COMMITTEES

The Board of Directors shall appoint an Architectural Control Committee and a Nominating Committee. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall be maintained at the principal office of the Association or such other place designated by the Board of Directors from time to time. Any Member or his agent may inspect and copy during usual busness hours any of the following documents: the Declaration, the Bylaws, the Articles of Incorporation, the Minutes of the proceedings of the Members and Board of Directors, and annual statements of affairs.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If any assessment is not paid within thirty (30) days after its due date, the assessment shall bear interest from the date of delinquency at a rate determined by the Board of Directors, and

the Association may bring an action at law against the Owner or his Unit, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessments. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Unit.

ARTICLE XII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of the Members of each class present in person or proxy, provided a quorum is present and provided that a copy of any proposed amendment accompanied the notice of the meeting.

Section 2. In the case of any conflict between the Articles of Incorporation of the Association and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of Oyster Cove Homeowners Association, Inc. have hereunto set our hands this _____ day of _____, 1986.

_____(S)
George T. May

_____(S)
Walter Ellwood Thompson

_____(S)
J. Michael Warring

EXHIBIT C

CONSULTING ENGINEERS AND SURVEYORS
Andrews, Miller & Assoc., Inc.

DONALD E. ANDREWS, P.E.
HAROLD M. MILLER, JR., P.E.
WILLIAM W. LUDLOW, JR., L.S.

LEGAL DESCRIPTION
OYSTER COVE

July 23, 1985
Rev. March 13, 1986

Beginning at a concrete monument formed by the intersection of the southerly right-of-way line of Maryland Rt. 18, 40' wide, with the westerly line of the lands of now or formerly Lippincott Sailing Yacht, Inc. as recorded in the Land Records of Queen Anne's County, Maryland in liber MWM 202, folio 382, said beginning point being coordinated on the Maryland State Plane Coordinate System as N413295.44 E1017439.02, based on Maryland Bureau of Control Survey Station USC&GS Monument W-122, thence running, in the datum, of said Maryland State Plane Coordinate System, 1) leaving said right-of-way line of Md. Rt. 18 and running southwardly along the westerly line of said Lippincott Sailing Yacht, Inc., S 07° 15' 37" W 1166.36' to a point on the high water line of Marshy Creek, passing over an iron pipe found 30.32' reversely from end of said course, thence running, 2) leaving said Lippincott Sailing Yacht, Inc. and running westwardly meandering along the high water line of said Marshy Creek the next several courses in the general direction of S 61° 32' 42" W 227.24' to a point, thence running,

3) S 61° 31' 30" W 142.60' to a point, thence running,
4) S 68° 31' 36" W 128.97' to a point, thence running,
5) S 72° 15' 04" W 100.74' to a point, thence running,
6) S 38° 34' 13" W 73.01' to a point, thence running,
7) S 61° 12' 12" W 35.42' to a point, thence running,
8) N 81° 21' 26" W 33.20' to a point, thence running,
9) N 42° 14' 20" W 84.32' to a point, thence running,
10) N 03° 08' 16" W 123.52' to a point, thence running,
11) N 62° 51' 44" W 214.41' to a point, thence running,
12) N 88° 15' 55" W 83.40' to a point, thence running,
13) S 50° 05' 26" W 104.78' to a point, thence running,
14) S 12° 01' 59" W 66.55' to a point, thence running,
15) S 48° 40' 09" W 25.86' to a point, thence running,
16) S 72° 36' 48" W 21.49' to a point, thence running,
17) N 86° 12' 20" W 182.66' to a point, thence running,
18) S 78° 21' 02" W 39.46' to a point, thence running,
19) N 66° 20' 54" W 135.51' to a point, thence running,
20) N 77° 45' 28" W 86.88' to a point, thence running,
21) N 44° 48' 28" W 76.68' to a point, thence running,
22) N 28° 18' 59" W 39.99' to a point, on the high water line of Wells Cove, thence running,
23) leaving said Marshy Creek and running the next several courses along the high water line of Wells Cove in a general direction of N 50° 08' 53" E 130.81' to a point, thence running,
24) N 42° 58' 56" E 81.92' to a point, thence running,
25) N 45° 54' 05" E 91.14' to a point, thence running,
26) N 45° 00' 24" E 96.89' to a point, thence running,
27) N 87° 28' 43" E 70.71' to a point, thence running,

Rev. March 13, 1986

Legal Description
Oyster Cove Contd.

28) S 32° 32' 53" E 16.94' to a point, thence running,
29) S 84° 51' 29" E 84.14' to a point, thence running,
30) N 50° 47' 03" E 71.78' to a point, thence running,
31) N 52° 18' 56" E 195.31' to a point, thence running,
32) N 52° 15' 27" E 98.49' to a point, thence running,
33) N 37° 43' 47" E 46.42' to a point, thence running,
34) S 54° 04' 09" E 121.08' to a point, thence running,
35) S 56° 49' 07" E 149.15' to a point, thence running,
36) S 45° 44' 54" E 42.43' to a point, thence running,
37) S 76° 14' 27" E 62.33' to a point, thence running,
38) S 83° 47' 15" E 66.40' to a point, thence running,
39) S 86° 01' 15" E 64.92' to a point, thence running,
40) N 86° 55' 09" E 154.17' to a point, thence running,
41) N 47° 04' 52" E 50.74' to a point, thence running,
42) N 03° 08' 04" W 142.25' to a point, thence running,
43) leaving said High Water Line and running the next eight courses along the bulkhead line, N 07° 15' 37" E 583.17' to a point, thence running,
44) N 82° 44' 23" W 77.00' to a point, thence running,
45) N 07° 15' 37" E 50.00' to a point, thence running,
46) N 82° 44' 23" W 154.50' to a point, thence running,
47) S 07° 15' 37" W 500.50' to a point, thence running,
48) S 29° 44' 23" E 42.50' to a point, thence running,
49) S 62° 44' 23" E 99.50' to a point, thence running,
50) S 14° 15' 37" W 100.50' to a point on the High Water Line of the previously mentioned cove, thence running,
51) leaving said bulkhead line and running the next several courses along said cove and said High Water Line in the general direction of N 83° 36' 13" E 7.76' to a point, thence running,
52) S 36° 33' 15" W 40.90' to a point, thence running,
53) S 74° 29' 30" W 54.67' to a point, thence running,
54) N 87° 36' 57" W 28.65' to a point, thence running,
55) S 57° 16' 18" W 25.89' to a point, thence running,
56) N 78° 40' 54" W 66.02' to a point, thence running,
57) N 82° 44' 36" W 24.00' to a point, thence running,
58) N 24° 38' 20" W 47.03' to a point, thence running,
59) N 37° 50' 54" W 23.04' to a point, thence running,
60) N 44° 03' 22" W 142.51' to a point, thence running,
61)N 17° 54' 40" W 82.48' to a point, thence running,
62) N 69° 28' 13" W 52.15' to a point, thence running,
63) N 05° 48' 25" W 113.13' to a point, thence running,
64) N 13° 22' 37" W 272.98' to a point, thence running,
65) N 25° 41' 41" W 118.52' to a point, thence running,
66) leaving said High Water Line of said cove and running northeastwardly along the southeasterly line of an out parcel, N 37° 54' 33" E 320.52' to a concrete monument on the southerly right-of-way line of Md. Route 18 also being the northeasterly corner of the Lands of the Commissioners of Queen Anne's County as recorded in the Land Records of said Queen Anne's County in liber MWM 154, folio 711, thence running,

Rev. March 13, 1986

Legal Description
Oyster Cove Contd.

67) leaving said Queen Anne's County Commissioners and running the next three courses along the southerly right-of-way line of said Md. Route 18, S 65° 49' 54" E 230.57' to a point of curvature, thence running,
68) along a curve deflecting to the left an arc length of 608.36' with a radius of 1751.11' having a chord bearing and chord of S 75° 47' 04" E 605.31' to a point of tangency, thence running,
69) S 85° 44' 15" E 49.96' to the point and place of beginning; containing 31.3 more or less acres of land. The above described parcel of land is intended to be all of that land as shown on a plat entitled, "Plat of a portion of the land of Walter E. Thompson, et. ux. for "Oyster Cove" Wells Cove Development Co., Inc." as prepared by Andrews, Miller & Assoc., Inc. revised February 6, 1986.

WWL,Jr:mw

RECEIVED
CLERK, CIRCUIT COURT
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QUEEN ANNE'S COUNTY

BY-LAWS
OF
THE PRESERVE

ARTICLE I

NAME AND LOCATION. The name of the corporation is THE PRESERVE OF CENTREVILLE HOMEOWNER'S ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 8174 Ritchie Highway, Pasadena, Maryland 21122, but meetings of Members and directors may be held at such places within the State of Maryland, County of Anne Arundel or Queen Anne's, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to THE PRESERVE OF CENTREVILLE HOMEOWNER'S ASSOCIATION, INC., its successors and assigns.

Section 2. "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Recreational Facilities" shall mean such part or parts of the Common Area, and such improvements and personal property, owned by the Association, constructed, erected, placed upon or utilized in connection with such parts of the Common Area, as are by the Association set apart, designated, provided and intended for the recreational use of the Owners.

Section 5. "Lot" shall mean and refer to any plot of land so shown and designated by number upon any recorded subdivision map of the Property with the exception of the Common Area and the roads, streets, avenues and public rights of way.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the 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 7. "Declarant" shall mean and refer to MANDRIN CONSTRUCTION COMPANY, INC., a Maryland corporation, its successors and assigns if such successors or assigns should acquire ore than one undeveloped Lot from the Declarant for the

RECORDING FEE 30.00
TOTAL 30.00
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purpose of development.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded among the Land Records of Queen Anne's County, Maryland.

Section 9. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held during the same month of each year thereafter.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, thirty percent (30%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his/her Lot.

ARTICLE IV
BOARD OF DIRECTORS: SELECTION & TERM OF OFFICE

Section 1. Number. Until the first annual meeting of Members, the affairs of this Association shall be managed by a Board of three (3) Directors, who need not be Members of the Association, named by the Declarant. Thereafter, the affairs of this Association shall be managed by a Board of three (3) Directors, who need not be Members of the Association to be elected Members.

Section 2. Term of Office. At the first annual meeting the Members shall elect three (3) directors for a term of one year, and at each annual meeting thereafter the Members shall elect three (3) directors for a term of one year.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his/her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his/her predecessor.

Section 4. Compensation. No director shall receive compensation for any service he/she may render to the Association. However, any director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Such nominations may be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and the Recreational Facilities and improvements thereupon, if any, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the Common Areas and any improvements and Recreational Facilities thereupon by a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

(c) exercise for the Association all powers duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action of law against the owner personally obligated to pay the same;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certification shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area and the Recreational Facilities and improvements thereon, if any, to be maintained, operated and managed.

ARTICLE VIII
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at

all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to each vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him/her by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the

Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; service notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be make by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX
COMMITTEES

The Board of Directors shall appoint a Nominating Committee, as provided in these By-Laws, and an Architectural Control Committee, as provided in the Declaration. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out the purposes of the Association.

ARTICLE X
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of

delinquency at the rate of 12 percent (12%) per annum, and the Association may bring any action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his/her Lot.

ARTICLE XII
AMENDMENTS

Section 1. These By-Laws may be amended at a regular or special meeting of the Members by a vote of a majority of a quorum of Members present in person or by proxy, except that during any period of time when the Property is approved by the Federal Housing Administration or the Veterans Administration for insured mortgage financing, the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XIV
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the THE PRESERVE OF CENTREVILLE HOMEOWNER'S ASSOCIATION, INC., have hereunto set our hands and seals this 1at day of October, 2001.

WITNESS:

Stacy Charlier

(SEAL)
JAMES J. MANDRIN

Stacy Charlier

(SEAL)
EDWARD C. KENNEDY

Stacy Charlier

(SEAL)
TERRANCE MATERNIAK

DOCUMENT NO. 95,219

SECOND AMENDED DECLARATION

OF

COVENANTS CONDITIONS AND RESTRICTIONS

THIS SECOND AMENDED DECLARATION, made this 20th day of September, 1978, by MCD ENTERPRISES, INC., a Maryland corporation, hereinafter referred to as "Declarant", to its earlier Amended Declaration made June 28, 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber 137, folio 603.

W I T N E S S E T H :

SEP 29-78 A 2 484 *****61.00

WHEREAS, Declarant is the owner of certain real property in the Prospect Plantation Subdivision of Queen Anne's County in the State of Maryland, which is more particularly described as:

> Parcel A; Parcel B; Lots 1 through 10 inclusive and Lots 15 through 37 inclusive as shown on plat of subdivision entitled "Parcels A through D and Lots 1 through 10 and 15 through 37 Prospect Plantation" recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC1 as Plat No. 50.
>
> Lots 11 through 14 inclusive and Lots 38 through 40 inclusive as shown on plat of subdivision entitled "Lots 11 through 14, inclusive and Lots 38 through 40 inclusive, a resubdivision of Parcels C and D, Prospect Plantation" recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC 2 as Plat No. 17.

AND WHEREAS, certain covenants, conditions and restrictions contained in the earlier filed Declaration have to either be deleted or amended so as to enable the Declaration to conform to the regulations set by the Office of Interstate Land Sales Registration of the United States Department of Housing and Urban Development;

AND WHEREAS, Article XIII of the aforesaid Declaration provides for the Amendment of said Declaration and all the requirements for such an Amendment having been followed;

NOW, WHEREAS, Declarant will convey the said properties, subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the

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PLAINTIFF'S EXHIBIT
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purpose of enhancing and protecting the value, desirability and attractiveness of the real property. These easements, covenants, restrictions and conditions shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest in the described properties or any part thereof and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Prospect Plantation Homeowner's Association, Inc., a Maryland corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be subjected to this Declaration, or any amendment or supplemental Declaration.

Section 3. "Common Area" shall mean those areas of real property designated for the common use and enjoyment of the members of the Association. In order to be so designated, the property must be (a) shown on a recorded subdivision plat and included within the "Properties" by this Declaration or any amendment thereto; and (b) specifically designated as "Common Areas" by this Declaration or any amendment thereto.

The "Common Area" included within the "Properties" shown on subdivision plat entitled "Parcels A thru D and Lots 1 thru 10 and 15 thru 37 Prospect Plantation" which will be conveyed to the Association pursuant to Article V, Section 4 hereof is described as follows:

Parcel A containing 9.7721 acres (the private road system system shown on said plat)

Parcel B containing 5.0100 acres

Section 4. "Lot" shall mean and refer to any plot or parcel of land which is both shown upon any recorded subdivision map of the Properties and which is part of the "Properties" defined above with the exception of the Common Area.

Section 5. "Dwelling Unit" shall mean a building or portion thereof originally arranged or designated to provide living facilities for only one family.

Section 6. "Front lot line" shall mean that line of any lot binding upon a roadway.

Section 7. "Roadway" shall mean the private road system as it shall from time to time exist included within the "Properties" (as well as any public streets or roads which may from time to time exist within the Properties"). It is expressly stated that nothing herein contained shall constitute a dedication of any roadway or road shown on any subdivision plat.

Section 8. "Corner Lot" shall mean any "Lot" fronting on two or more adjoining roadways.

Section 9. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 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 Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 11. "Declarant" shall mean and refer to MCD Enterprises, Inc., its successors and assigns and/or such persons, firms and corporations as shall acquire more than five undeveloped Lots from the Declarant for the purpose of development and be designated by Declarant as an additional declarant.

ARTICLE II

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. For a period of ten years from the date of the incorporation of the Association, the Declarant shall be permitted, without the assent of Class A members being required, to from time to time annex to said Properties so much of any additional lands that become part of the Prospect Plantation Subdivision and so much of any additional lands within the general area of the Prospect Plantation Subdivision acquired and/or developed by either Declarant or Prospect Plantation, Inc., as Declarant shall wish to have so annexed. Declarant shall be further permitted without the assent of Class A members being required, to amend this Declaration to include herein and to subject to

the protective covenants, conditions, restrictions, reservations, liens, charges and terms hereof all lands annexed in accordance with this Section 1.

Section 2. Annexation of all other additional property shall require the assent of two-thirds (2/3) of the Class A members and two-thirds (2/3) of the Class B members, if any, voting in person or by Declarant's duly authorized officer or agent entitled to cast Declarant's vote, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. Voting by proxy is not allowed. The presence of members entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

ARTICLE III

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject to this Declaration of Covenants and and amendments hereto, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

ARTICLE IV

VOTING RIGHTS

The Association shall have two classes of voting membership.

CLASS A - Class A members shall be all those Owners as defined in ARTICLE III with the exception of Declarant, until such time as Declarant's

membership is converted as hereinafter provided. Class A members shall be entitled to one vote for each lot, unimproved or improved, in which said member holds the interest required for membership by ARTICLE III; provided, however, that, where more than one person holds such interest in any one Lot, all such persons shall be members, the vote for such Lot to be exercised as they themselves determine, but in no event shall more than one vote be cast with respect to any Lot pursuant to this subparagraph. Voting by proxy shall not be allowed.

CLASS B - The Class B member shall be the Declarant. The Class B member or members shall be entitled to twenty (20) votes for each Lot, unimproved or improved, in which it holds the interest required for membership by ARTICLE III. Any authorized officer or agent of Declarant shall be entitled to cast all of Declarants votes.

PROVIDED, HOWEVER, that the Class B membership shall cease and be converted to Class A membership, with the voting rights therein applicable, upon the happening of either of the following events, whichever occurs earlier: (a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership, or (b) on January 1, 1988,

PROVIDED, FURTHER, that three years from the date of sale of the first Lot by Declarant or when 30% of the first Lots platted are sold, whichever occurs first, then irrespective of the actual Class B or Class A votes to which Declarant shall be entitled, Declarant shall be deemed to have the lesser of (1) its actual Class B or Class A votes, or (2) a number of votes equal to one less than the aggregate of class A votes of Lot owners other than Declarant.

ARTICLE V

PROPERTY RIGHTS

Section 1. Members' Easements of Enjoyment. Every member shall have a right of easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

(a) The right of the Association to limit the number of guests of members;

(b) The right of the Association to charge reasonable fees for the use of any facilities situated from time to time upon the Common Areas;

(c) The right of the Declarant and/or Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, and the right of homeowners hereunder shall be subordinate to the rights of the mortgage in said properties;

(d) The right of the Association to take such steps as are reasonably necessary to protect the above-described Common Area against foreclosure;

(e) The right of the Association to suspend the voting rights and right to use the Common Areas and facilities by a member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed ninety (90) days for any infraction of its published rules and regulations;

(f) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members of the Board of Directors. No such dedication or transfer shall be effective unless an instrument signed by members entitled to cast two-thirds of the votes of the Class A membership and two-thirds of the votes of the Class B membership, if any, has been recorded, agreeing to such dedication or transfer.

(g) Without the assent or signature of the membership being required, the Board of Directors of the Association shall have the right to grant such easements, rights of way, and licenses in and through the Common Area as it shall from time to time deem necessary or desirable.

(h) Without the assent or signature of the membership being required, the Board of Directors of the Association shall have the right to have a navigation channel for small craft dredged within the Common Area notwithstanding the fact that such action may reduce, alter or affect the Association's ownership and/or use rights in said Common Area.

(i) Declarant, its successors and assigns shall have the right to grsnt and the right to assign the right to grant nonexclusive easements for ingress and egress through the Common Areas, as they shall from time to time exist, to such persons, firms and corporations as Declarant shall deem necessary snd desirable for the growth and development of the Prospect Plantation Subdivision.

(j) The Declarant reserves an easement and right to use and utilize the beds of the roadways and roads within the Properties for the installation and/or erection of such public and/or private utilities above or below ground level as may from time to time be deemed necessary or desirable by Declarant to provide such fscilities to the owners or occupiers of said Lots as well as to other real property of Declarant not subject to this Declaration; and the said Declarant expressly reserves the right to create slopes, grade, change the grade of or re-grade, any roadway provided that no act shall be taken that will prevent reasonable and convenient ingress to and from any Lot.

(k) The Association shall not have the right in any wsy to affect or interfere with the rights herein reserved to Declarant.

Section 2. Delegation of Use. Any member may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property, and such other persons as may be permitted by the Association.

Section 3. Designation of Common Areas. The Declarant hereby covenants for itself, its successors and assigns, that as to all land subsequently annexed pursuant to ARTICLE II, Section 1, Declarant will within sixty (60) days after such annexation or annexations designate the Common Area, if any, included therein.

Section 4. Title to Common Areas. The Declarant hereby covenants for itself, its successors and assigns, that it will convey all of its right, title and interest in and to the Common Areas to the Association, subject to all covenants, easements and restrictions of record, as follows: the Common Area designated in and described in ARTICLE I, Section 3, hereof as Parcel A

(the 9.7721 acre roadway system) will be conveyed prior to the conveyance of the first developed Lot; the Common Area designated in and described in ARTICLE I, Section 3, hereof as Parcel B will be conveyed no later than at the time the last Lot adjoining said Common Area is developed and conveyed. Except as hereinabove provided, the Declarant may retain the legal title to the Common Areas until such time as in the sole opinion of Declarant, the Association is able to maintain the same but, all said conveyances must be made by January 1, 1983.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned by it within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association (1) the hereinafter provided applicable annual assessment or charge and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The Personal obligation for any said past due assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessment. The assessments levied by the Association shall be used exclusively for the following purposes: the promotion of the recreation, health, safety and welfare of the residents in the Properties; the payment of all costs relating to the maintenance and operation of the Association; the payment of the charges, expenses and all other costs relating to the improvement, maintenance, replacement and repair

of the Common Areas (including the cost of all labor, equipment, materials, management, supervisions and all other costs directly or indirectly incident thereto); the promotion, improvement and maintenance of the beautification of the Prospect Plantation Subdivision, as it shall from time to time exist, including, but not limited to, any fences from time to time surrounding all or any part of the said subdivision, the entrances to the subdivision and the areas from time to time used in common or designated for use in common by the residents of the said subdivision; the payment of any taxes or assessments levied from time to time by any lawful authority against the said Common Areas; the payment of any insurance from time to time carried on the Common Areas or the facilities located thereon; and the improvement and maintenance of the Properties, services and facilities devoted to the promotion of the health, recreation, safety and welfare of the residents in the Properties.

Section 3. Basis of Annual Assessment.

(a) The maximum annual assessment shall not exceed $200.00 per annum per Lot, unimproved or improved, based on the nationally established consumer price index on January 1, 1974, but subject, however, to adjustment in accordance with any adjustments in the said cost of living index, as hereinafter provided, and subject to the provisions of subparagraph (d) below.

(b) Until January 1 of the year following the first conveyance of Lots by Declarant, the annual assessment shall be Two Hundred and no/100 ($200.00) Dollars per Lot adjusted in accordance with Section 6 hereof and adjusted in accordance with provisions of subparagraph (e) of this Section 3.

(c) From and after January 1 of the year following the first conveyance of Lots by Declarant, the maximum annual assessment for Lots may be increased effective January 1 of each year by the Board of Directors of the Association without a vote of the membership in conformance with a rise in the cost of living index. The maximum annual assessment for any said year shall be computed and determined by multiplying the then allowable maximum annual assessment by a fraction, the numerator of which shall be the average "United States Bureau of Labor Statistics Consumer Price Index, All Items United States" for the month of July of the preceding year, the denominator of which

shall, in each instance, be the average "Index for January, 1974. If such Index referred to shall be discontinued, the Board of Directors shall select a substitute formula or index.

(d) From and after January 1 of the year immediately following the first conveyance of Lots by Declarant, the maximum annual assessment may be increased above the amount permitted by Section 3(a) and/or Section 3(c) by vote of sixty percent (60%) of each class of members who are voting in person or by Declarant's authorized officer or agent entitled to cast Declarant's votes at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. Voting by proxy is not allowed. The presence of members or of Declarant's authorized officer or agent entitled to cast sixty-percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

(e) Each Lot within the Properties owned by Declarant shall, until the date of its conveyance by Declarant to all others except a designated successor or additional declarant, have an annual assessment equal to one-half of the then prevailing annual assessment for a Lot, as hereinbefore and hereinafter provided, excepting those Lots owned by Declarant for rental purposes on which Declarant will be required to pay the full prevailing annual assessment.

(f) Except as provided by Section 3(d), and subject to the limitation established by 3(e), the Board of Directors shall fix the annual assessment at an amount not in excess of the maximum for the said year.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year a special assessment, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of improvements upon the Common Areas, provided that such assessment shall have the assent of sixty percent (60%) of the votes of

each class of members who are voting in person or by Declarant's authorized officer or agent entitled to cast Declarant's votes, at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting. Voting by proxy is not allowed.

Section 5. Uniform Rate of Assessment. Except as provided in Section 3(e) hereof, annual and special assessments must be fixed at a uniform rate for all Lots. Annual assessments shall be payable either annually or semi-annually in advance, as determined by the Board of Directors.

Section 6. Date of Commencement of Annual and Special Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the first conveyance of Common Area to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. The due date of any special assessment authorized under Section 4 shall be fixed in the resolution authorizing such assessment. Written notice of the annual and special assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the Assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Property, and interest, costs and reasonable attorney's fees of any such

action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any bona-fide mortgage or mortgages. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of all such assessments as to payments thereof 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. The term mortgage or mortgages shall include Deed of Trust or Deeds of Trust.

Section 9. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all properties dedicated to and accepted by a local public authority (b) the Common Area; and (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Maryland. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VII

ARCHITECTURAL CONTROL

No building, dock, boathouse, fence, wall, bulkhead, jetty, seawall driveway or any structure of any kind or nature whatsoever shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration (including change of color of any exterior part) therein be made until the plans, specifications and site plan showing the nature, color, kind, shape, heights, materials, floor plan, color scheme, cost and location of the same shall have been submitted to and approved in writing as to the general suitability of such construction with the Properties, as to the relative value of said improvement in relation to its surroundings, as to the type and kind of materials to be used, and as to harmony of external

design and location in relation to surrounding structures, topography and waterways by the Board of Directors of the Association, or by an architectural control committee composed of three (3) or more representatives appointed by the Board. The Board of Directors or its architectural control committee shall be permitted to make a reasonable charge for the review of any such plans, specifications and site plans. In the event said Board, or its designated committee, fails to approve or disapprove such plans and specifications within ninety (90) 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.

Any approval obtained hereunder, whether by default or otherwise, shall become null and void unless construction is commenced within six (6) months of the date of approval.

The Board of Directors of the Association or its architectural control committee shall hsve the right to establish such mandatory minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected within the Properties.

The Board of Directors of the Association or its architectural control committee shall have the right to determine the location, color, size, design, lettering, and all other particulars of all mail or paper delivery boxes, and standards and brackets and the name signs for such boxes in order that the area be strictly uniform in appearance with respect thereto.

ARTICLE VIII

ARCHITECTURAL CONTROL BY LENDING INSTITUTION

No building to be used as a dwelling unit shall be commenced, erected or placed on any Lot by either Declarant, a designated successor, additional declarant or any other Owner of any Lots conveyed by Declarant, designated successor or additional declarant until the construction plans and specifications and a plan showing the location of the structure have been approved by Columbia Federal Savings and Loan Association. Approval of said architectural plans and specifications is not to be arbitrarily withheld by Columbia Federal Savings and Loan Association. Such architectural control by

the aforementioned lending institution is to be effective only for a period of three years from the date of sale of the first Lot by Declarant or until 30% of the Lots are sold, whichever time period is shorter.

ARTICLE IX

EXTERIOR MAINTENANCE

In the event an Owner of any Lot in the Properties shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agent and employees, to enter upon said parcel and to repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.

ARTICLE X

RESTRICTIONS, EASEMENTS AND COVENANTS

Section 1. General. The Properties herein described and all property hereafter annexed shall be subject to all easements and restrictions of record. The Common Areas included within the Properties shall be subject to such use restrictions as shall be adopted by the Association from time to time.

Section 2. Rights Reserved in Declarant. The Properties herein described and all property hereafter annexed shall be subject to the rights reserved therein by Declarant by this Declaration as it shall from time to time be amended and altered.

Section 3. Lots. Each "Lot" within the "Properties" shall be subject to the following easements, covenants and restrictions:

(a) The floor area of any dwelling house erected upon any Lot, exclusive of basement and attached porches and garages, shall be not less than one thousand three hundred (1,300) square feet for a one-story dwelling, nor less than one thousand nine hundred (1,900) square feet for a one-and-one-half or two story dwelling.

(b) No dwelling shall be located on any parcel closer to any front lot line than fifty (50) feet, or closer than fifty (50) feet to any side lot line abutting on a street in case of a corner parcel. No dwelling shall be located within seventy-five (75) feet of the shoreline, or if no shoreline,

fifty (50) feet of the rear lot line. Entrance stoops, terraces, steps, eaves, cornices, and gutters, as may be approved by the Association, may be built, erected and maintained on any part of the restricted area.

(c) All detached garages and other out-buildings of any kind whatsoever, except boathouses, shall be located not less than fifty (50) feet from the shoreline, or if no shoreline, not less than fifty (50) feet from rear lot lines.

(d) No basement, tent, shack, garage, barn or other outbuildings shall be erected on any Lot and used either temporarily or permanently as a residence. No trailer shall be used temporarily or permanently for residential purposes, but small trailers such as boat trailers and campers may be stored on a parcel, providing they are either parked within a completely enclosed building or parked beyond the rear of the main dwelling, and at least thirty (30) feet from the side lot line, and not less than fifty (50) feet from the shoreline, or if no shoreline, fifty (50) feet from the rear lot line.

(e) No dwellings shall be erected with fronts facing Prospect Bay Road, nor shall Lots adjoining Prospect Bay Road have driveways running from said road.

(f) No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

(g) No Lot shall be used except for residential purposes. The term "residential purposes" shall include the office of a licensed medical or dental practitioner if said office is incidental to the primary use of the Lot as a residence for said practitioner.

(h) Excepting only "pick-up" trucks, no trucks or commercial type vehicles shall be stored or parked on any Lots except while parked in a closed garage nor parked on any roadway in the Properties except while engaged in transporting to or from a residence in the Properties.

(i) In the front yard of any Lot, no fence or wall shall be erected which shall have a height in excess of forty-eight (48) inches. In addition to the aforementioned height limitation, only walls which are necessary as

retaining walls to take care of ground elevations may be erected in the front yard and only fences of the rail or three-board type may be erected in the front yard. The term "front yard" shall mean that portion of the yard in front of the existing front building line for the roadway on which the dwelling will front. In the case of a "corner lot", the term "front yard" shall include all those portions of the yard in front of the existing front building line for each side of the Lot which abuts adjoining roadways. Fences and walls not to exceed six (6) feet in height may be erected on all other portions of said Lot, subject to the limitation hereinafter set forth. No fence or wall of any height shall be constructed at any location on any Lot until the height, type, design and approximate location therefore shall have been approved in writing by the architectural control committee. The heights or elevations of any wall shall be measured from the existing elevations of the property at or along the applicable points or lines. Any question as to such heights may be completely determined by the architectural control committee. Any wall permitted shall be constructed of brick or stone. Boundary hedges and boundary shrubs shall be permitted in the front and back yards with the height limitations applicable to fencing.

(j) No building shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the public authority charged with the responsibility in the particular jurisdiction with permits for construction.

(k) No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

(l) No sign of any kind shall be displayed to the public view on any Lot except as follows: one professional sign of not more than one (1) square foot, one sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

(m) No Owner shall sell, lease or in any manner transfer any portion of a Lot less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Association shall give its written consent thereof.

(n) Every Owner shall maintain his Lot, the improvements situated therein and any bulkheads and seawalls adjacent to his Lot in good order and repair and in a manner satisfactory to the Board of Directors.

(o) The Association shall, in all cases, have the right to determine the front, side or rear lines of any Lot and the amount of set back from said lines necessary to conform to requirements hereof, and the determination, judgment and decision of the Association thereon shall be final in all respects.

(p) In all matters involving the interpretation and construction of the terms and provisions of this Declaration and of these covenants and restrictions, the opinion of the Board of Directors of the Association shall be final and conclusive and shall not be subject to attack upon the grounds that same is or may be arbitrary and capricious. Invalidation of any of the covenants herein contained, by judgment or court order, shall in no wise affect any of the other provisions which shall remain in full force and effect.

(q) The foregoing covenants shall not apply to the "Common Areas".

ARTICLE XI

UTILITY EASEMENTS

Declarant hereby expressly reserves easements and rights of way upon, in and over strips of land ten (10) feet in width along each side of all interior Lot lines and easements and rights of way, upon, in and over strips of land twenty (20) feet in width along all Lot lines adjacent to roadways for the purpose of establishing, installing and maintaining from time to time, public or private utilities (including but not limited to water, sewer, electricity, telephone and other utility facilities) storm drains, slopes and grades, and for such other purposes incidental to the development of the Prospect Plantation Subdivision. Declarant does not, however, warrant or represent that it will establish or install public or private utilities, storm drains or slopes and grades.

All claims for damages, if any, arising out of the construction, maintenance and repair of utilities or on account of temporary or other inconvenience caused thereby against the Declarant, or any utility company or municipality, or any of its agents or servants are hereby waived by the Owners, except those claims arising from negligence or misconduct.

ARTICLE XII

ASSIGNMENT

Any or all of the rights, titles, easements and estates given to or reserved by the Declarant in this instrument may be assigned in whole or in part to one or more corporations or associations, and likewise all of the powers (including discretionary powers), and any duties and obligations imposed upon the Declarant by this instrument may be assigned and transferred to one or more corporations agreeing to assume, exercise, carry out and perform the same. Any such assignment or transfer shall be made by an appropriate written agreement in which the assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are imposed upon Declarant, the Declarant thereupon being released therefrom.

ARTICLE XIII

GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Declarant or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, except as hereinafter provided.

Section 2. Amendment. The covenants and restrictions of this Declaration may be amended, cancelled, annulled or abrogated in whole or in part during the first thirty (30) year period by an instrument signed by members entitled to cast not less than eighty percent (80%) of the total votes of

the membership, and thereafter by an instrument signed by members entitled to cast not less than seventy-five percent (75%) of the total votes of the membership.

The Board of Directors of the Association may amend this Declaration to include herein and to subject to the terms hereof all property annexed pursuant to provisions of ARTICLE II, Section 2, without the approval of the membership except as is required for the annexation. Without approval of the membership, the Board of Directors of the Association may also amend this Declaration and do such other acts as are necessary to comply from time to time with the requirements of (i) the Queen Anne's County Planning and Zoning Commission or its successors, (ii) F. H. A. or V. A., in the event that a substantial portion of the Properties shall be financed by loans insured by Federal Housing Administration or the Veterans' Administration, (iii) Internal Revenue Service in order to obtain or retain tax exempt status. Any amendment must be properly recorded.

Section 3. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration. Failure by the Association, by the Declarant or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Violation of any covenant, condition or restriction herein shall give the Association, in addition to all other remedies, the right to enter upon the land on which, or as to which, such violations exist and summarily to abate and remove, at the expense of the Owner thereof, such violation, and the Association shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal or for any damages resulting therefrom.

Section 4. Severability. If any provision of the covenants and restrictions herein contained, or the application of such provisions to any person or circumstances shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

IN TESTIMONY WHEREOF, the said MCD ENTERPRISES, INC., has caused these presents to be executed in its corporate name, by its President, with its corporate seal hereunto affixed, attested by its Secretary on the date first above written.

MCD ENTERPRISES, INC.

By: Warren W. Pearce, Jr., President

Gordon G. Kilby, Secretary

STATE OF MARYLAND :
: ss:
COUNTY OF Prince George's :

I HEREBY CERTIFY that on this 20th day of September, 1978, before the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared in said State and County WARREN W. PEARCE, JR., who made oath in due form of law that he is the duly elected and acting President of MCD Enterprises, Inc., Declarant in the aforegoing Declaration, and he acknowledged said Declaration to be the act and deed of said corporation executed by authority of its Board of Directors.

WITNESS my hand and official seal this 20th day of September, 1978.

Linda S. Iacinelli
Notary Public, Maryland

My Commission Expires: 7-1-82

DOCUMENT NO. 95,956

RECEIVED
CLERK, CIRCUIT COURT
00 MAY 12 PM 1:20
QUEEN ANNE'S COUNTY

AMENDMENT TO THE

SECOND AMENDED DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

THIS AMENDMENT TO THE SECOND AMENDED DECLARATION, made this 15th day of November, 1978, by MCD ENTERPRISES, INC., a Maryland corporation, hereinafter referred to as "Declarant", to its earlier Second Amended Declaration made September 20, 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber 141, folio 363.

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain real property in the Prospect Plantation Subdivision of Queen Anne's County in the State of Maryland, which is more particularly described as:

> Parcel A; Parcel B; Lots 1 through 10 inclusive and Lots 15 through 37 inclusive as shown on plat of subdivision entitled "Parcels A through D and Lots 1 through 10 and 15 through 37 Prospect Plantation" recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC1 as Plat No. 50.
>
> Lots 11 through 14 inclusive and Lots 38 through 40 inclusive as shown on plat of subdivision entitled "Lots 11 through 14, inclusive and Lots 38 through 40 inclusive, a resubdivision of Parcels C and D, Prospect Plantation" recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC2 as Plat No. 17.

AND WHEREAS, certain covenants, conditions and restrictions contained in the earlier filed Second Amended Declaration have to either be deleted or amended so as to enable the Declaration to conform to the regulations set by the Office of Interstate Land Sales Registration of the United States Department of Housing and Urban Development;

AND WHEREAS, Article XIII of the aforesaid Declaration provides for the Amendment of said Declaration and all the requirements for such an Amendment having been followed;

NOW, THEREFORE, Declarant hereby amends the aforesaid Second Amended Declaration by striking out ARTICLE VI, Sections 1 through 9 and ARTICLE VII, and inserting in lieu thereof the following:

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned by it within the Properties, hereby

RECORDING FEE 25.00
TOTAL 25.00
Rec# 0A01 Rcpt # 82783
SM RCB Blk # 1645
May 12, 2000 01:23 PM

covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association (1) the hereinafter provided applicable annual assessment or charge and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for any said past due assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessment. The assessments levied by the Association shall be used exclusively for the following purposes: the promotion of the recreation, health, safety and welfare of the residents in the Properties; the payment of all costs relating to the maintenance and operation of the Association; the payment of the charges, expenses and all other costs relating to the improvement, maintenance, replacement and repair of the Common Areas (including the cost of all labor, equipment, materials, management, supervisions and all other costs directly or indirectly incident thereto); the promotion, improvement and maintenance of the beautification of the Prospect Plantation Subdivision, as it shall from time to time exist, including, but not limited to, any fences from time to time surrounding all or any part of the said subdivision, the entrances to the subdivision and the areas from time to time used in common or designated for use in common by the residents of the said subdivision; the payment of any taxes or assessments levied from time to time by any lawful authority against the said Common Areas; the payment of any insurance from time to time carried on the Common Areas or the facilities located thereon; and the improvement and maintenance of the Properties, services and facilities devoted to the promotion of the health, recreation, safety and welfare of the residents in the Properties.

Section 3. Basis of Annual Assessment.

(a) The maximum annual assessment shall not exceed $200.00 per annum per Lot, for improved Lots and $100.00 per annum per Lot, for unimproved Lots,

but subject, however, to adjustment in accordance with any adjustments in the national consumer price index, as hereinafter provided, and subject to the provisions of subparagraph (c) below. For purposes of this Section, an improved Lot shall be a Lot upon which footings for a dwelling have been put in place for over 180 days.

(b) From and after January 1 of the year following the first conveyance of Lots by Declarant, the maximum annual assessment for Lots may be increased effective January 1 of each year by the Board of Directors of the Association without a vote of the membership in conformance with a rise in the cost of living index. The maximum annual assessment for any said year shall be computed and determined by multiplying the then allowable maximum annual assessment by a fraction, the numerator of which shall be the average "United States Bureau of Labor Statistics Consumer Price Index, All Items United States" for the month of July of the preceding year, the denominator of which shall, in each instance, be the average "Index" for January, 1974. If such Index referred to shall be discontinued, the Board of Directors shall select a substitute formula or index.

(c) From and after January 1 of the year immediately following the first conveyance of Lots by Declarant, the maximum annual assessment may be increased above the amount permitted by Section 3(a) and/or Section 3(b) by vote of sixty percent (60%) of each class of members who are voting in person or by Declarant's authorized officer or agent entitled to cast Declarant's votes at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. Voting by proxy is not allowed. The presence of members or of Declarant's authorized officer or agent entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

(d) Except as provided by Sections 3(b) and 3(c), the Board of Directors shall fix the annual assessment at an amount not in excess of the

maximum for the said year, but in no event shall Owners of unimproved Lots pay an assessment in excess of fifty percent (50%) of the assessment payable by an Owner of an improved Lot.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year a special assessment, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of improvements upon the Common Areas, provided that such assessment shall have the assent of sixty percent (60%) of the votes of each class of members who are voting in person or by Declarant's authorized officer or agent entitled to cast Declarant's votes, at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting. Voting by proxy is not allowed.

Section 5. Uniform Rate of Assessment. Annual and special assessments must be fixed at a uniform rate for all improved Lots and unimproved Lots. Annual assessments shall be payable either annually or semi-annually in advance, as determined by the Board of Directors.

Section 6. Date of Commencement of Annual and Special Assessments: Due Dates. The annual assessments provided for herein shall commence whenever directed by the Board of Directors of the Association following the first conveyance of Common Area to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. The due date of any special assessment authorized under Section 4 shall be fixed in the resolution authorizing such assessment. Written notice of the annual and special assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any bona-fide mortgage or mortgages. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale of transfer of any Lot which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of all such assessments as to payments thereof 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. The term mortgage or mortgages shall include Deed of Trust or Deeds of Trust.

Section 9. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all properties dedicated to and accepted by a local public authority; (b) the Common Area; and (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Maryland. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VII

ARCHITECTURAL CONTROL

No building, dock, boathouse, fence, wall, bulkhead, jetty, seawall, driveway or any structure of any kind or nature whatsoever shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration (including change of color of any exterior part) therein be made until the plans, specifications and site plan showing the nature, color, kind, shape, heights, materials, floor plan, color scheme,

cost and location of the same shall have been submitted to and approved in writing as to the general suitability of such construction with the Properties, as to the relative value of said improvement in relation to its surroundings, as to the type and kind of materials to be used, and as to harmony of external design and location in relation to surrounding structures, topography and waterways by the Board of Directors of the Association, or by an architectural control committee composed of three (3) or more representatives appointed by the Board. The term of any such architectural control committee appointed by the first Board of Directors shall terminate upon the termination of the term of the first Board of Directors. A new architectural control committee shall then be appointed by the next Board of Directors. The Board of Directors or its architectural control committee shall be permitted to make a reasonable charge for the review of any such plans, specifications and site plans. In the event said Board, or its designated committee, fails to approve or disapprove such plans and specifications within ninety (90) 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.

Any approval obtained hereunder, whether by default or otherwise, shall become null and void unless construction is commenced within six (6) months of the date of approval.

The Board of Directors of the Association or its architectural control committee shall have the right to establish such mandatory minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected within the Properties.

The Board of Directors of the Association or its architectural control committee shall have the right to determine the location, color, size, design, lettering, and all other particulars of all mail or paper delivery boxes, and standards and brackets and the name signs for such boxes in order that the area be strictly uniform in appearance with respect thereto.

IN TESTIMONY WHEREOF, the said MCD ENTERPRISES, INC., has caused the Amendment to the Second Amended Declaration of Covenants, Conditions and Restrictions to be executed in its corporate name, by its President, with its corporate seal hereunto affixed, attested by its Secretary on the date first above written.

MCD ENTERPRISES, INC.

By: _____
Warren W. Pearce, Jr., President

ATTEST:

_____
Herndon G. Kilby, Secretary

STATE OF MARYLAND :
: ss:
COUNTY OF PRINCE GEORGES :

I HEREBY CERTIFY that on this 15th day of November, 1978, before the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared in said State and County WARREN W. PEARCE, JR., who made oath in due form of law that he is the duly elected and acting President of MCD Enterprises, Inc., Declarant in the aforegoing Declaration, and he acknowledged said Declaration to be the act and deed of said corporation executed by authority of its Board of Directors.

WITNESS my hand and official seal this 15th day of November, 1978.

_____
Notary Public, Maryland

My Commission expires: 7-1-82

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ARTICLES OF INCORPORATION

OF

PROSPECT PLANTATION HOMEOWNERS' ASSOCIATION, INC.

A nonstock Maryland Corporation

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, have this day voluntarily associated ourselves together for the purpose of forming a nonstock corporation under the laws of the State of Maryland, and to that end do hereby adopt Articles of Incorporation as follows:

ARTICLE I: The incorporators, Clarence L. Fossett, Jr., 4316 Hamilton Street, Hyattsville, Maryland 20781, David A. McNamee, 4316 Hamilton Street, Hyattsville, Maryland 20781, and George A. Brugger, 9009 Falls Chapel Way, Potomac, Maryland 20854, are at least twenty-one (21) years of age and do associate as incorporators with the intention of forming a corporation.

ARTICLE II: The name of the corporation is:

PROSPECT PLANTATION HOMEOWNERS' ASSOCIATION, INC.

ARTICLE III: The nature of the business and the objects and purposes to be transacted, promoted and carried on are to do any or all of the things herein mentioned as fully and to the same extent as natural persons might or could do, and in any part of the world, viz:

To promote the recreation, health, safety and welfare of its members and the residents of the Prospect Plantation Subdivision of Queen Anne's County, Maryland; and to improve and maintain the property owned from time to time by the Association, including but not limited to, the maintenance and improvement of the common facilities and common areas and any and all other facilities located or established from time to time thereon; and to promote, improve and maintain the beautification of the Prospect Plantation Subdivision, including but not limited to, the entrances to the subdivision and the areas from time to time used in common by the residents of the said subdivision, and to provide architectural control within the Prospect Plantation Subdivision.

RECORDING FEE 25.00
TOTAL 25.00
Rec# 0401 Rcpt # 82783
SM RCB Blk # 1646
May 12, 2000 01:23 PM

To purchase, take, own, hold, deal in, mortgage or otherwise lien and to lease, sell, exchange, convey, transfer or in any manner whatever acquire or dispose of real property, within the State of Maryland.

To purchase or otherwise acquire and to hold, own, mortgage or otherwise lien, pledge, lease, sell, assign, exchange, transfer or in any manner dispose of, and to invest, deal and trade in and with goods, wares, merchandise and personal property of any and every class and description, within or without the State of Maryland.

To enter into, make and perform contracts of every kind for any lawful purpose with any person, firm, association or corporation, town, city, county, body politic, state, territory, government or colony or dependency thereof.

To borrow money for any of the purposes of the corporation and to draw, make, accept, endorse, discount, execute, issue, sell, pledge or otherwise dispose of promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable, transferable or non-transferable instruments and evidences of indebtedness and to secure the payment thereof and the interest thereon by mortgage or pledge, conveyance or assignment in trust of the whole or any part of the property of the corporation at the time owned or thereafter acquired.

To have one or more offices and to conduct any or all of its operations and business and to promote its objects, within or without the State of Maryland, without restriction as to place or amount.

To do any or all of the things herein set forth as principal, agent, contractor, trustee or otherwise, alone or in company with others.

The object and purposes specified herein shall be regarded as independent objects and purposes and, except where otherwise expressed, shall be in no way limited nor restricted by reference to or inference from the terms of any other clause or paragraph of this certificate of incorporation.

The foregoing shall be construed both as objects and powers and the enumeration thereof shall not be held to limit or restrict in any manner the general powers conferred on this corporation by the laws of the State of Maryland.

ARTICLE IV: The post office address of the principal office of the corporation in the State of Maryland is 10210 Greenbelt Road, Seabrook, Prince George's County, Maryland 20801. The name and post office address of the Resident Agent of the corporation in the State of Maryland is W. CARROLL BEATTY, 4316 Hamilton Street, Hyattsville, Prince George's County, Maryland 20781, and said Resident Agent is an individual actually residing in this State.

ARTICLE V: This corporation is not authorized to issue capital stock nor to declare dividends and no other pecuniary profits shall be declared or paid to the members thereof.

ARTICLE VI: The number of directors of the corporation shall be five (5), which number may be increased or decreased pursuant to the By-Laws of the corporation, but shall never be less than three (3). Said directors shall be denominated as the Board of Directors and the names of the persons who shall act as the Board of Directors of the corporation until the first annual meeting are: HERNDON G. KILBY, JACK ROWZIE, WARREN W. PEARCE, JR., CLINTON W. SCAGGS, JR., and HARRY D. BARNEY.

ARTICLE VII: This corporation is to have perpetual existence.

ARTICLE VIII: The private property of the members shall not be subject to the payment of corporate debts to any extent whatsoever.

ARTICLE IX: In furtherance, and not in limitation of the powers conferred by the laws of the State of Maryland, the Board of Directors is expressly authorized:

To make, alter, amend and repeal the By-Laws;

To set apart out of any of the funds of the corporation available a reserve or reserves for any proper purpose and to alter or abolish any such reserve; to authorize and cause to be executed mortgages and liens upon the property and franchises of this corporation;

From time to time to determine whether and to what extent and at what times and places and under what conditions and regulations the

books and accounts of this corporation shall be open to the inspection of the members and no member shall have any right to inspect any account, checkbook or document of the corporation except as conferred by law or authorized by resolution of the Board of Directors or of the membership.

ARTICLE X: The Board of Directors and the membership shall have the power to hold their meetings, to have an office or offices, and to keep the books of the corporation inside or outside of the State of Maryland at such places as may from time to time be designated by the By-Laws or by resolution of the Board of Directors.

ARTICLE XI: This corporation reserves the right to amend, alter, discharge or repeal any provision contained in these Articles in the manner now or hereafter prescribed by law and all rights conferred on the Board of Directors or the general officers of the corporation as created under appropriate provisions of the By-Laws are granted subject to this reservation.

IN WITNESS WHEREOF, we, the herein named incorporators, have signed these Articles of Incorporation on this 19 day of September, 1975.

WITNESS:

John J. Dellenger — Clarence L. Fossett, Jr.

John J. Dellenger — David A. McNamee

John J. Dellenger — George A. Brugger

STATE OF MARYLAND :
: ss:
COUNTY OF PRINCE GEORGE'S :

I HEREBY CERTIFY that on this 19th day of September 1975, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Prince George's, personally appeared in said State and County CLARENCE L. FOSSETT, JR., DAVID A. McNAMEE and GEORGE A. BRUGGER, and severally acknowledged the foregoing Articles of Incorporation to be their act.

WITNESS my hand and Notarial Seal this 19th day of September 1975.

Diana Lynn Foster
Notary Public, Maryland

My Commission Expires: July 1, 1978

ARTICLES OF INCORPORATION

OF 149 620

PROSPECT PLANTATION HOMEOWNERS' ASSOCIATION, INC.

approved and received for record by the State Department of Assessments and Taxation of Maryland September 22, 1975, at 8:30 o'clock A.M. as in conformity with law and ordered recorded.

A 44265

5

Recorded in Liber 2211, folio 542, one of the Charter Records of the State Department of Assessments and Taxation of Maryland.

Bonus tax paid $20.00 Recording fee paid $15.00

To the clerk of the Circuit Court of Prince Georges County

IT IS HEREBY CERTIFIED, that the within instrument, together with all indorsements thereon, has been received, approved and recorded by the State Department of Assessments and Taxation of Maryland.

AS WITNESS my hand and seal of the said Department at Baltimore.

Richard H Kellen

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND

Received for record on the 2nd Day of Dec A.D. 19 75 and the same day recorded in Liber No. 149 at Folio, 620 &c one of the Corp Records of Prince George's County, Maryland

Norman S. Pritchett

DEC 2 8 32 PM

DEC -2-75 A E15937

approved and received for record by the State Department of Assessments and Taxation of Maryland November 29, 1978 at 8:30 o'clock A. M. as in conformity with law and ordered recorded.

Recorded in Liber 2431, folio 2923, one of the Charter Records of the State Department of Assessments and Taxation of Maryland.

Deeds tax paid $_____ Recording fee paid $ 20.00 Special Fee paid $_____

To the clerk of the Circuit Court of Prince Georges County

IT IS HEREBY CERTIFIED, that the within instrument, together with all indorsements thereon, has been received, approved and recorded by the State Department of Assessments and Taxation of Maryland.

AS WITNESS my hand and seal of the said Department at Baltimore.

A 78345

[illegible]

ARTICLES OF AMENDMENT

"Prospect Plantation Homeowners' Association, Inc., a Maryland corporation having its principal office in Prince George's County, Maryland (hereinafter called the "Corporation") hereby certifies to the State Department of Assessments and Taxation of Maryland, that:

FIRST: The charter of the Corporation is hereby amended by striking out ARTICLE VI of the Articles of Incorporation and inserting in lieu thereof the following:

ARTICLE VI: The number of directors of the Corporation shall be five (5), which number may be increased or decreased pursuant to the By-Laws of the Corporation, but shall never be less than three (3). Said directors shall be denominated as the Board of Directors and the names of the persons who shall act as the first Board of Directors of the Corporation until three (3) years from the date of sale of the first lot in Prospect Plantation Subdivision or when thirty percent (30%) of the first lots platted in Prospect Plantation Subdivision are sold, whichever occurs first, are: HERNDON G. KILBY, JACK ROWZIE, WARREN W. PEARCE, JR., CLINTON W. SCAGGS, Jr. and HARRY D. BARNEY, whereupon a special meeting of the membership shall be called to elect a successor Board of Directors to serve until the first annual meeting.

SECOND: The Board of Directors of the Corporation at a special meeting duly convened and held on November 6, 1978, adopted a resolution in which was set forth the foregoing amendment to the charter, declaring that the said amendment of the charter was advisable and that such action was in the best interests of the Corporation.

THIRD: The amendment of the charter of the Corporation as hereinabove set forth was then approved at said special meeting by the affirmative and unanimous vote of all directors pursuant to Article IX of the Articles of Incorporation of the Corporation.

IN WITNESS WHEREOF, Prospect Plantation Homeowners' Association, Inc., has caused these presents to be signed in its name and on its behalf by its

[illegible] to be hereunto affixed and attested by its Secretary on the 13th day of November, 1978.

PROSPECT PLANTATION HOMEOWNERS' ASSOCIATION, INC.

By [signature]
Albert W. Turner, President

Attest:

[signature]
Herndon G. Kilby, Secretary

STATE OF MARYLAND :
: ss:
COUNTY OF PRINCE GEORGE'S :

I HEREBY CERTIFY that on November 13, 1978, before me the subscriber, a notary public of the State of Maryland, in and for the County of Prince George's, personally appeared Albert W. Turner, President of Prospect Plantation Homeowners' Association, Inc., a Maryland corporation, and in the name and on behalf of said corporation acknowledged the foregoing Articles of Amendment to be the corporate act of said corporation; and at the same time personally appeared Herndon G. Kilby and made oath in due form of law that he was secretary of the meeting of the directors of said corporation at which the amendment of the charter of the corporation therein set forth was approved, and that the matters and facts set forth in said Articles of Amendment are true to the best of his knowledge, information and belief.

WITNESS my hand and notarial seal, the day and year last above written.

[signature]
Notary Public, Maryland

My Commission expires: 7-1-82

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QUEEN ANNE'S COUNTY

BY-LAWS

OF

PROSPECT PLANTATION, HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Prospect Plantation Homeowners' Association, Inc., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 10210 Greenbelt Road, Seabrook, Prince George's County, Maryland, but meetings of members and directors may be held at such places within the State of Maryland, County of Prince George's, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Prospect Plantation, Homeowners' Association, Inc., a Maryland corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Second Amended Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Dwelling Unit" shall mean a building or portion thereof situated within the Properties originally designated and intended for use and occupancy or a residence by a single family.

Section 6. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

RECORDING FEE 25.00
TOTAL 25.00
Reg# QA01 Rcpt # 82783
SM RCB Blk # 1647
May 12, 2000 01:24 PM

Section 8. "First Mortgagee" shall mean and refer to the holder of the first mortgage or deed of trust on any "Lot" which is improved by a "Dwelling Unit."

Section 9. "Declarant" shall mean and refer to MCD Enterprises, Inc., a Maryland corporation, and the successors and assigns from MCD Enterprises, Inc., if such successors or assigns should acquire more than five undeveloped Lots from the Declarant for the purpose of development.

Section 10. "Declaration" shall mean and refer to the Second Amended Declaration of Covenants, Conditions and Restrictions applicable to the Properties dated September , 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber at folio and any and all amendments thereto from time to time made and recorded.

ARTICLE III

MEMBERSHIP

Section 1. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject to the Declaration including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

Section 2. The rights of membership are subject to the payment of the annual and special assessments levied by the Association, the obligation of which assessments is imposed against each Owner and becomes a lien upon the property against which such assessments are made as provided by Article VI of the Declaration.

Section 3. The rights of any person whose interest in the Properties is subject to assessments under Article VI, hereof, to vote and to use the recreational facilities may be suspended by action of the directors during the

period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If the directors have adopted and published rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of any person thereon, as provided in Article V, Section e, hereof, they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed ninety (90) days.

ARTICLE IV

VOTING RIGHTS

The Association shall have two classes of voting membership.

CLASS A - Class A members shall be all those Owners as defined in Article III with the exception of Declarant, until such time as Declarant's membership is converted as hereinafter provided. Class A members shall be entitled to one vote for each lot, unimproved or improved, in which said member holds the interest required for membership by ARTICLE III; provided, however, that, where more than one person holds such interest in any one Lot, all such persons shall be members, the vote for such Lot to be exercised as they themselves determine, but in no event shall more than one vote be cast with respect to any Lot pursuant to this subparagraph. Voting by proxy shall not be allowed.

CLASS B - The Class B member shall be the Declarant. The Class B member or members shall be entitled to twenty (20) votes for each Lot, unimproved or improved, in which it holds the interest required for membership by ARTICLE III. Any authorized officer or agent of Declarant shall be entitled to cast all of Declarant's votes.

PROVIDED, HOWEVER, that the Class B membership shall cease and be converted to Class A membership, with the voting rights therein applicable, upon the happening of either of the following events, whichever occurs earlier: (a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership, or (b) on January 1, 1988,

PROVIDED, FURTHER, that three years from the date of sale of the first Lot by Declarant or when 30% of the first Lots platted are sold, whichever occurs first, then irrespective of the actual Class B or Class A votes to which Declarant shall be entitled, Declarant shall be deemed to have the lesser of (1) its actual Class B or Class A votes, or (2) a number of votes equal to one less than the aggregate of Class A votes of Lot owners other than Declarant.

ARTICLE V

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within six months from the date of conveyance of the common area as required by the Declaration and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 7:30 o'clock p.m. If the day for the annual meeting of the Members is a legal holiday, then the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 5 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth of the votes of the membership shall constitute a quorum for any action except as otherwise provided

in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member must vote in person. Voting by proxy is not allowed. However, any authorized officer or agent of Declarant shall be entitled to cast all of Declarant's votes.

ARTICLE VI

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed and controlled by a Board of Directors, five or more in number. Directors need not be Members of the Association.

Section 2. Term of Office. At the first annual meeting the Members shall elect two directors for a term of one year, two directors for a term of two years, one director for a term of three years, and at each annual meeting thereafter the Members shall elect directors for a term of three years.

Section 3. Removal. Any director may be removed from the Board with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among the Members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meetings fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three days' notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE IX

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 90 days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) to appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, officer or director of the Association in any capacity whatsoever.

(e) to establish, levy and assess, and collect the assessments or charges referred to in Article VI, Section 2.

(f) declare the office of a member of the Board of Directors to be vacant in the event such Member shall be absent from three consecutive regular meetings of the Board of Directors; and

(g) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

(h) enter into agreements with First Mortgagees permitting First Mortgagees to jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any common property, and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such property and First Mortgagees making such payments shall be owed immediate reimbursement therefore from the association.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth of the Class A Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) establish an adequate reserve fund for the replacement of the improvements on and to the Common Areas, which fund must be funded by the annual assessment rather than by special assessment.

(3) send written notice of each assessment to every Owner subject thereto;

(4) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain comprehensive public liability and property damage insurance covering all common areas. Such insurance shall contain a "Severability of Interest" endorsement which shall preclude the insurer from denying the claim of an owner or members in the properties because of negligent acts of the association or other owners or members;

(f) procure and maintain fire and extended coverage insurance for no less than 100 percent of replacement cost on all insurable common property;

(g) procure and maintain fidelity coverage against dishonest acts on the part of directors, managers, trustees, employees or volunteers responsible for handling funds collected and held for the benefit of the owners and the Association. The fidelity bond or insurance must name the Association as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than one and one-half times the insured's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

(h) cause the common area to be maintained.

(i) notify First Mortgagee of any default by any Owner in the performance of his obligation under the Declaration which is not cured within thirty (30) days, including but not limited to the non-payment of assessments.

Section 3. Matters Requiring First Mortgagee Approval.

Notwithstanding any provision of these By-Laws or Laws of Maryland expressly or impliedly to the contrary, neither the membership of the Association nor the Board of Directors of the Association shall without the prior written approval of at least seventy-five (75%) percent of the First Mortgagees (based upon one vote for each mortgage) be entitled to:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any Common Areas or improvements thereon which are owned, directly or indirectly, by the Association.

The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the Association shall not be deemed a transfer within the meaning of this clause;

(b) change the method of determining the obligations, assessments or other charges which may be levied against any Owner;

(c) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural control or the exterior appearance of Dwelling Units, the exterior maintenance of Dwelling Units, the maintenance of party walls or common fences and driveways, or the upkeep of lawns and plantings.

(d) fail to maintain Fire and Extended Coverage on insurable Common Area improvements on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost);

(e) use hazard insurance proceeds for losses to any Common Area improvements for other than the repair, replacement or reconstruction of such improvements;

ARTICLE X

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE XI

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and by any First Mortgagee. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Prospect Plantation, Homeowners' Association, Inc., Corporate Seal, Maryland, 1975.

ARTICLE XIV

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the Directors or at a regular or special meeting of the Members, by a vote of three-fourths of a quorum of Members or Directors present in person.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than seventy-five (75%) percent of First Mortgagees and not less than three-fourths (3/4) of each class of Members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE XVI

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the Prospect Plantation,Homeowners' Association, Inc., have hereunto set our hands this 20th day of September, 1978.

Linda S. Iacinelli

Linda S. Iacinelli

Linda S. Iacinelli

Linda S. Iacinelli

Linda S. Iacinelli

Albert W. Turner

Herndon M. Kirby

Warren W. Pearce, Jr.

Clinton W. Scaggs, Jr.

Robert A. Seward

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of the Prospect Plantation, Homeowners' Association, Inc., a Maryland corporation, and

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 23rd day of June, 1978.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 20th day of September, 1978

Secretary
Herndon G. Kilby

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CLERK. CIRCUIT COURT
00 JUN 13 PM 1:30
QUEEN ANNE'S COUNTY

PROSPECT PLANTATION HOMEOWNER'S ASSOCIATION

(PROSPECT BAY EAST)

ARCHITECTURAL CONTROL

No building, dock, boathouse, fence, wall, bulkhead, jetty, seawall, driveway or any structure of any kind or nature whatsoever shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration (including change of color of any exterior part) therein be made until the plans, specifications and site plan showing the nature, color, kind, shape, heights, materials, floor plan, color scheme, cost and location of the same shall have been submitted to and approved in writing as to the general suitablility of such construction with the Properties, as to the relative value of said improvement in relation to its surroundings, as to the type and kind of materials to be used, and as to harmony of external design and location in relation to surrounding structures, topography and waterways by the Board of Directors of the Association, or by an architectural control committee.

The Board of Directors or its architectural control committee shall be permitted to make a reasonable charge for the review of any such plans, specifications and site plans. In the event said Board, or its designated committee, fails to approve or disapprove such plans and specifications within ninety (90) 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.

Any approval obtained hereunder, whether by default or otherwise, shall become null and void unless construction is commenced within six (6) months of the date of approval.

The Board of Directors of the Association or its architectural control committee shall have the right to establish such mandatory minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected within the Properties.

The Board of Directors of the Association or its architectural control committee shall have the right to determine the location, color, size, design, lettering, and all other particulars of all mail or paper delivery boxes, and standards and brackets and the name signs for such boxes in order that the area be strictly uniform in appearance with respect thereon.

RECORDING FEE 25.00
TOTAL 25.00
Rec# 04401 Rcpt # 84048
SM RCB Blk # 1143
Jun 13, 2000 01:30 PM

PROSPECT PLANTATION HOMEOWNER'S ASSOCIATION

(PROSPECT BAY EAST)

ARCHITECTURAL GUIDELINES

a) The floor area of any dwelling house erected upon any Lot, exclusive of basement and attached porches and garages, shall be not less than on thousand three hundred (1,300) square feet for a one-story dwelling, nor less than one thousand nine hundred (1,900) square feet for a one-and-one-half or two story dwelling.

b) No dwelling shall be located on any parcel closer to any front lot line than fifty (50) feet, or closer than fifty (50) feet to any side lot line abutting on a street in case of a corner parcel. No dwelling shall be located within seventy-five (75) feet of the shoreline, or if no shoreline, fifty (50) feet of the rear lot line. Entrance stoops, terraces, steps, eaves, cornices, and gutters, as may be approved by the Association, may be built, erected and maintained on any part of the restricted area.

c) All detached garages and other out-buildings of any kind whatsoever, except boathouses, shall be located not less than fifty (50) feet from the shoreline, or if no shoreline, not less than fifty (50) feet from rear lot lines.

d) No basement, tent, shack, garage, barn or other outbuildings shall be erected on any Lot and used either temporarily or permanently as a residence. No trailer shall be used temporarily or permanently for residential purposes, but small trailers such as boat trailers and campers may be stored on a parcel, providing they are either parked within a completely enclosed building or parked beyond the rear of the main dwelling, and at least thirty (30) feet from the side lot line, and not less than fifty (50) feet from the shoreline, or if no shoreline, fifty (50) feet from the rear lot line.

e) No dwellings shall be erected with fronts facing Prospect Bay Road, nor shall Lots adjoining Prospect Bay Road have driveways running from said road.

f) No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

g) No Lot shall be used except for residential purposes. The term "residential purposes" shall include the office of a licensed medical or dental practitioner if said office is incidental to the primary use of the Lot as a residence for said practitioner.

h) Excepting only "pick-up" trucks, no trucks or commercial type vehicles shall be stored or parked on any Lots except while parked in a closed garage nor parked on any roadway in the Properties except while engaged in transporting to or from a residence in the Properties.

i) In the front yard of any Lot, no fence or wall shall be erected which shall have a height in excess of forty-eight (48) inches. In addition to the aforementioned height limitation, only walls which are necessary as retaining walls to take care of ground elevations may be erected in the front yard and only fences of the rail or three-board type may be erected in the front yard. The term "front yard" shall mean that portion of the yard in front of the existing front building line for the raodway on which the dwelling will front. In the case of a "corner lot", the term "front yard" shall include all those portions of the yard in front of the existing front building line for each side of the Lot which abuts adjoining roadways. Fences and walls not to exceed six (6) feet in height may be erected on all other portions of said Lot, subject to the limitation hereinafter set forth. No fence or wall of any height shall be constructed at any location on any Lot until the height, type, design, and approximate location therefore shall have been approved in writing by the architectural control committee. The heights or elevations of any wall shall be measred from the existing elevation of the property or at along the applicable points or lines. Any question as to such heights may be completely determined by the architectural control committee. Any wall permitted shall be constructed of brick or stone. Boundary hedges and boundary shrubs shall be permitted in the fron and back yards with the height limitations applicable to fencing.

j) No building shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the public authority charged with the responsibility in the particular jurisdiction with permits for construction.

k) No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

l) No sign of any kind shall be displayed to the public view on any Lot except as folows: one professional sign of not more than one (1) square foot, one sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

m) No Owner shall sell, lease or in any manner transfer any portion of a Lot less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Association shall give its written consent thereof.

n) Every Owner shall maintain his Lot, the improvements situated therein and any bulkheads and seawalls adjacent to his Lot in good order and repair and in a manner satisfactory to the Board of Directors.

o) The Association shall, in all cases, have the right to determine the front, side or rear lines of any Lot and the amount of set back from said lines necessary to conform to requirements hereof, and the determination, judgment and decision of the Association thereon ahall be final in all respects.

p) In all matters involving the interpretation and construction of the terms and provisions of this Declaration and of these covenants and restrictions the opinion of the Board of Directors of the Association shall be final and conclusive and shall not be subject to attack upon the grounds that same is or may be arbitray and capricious. Invalidation of any of the covenants herein contained, by judgment or court order, shall in no wise affect any of the other provisions which shall remain in full force and effect.

q) The foregoing covenants shall not apply to the "Common Areas".

r) Any dwelling erected upon a Lot must have an attached two-car garage.

s) All exposed masonry block used in any construction on any Lot is to be parged or painted so as to have a finished appearance. Also, all exposed concrete walls are required to have a finished surface.

t) Every dwelling must contain some brick or stone. All siding of dwelling must be of an appearance that will be in harmony with the surrounding structures. Exterior color approval shall be on an individual basis by the committee.

u) Any exposed areas of prefabricated flues must be painted the same color as that of the roof of the dwelling.

v) All gutterws, downspouts, trim and window colors must blend with other dwelling colors.

w) The location of all air conditioning compressors or heat pumps must be screened or enclosed on all sides, and said enclosures must conform to the architecture of the dwelling.

x) Whether a dwelling is premanufactured or custom-built on site, that dwelling must be compatible with other dwellings at the properties.

y) All storage shed construction must be comprised of similar materials used for dwelling construction and must be approved by the Architectural Committee.

z) No above ground swimming pools shall be erected.

aa) No radio or television receiving or transmitting antennae or external apparatus shall be installed on any Lot without the prior approval of the Architectural Committee and/or Board of Directors of the Association.

bb) All garbage container areas must be kept enclosed so as not to be visible from any side of the Lot.

cc) All oil, gas, diesel fuel, or propane tanks must be either in ground, screened or enclosed from view.

dd) Any solar collector panels must blend architecturally with the dwelling and lot.

ee) On lots fronting water, all dwellings must face the street for conformance with other dwelling locations in the properties.

ff) The front foundation of every dwelling is required to be landscaped with at least ten (10) shrubs to be 18" to 22" in height and with at least five (5) shade trees which must be a minimum of 60" in height.

gg) During the construction period, the builder will be required to provide a trash dumpster of similar device to dispose of any and all construction debris and not permit unsightly appearance on this or any other lot.

hh) Prior to starting construction, a base gravel driveway and entrance culvert must be installed.

ii) No noise polluting construction work will be permitted before sunrise or after sunset.

jj) Building construction must commence within 6 months after Architectural Committee approval.

kk) Resubmission of plans will be necessary if item (jj) is not executed.

ll) Resubmission of plans will also be necessary if any change is made in the original approved plans.

mm) Building must be completed and suitable for occupancy in all respects one year after Architectural Committee approval unless a continuance is granted in writing by the Architectural Committee due to extenuating circumstances.

nn) The exterior, inclusing painting, final grading, landscaping, driveways and walks must be complete before dwelling may be occupied. Any exceptions must be approved by the Architectural Committee.

We, the lot purchaser(s) and builder at Prospect Plantation, Prospect Bay East, have read and agree to abide by and be bound by the attached architectural

_____ Lot #_____

Purchaser

Purchaser's address _____

_____

_____

Purchaser

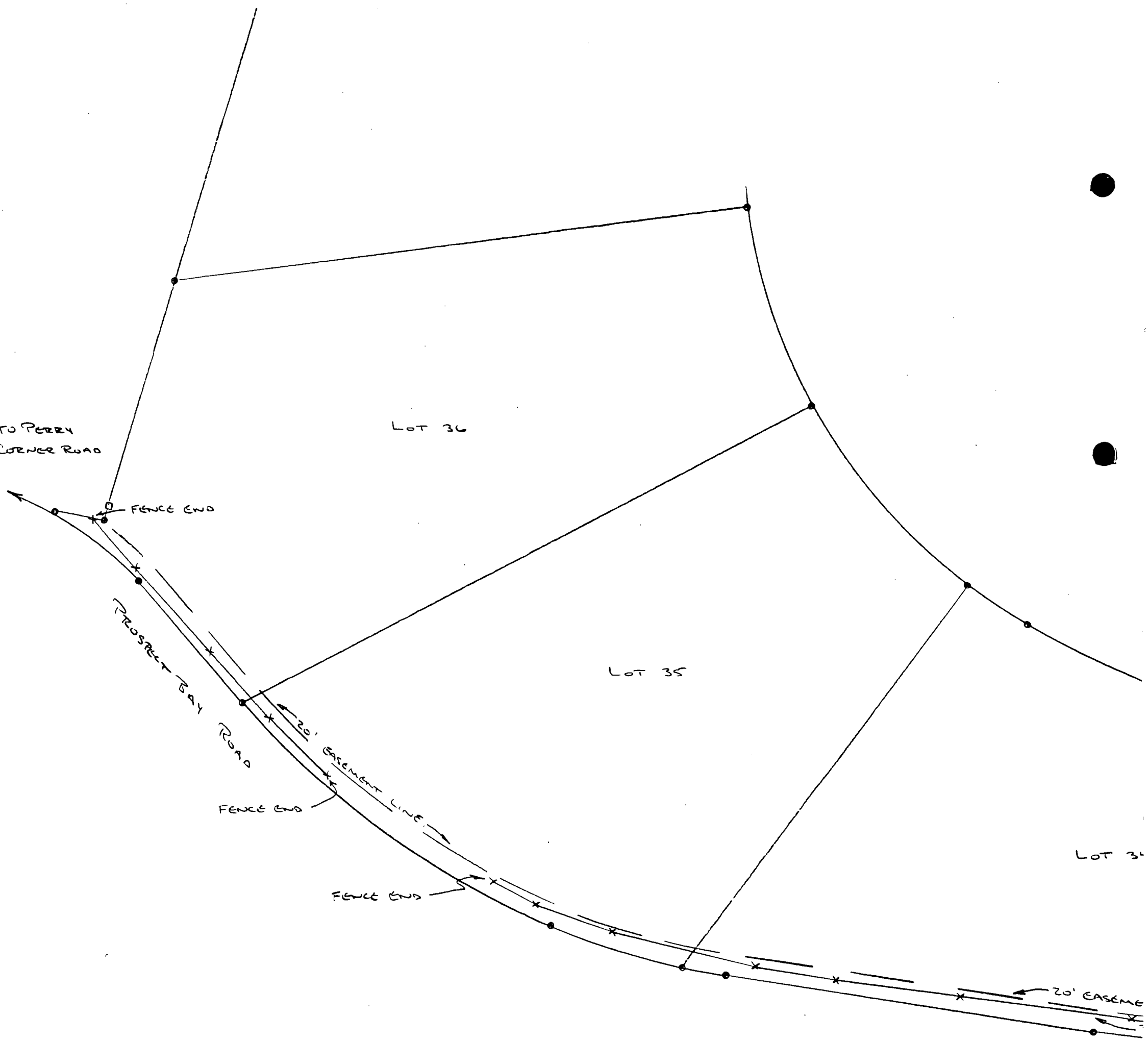
Phone # _____

_____ Builder's address _____

Builder

_____

Phone# _____



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CAD 1 INC 301-565-3340

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QUEEN ANNE'S COUNTY

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TOTAL 5.00
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May 12, 2000 01:24 PM

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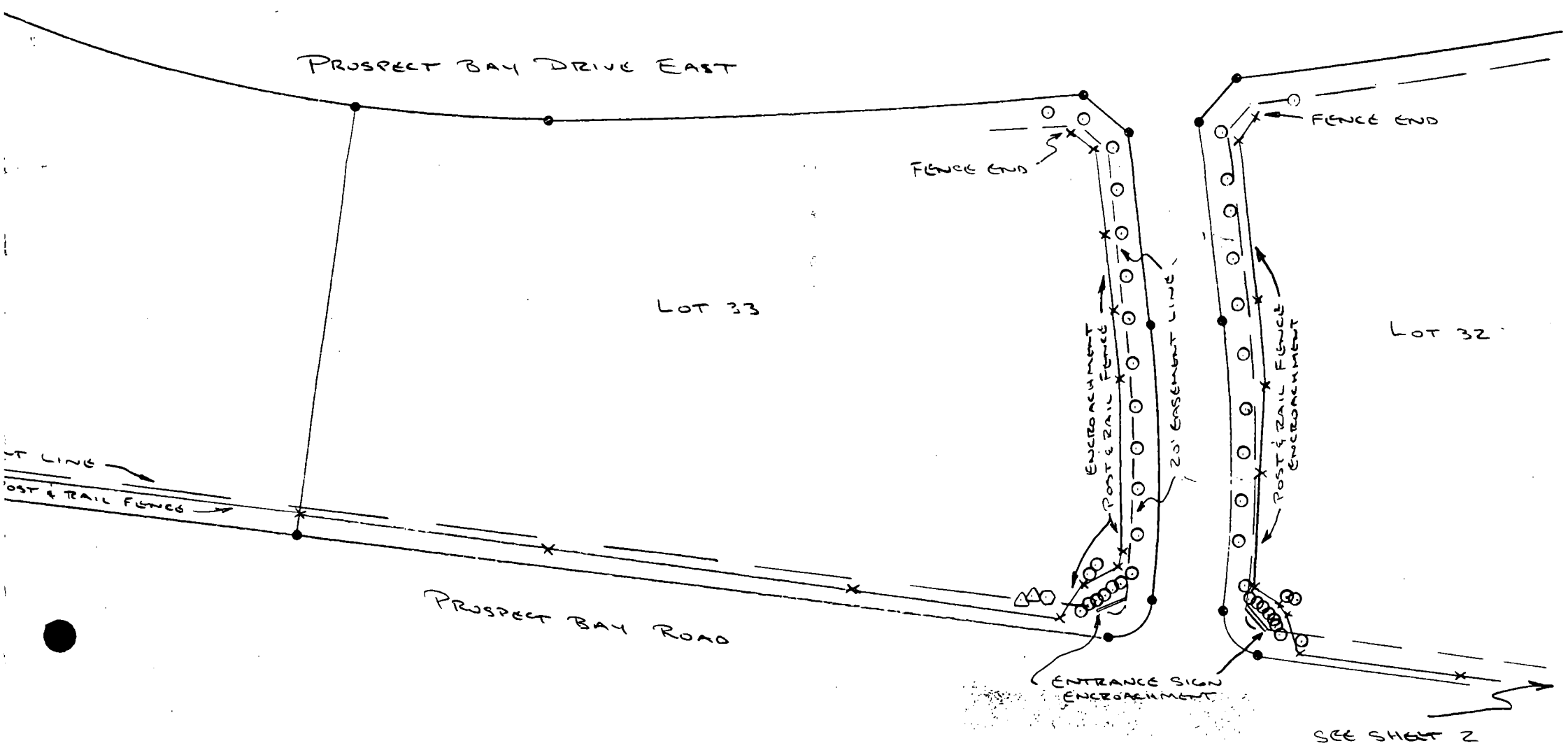


— — — — DENOTES 20' EASEMENT LINE
═══ DENOTES ENTRANCE SIGN
—x—x—x— DENOTES POST & RAIL FENCE
○ DENOTES NORWEGIAN SPRUCE TREE
△ DENOTES PINE TREE
⊙ DENOTES BLUE SPRUCE TREE
• DENOTES SUBDIVISION POINT
□ DENOTES CONCRETE MARKER FOUND

TE OF MARYLAND
TIMOTHY TURNER
No. 259
REGISTERED
TY LINE SURVEYOR

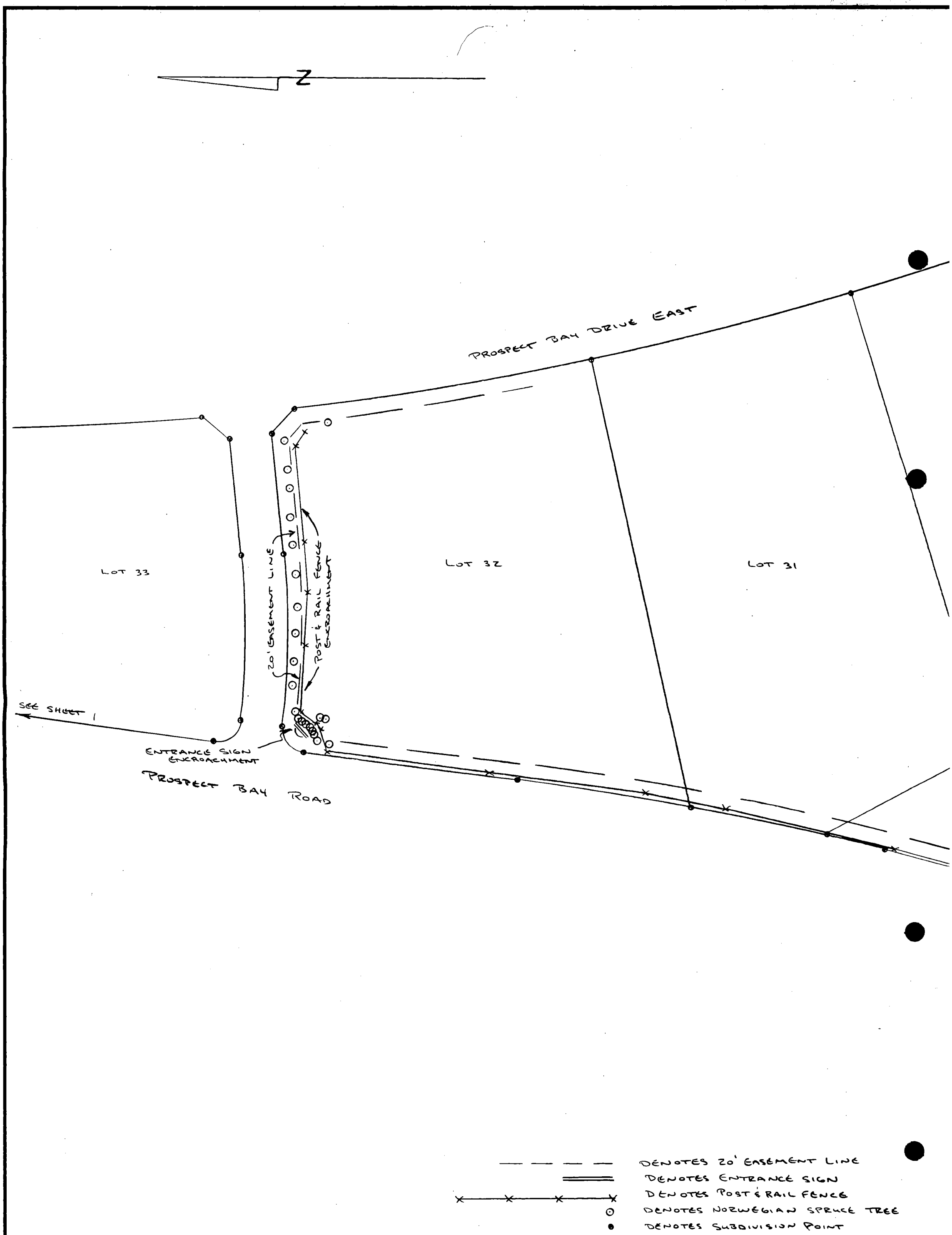
WATSON AND SON
REGISTERED LAND SURVEYORS
103 Lawyers Row
CENTREVILLE, MD 21617
(410) 758-1612

SCALE 1" = 100'	APPROVED BY	DRAWN BY TTW
DATE FEB. 2000		SHEET 1 OF 2

PLAT SHOWING VARIOUS IMPROVEMENTS FOR THE PROSPECT PLANTATION HOMEOWNERS ASSOCIATION, INC. (EAST) FIFTH DISTRICT - QUEEN ANNE'S COUNTY, MD.

REVISED
REVISED
REVISED

DRAWING NUMBER 0052-1



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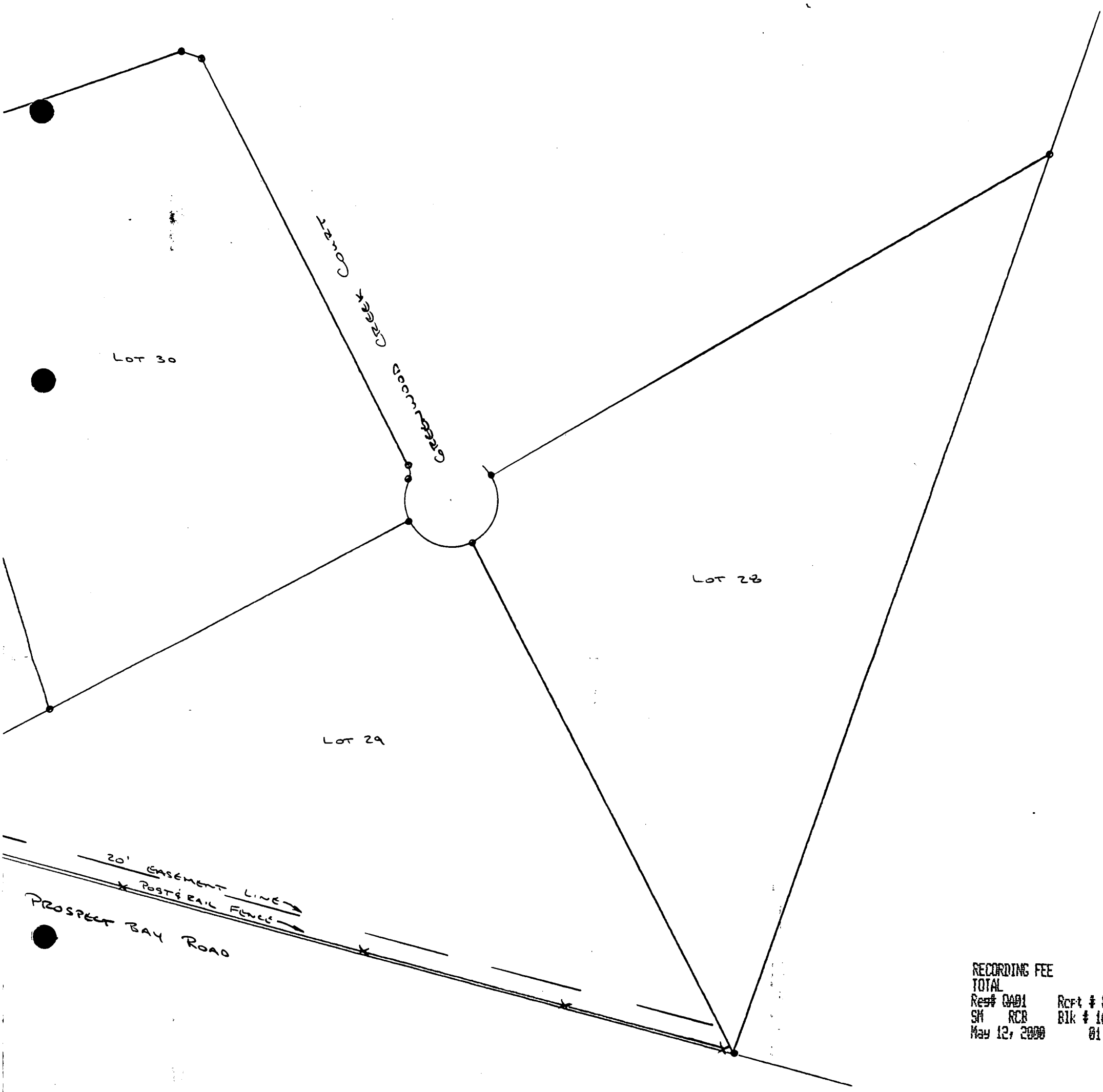
QUEEN ANNE'S COUNTY



RECORDING FEE 5.00
TOTAL 5.00
Rcpt # 0A81 Rcpt # 82783
SM RCB Blk # 1649
May 12, 2000 01:25 PM

STATE OF MARYLAND
TIMOTHY TURNER
NO. 21403
REGISTERED
PROPERTY LINE SURVEYOR

WATSON AND SON
REGISTERED LAND SURVEYORS
103 Lawyers Row
CENTREVILLE, MD 21617
(410) 758-1612

SCALE 1" = 100'	APPROVED BY	DRAWN BY TTW
DATE Feb. 2000		SHEET 2 of 2

PLAT SHOWING VARIOUS IMPROVEMENTS FOR THE PROSPECT PLANTATION HOMEOWNERS ASSOCIATION, INC. (EAST) FIFTH DISTRICT - QUEEN ANNE'S COUNTY, MD.

REVISED
REVISED
REVISED

DRAWING NUMBER
0052-2

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QUEEN ANNE'S COUNTY

REVISED BY-LAWS OF PROSPECT PLANTATION WEST HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Prospect Plantation West Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 311A Prospect Bay Drive West, Grasonville, Maryland 21638, Queen Anne's County and meetings of members and directors shall be held at the same address or at such places within Queen Anne's County, State of Maryland, as may be designated by the Board of Directors.

ARTICLE II - DEFINITIONS

Section 1. "Association" shall mean and refer to Prospect Plantation West Homeowners Association, Inc., a Maryland Corporation, its successors and assigns, which operates Prospect Bay Country Club.

Section 2. "Properties" shall mean and refer to that certain real property described in the Amended Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the members of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Dwelling Unit" shall mean and refer to a building or portion thereof situated within the Properties originally designated and intended for use and occupancy as a residence by a single family.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties.

Section 7. "Non Lot Owner" or "Club Member" (terms used interchangeably) shall mean and refer to those persons who hold membership in the Prospect Bay Country Club but who are not Owners as defined in Section 6.

Section 8. "Declaration" shall mean and refer to the Amended Declaration of Covenants, Conditions and Restrictions applicable to the Properties dated September 20, 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber CWC 137 at Folio 624 and any and all amendments thereto from time to time made and recorded.

Section 9. Prospect Bay Country Club includes, but is not limited to, the amenities such as Golf Course, Tennis Courts, Swimming Pool, Club House, Boat Basin, and other Common Areas.

ARTICLE III - MEMBERSHIP

Section 1. Entitlements - Lot Owner.

(A) Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject to the Declaration shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership per lot.
Membership shall be appurtenant to and may not be separated from ownership on any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

(B) Lot owners have privileges for use of all amenities and have full voting rights.

(C) Club members have privileges for use of amenities in accordance with the category of their membership, i.e., pool and tennis, social, etc. Club members may vote to nominate candidates for the Club Member position on the Board of Directors but enjoy no other voting privileges.

Section 2. Rights. The rights of membership for Lot Owners and Club Members are subject to the payment of the annual and special assessments, dues and other charges levied by the Association.

Section 3. Suspension.

(A) Assessments, dues and other levied charges. The right to vote and/or to use the recreational facilities may be suspended by action of the Board of Directors during the period when assessments, dues or other levied charges remain delinquent. Upon full payment of such assessments, dues or other levied charges the member whose privileges have been suspended will be restored.

(B) Personal conduct. The directors will adopt and publish rules and regulations governing the use of the common areas and facilities and the personal conduct of any person thereon. The Directors may suspend or revoke the rights to use of all facilities after notice and hearing before the Board of Directors for infraction of the published rules and regulations.

ARTICLE IV - VOTING RIGHTS

Section 1. Voting Rights of Association Members

(A) At all regular and special meetings of members every lot owner shall be entitled to one vote for each lot, unimproved or improved, in which said owner holds the interest required for membership by Article III; provided, however, that where more than one person holds such an interest in any one Lot, all such persons shall be considered owners. The vote for such Lot shall be exercised as they themselves determine, but in no event shall more than one vote be cast with respect to any lot.

(B) All Lot Owners shall be entitled to vote in person or by mail-in ballot. Voting on the election of Directors or upon major proposals shall be by ballot. All other voting may be by voice vote, except as otherwise required by law. Voting by proxy is not permitted.

Section 2. Mail-In/Absentee Voting Policy. The election committee, as approved by the Board of Directors, shall develop and implement policy and procedures for mail-in/absentee voting.

ARTICLE V - MEETING OF MEMBERS

Section 1. Annual Meetings.

(A) An annual meeting of the Lot Owners to elect the Board of Directors and to conduct such other business before the assembly shall be held on the second Tuesday of November of each year, at the hour of 7:30 p.m. If the day of the meeting is a legal holiday, the meeting will be held at the same hour on the first day preceding which is not a legal holiday.

(B) An annual meeting of Club Members will be held during the month of November preceding the meeting for the Lot Owners. Meeting date and time to be set by the Board of Directors. At this meeting, the Club Members will nominate at least two (2) candidates for each Club Member/Director position on the Board of Directors. The majority vote of those present and entitled to vote will suffice for nomination.

(C) All regular Board and Committee meetings are open for any Lot Owner or Club Member to attend. Closed sessions of the Board may be held in accordance with the statutes of the State of Maryland.

Section 2. Special Meetings. Special meetings of the Lot Owners may be called at any time by the President or by the Board of Directors, or upon written request of the Lot Owners who are entitled to vote one-fifth of all of the votes.

Section 3. Notice of Meetings. Written notice of each meeting shall be given at the direction of the Secretary, or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Lot Owner or Club Member entitled to vote thereat, addressed to the Lot Owner or Club Member's address last appearing on the books of the Association, or supplied by such Lot Owner or Club Member to the Association for the purpose of the meeting. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Owners entitled to cast twenty percent (one fifth) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings, voting by proxy is not allowed.

ARTICLE VI
BOARD OF DIRECTORS: SELECTION AND TERM OF OFFICE

Section 1. Number. The affairs of the Association and of the Prospect Bay Country Club shall be managed and controlled by a Board of Directors, consisting of six (6) Lot Owner Directors and three (3) Club Member Directors elected by the Lot Owners of the Association.

Section 2. Term of Office. All Directors shall be elected for a term of three (3) years; except at the November 1993 election one (1) Member (Lot Owner) Director shall be elected to serve for a term of two (2) years.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of all Lot Owners of the Association. In the event of death, resignation or removal of a Director, his or her successor shall be selected by a majority vote of the Board of Directors and shall serve until the next annual election at which time the membership will vote for a candidate to fill the vacancy and serve for the unexpired portion of the term.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the prior written or verbal approval of a majority of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors, and must be duly recorded in the minutes of the next meeting.

ARTICLE VII - ELECTION OF DIRECTORS

Section 1. Election Committee. The Election Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more Lot Owners. The Chairman of the Election Committee shall be appointed by the Board of Directors at the annual organizational meeting of the Board of Directors to serve until the close of the next annual meeting of the Members. All Lot Owners and Club Members wishing to be candidates for the Board of Directors must notify the Election Committee in writing and submit their resume and a brief statement of their views regarding community interests and concerns by October 1. The Election Committee shall submit for election to the Board of Directors the names of those members in good standing who have submitted the aforementioned information by the October 1 filing date. The Election Committee is responsible for the entire election process. Its duties shall include, but are not limited to the following:

(A) Distributing candidates' resumes and statements of views to all Lot Owners and Club Members.

(B) Planning and implementing an informal "Meet the Candidates" event.

(C) Supervising the voting procedures at the election.

(D) Counting & recording the votes at the election.

Section 2. Election. Election to the Board of Directors shall be by written secret ballot. The election shall be held from 7:30 am to 7:30 pm on the day of the annual Homeowners Meeting in November of each year. The votes shall be counted and the results announced during the annual Homeowners Meeting. The persons receiving the largest number of votes on each slate of nominees shall be elected. If a tie occurs, the members present at the annual Homeowners Meeting eligible to vote will cast a vote to break the tie. Cumulative voting is not permitted. Certification of election results must be made to the Board of Directors, and will be recorded in the minutes of the annual meeting.

Section 3. Ballot. The ballot shall list (alphabetically) the names of the Lot Owner candidates in one column and the names of the Club Member candidates in another column. The ballot may contain such voting instructions as the Election Committee may deem necessary and proper.

ARTICLE VIII - MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly with notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meetings fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Board, or by any two Directors, after not less than three days notice to each Director.

Section 3. Quorum. A majority of the number of Directors and also a majority of the Lot Owner Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors eligible to vote on an issue and present at a duly held meeting shall be regarded as the act of the Board.

Section 4. Voting Rights. All Directors may vote on all issues that come before the Board, except for these issues in which a conflict of interest exists.

ARTICLE IX
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(A) Adopt and publish rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of all members and their guests thereon, and to establish penalties for the infraction thereof.

(B) In accordance with Article III, section 3 of these By-Laws suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be delinguent in the payment of any assessments, dues or other charges levied by the Association.

(C) Suspend the rights to use of all facilities after notice and hearing before the Board of Directors for infractions of published rules and regulations.

(D) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Amended Declaration.

(E) Appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation.

(F) Establish, levy, assess, and collect the assessments or charges referred to in Article VI of the Amended Declaration.

(G) Declare, if they so desire, the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

(H) Engage managers, independent contractors, or such other individuals as they deem necessary, and to prescribe their duties.

(I) The Board of Directors is authorized to enter into a contract or provide authorization for the total cost of construction, reconstruction, repair or replacement of existing improvements upon the Common Areas; however the Board of Directors must receive approval from a majority of the Lot Owners for amounts either cumulative or a single amount, in excess of $50,000.00 per year not included in the budget. Such amounts may be taken from the "Reserve Fund" if necessary.

(J) Prepare, approve and present the annual budget to the Lot Owners at the Annual Meeting. Copies of the budget will be forwarded to all Lot Owners at least fifteen (15) days prior to the Annual Meeting.

(K) Authorize, monitor and control the establishment and maintenance of all Memorials on common grounds of the Association.

(L) Borrow money only with the approval of a majority of the Lot Owners present at an annual or special meeting.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(A) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meetings of the Members, or at any special meeting when such statement is requested in writing by one-fifth of the Lot owners who are entitled to vote.

(B) Supervise all officers, agents, and employees of this Association, and see that their duties are properly performed.

(C) Co-sign all checks. All checks require two signatures.

(D) As more fully provided in the Declaration and membership application:

1. Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. The annual assessment will be computed using the following procedure: In clarification of Article VI, Section 3 of the Declaration the annual assessment for lots may be increased effective January 1 of each year by the Board of Directors. The MAXIMUM annual assessment for any year shall be determined by multiplying $720.00 (the 1982 assessment) by a fraction, the numerator of which will be the U. S. Consumer Price Index for the month of July of the preceding year, and the denominator of which will be 62.5 (the average index for January 1978). Example of calculation for MAXIMUM assessment for 1991:

$$\$720.00 \times \frac{130.4}{62.5} = \$1,502.00$$

The maximum increase in the CPI from 1982 to 1990 has averaged slightly over 4% per year. The maximum annual assessment may be increased above the amount permitted by a vote of 60% of the members (Lot Owners) eligible to vote in a meeting where there is a quorum of 60% of the Members (Lot Owners) present. If a quorum is not present, the required quorum at a subsequent meeting is one half of that required at the preceding meeting, i.e. 30%.

2. Establish annual dues for all categories of club members.
3. Establish an adequate reserve fund for capital improvements, replacement and repair of the improvements on and to the Common Areas.

4. Send written notice of each assessment to every Owner subject thereto.
5. Take any legal action necessary against any property owner who is in violation of the assessments provisions set forth in Article VI, sections 7 and 8 of the Amended Declarations.
6. Fix the amount of any special assessment pursuant to Article VI, Section 4 of the Amended Declaration of Covenants, Conditions and Restrictions.

(E) Procure and maintain comprehensive public liability and property damage insurance covering all Common Areas. Such insurance shall contain a "Severability of Interest" endorsement which shall preclude the insurer from denying the claim of an Owner or Member in the properties because of negligent acts of the Association or other Owners or Members.

(F) Procure and maintain fire and extended coverage insurance for no less than 100 percent of replacement cost on all insurable common property.

(G) Procure and maintain fidelity coverage against dishonest acts on the part of Directors, managers, trustees, employees, or volunteers responsible for handling funds collected and held for the benefit of the Owners and Association. The fidelity bond or insurance must name the Association as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than one and one-half times the insured's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

(H) Cause the Common Areas to be maintained.

(I) Designate those disclosures required to be deposited in the Homeowners Association depository held and maintained by the Clerk of the Court, Queen Anne's County.

ARTICLE X - OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Lot Owners, i.e. the "organizational meeting".

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein. The acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(A) The President shall be a Lot Owner Director and shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board be carried out; shall sign all leases, mortgages, deeds, promissory notes, and other written instruments.

Vice-President

(B) The Vice-President shall be a Lot Owner Director and shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

Secretary

(C) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; submit resolutions passed by the Board to the Beacon staff for printing; affix the corporate seal of the Association on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and perform such other duties as required by the Board.

Treasurer

(D) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse those funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at their regular annual meeting, and deliver a copy of each to the members. Deposit all disclosures in the Homeowners depository required by Article IX, Section 2 above.

ARTICLE XI - COMMITTEES

The Board of Directors shall appoint an Architectural Committee, as provided in the Declaration, and an Election Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose. The chairperson of each such committee shall be a member of the Board of Directors. The final decision of which Board Member will be the chairperson of each committee will be by the Board President. Areas for which committees have been established include, but are not limited to, the following: Golf and Greens, Pool and Tennis, Clubhouse, Boat Basin, Security, Finance, Common Areas, and Membership. To foster continuity it is the responsibility of each chairperson of each committee to work from a job description and maintain a record of the committee's actions to be passed on to subsequent chairpersons. Club Member Directors may not chair the Boat Basin or Architectural Committees, but they may vote on matters concerning these areas.

ARTICLE XII - BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XIII - CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Prospect Plantation West, Homeowners' Association, Inc., Corporate Seal, Maryland, 1977. This seal shall be kept in the Association safe at the principal office of the Association.

ARTICLE XIV - AMENDMENTS

These By-Laws may be amended at a regular or special meeting of the Board of Directors except for Article IX, Section 1(i). These By-Laws may be amended at a regular or special meeting of the Lot Owners by a three-fourths vote of the eligible members present. In all cases, amendments will be published in the next issue of the Beacon.

ARTICLE XV - DISSOLUTION

The Association may be dissolved with the assent given by a two-thirds vote of Lot Owners entitled to vote. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any non-profit corporation, association, trust, or other organization to be devoted to such similar purposes.

ARTICLE XVI - MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

Section 2. Legal Action. If the Association becomes involved in legal action against a member of the Association pertaining to the enforcement of the amended Declaration of Covenants, Conditions, and Restrictions, as from time to time amended, all court costs and legal expenses of the Association will be borne solely by the Association member or members found guilty of any violations of said Covenants, Conditions, and Restrictions by the court of law having jurisdiction thereof. Such court costs and Association legal expenses shall be collectable by an award of the same in such proceedings or, if necessary, by separate legal action instituted by the Association.

Section 3. Newsletter Publication. The Beacon is the informal publication of the Association. The Board of Directors will establish guidelines for the Beacon's content and publication.

Section 4. Animal Control. In order to provide for the safety and comfort of the residents of Prospect Bay West the Board of Directors will establish controls concerning animals, livestock, poultry or other fowl of any kind. In general, except for the usual household pets, no animal, livestock, poultry or other fowl of any kind shall be raised, bred or kept on any parcel. The usual household pets may not be raised, bred or kept for any commercial purposes.

IN WITNESS WHEREOF, we, being all the Directors of Plantation West Homeowners Association, Inc., have hereunto set our hands this 21ST day of JULY, 1992.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of the Prospect Plantation West Homeowners Association, Inc., a Maryland corporation, and

That the foregoing Amended By-Laws replace and rescind the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 21st day of July, 1992.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 21st day of July, 1992.

John R. Schuessler

Secretary

AMENDMENT #1 to revised By-Laws of Prospect Bay Plantation West Homeowners Association, Inc. dated 21st of July, 1992.

Change Article V, Section 1(A) third line "Tuesday" to "Thursday".

This amendment accepted by the Board of Directors the 13th day of October, 1992.

John R. Schrecongost
Secretary

DISCLOSURES BY

PROSPECT PLANTATION WEST HOMEOWNERS' ASSOCIATION, INC.

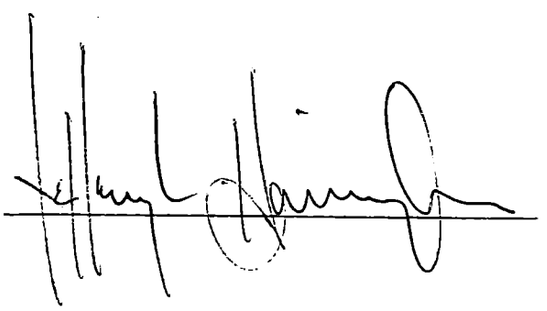
UNDER THE MARYLAND HOMEOWNERS ASSOCIATION ACT,

TITLE 11B OF THE REAL PROPERTY ARTICLE

OF THE ANNOTATED CODE OF MARYLAND

MISC 0#
RECD FEE 50.00
CHECK/MO 50.00
#1[illegible]0810 C001 R00 T15:39
12/17/08

Jeffery L. Harriman/President



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1988 DEC 19 PM 3:42
QUEEN ANNE'S COUNTY

I. The Name, Address and Telephone Number of Declarant is:

Prospect Plantation West Homeowners' Association, Inc.
311 A Prospect Bay Drive West
Grasonville, Maryland 21638
301-827-6925

II. The declarant is a body corporate of the State of Maryland and the Maryland Resident Agent is: W. Carroll Beatty, whose address is: 4316 Hamilton Street, Hyattsville, Maryland 20781.

III. The names and addresses of the pricipal officers of the Corporation are as follows:

President	Jeffery L. Harriman 39 Greenwood Shoals Grasonville, Md. 21638
Vice President	J. Michael Warring P.O. Box 452 Grasonville, Md. 21638
Secretary	Michael J. Larson 35 Prospect Bay Dr. West Grasonville, Md. 21638
Treasurer	Jack L. Mann 8008 Quarry Ridge Way Bethesda, Md. 20817

IV. Prospect Plantation West is located in the Fifth Election District of Queen Anne's County, Maryland, on Prospect Bay Road. There are a total of 322 lots in the development.

V. Copies of the Articles of Incorporation are attached hereto as Exhibit No. 1.

VI. Copies of the Recorded Covenants and Restrictions are attached hereto as Exhibit No. 2. Such restrictive Covenants and Restrictions are enforceable against an owner of a lot within the development and also against the tenants of any owner, if applicable.

VII. Copies of the By-Laws of the Association are attached hereto as Exhibit No. 3 and the obligations therein are enforceable against a lot owner and such owner's tenants, if applicable.

VIII. The Homeowners' Association owns numerous parcels of ground within said subdivision, as follows:

1. Deed from MCD Enterprises, Inc., dated April 12, 1982, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 184 folio 258, being Exhibit No. 4.

2. Deed from MCD Enterprises, Inc., dated January 12, 1984, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 207 folio 486, being Exhibit No. 5.

3. Deed from MCD Enterprises, Inc., dated March 6, 1984, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 210 folio 58, being Exhibit No. 6.

4. Deed of Easement from Paul L. Baker, et. ux., dated February 23, 1988, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 300 folio 264, being Exhibit No. 7.

Note: The beach area and pedestrian ingress and egress over Lot No. 113 Section 2, Prospect Plantation West, was conveyed by Deed of Easement and Release to Pauline Miller, dated February 2, 1987, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 295 folio 180, being Exhibit No. 8.

IX. A copy of the estimated Annual Budget for calendar year 1989 is attached hereto as Exhibit No. 9.

X. The mandatory annual fees charged to lot owners are as follows:

(a) Improved Lot Assessment $810 billed semi-annually.
(b) Unimproved Lot Assessment $528 billed semi-annually.
(c) A Special Assessment is charged to each lot, whether or not improved, in the amount of $90 billed semi-annually.

XI. When an unimproved lot is improved and six months after the pouring of the footings, the difference between the improved assessment amount and the unimproved assessment amount is prorated.

XII. Five years after the original conveyance of a lot from MCD Enterprises, Inc., the original developer, to a lot purchaser, the property becomes subject to the improved assessment rate and the amount is prorated according to the date of the conveyance from said original developer. By July, 1990 all lots within the subdivision thusly will be charged the improved lot rate regardless of whether or not improvements actually exist upon a lot.

XIII. The water and sewer facilities within said subdivision are owned by Queen Anne's County and charges for such utilities are billed to lot owners by the County.

XIV. All subdivided lots within said development are zoned under the "Neighborhood Conservation" classification by the Queen Anne's County Comprehensive Zoning Ordinance. A portion of the lands owned by the Association and containing approximately 12 acres is classified as "countryside." The association intends to seek rezoning of such parcel to the "Neighborhood Conservation" classification.

XV. All lots within the development have been conveyed by the original developer and the schedule of fees aforesaid is now being charged to lot owners.

XVI. Fees and/or assessments may be increased or decreased by action of the Board of Directors as provided by the Restricted Covenants and Conditions.

XVII. Fees and/or assessments are billed semi-annually and are a personal obligation of lot owners.

XVIII. Unpaid fees and/or assessments bear interest at the rate of six percent (6%) per year.

XIX. Unpaid fees and/or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act. At the time of the filing of a lien, the Association imposes a fee of $50 which includes the cost of recording of the lien. In the event that proceedings are instituted against a lot owner under the Maryland Contract Lien Act, attorneys fees will also be imposed to cover the cost of such collection.

XX. The Association has the right to engage in construction activities within the development only on its own lands and is exempt from the Architectural Control Provisions of the Restrictive Covenants and Conditions.

XXI. The Association maintains an office on its club property within said development and has a mailing address of: 311A Prospect Bay Drive West, Grasonville, Maryland 21638 and a telephone number of 301-827-6925. The Office Manager is: C. Ellen Thomas.

XXII. As of the date of this statement, there are no known unsatisfied judgments or pending law suits against the Association.

XXIII. A list of the Prospect Plantation West Plats recorded among the Land Records of Queen Anne's County is attached hereto as Exhibit No. 10 and said recorded plats are incorporated herein by reference as a part hereof.

EXHIBIT NO. 1

ARTICLES OF INCORPORATION

OF

PROSPECT PLANTATION WEST, HOMEOWNERS' ASSOCIATION, INC.

A nonstock Maryland Corporation

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, have this day voluntarily associated ourselves together for the purpose of forming a nonstock corporation under the laws of the State of Maryland, and to that end do hereby adopt Articles of Incorporation as follows:

ARTICLE I: The incorporators, Kathleen A. Mathews, 7706 Hanover Parkway, Greenbelt, Maryland 20770, David A. McNamee, 4316 Hamilton Street, Hyattsville, Maryland 20781, and Nancy E. Mahan, 109 Great Oak Drive, Hillsmere Shores, Annapolis, Maryland 21403, are at least twenty-one (21) years of age and do associate as incorporators with the intention of forming a corporation.

ARTICLE II: The name of the corporation is:

PROSPECT PLANTATION WEST, HOMEOWNERS' ASSOCIATION, INC.

ARTICLE III: The nature of the business and the objects and purposes to be transacted, promoted and carried on are to do any or all of the things herein mentioned as fully and to the same extent as natural persons might or could do, and in any part of the world, viz:

To promote the recreation, health, safety and welfare of its members and the residents of the Prospect Plantation West, Subdivision of Queen Anne's County, Maryland; and to improve and maintain the property owned from time to time by the Association, including but not limited to, the maintenance and improvement of the common facilities and common areas and any and all other facilities located or established from time to time thereon; and to promote, improve and maintain the beautification of the Prospect Plantation West Subdivision, including but not limited to, the entrances to the subdivision and the areas from time to time used in common

by the residents of the said subdivision, and to provide architectural control within the Prospect Plantation Subdivision.

To purchase, take, own, hold, deal in, mortgage or otherwise lien and to lease, sell, exchange, convey, transfer or in any manner whatever acquire or dispose of real property, within the State of Maryland.

To purchase or otherwise acquire and to hold, own, mortgage or otherwise lien, pledge, lease, sell, assign, exchange, transfer or in any manner dispose of, and to invest, deal and trade in and with goods, wares, merchandise and personal property of any and every class and description, within or without the State of Maryland.

To enter into, make and perform contracts of every kind, for any lawful purpose with any person, firm , association or corporation, town, city, county, body politic, state, territory, government or colony or dependency thereof.

To borrow money for any of the purposes of the corporation and to draw, make, accept, endorse, discount, execute, issue, sell, pledge or otherwise dispose of promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable, transferrable or non-transferrable instruments and evidences of indebtedness and to secure the payment thereof and the interest thereon by mortgage or pledge, conveyance or assignment in trust of the whole or any part of the property of the corporation at the time owned or thereafter acquired.

To have one or more offices and to conduct any or all of its operations and business and to promote its objects, within or without the State of Maryland, without restriction as to place or amount.

To do any or all of the things herein set forth as principal, agent, contractor, trustee or otherwise, alone or in company with others .

The object and purposes specified herein shall be regarded as independent objects and purposes and, except where otherwise expressed, shall be in no way limited nor restricted by reference to or inference from the terms of any other clause or paragraph of this certificate of incorporation.

The foregoing shall be construed both as objects and powers and the enumeration thereof shall not be held to limit or restrict in any manner the general powers conferred on this corporation by the laws of the State of Maryland.

ARTICLE IV: The post office address of the principal office of the corporation in the State of Maryland is 10210 Greenbelt Road, Seabrook, Prince George's County, Maryland 20801. The name and post office address of the Resident Agent of the corporation in the State of Maryland is W. CARROLL BEATTY, 4316 Hamilton Street, Hyattsville, Prince George's County, Maryland 20781, and said Resident Agent is an individual actually residing in this State.

ARTICLE V: This corporation is not authorized to issue capital stock nor to declare dividends and no other pecuniary profits shall be declared or paid to the members thereof.

ARTICLE VI: The number of directors of the corporation shall be five (5), which number may be increased or decreased pursuant to the By-Laws of the corporation, but shall never be less than three (3). Said directors shall be denominated as the Board of Directors and the names of the persons who shall act as the Board of Directors of the corporation until the first annual meeting are: HERNDON G. KILBY, JACK ROWZIE, WARREN W. PEARCE, JR., CLINTON W. SCAGGS, JR., and HARRY D. BARNEY.

ARTICLE VII: This corporation is to have perpetual existence.

ARTICLE VIII: The private property of the members shall not be subject to the payment of corporate debts to any extent whatsoever.

ARTICLE IX: In furtherance, and not in limitation of the powers conferred by the laws of the State of Maryland, the Board of Directors is expressly authorized:

To make, alter, amend and repeal the By-Laws;

To set apart out of any of the funds of the corporation available, a reserve or reserves for any proper purpose and to alter or abolish any such reserve; to authorize and cause to be executed mortgages and liens upon the property and franchises of this corporation;

From time to time to determine whether and to what extent and at what times and places and under what conditions and regulations the books and accounts of this corporation shall be open to the inspection of the members and no member shall have any right to inspect any account, checkbook or document of the corporation except as conferred by law or authorized by resolution of the Board of Directors or of the membership.

ARTICLE X: The Board of Directors and the membership shall have the power to hold their meetings, to have an office or offices, and to keep the books of the corporation inside or outside of the State of Maryland at such places as may from time to time be designated by the By-Laws or by resolution of the Board of Directors.

ARTICLE XI: This corporation reserves the right to amend, alter, discharge or repeal any provision contained in these Articles in the manner now or hereafter prescribed by law and all rights conferred on the Board of Directors or the general officers of the corporation as created under appropriate provisions of the By-Laws are granted subject to this reservation.

IN WITNESS WHEREOF, we, the herein named incorporators, have signed these Articles of Incorporation on this 29th day of November, 1977.

WITNESS:

Thomas H. Price III

Thomas H. Price III

Thomas H. Price III

Kathleen A. Mathews
Kathleen A. Mathews

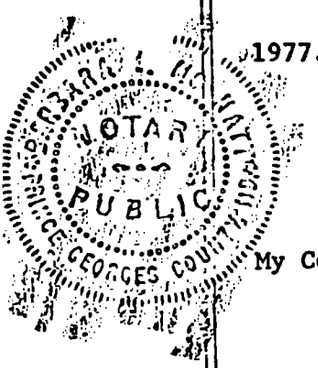
David A. McNamee
David A. McNamee

Nancy E. Mahan
Nancy E. Mahan

STATE OF MARYLAND :
: ss:
COUNTY OF PRINCE GEORGE'S :

I HEREBY CERTIFY that on this 29th day of November, 1977, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Prince George's, personally appeared in said State and County KATHLEEN A. MATHEWS, DAVID A. McNAMEE and NANCY E. MAHAN, and severally acknowledged the foregoing Articles of Incorporation to be their act.

WITNESS my hand and notarial seal this 29th day of November, 1977.



Barbara L. McNatt
Notary Public, Maryland

My Commission Expires: 7/1/78

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ARTICLES OF INCORPORATION

OF

PROSPECT PLANTATION WEST, HOMEOWNERS' ASSOCIATION, INC.

520

approved and received for record by the State Department of Assessments and Taxation of Maryland December 7, 1977, at 8:30 o'clock A. M. as in conformity with law and ordered recorded.

Recorded in Liber 2401, folio 002213, one of the Charter Records of the State Department of Assessments and Taxation of Maryland

Bonus tax paid $ 20.00 Recording fee paid $ 15.00 Special Fee paid $ _____

APR 13 9 00 AM '78
CLERK OF THE
HUBERT H. L. PRITCHETT

To the clerk of the Circuit Court of Prince Georges County

IT IS HEREBY CERTIFIED, that the within instrument, together with all indorsements thereon, has been received, approved and recorded by the State Department of Assessments and Taxation of Maryland.

AS WITNESS my hand and seal of the said Department at Baltimore.

William P. Simmons

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND

Received for record on the 13th
Day of April A.D. 1978
and the same day recorded in Liber A 67806
No. 172 at Folio 123 &c
one of the Land Records
of Prince George's County, Maryland

Clerk of the Circuit Court

13-78 A 15439 **

CWC PAGE 141 [illegible] EXHIBIT NO. 2

DOCUMENT NO. 05-918

AMENDED DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

THIS AMENDED DECLARATION, made this 20th day of September, 1978, by MCD ENTERPRISES, INC., a Maryland corporation, hereinafter referred to as "Declarant", to its earlier Declaration made June 28, 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber CWC 137, folio 624,

W I T N E S S E T H :

SEP 29-78 A 2 483 *****5[illegible]

WHEREAS, Declarant is the owner of certain real property in the Prospect Plantation West Subdivision of Queen Anne's County in the State of Maryland, which is more particularly described as:

Lots 1 through 30 inclusive and Parcels E, G and H as shown on plat of subdivision entitled "Plat Two, Section One, Lots 1 through 30 inclusive and Parcels E, G and H Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 34.

Lots 31 through 83 inclusive and Parcels A, B, B-1, B-2, B-3, B-4, C, D, F and I and Outlot A as shown on plat of subdivision entitled "Plat One, Section One, Lots 31 through 83 inclusive and Parcels A, B, B-1, B-2, B-3, C, D, F and I and Outlot A, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 33.

Lots 84 through 167 inclusive and Parcels A, A-1, A-2, A-3, B, C, D, E, F and G as shown on plat of subdivision entitled "Section Two, Lots 84 through 167 inclusive and Parcels A, B, C, D, E, F and G, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 35.

Lots 168 through 213 inclusive and Lots 298 through 322 inclusive and Parcels F, F-1, F-2, G, H, I and Outlot A as shown on plat of subdivision entitled "Plat Two, Section Three, Lots 168 through 213 inclusive, Lots 298 through 322 inclusive and Parcels F, G, H, I and Outlot A, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 37.

Lots 214 through 297 inclusive and Parcels A, A-1, A-2, A-3, B, C, D, E and E-1 as shown on plat of subdivision entitled "Plat One, Section Three, Lots 214 through 297 inclusive and Parcels A, A-1, B, C, D, E and E-1, Prospect Plantatian West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 36.

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AND WHEREAS, certain covenants, conditions and restriction contained in the earlier filed Declaration have to either be deleted or amended as to enable the Declaration to conform to the regulations set by the Office of Interstate Land Sales Registration of the United States Department of Housing and Urban Development;

AND WHEREAS, Article XIII of the aforesaid Declaration provides for the Amendment of said Declaration and all the requirements for such an Amendment having been followed;

AND WHEREAS, Declarant will convey the said properties, subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easemsnts, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the real property. These easements, covenants, restrictions and conditions shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest in the described properties or any part thereof and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Prospect Plantation West Homsowners' Association, Inc., a Maryland corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be subjected to this Declaration, or any amendment or supplemental Declaration.

Section 3. "Common Area" shall mean those areas of real property designated for the common use and enjoyment of the members of the Association. In order to be so designated, the property must be (a) shown on a recorded subdivision plat and included within the "Properties" by this Declaration or

any amendment thereto; and (b) specifically designated as "Common Areas" by this Declaration or any amendment thereto.

The "Common Area" included within the "Properties" shown on subdivision plat entitled "Plat Two, Section One, Lots 1 through 30 inclusive and Parcels E, G and H, Prospect Plantation West", which will be conveyed to the Association pursuant to Article V, Section 4 hereof, is described ss follows:

Psrcel E containing 64.7932 acres

The "Common Area" included with the "Properties" shown on subdivision plat entitled "Plat One, Section One, Lots 31 through 83 inclusive and Parcels A, B, B-1, B-2, B-3, B-4, C, D, F and I and Outlot A, Prospect Plantation West", which will be conveyed to the Association pursuant to Article V, Section 4 hereof, is described as follows:

Outlot A containing 1.7579 acres
Parcel A containing 6.5276 acres
Parcel B containing 59.4976 acres
Parcel C containing 2.2293 acres
Parcel D containing 0.2410 acres

The "Common Area" included within the "Properties" shown on subdivision plat entitled "Section Two, Lots 84 through 167 inclusive and Parcels A, A-1, A-2, A-3, B, C, D, E, F and G, Prospect Plantation West", which will be conveyed to the Association pursuant to Article V, Section 4 hereof, is described as follows:

Parcel C containing 7.1284 acres
Parcel F containing 9.7533 acres

The "Common Area" included within the "Properties" shown on subdivision plat entitled "Plat One, Section Three, Lots 214 through 297 inclusive and Parcels A, A-1, A-2, A-3, B, C, D, E and E-1, Prospect Plantation West", which will be conveyed to the Association pursuant to Article V, Section 4 hereof, is described as follows:

Parcel A containing 59.1086 acres
Parcel B containing 6.7591 acres
Parcel C containing 2.3030 acres
Parcel D containing 2.4257 acres

Section 4. "Lot" shall mean and refer to any plot or parcel of land which is both shown upon any recorded subdivision map of the Properties and which is part of the "Properties" defined above with the exception of the Common Area.

Section 5. "Dwelling Unit" shall mean a building or portion thereof originally arranged or designated to provide living facilities for only one family.

Section 6. "Front lot line" shall mean that line of any lot binding upon a roadway.

Section 7. "Roadway" shall mean the road system as it shall from time to time exist included within the "Properties". It is expressly stated that nothing herein contained shall constitute a dedication of any roadway or road shown on any subdivision plat.

Section 8. "Corner Lot" shall mean any "Lot" fronting on two or more adjoining roadways.

Section 9. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 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 Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 11. "Declarant" shall mean and refer to MCD Enterprises, Inc., its successors and assigns and/or such persons, firms and corporations as shall acquire more than five undeveloped Lots from the Declarant for the purpose of development and be designated by Declarant as an additional declarant.

ARTICLE II

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. For a period of ten years from the date of the incorporation of the Association, the Declarant shall be permitted, without the assent of Class A members being required, to from time to time annex to said Properties so much of any additional lands that become part of the Prospect Plantation West Subdivision and so much of any additional lands within the general area of the Prospect Plantation West Subdivision acquired and/or

developed by either Declarant or Prospect Plantation West, Inc., as Declarant shall wish to have so annexed. Declarant shall be further permitted without the assent of Class A members being required, to amend this Declaration to include herein and to subject to the protective covenants, conditions, restrictions, reservations, liens, charges and terms hereof all lands annexed in accordance with this Section 1.

Section 2. Annexation of all other additional property shall require the assent of two-thirds (2/3) of the Class A members and two-thirds (2/3) of the Class B members, if any, voting in person or by Declarant's authorized officer or agent entitled to cast Declarant's votes, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. Voting by proxy is not allowed. The presence of members entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

ARTICLE IV

VOTING RIGHTS

The Association shall have two classes of voting membership.

CLASS A - Class A members shall be all those Owners as defined in Article III with the exception of Declarant, until such time as Declarant's membership is converted as hereinafter provided. Class A members shall be entitled to one vote for each lot, unimproved or improved, in which said member holds the interest required for membership by ARTICLE III; provided, however, that, where more than one person holds such interest in any one Lot, all such persons shall be members, the vote for such Lot to be exercised as they themselves determine, but in no event shall more than one vote be cast with respect to any Lot pursuant to this subparagraph. Voting by proxy shall not be allowed.

CLASS B - The Class B member shall be the Declarant. The Class B member or members shall be entitled to twenty (20) votes for each Lot, unimproved or improved, in which it holds the interest required for membership by ARTICLE III. Any authorized officer or agent of Declarant shall be entitled to cast all of Declarants votes.

PROVIDED, HOWEVER, that the Class B membership shall cease and be converted to Class A membership, with the voting rights therein applicable, upon the happening of either of the following events, whichever occurs earlier: (a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership, or (b) on January 1, 1988,

PROVIDED, FURTHER, that three years from the date of sale of the first Lot by Declarant or when 30% of the first Lots platted are sold, whichever occurs first, then irrespective of the actual Class B or Class A votes to which Declarant shall be entitled, Declarant shall be deemed to have the lesser of (1) its actual Class B or Class A votes, or (2) a number of votes equal to one less than the aggregate of class A votes of Lot owners other than Declarant.

ARTICLE V

PROPERTY RIGHTS

Section 1. Members' Easements of Enjoyment. Every member shall have a right of easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

(a) The right of the Association to limit the number of guests of members;

(b) The right of the Association to charge reasonable fees for the use of any facilities situated from time to time upon the Common Areas;

(c) The right of the Declarant and/or Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, and the right of homeowners hereunder shall be subordinate to the rights of the mortgage in said properties;

(d) The right of the Association to take such steps as are reasonably necessary to protect the above-described Common Area against foreclosure;

(e) The right of the Association to suspend the voting rights and right to use the Common Areas and facilities by a member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed ninety (90) days for any infraction of its published rules and regulations;

(f) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members of the Board of Directors. No such dedication or transfer shall be effective unless an instrument signed by members entitled to cast two-thirds of the votes of the Class A membership and two-thirds of the votes of the Class B membership, if any, has been recorded, agreeing to such dedication or transfer.

(g) Without the assent or signature of the membership being required, the Board of Directors of the Association shall have the right to grant such easements, rights of way, and licenses in and through the Common Area as it shall from time to time deem necessary or desirable.

(h) Without the assent or signature of the membership being required, the Board of Directors of the Association shall have the right to have a navigation channel for small craft dredged within the Common Area notwithstanding the fact that such action may reduce, alter or affect the Association's ownership and/or use rights in said Common Area.

(i) Declarant, its successors and assigns shall have the right to grant and the right to assign the right to grant nonexclusive easements for ingress and egress through the Common Areas, as they shall from time to time exist, to such persons, firms and corporations as Declarant shall deem necessary and desirable for the growth and development of the Prospect Plantation West Subdivision.

(j) The Declarant reserves an easement and right to use and utilize the beds of the roadways and roads within the Properties for the installation and/or erection of such public and/or private utilities above or below ground level as may from time to time be deemed necessary or desirable by Declarant to provide such facilities to the owners or occupiers of said Lots as well as to other real property of Declarant not subject to this Declaration; and the said Declarant expressly reserves the right to create slopes, grade, change the grade of or re-grade, any roadway provided that no act shall be taken that will prevent reasonable and convenient ingress to and from any Lot.

(k) The Association shall not have the right in any way to affect or interfere with the rights herein reserved to Declarant.

Section 2. Delegation of Use. Any member may delegate, in accordance with the By-Laws, his right to enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property, and such other persons as may be permitted by the Association.

Section 3. Designation of Common Areas. The Declarant hereby covenants for itself, its successors and assigns, that as to all land subsequently annexed pursuant to ARTICLE II, Section 1, Declarant will within sixty (60) days after such annexation or annexations designate the Common Area, if any, included therein.

Section 4. Title to Common Areas. The Declarant hereby covenants for itself, its successors and assigns, that it will convey all of its right, title and interest in and to the Common Areas to the Association, subject to all covenants, easements and restrictions of record, as follows: The Common Areas designated in and described in ARTICLE I, Section 3, hereof as Plat One, Section One, Outlet A, Parcel C and Parcel D and as Plat One, Section Three, Parcel B, Parcel C and Parcel D, will be conveyed prior to the conveyance of the first developed Lot. Except as hereinabove provided, Declarant may retain legal title to the Common Areas designated in and described in ARTICLE I, Section 3, until such time as in the sole opinion of Declarant, the Association is able to maintain the same but all said conveyances must be made by January 1, 1988.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for Lot owned by it within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association (1) the hereinafter provided spplicable annual sssessment or charge and (2) special assessments for capital improvements, such assessments to be fixed, established snd collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof aa hereinafter provided shsll be a chsrge on the land and shsll be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonsble attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for any past due assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessment. The assessments levied by the Association shall be used exclusively for the following purposes: the areas from time to time used in common or designated for use in common by the residents of the said subdivision; the payment of any tsxes or assesaments levied from time to time by any lawful authority against the said Common Areas; the payment of any inaurance from time to time carried on the Common Areas or the facilities located thereon; and the improvement and maintenance of the Properties, services and facilities devoted to the promotion of the health, recreation, safety and welfare of the resident in the Properties.

Section 3. Basis of Annual Assessment.

(a) The maximum annual assessment shall not exceed $720.00 per annum per improved Lot, and $480.00 per annum per unimproved Lot, based on the nationally established consumer price index on January 1, 1978, but subject, however, to adjustment in accordance with any adjustments in said cost

of living index, as hereinafter provided, and subject to the provisions of subparagraph (d) below.

(b) Until January 1 of the year following the first conveyance of Lots by Declarant, the annual assessment shall be Seven Hundred Twenty and no/100 ($720.00) Dollars per improved Lot, and Four Hundred Eighty and no/100 ($480.00) Dollars per unimproved Lot, adjusted in accordance with Section 6 hereof and adjusted in accordance with provisions of subparagraph (e) of this Section 3.

(c) From and after January 1 of the year following the first conveyance of Lots by Declarant, the maximum annual assessment for Lots may be increased effective January 1 of each year by the Board of Directors of the Association without a vote of the membership in conformance with a rise in the cost of living index. The maximum annual assessment for any said year shall be computed and determined by multiplying the then allowable maximum annual assessment by a fraction, the numerator of which shall be the average "United States Bureau of Labor Statistics Consumer Price Index, All Items United States" for the month of July of the preceding year, the denominator of which shall, in each instance, be the average "Index" for January, 1978. If such Index referred to shall be discontinued, the Board of Directors shall select a substitute formula or index.

(d) From and after January 1st of the year immediately following the first conveyance of Lots by Declarant, the maximum annual assessment may be increased above the amount permitted by Section 3 (a) and/or Section 3 (c) by a vote of sixty percent (60%) of each class of members who are voting in person or by Declarant's authorized officer or agent entitled to cast Declarant's votes, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. Voting by proxy is not allowed. The presence of members or of Declarant's authorized officer or agent entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum

is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

(e) Each Lot within the Properties owned by Declarant shall, until the date of its conveyance by Declarant to all others except a designated successor or additional declarant, have an annual assessment equal to one-half of the then prevailing annual assessment for a Lot, as hereinbefore and hereinafter provided, excepting those Lots owned by Declarant for rental purposes on which Declarant will be required to pay the full prevailing annual assessment.

(f) Except as provided by Section 3 (d), and subject to the limitation established by 3.(e), the Board of Directors shall fix the annual assessment at an amount not in excess of the maximum for the said year.

Section 4. Soecial Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year a special assessment, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of improvements upon the Common Areas, provided that such assessment shall have the assent of sixty percent (60%) of the votes of each class of members who are voting in person or by Declarant's authorized officer or agent entitled to cast Declarant's votes, at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting. Voting by proxy is not allowed.

Section 5. Uniform Rate of Assessment. Except as provided in Section 3 (e) hereof, annual and special assessments must be fixed at a uniform rate for all Lots. Annual assessments shall be payable either annually, semi-annually or monthly in advance, as determined by the Board of Directors.

Section 6. Date of Commencement of Annual and Special Assessments: Due Dates. The annual assessments provided for herein shall commence as ~~to all Lots on the first day of the month~~ following the first conveyance of Common Area to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. The due date of any special assessment authorized under Section 4 shall be fixed in the resolution authorizing such assessment. Written notice of the annual and special assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the Assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the asaessments provided for herein shall be subordinate to the lien of any bona-fide mortgage or mortgages. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of

all such assessments as to payments thereof 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. The term mortgage or mortgages shall include Deed of Trust or Deeds of Trust.

Section 9. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all properties dedicated to and accepted by a local public authority; (b) the Common Area; and (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Maryland. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VII

ARCHITECTURAL CONTROL

No building, dock, boathouse, fence, wall, bulkhead, jetty, seawall, driveway or any structure of any kind or nature whatsoever shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration (including change of color of any exterior part) therein be made until the plans, specifications and siteplan showing the nature, color, kind, shape, heights, materials, floor plan, color scheme, cost and location of the same shall have been submitted to and approved in writing as to the general suitability of such construction with the Properties, as to the relative value of said improvement in relation to its surroundings, as to the type and kind of materials to be used, and as to harmony of external design and location in relation to surrounding structures, topography and waterways by the Board of Directors of the Association, or by an architectural control committee composed of three (3) or more representatives appointed by the Board. The Board of Directors or its architectural control committee shall be permitted to make a reasonable charge for the review of any such plans, specifications and site plans. In the event said Board, or its designated committee, fails to approve or disapprove such plans and specifications within ninety (90) 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.

Any approval obtained hereunder, whether by default or otherwise, shall become null and void unless construction is commenced within six (6) months of the date of approval.

The Board of Directors of the Association or its architectural control committee shall have the right to establish such mandatory minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected within the Properties.

The Board of Directors of the Association or its architectural control committee shall have the right to determine the location, color, size, design, lettering, and all other particulars of all mail or paper delivery boxes, and standards and brackets and the name signs for such boxes in order that the area be strictly uniform in appearance with respect thereto.

ARTICLE VIII

ARCHITECTURAL CONTROL BY LENDING INSTITUTION

No building to be used as a dwelling unit shall be commenced, erected or placed on any Lot by either Declarant, a designated successor, additional declarant or any other Owner of any Lots conveyed by Declarant, designated auccessor or additional declarant until the construction plans and specifications and a plan showing the location of the structure have been approved by Columbia Federal Savings and Loan Association. Approval of said architectural plans and specifications is not to be arbitrarily withheld by Columbia Federal Savings and Loan Asaociation. Such architectural control by the aforementioned lending institution is to be effective only for a period of three years from the date of sale of the first Lot by Declarant or until 30% of the Lots are sold, whichever time period is shorter.

ARTICLE IX

EXTERIOR MAINTENANCE

In the event an Owner of any Lot in the Properties shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agent and employees, to enter upon said parcel and to repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE X

RESTRICTIONS, EASEMENTS AND COVENANTS

Section 1. General. The Properties herein described and all property hereafter annexed shall be subject to all easements and restrictions of record. The Common Areas included within the Properties shall be subject to such use restrictions as shall be adopted by the Association from time to time.

Section 2. Rights Reserved in Declarant. The Properties herein described and all property hereafter annexed shall be subject to the rights reserved therein by Declarant by this Declaration as it shall from time to time be amended and altered.

Section 3. Lots. Each "Lot" within the "Properties" shall be subject to the following easements, covenants and restrictions:

(a) The floor area of any dwelling house erected upon any Lot, exclusive of basement and sttached porches and garages, shall be not less than one thousand five hundred (1,500) square feet for a one-story dwelling, nor less than two thousand (2,000) squsre feet for a one-and-one-half or two-story dwelling.

(b) No dwelling shall be located on any parcel closer to any front line than fifty (50) feet, or closer than fifty (50) feet to any side lot line abutting on a street in case of a corner parcel. Nor shall any dwelling be located on any parcel closer to any side lot line than twenty (20) feet. No dwelling shall be located within one hundred (100) feet of the shoreline, or if no shoreline, fifty (50) feet of the rear lot line. Entrance stoops, terraces, steps, eaves, cornices, and gutters, as msy be approved by the Association, may be built, erected and maintained on any part of the restricted area.

(c) All detached gsrages and other out-buildings of any kind whatsoever, shall be located not less than one hundred (100) feet from the shoreline, or if no shoreline, not less than fifty (50) feet from rear lot lines.

(d) No basement, tent, shack, garage, barn or other outbuildings shall be erected on any Lot and used either temporarily or permanently as a residence. No trailer shall be used temporarily or permanently for residential purposes, but small trailers such as boat trailers and campers may be stored on a parcel, providing they are either parked within a completely enclosed building or parked beyond the rear of the main dwelling, and at least thirty (30) feet from the side lot line, and not less than one hundred (100) feet from the shoreline, or if no shoreline, fifty (50) feet from the rear lot line.

(e) No dwelling shall be erected with fronts facing Prospect Bay Road, nor shall Lots adjoining Prospect Bay Road have driveways running from said road.

(f) No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

(g) No Lot shall be used except for residentisl purposes. The term "residential purposes" shall include the office of a licensed medical or dental practitioner if said office is incidental to the primary use of the Lot as a residence for said practitioner.

(h) Excepting only "pick-up" trucks, no trucks or commercial type vehicles shall be stored or parked on any Lots except while parked in a closed garage nor parked on any roadway in the Properties except while engaged in transporting to or from a residence in the Properties.

(i) In the front yard of any Lot, no fence or wall shall be erected which shall have a height in excess of forty-eight (48) inches. In addition to the aforementioned height limitations, only walls which are necessary as retaining walls to take care of ground elevations may be erected in the front yard and only fences of the rail or three board type may be erected in the front yard. The term "front yard" shall mean that portion of the yard in front of the existing front building line for the roadway on which the dwelling will front. In the case of a "corner lot", the term "front yard" shall include all those portions of the yard in front of the existing front building line for each side of the Lot which abuts adjoining roadways. Fences and walls not to

exceed six (6) feet in height may be erected on all other portions of said Lot, subject to the limitations hereinafter set forth. No fence or wall of any height shall be constructed at any location on any Lot until the height, type, design and approximate location therefore shall have been approved in writing by the architectural control committee. The heights or elevations of any wall shall be measured from the existing elevations of the property at or along the applicable points or lines. Any question as to such heights may be completely determined by the architectural control committee. Any wall permitted shall be constructed of brick or stone. Boundary hedges and boundary shrubs shall be permitted in the front and back yards with the height limitations applicable to fencing.

(j) No building shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the public authority charged with the responsibility in the particular jurisdiction with permits for construction.

(k) No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

(l) No sign of any kind shall be displayed to the public view on any Lot except as follows: one professional sign of not more than one (1) square foot, one sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

(m) No Owner shall sell, lease or in any manner transfer any portion of a Lot less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Association shall give its written consent thereof.

(n) Every Owner shall maintain his Lot, the improvements situated therein and any bulkheads and seawalls adjacent to his Lot in good order and repair and in a manner satisfactory to the Board of Directors.

(o) The Association shall, in all cases, have the right to determine the front, side or rear lines of any Lot and the amount of set back from said lines necessary to conform to requirements hereof, and the determination, judgment and decision of the Association thereon shall be final in all respects.

(p) In all matters involving the interpretation and construction of the terms and provisions of this Declaration and of these covenants and restrictions, the opinion of the Board of Directors of the Association shall be final and conclusive and shall not be subject to attack upon the grounds that same is or may be arbitrary and capricious. Invalidation of any of the covenants herein contained, by judgment or court order, shall in no wise affect any of the other provisions which shall remain in full force and effect.

(q) The foregoing covenants shall not apply to the "Common Areas".

ARTICLE XI

UTILITY EASEMENTS

Declarant hereby expressly reserves easements and rights of way upon, in and over strips of land ten (10) feet in width along each side of all interior Lot lines and easements and rights of way, upon, in and over strips of land twenty (20) feet in width along all Lot lines adjacent to roadways for the purpose of establishing, installing and maintaining from time to time, public or private utilities (including but not limited to water, sewer, electricity, telephone and other utility facilities) storm drains, slopes and grades, and for such other purposes incidental to the development of the Prospect Plantation West Subdivision. Declarant does not, however, warrant or represent that it will establish or install public or private utilities, storm drains or slopes and grades.

All claims for damages, if any, arising out of the construction, maintenance and repair of utilities or on account of temporary or other inconvenience caused thereby against the Declarant, or any utility company or municipality, or any of its agents or servants are hereby waived by the Owners, except those claims arising from negligence or misconduct.

ARTICLE XII

ASSIGNMENT

Any or all of the rights, titles, easements and estates given to or reserved by the Declarant in this instrument may be assigned in whole or in part to one or more corporations or associations, and likewise all of the powers (including discretionary powers), and any duties and obligations imposed upon the Declarant by this instrument may be assigned and transferred to one or more corporations agreeing to assume, exercise, carry out and perform the same. Any such assignment or transfer shall be made by an appropriate written agreement in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance and assumption of such powers, duties and obligations; and such assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are imposed upon Declarant, the Declarant thereupon being released therefrom.

ARTICLE XIII

GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Declarant or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, except as hereinafter provided.

Section 2. Amendment. The covenants and restrictions of this Declaration may be amended, cancelled, annulled or abrogated in whole or in part during the first thirty (30) year period by an instrument signed by members entitled to cast not less than eighty percent (80%) of the total votes of the membership, and thereafter by an instrument signed by members entitled to cast not less than seventy-five percent (75%) of the total votes of the membership.

The Board of Directors of the Association may amend this Declaration to include herein and to subject to the terms hereof all property annexed pursuant to provisions of ARTICLE II, Section 2, without the approval of the membership except as is required for the annexation. Without approval of the membership, the Board of Directors of the Association may also amend this Declaration and do such other acts as are necessary to comply from time to time with the requirements of (i) the Queen Anne's County Planning and Zoning Commission or its successors, (ii) F.H.A. or VA, in the event that a substantial portion of the Properties shall be financed by or shall be sought by Declarant to be financed by loans insured by Federal Housing Administration or the Veteran's Administration, (iii) Internal Revenue Service in order to obtain or retain tax exempt status. Any amendment must be properly recorded.

Section 3. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration. Failure by the Association, by the Declarant or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Violation of any covenant, condition or restriction herein shall give the Association, in addition to all other remedies, the right to enter upon the land on which, or as to which, such violations exist and summarily to abate and remove, at the expense of the Owner thereof, such violation, and the Association shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal or for any damages resulting therefrom.

Section 4. Severability. If any provision of the covenants and restrictions herein contained, or the application of such provision to any person or circumstances shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

IN TESTIMONY WHEREOF, the said MCD ENTERPRISES, INC., has caused these presents to be executed in its corporate name, by its President, with its corporate seal affixed, attested by its Secretary on the date first above written.

MCD ENTERPRISES, INC.

By: Warren W. Pearce, Jr.
Warren W. Pearce, Jr., President

MCD ENTERPRISES, INC. 1949 MARYLAND

Lyndon G. Kilby
Lyndon G. Kilby, Secretary

STATE OF MARYLAND :
: ss:
COUNTY OF PRINCE GEORGE'S :

I HEREBY CERTIFY that on this 20th day of September, 1978, before the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared in said State and County WARREN W. PEARCE, JR., who made oath in due form of law that he is the duly elected and acting President of MCD Enterprises, Inc., Declarant in the aforegoing Declaration, and he acknowledged said Declaration to be the act and deed of said corporation executed by authority of its Board of Directors.

WITNESS my hand and official seal this 20th day of September, 1978.

LINDA S. TACINELLI NOTARY PUBLIC PRINCE GEORGE'S CO. MD.

Linda S. Tacinelli
Notary Public, Maryland

My Commission expires: 7-1-82

DOCUMENT NO. 95957

AMENDMENT TO

AMENDED DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

THIS AMENDMENT TO THE AMENDED DECLARATION, made this 15th day of November, 1978, by MCD ENTERPRISES, INC., a Maryland corporation, hereinafter referred to as "Declarant", to its earlier Amended Declaration made September 20, 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber CWC 141, folio 342,

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain real property in the Prospect Plantation West Subdivision of Queen Anne's County in the State of Maryland, which is more particularly described as:

Lots 1 through 30 inclusive and Parcels E, G and H as shown on plat of subdivision entitled "Plat Two, Section One, Lots 1 through 30 inclusive and Parcels E, G and H Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 34.

Lots 31 through 83 inclusive and Parcels A, B, B-1, B-2, B-3, B-4, C, D, F and I and Outlot A as shown on plat of subdivision entitled "Plat One, Section One, Lots 31 through 83 inclusive and Parcels A, B, B-1, B-2, B-3, C, D, F and I snd Outlot A, Prospect Plantation West", recordad among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 33.

Lots 84 through 167 inclusive and Parcels A, A-1, A-2, A-3, B, C, D, E, F and G as shown on plat of subdivision entitled "Section Two, Lots 84 through 167 inclusive and Parcels A, B, C, D, E, F, G, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 35.

Lots 168 through 213 inclusive and Lots 298 through 322 inclusive and Parcels F, F-1, F-2, G, H, I and Outlot A as shown on plat of subdivision entitled "Plat Two, Section Three, Lots 168 through 213 inclusive, Lots 298 through 322 inclusive and Parcels F, G, H, I and Outlot A, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 37.

Lots 214 through 297 inclusive and Parcels A, A-1, A-2, A-3, B, C, D, E and E-1 as shown on plat of subdivision entitled "Plat One, Section Three, Lots 214 through 297 inclusive and Parcels A, A-1, B, C, D, E and E-1, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 36.

AND WHEREAS, certain covenants, conditions and restrictions contained in the earlier filed Declaration have to either be deleted or amended as to enable the Declaration to conform to the regulations set by the Office of Interstate Land Sales Registration of the United States Department of Housing and Urban Development;

AND WHEREAS, Article XIII of the aforesaid Declaration provides for the Amendment of said Declaration and all the requirements for such an Amendment having been followed;

NOW, THEREFORE, Declarant hereby amends the aforeaaid Amended Declaration by striking out Article VI, Sections 1 through 9 and Article VII and inserting in lieu thereof the following:

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for Lot owned by it within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association (1) the hereinafter provided applicable annual assessment or charge and (2) special assessments for capital improvements, such assessments to be fixed, estsblished and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided shall be s charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for any past due assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessment. The assessments levied by the Association shall be used exclusively for the following purposes: the areas from time to time used in common or designated for use in common by the residents of the said subdivision; the payment of any taxes or assessments levied from time to time by any lawful authority against the said Common Areas; the payment of any insurance from time to time carried on the Common Areas or the facilities located thereon; and the improvement and maintenance

of the Properties, services and facilities devoted to the promotion of the health, recreation, safety and welfare of the residents in the Properties.

Section 3. Basis of Annual Assessment.

(a) The maximum annual assessment shall not exceed the following:

(i) Until the Common Areas comprising the swimming pool, tennis courts, club house and nine holes of the 18 hole golf course are completed, $240.00 per annum per Lot.

(ii) After completion of the items listed in Section 3(a)(i) and the second nine holes of the 18 hole golf course, $480.00 per annum per Lot for unimproved Lots and $720.00 per annum for improved Lots. For purposes of this Section, an improved Lot shall be a Lot upon which footings for e dwelling have been put in place for over 180 days. The foregoing maximum annual assessments are subject, however, to adjustment in accordance with any adjustments in the national consumer price index, as hereinafter provided, and subject to the provisions of subparagraph (c) below.

(b) From and after January 1 of the year following the first conveyance of Lots by Declarant, the maximum annual assessment for Lots may be increased effective January 1 of each year by the Board of Directors of the Association without a vote of the membership in conformsnce with a rise in the cost of living index. The maximum annual essessment for any said year shall be computed and determined by multiplying the then allowable maximum annual assessment by a fraction, the numerator of which shall be the average "United States Bureau of Labor Statistics Consumer Price Index, All Items United States" for the month of July of the preceding year, the denominator of which shall, in each instance, be the averege "Index" for January, 1978. If such Index referred to ahall be discontinued, the Board of Directors shall aelect a substitute formula or index.

(c) From and after January 1 of the yeer immediately following the first conveyance of Lots by Declarant, the maximum annual assessment may be increased above the amount permitted by Section 3(a) and/or Section 3(b) by a vote of sixty percent (60%) of each class of members who are voting in person or by Declarant's authorized officer or agent entitled to cast Declarant's votes, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 dsys in advance of the meeting setting forth the purpose of the meeting.

Voting by proxy is not allowed. The presence of members or of Declarant's authorized officer or agent entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

(d) Except as provided by Section 3(c), the Board of Directors shall fix the annual assessment at an amount not in excess of the maximum for the said year. In no event after the conditions satisfied in Section 3(s)(ii) occur, shall the annual assessment of unimproved Lots be in excess of two-thirds (2/3) of the annual assessment for improved Lots.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year a special assessment, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of improvements upon the Common Areas, provided that such assessment shall heve the assent of sixty percent (60%) of the votes of each class of members who are voting in oerson or by Declarent's authorized officer or agent entitled to cast Declarant's votes, at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in edvance and shall set forth the purpose of the meeting. Voting by proxy is not allowed.

Section 5. Uniform Rate of Assessment. Annual and special assessments must be fixed at a uniform rate for all Lots. Annual assessments shall be payable either annually, semi-annually or monthly in advance, as determined by the Board of Directors.

Section 6. Date of Commencement of Annual and Special Assessments: Due Dstes. The annual assessments provided for herein shall commence whenever directed by the Board of Directors of the Association following the first conveyance of Common Area to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against esch Lot at least thirty (30) dsys in advance of each annual assessment period. The due date of any special assessment authorized under Section 4 shall be

fixed in the resolution authorizing such assessment. Written notice of the annual and special assessment shall be sent to every Owner subject thereto. The due dates shall be estsblished by the Board of Directors. The Association shall, upon demand at any time, furnish s certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If ths assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien sgainst the Property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the ~~assessments~~ provided for herein by nonuse of the Common Area or abandonment of his Lot.

Section 8. Subordination of the Lien to Mortgsges. The lien of the assessments provided for herein shall be subordinate to the lien of any bona-fide mortgage or mortgages. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of all such assessments as to payments thereof 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. The term mortgage or mortgages ahall include Deed of Trust or Deeds of Trust.

Section 9. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all properties dedicated to and accepted by a local public authority; (b) the Common Area; and (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Maryland. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VII

ARCHITECTURAL CONTROL

No building, dock boathouse, fence, wall, bulkhead, jetty, seawall, driveway or any structure of any kind or nature whatsoever shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration (including change of color of any exterior part) therein be made until the plans, specifications and site plan showing the nature, color, kind, shape, heights, materials, floor plan, color scheme, cost and location of the same shall have been submitted to and approved in writing as to the general suitability of such construction with the Properties, as to the relative value of said improvement in relation to its surroundings, as to the type and kind of materials to be used and as to harmony of external design and location in relation to surrounding structures, topography and waterways by the Board of Directors of the Association, or by an architectural control committee composed of three (3) or more representatives appointed by the Board. The term of any such architectural control committee appointed by the first Board of Directors shall terminate upon the termination of the term of the first Board of Directors. A new architectural control committee shall then be appointed by the next Board of Directors. The Board of Directors or its architectural control committee shall be permitted to make a reasonable charge for the review of any such plans, specifications and site plans. In the event said Board, or its designated committee, fails to approve or disapprove such plans and specifications within ninety (90) 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.

Any approval obtained hereunder, whether by default or otherwise, shall become null and void unless construction is commenced within six (6) months of the date of approval.

The Board of Directors of the Association or its architectural control committee shall have the right to establish such mandatory minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected within the Properties.

The Board of Directors of the Association or its architectrual control committee shall have the right to determine the location, color, size, design, lettering, and all other particulars of all mail or paper delivery

boxes, and standards and brackets and the name signs for such boxes in order that the area be strictly uniform in appearance with respect thereto.

IN TESTIMONY WHEREOF, the said MCD ENTERPRISES, INC., has caused this Amendment to the Amended Declaration of Covenants, Conditions and Restrictions to be executed in its corporate name, by its President, with its corporate seal affixed, attested by its Secretary on the date first above written.

MCD ENTERPRISES, INC.

By: Warren W. Pearce, Jr., President

ATTEST:

Herndon G. Kilby, Secretary

STATE OF MARYLAND :
: sa:
COUNTY OF PRINCE GEORGES

I HEREBY CERTIFY that on this 15th day of November, 1978, before the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared in said State and County, WARREN W. PEARCE, JR., who made oath in due form of law that he is the duly elected and acting President of MCD Enterprises, Inc., Declarant in the aforegoing Declaration, and he acknowledged said Declaration to be the act and deed of said corporation executed by authority of its Board of Directors.

WITNESS my hand and official seal this 15th day of November, 1978.

Notary Public, Maryland

My Commission expires:

CLERK'S
FILED NOV 28 PM 12 20
PRINCE GEORGES COUNTY

NOV 28-78 * 22552 *****22.00
NOV 28-78 A 22552 *****22.00

DOCUMENT NO. 10?,475

LIBER 165 PAGE 136

SECOND AMENDMENT TO AMENDED DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

THIS SECOND AMENDMENT TO AMENDED DECLARATION, made this 11th day of June, 1980, by MCD ENTERPRISES, INC., a Maryland corporation, hereinafter referred to as "Declarant", to its earlier Amended Declaration made September 20, 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber CWC 141, folio 342; which was subsequently amended by Amendment made on November 15, 1978 and recorded among the Land Records of Queen Anne's County in Liber 143, folio 688,

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain real property in the Prospect Plantation West Subdivision of Queen Anne's County in the State of Maryland, which is more particularly described as:

Lots 1 through 30 inclusive and Parcels E, G and H as shown on plat of subdivision entitled "Plat Two, Section One, Lots 1 through 30 inclusive and Parcels E, G and H Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 34.

Lots 31 through 83 inclusive and Parcels A, B, B-1, B-2, B-3, B-4, C, D, F and I and Outlot A as shown on plat of subdivision entitled "Plat One, Section One, Lots 31 through 83 inclusive and Parcels A, B, B-1, B-2, B-3, C, D, F and I and Outlot A, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 33.

Lots 84 through 167 inclusive and Parcels A, A-1, A-2, A-3, B, C, D, E, F and G as shown on plat of subdivision entitled "Section Two, Lots 84 through 167 inclusive and Parcels A, B, C, D, E, F, G, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 35.

Lots 168 through 213 inclusive and Lots 298 through 322 inclusive and Parcels F, F-1, F-2, G, H, I and Outlot A as shown on plat of subdivision entitled "Plat Two, Section Three, Lots 168 through 213 inclusive, Lots 298 through 322 inclusive and Parcels F, G, H, I and Outlot A, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 37.

Lots 214 through 297 inclusive and Parcels A, A-1, A-2, A-3, B, C, D, E and E-1 as shown on plat of subdivision entitled "Plat One, Section Three, Lots 214 through 297 inclusive and Parcels A, A-1, B, C, D, E and E-1, Prospect Plantation West," recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 36.

AND WHEREAS, certain covenants, conditions and restrictions contained in the earlier filed Declaration have to either be deleted or amended as to enable the Declaration to conform to the regulations set by the Office of Interstate Land Sales Registration of the United States Department of Housing and Urban Development;

AND WHEREAS, Article XIII of the aforesaid Declaration provides for the Amendment of said Declaration and all the requirements for such an Amendment having been followed;

NOW, THEREFORE, Declarant hereby amends the aforesaid Amended Declaration by adding Article III (which was inadvertantly left out due to a typographical error), and by inserting Article X Section 3(r) to Article X as follows:

ARTICLE III

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject to this Declaration of Covenants and any amendments hereto, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

ARTICLE X

RESTRICTIONS, EASEMENTS AND COVENANTS

Section 3. Lots.

(r) In the event any of the recorded Land Record Plats with regards to the properties described herein contains either greater or lesser building lot set back restriction lines then those referred to in Subsections (b) (c) and (d) in this Article X, Section 3, the building lot set back restriction lines shown on said recorded Land Record Plats shall be the applicable restrictions that will be followed.

IN TESTIMONY WHEREOF, the said MCD ENTERPRISES, INC., has caused this Second Amendment to Amended Declaration of Covenants, Conditions and Restrictions to be executed in its corporate name, by its President, with its corporate seal affixed, attested by its Secretary on the date first above-wirtten.

MCD ENTERPRISES, INC.

By: _____
Warren W. Pearce, Jr., President

ATTEST:

_____
Herndon G. Kilby, Secretary

JUN 17-80 * 22155 ****1100
JUN 17-80 A 22155 ****1100

STATE OF MARYLAND :
: ss:
COUNTY OF PRINCE GEORGE'S :

I HEREBY CERTIFY that on this 11TH day of JUNE, 1980, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared in said State and County, WARREN W. PEARCE, JR., who made oath in due form of law that he is the duly elected and acting President of MCD Enterprises, Inc., Declarant in the aforegoing Declaration, and he acknowledged said Declaration to be the act and deed of said corporation executed by authority of its Board of Directors.

WITNESS my hand and official seal this 11th day of June, 1980.

_____
Notary Public, Maryland

My Commission Expires: 7/1/82

CLERK'S COURT
1980 JUN 17 PM 2:03
QUEEN ANNE'S COUNTY

THIRD AMENDMENT TO AMENDED DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

THIS THIRD AMENDMENT TO AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, made this 26th day of May, 1981, by MCD ENTERPRISES, INC., a Delaware corporation, successor in interest to MCD ENTERPRISES, INC., a Maryland corporation, hereinafter referred to as "Declarant", to an Amended Declaration made September 20, 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber CWC 141, folio 342; which was subsequently amended by Amendment made on November 14, 1978 and recorded among the Land Records of Queen Anne's County in Liber 143, folio 633; which was subsequently amended by Second Amendment made on June 11, 1980 and recorded among the Land Records of Queen Anne's County in Liber MWM 165, folio 137,

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain real property in the Prospect Plantation West Subdivision of Queen Anne's County, in the State of Maryland, which is more particularly described as:

Lots 1 through 30 inclusive and Parcels E, G and H as shown on plat of subdivision entitled "Plat Two, Section One, Lots 1 through 30 inclusive and Parcels E, G and H Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 34.

Lots 31 through 83 inclusive and Parcels A, B, B-1 B-2, B-3, B-4, C, D, F and I and Outlot A as shown on plat of subdivision entitled "Plat One, Section One, Lots 31 through 83 inclusive and Parcels A, B, B-1, B-2, B-3, C, D, F and I and Outlot A, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 33.

Lots 84 through 167 inclusive and Parcels A, A-1, A-2, A-3, B, C, D, E, F and G as shown on plat of subdivision entitled "Section Two, Lots 84 through 167 inclusive and Parcels A, B, C, D, E, F, G, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 35.

Lots 168 through 213 inclusive and Lots 298 through 322 inclusive and Parcels F, F-1, F-2, G, H, I and Outlot A as shown on plat of subdivision entitled

mwm

"Plat Two, Section Three, Lots 168 through 213 inclusive, Lots 298 through 322 inclusive and Parcels F, G, H, I and Outlot A, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 37.

Lots 214 through 297 inclusive and Parcels A, A-1, A-2, A-3, B, C, D, E and E-1 as shown on plat of subdivision entitled "Plat One, Section Three, Lots 214 through 297 inclusive and Parcels A, A-1, B, C, D, E and E-1, Prospect Plantation West", recorded among the Land Records of Queen Anne's County, Maryland, in Plat Book CWC3 as Plat No. 36.

AND WHEREAS, certain covenants, conditions and restrictions contained in the earlier filed Declaration have to either be deleted or amended to better promote the development of the Prospect Plantation West Subdivision;

AND WHEREAS, Article XIII of the aforesaid Declaration provides for the Amendment of said Declaration and all the requirements for such an Amendment having been followed;

NOW, THEREFORE, Declarant hereby amends the aforesaid Declaration and Amendments thereto by striking out Article VI Section 3(a)(b)(c)(d) and inserting an amended Article VI Section 3(a)(b)(c)(d) and adding to Article X, new sub-sections (s) through (jj) and adding a new Article XIV as follows:

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENT

Section 3. Basis of Annual Assessment.

(a) The maximum annual assessment shall not exceed the following:

(i) Until the Common Areas comprising the swimming pool, tennis courts, club house and nine holes of the 18 hole golf course are completed, $240.00 per annum per Lot.

(ii) After completion of the items listed in Section 3(a)(i) and the second nine holes of the 18 hold golf course, $480.00 per annum per Lot for unimproved Lots and $720.00 per annum for improved Lots. For purposes of this Section, an improved Lot shall be a Lot upon which footings for a dwelling have been put in place for over 180 days. Provided, however,

that the annual assessment of $480.00 per annum per Lot for unimproved lots shall be increased to the same level of annual assessments then being charged for improved lots five (5) years after the date of conveyance of said unimproved lot to the owner of such unimproved lot. In addition, the owner of any such unimproved lot after said five (5) year period shall be charged and shall pay a water and sewage rate fee that will be set and billed by Queen Anne's County, Maryland. This fee shall be approximately the average fee charge for water and sewage paid by Owner occupied improved lots. The foregoing maximum annual assessments are subject, however, to adjustment in accordance with any adjustments in the national consumer price index, as hereinafter provided, and subject to the provisions of subparagraph (c) below.

(b) From and after January 1 of the year following the first conveyance of Lots by Declarant, the maximum annual assessment for Lots may be increased effective January 1 of each year by the Board of Directors of the Association without a vote of the membership in conformance with a rise in the cost of living index. The maximum annual assessment for any said year shall be computed and determined by multiplying the then allowable maximum annual assessment by a fraction, the numerator of which shall be the average "United States Bureau of Labor Statistics Consumer Price Index, All Items United States" for the month of July of the preceding year, the denominator of which shall, in each instance, be the average "Index" for January, 1978. If such Index referred to shall be discontinued, the Board of Directors shall select a substitute formula or index.

(c) From and after January 1 of the year immediately following the first conveyance of Lots by Declarant, the maximum annual assessment may be increased above the amount permitted by Section 3(a) and/or Section 3(b) by a vote of sixty percent (60%) of each class of members who are voting in person or by Declarant's authorized officer or agent entitled to cast Declarant's votes, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30

days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. Voting by proxy is not allowed. The presence of members or of Declarant's authorized officer or agent entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

(d) Except as provided by Section 3(c), the Board of Directors shall fix the annual assessment at an amount not in excess of the maximum for the said year.

ARTICLE X

RESTRICTIONS, EASEMENT AND COVENANTS

Section 3. Lots.

(s) All driveways from public roads to a dwelling must be constructed of either asphalt, concrete, or tar and chip.

(t) Any dwelling erected upon any lot, exclusive of basement and attached porches and garages of less than two thousand (2,000) square feet must have an attached two-car garage with the garage entrance at the side or rear of the dwelling and windows on the front of the garage facing the street.

(u) The fronts of all dwellings must be newly landscaped with a minimum of ten (10) shrubs or trees. In the case of wooded lots, existing stands of trees will be counted towards this requirement.

(v) All garbage container areas must be kept enclosed so as not to be visible from any side of the lot.

(w) All exposed masonry block used in any construction on any lot to be parged or painted so as to give a finished appearance. Also, all exposed concrete walls are required to have a finished surface.

(x) No radio or television receiving or transmitting antennae or external apparatus shall be installed on any lot without the prior approval of the architectural committee and/or the board of directors of the association.

(y) All siding of dwellings must be of a natural appearance conforming to a rural wooded area setting. Brick and stone are acceptable, and every dwelling must contain some brick or stone. No aluminum or vinyl siding can be used in any construction, but other types of siding such as texture T1-11 redwood siding, or other hardboard materials may be used. All siding colors used must be that of earth tones.

(z) Any exposed areas of prefabricated flues have to be painted the same color as that of the roof of the dwelling.

(aa) All gutters and downspout colors must blend in with other dwelling colors.

(bb) The location of all air conditioning compressors or heat pumps have to be screened or enclosed from outside view.

(cc) Every dwelling must have either a patio or deck at the side or rear of the house.

(dd) Whenever a dwelling is premanufactured or custom built on site, that house must be compatible with other dwellings at the properties.

(ee) All storage shed construction must be comprised of similar materials used for dwelling construction.

(ff) No above-ground swimming pools shall be erected.

(gg) All oil or propane tanks have to be either in ground, screened or enclosed from view.

(hh) Any solar collector panels must blend architecturally with the dwelling and lot.

(ii) On lots fronting water, all dwellings must face the street for conformance with other dwelling locations in the properties.

(jj) On lots fronting water, the minimum floor area of any dwelling house erected, exclusive of basement and attached

ANNE ARUNDEL COUNTY

porches and garages, shall not be less than two thousand (2,000) square feet.

ARTICLE XIV

EXTERIOR MAINTENANCE

In the event an owner of any Lot in the Properties shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said parcel and to repair, maintain, and restore the Lot and the exterior maintenance shall be added to and become part of the assessment to which that Lot is subject.

IN TESTIMONY WHEREOF, the said MCD ENTERPRISES, INC. has caused this Third Amendment to Amended Declaration of Covenants, Conditions and Restrictions to be executed in its corporate name, by its President, with its corporate seal affixed, attested by its Secretary on the date first above-written.

MCD ENTERPRISES, INC.

By: _____
Warren W. Pearce, Jr.
President

ATTEST:

_____
Secretary

STATE OF MARYLAND :
: ss:
COUNTY OF PRINCE GEORGE'S :

I HEREBY CERTIFY that on this 28 day of May, 1981, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared in said State

and County, WARREN W. PEARCE, JR., who made oath in due form of law that he is the duly elected and acting President of MCJ Enterprises, Inc., Declarant in the aforegoing Declaration, and he acknowledged said Declaration to be the act and deed of said corporation executed by authority of its Board of Directors.

WITNESS my hand and official seal this 25 day of May, 1981.

Notary Public, Maryland

My Commission Expires:

My Commission Expires July 1, 1982

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AMENDMENTS
TO THE
BY-LAWS
OF
PROSPECT PLANTATION WEST, HOMEOWNERS ASSN., INC.

EXHIBIT NO. 3

ARTICLE VI

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1 amended Oct. 12, 1985

Section 1. Number. The affairs of this association shall be managed and controlled by a Board of Directors, seven or more in number. Directors need not be members of the Association. Two (2) members of the Board of Directors shall be persons who are not members of this Association but who are members in good standing of the Prospect Bay Country Club (hereinafter referred to as "Club Member Directors"). The remaining Directors shall be members of this Association (hereinafter referred to as "Association Directors"), it being the stated intent that Association Directors shall at all times constitute no less than two-thirds (2/3) of the total membership of the Board of Directors.

Section 2 amended Oct. 12, 1985

Section 2. Term of Office. At the first annual meeting the Members shall elect two directors for a term of one year, two directors for a term of two years, and one director for a term of three years, and at each annual meeting thereafter the Members shall elect Association Directors for a term of three years. Commencing with the 1985 annual meeting the Club Member Director receiving the lesser number of votes shall be elected for a one year term, and thereafter the Members shall elect Club Member Directors for a term of two years.

ARTICLE VI

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 3 amended Nov. 18 1986

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, his or her successor shall be elected at the next regularly scheduled Home Owners Association meeting, if occurring within sixty (60) days of such vacancy, or shall be elected by the remaining members of the Board of Directors to serve until the next regularly scheduled meeting of the Homeowners Association.

BY-LAWS

OF

PROSPECT PLANTATION WEST, HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Prospect Plantation West, Homeowners' Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 10210 Greenbelt Road, Seabrook, Prince George's County, Maryland, but meetings of members and directors may be held at such places within the State of Maryland, County of Prince George's, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Prospect Plantation West Homeowners' Association, Inc., a Maryland corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Amended Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Dwelling Unit" shall mean a building or portion thereof situated within the Properties originally designated and intended for use and occupancy or a residence by a single family.

Section 6. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 8. "First Mortgagee" shall mean and refer to the holder of the first mortgage or deed of trust on any "Lot" which is improved by a "Dwelling Unit."

Section 9. "Declarant" shall mean and refer to MCD Enterprises, Inc. a Maryland corporation, and the successors and assigns from MCD Enterprises, Inc., if such successors or assigns should acquire more than Five undeveloped Lots from the Declarant for the purpose of development.

Section 10. "Declaration" shall mean and refer to the Amended Declaration of Covenants, Conditions and Restrictions applicable to the Properties dated September _____, 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber at folio and any and all amendments thereto from time to time made and recorded.

ARTICLE III

MEMBERSHIP

Section 1. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject to the Declaration including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

Section 2. The rights of membership are subject to the payment of the annual and special assessments levied by the Association, the obligation of which assessments is imposed against each Owner and becomes a lien upon the property against which such assessments are made as provided by Article VI of the Declaration.

Section 3. The rights of any person whose interest in the Properties is subject to assessments under Article VI, hereof, to vote and to use the recreational facilities may be suspended by action of the directors during the period when the assessments remain unpaid; but, upon payment of such

assessments, his rights and privileges shall be automatically restored. If the directors have adopted and published rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of any person thereon, as provided in Article V, Section e, hereof, they may, in their discretion, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed ninety (90) days.

ARTICLE IV

VOTING RIGHTS

The Association shall have two classes of voting membership.

CLASS A - Class A members shall be all those Owners as defined in Article III with the exception of Declarant, until such time as Declarant's membership is converted as hereinafter provided. Class A members shall be entitled to one vote for each lot, unimproved or improved, in which said member holds the interest required for membership by ARTICLE III; provided, however, that, where more than one person holds such interest in any one Lot, all such persons shall be members, the vote for such Lot to be exercised as they themselves determine, but in no event shall more than one vote be cast with respect to any Lot pursuant to this subparagraph. Voting by proxy shall not be allowed.

CLASS B - The Class B member shall be the Declarant. The Class B member or members shall be entitled to twenty (20) votes for each Lot, unimproved or improved, in which it holds the interest required for membership by ARTICLE III. Any authorized officer or agent of Declarant shall be entitled to cast all of Declarant's votes.

PROVIDED, HOWEVER, that the Class B membership shall cease and be converted to Class A membership, with the voting rights therein applicable, upon the happening of either of the following events, whichever occurs earlier: (a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership, or (b) on January 1, 1988,

PROVIDED, FURTHER, that three years from the date of sale of the first Lot by Declarant or when 30% of the first Lots platted are sold, whichever occurs first, then irrespective of the actual Class B or Class A votes

to which Declarant shall be entitled, Declarant shall be deemed to have the lesser of (1) its actual Class B or Class A votes, or (2) a number of votes equal to one less than the aggregate of Class A votes of Lot owners other than Declarant.

ARTICLE V

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within six months from the date of conveyance of the common area as required by the Declaration and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 7:30 o'clock p.m. If the day for the annual meeting of the Members is a legal holiday, then the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 5 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member must vote in person. Voting by proxy is not allowed. However, any authorized officer or agent of Declarant shall be entitled to cast all of Declarant's votes.

ARTICLE VI

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs ~~of this~~ Association shall be managed and controlled by a Board of Directors, five or more in number. Directors need not be Members of the Association.

Section 2. Term of Office. At the first annual meeting the Members shall elect two directors for a term of one year, two directors for a term of two years, one director for a term of three years, and at each annual meeting thereafter the Members shall elect directors for a term of three years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be

made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meetings fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three days' notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE IX

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 90 days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) to appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, officer or director of the Association in any capacity whatsoever.

(e) to establish, levy and assess, and collect the assessments or charges referred to in Article VI.

(f) declare the office of a member of the Board of Directors to be vacant in the event such Member shall be absent from three consecutive regular meetings of the Board of Directors; and

(g) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

(h) enter into agreements with First Mortgagees permitting First Mortgagees to jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any common property, and may pay overdue premiums on hazard insurance policies, or secure new hazard

insurance coverage on the lapse of a policy, for such property and First Mortgagees making such payments shall be owed immediate reimbursement therefore from the association.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth of the Class A Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) establish an adequate reserve fund for the replacement of the improvements on and to the Common Areas, which fund must be funded by the annual assessment rather than by special assessment.

(3) send written notice of each assessment to every Owner subject thereto;

(4) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain comprehensive public liability and property damage insurance covering all common areas. Such insurance shall contain a "Severability of Interest" endorsement which shall preclude the insurer from denying the claim of an owner or members in the properties because of negligent acts of the association or other owners or members;

(f) procure and maintain fire and extended coverage insurance for no less than 100 percent of replacement cost on all insurable common property;

(g) procure and maintain fidelity coverage against dishonest acts on the part of directors, managers, trustees, employees or volunteers responsible for handling funds collected and held for the benefit of the owners and the Association. The fidelity bond or insurance must name the Association as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than one and one-half times the insured's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers;

(h) cause the common area to be maintained.

(i) notify First Mortgagee of any default by any Owner in the performance of his obligation under the Declaration which is not cured within thirty (30) days, including but not limited to the non-payment of assessments.

Section 3. Matters Requiring First Mortgagee Approval.

Notwithstanding any provision of these By-Laws or Laws of Maryland expressly or impliedly to the contrary, neither the membership of the Association nor the Board of Directors of the Association shall without the prior written approval of at least seventy-five (75%) percent of the First Mortgagees (based upon one vote for each mortgage) be entitled to:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any Common Areas or improvements thereon which are owned, directly or indirectly, by the Association.

The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the Association shall not be deemed a transfer within the meaning of this clause;

(b) change the method of determining the obligations, assessments or other charges which may be levied against any Owner;

(c) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural control or the exterior appearance of Dwelling Units, the exterior maintenance of Dwelling Units, the maintenance of party walls or common fences and driveways, or the upkeep of lawns and plantings.

(d) fail to maintain Fire and Extended Coverage on insurable Common Area improvements on a current replacement ~~cost~~ basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost);

(e) use hazard insurance proceeds for losses to any Common Area improvements for other than the repair, replacement or reconstruction of such improvements;

ARTICLE X

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or secretary.

Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and

promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE XI

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and by any First Mortgagee. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Prospect Plantation West, Homeowners' Association, Inc., Corporate Seal, Maryland, 1977.

ARTICLE XIV

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the Directors or at a regular or special meeting of the Members, by a vote of three-fourths of a quorum of Members or Directors present in person.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than seventy-five (75%) percent of First Mortgagees and not less than three-fourths (3/4) of each class of Members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE XVI

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the Prospect Plantation West, Homeowners' Association, Inc., have hereunto set our hands this 20th day of September, 1978.

Linda S. Iacinelli

Joseph P. Barnes

Linda S. Iacinelli

Linda S. Iacinelli

Linda S. Iacinelli

Albert W. Turner

Herndon G. Kilby

Warren W. Pearce, Jr.

Clinton W. Scaggs, Jr.

Robert A. Seward

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of the Prospect Plantation West, Homeowners' Association, Inc., a Maryland Corporation, and

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the _____ day of _____, 197 .

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 20th day of September, 1978.

Herndon G. Kilby

Secretary
Herndon G. Kilby

DOCUMENT NO. 144,436

LIBER 300 FOLIO 264

EXHIBIT NO. 7

THIS DEED OF EASEMENT made this 23rd day of February, 1988 by and between PAUL L. BAKER and CHARMAINE L. BAKER, his wife, of the first part (hereinafter "Baker") and PRO-CUSTOM HOMES, INC., a Maryland corporation, of the second part (hereinafter "Pro-Custom"); and the PROSPECT PLANTATION WEST HOMEOWNERS ASSOCIATION, INC., a body corporate of the State of Maryland, of the third part (hereinafter "Association");

WHEREAS, Baker is the owner of Lot 159, Prospect Plantation West Subdivision, in the Fifth Election District of Queen Anne's County, by virtue of a deed dated April 10, 1987, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 279, Folio 475; and

WHEREAS, Pro-Custom is the owner of adjacent Lot 160, Prospect Plantation West Subdivision, by virtue of a deed dated October 26, 1987, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 202, folio 172; and

WHEREAS, said Association is the owner of the golf course property within said subdivision located adjacent to said Lot No. 159 and said Lot No. 160;

WHEREAS, to correct surface water drainage problems existing on the lands of the Association, Baker and Pro-Custom Homes have agreed to grant to said Association an easement over, upon and across a portion of said Lot No. 159 and Lot 160 for the purpose of establishing, constructing and maintaining a swale for the drainage of surface waters from the lands of the Association to drainage facilities now existing along and with Prospect Bay Drive West, a public road within said subdivision;

NOW THEREFORE, THIS DEED OF EASEMENT WITNESSETH: that for and in consideration of the sum of $1.00 and other good and valuable considerations accruing to each of the parties hereto, the receipt whereof is hereby acknowledged, the parties of the first part, Paul L. Baker and Charmaine L. Baker, his wife, and the party of the second part, Pro-Custom Homes, Inc. do hereby grant and convey unto the party of the third part, Prospect Plantation West Homeowners Association, Inc., its successors and assigns, an easement or right of way ten (10) feet in width extending from Prospect Bay Drive West in an easterly direction to the lands of the Association, the center line of said easement or right of way being the northerly boundary line of said Lot No. 159 and the southerly boundary line of adjacent Lot No. 160 as shown on a subdivision plat of said lands recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 165, folio 672 and in Plat Book No. 5, folio 4, said easement or right of way having a bearing of South 68 degrees 16 minutes 04 seconds East 267.40 feet more or less, and containing 2,674 square feet, more or less, or 0.062 acres, more or less.

Said Association, for itself and its successors or assigns, is hereby granted the right and privilege to use all or any part of said easement or right of way area for the purposes of constructing and maintaining a swale for the drainage of surface waters from the lands of the Association over, upon and across said easement or right of way

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RECD FEE 20.00
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03/04/88

4/5/88 orig mailed to Prospect Plantation West Homeowners Assn. Inc.
Prospect Bay Country Club
Grasonville, MD 21638

area, and for said purposes shall have the right and privilege of ingress and egress at all times.

Said drainage swale shall be constructed and seeded at the expense of the Association and without cost or expense to Baker and Pro-Custom. Said drainage swale shall be constructed in such manner as required by State and County regulatory authorities and as will permit Baker and Pro-Custom to cut grasses therein in a normal manner and to maintain the same as part of the lawn area of Lot 159 and Lot 160. Baker and Pro-Custom agree to plant no trees, shrubs, flowers or to place other obstruction with said easement area and to permit the Association ingress and egress thereon from time to time for the purpose of maintaining at its cost the flow of surface drainage waters as the Association, in its sole discretion, shall deem necessary.

Baker and Pro-Custom agree to hold said Association free and harmless from any cost, expense, claim, demand or damage accruing to the remaining portion of said Lot 159 and Lot 160 arising from the construction, and/or any subsequent maintenance by the Association, of said surface water drainage swale, or the flow of surface waters thereupon.

The Association agrees to construct and/or maintain said surface water drainage swale in a normal workmanlike manner and to take all usual and customary precautions required to prevent damage to the remaining portion of said land.

This deed of easement shall run and bind the land and insure to and be binding upon the respective heirs, successors and assigns of the parties hereto. Said Association joins herein for the purpose of accepting the provisions herein contained and being bound thereby.

As witness the hands and seals of the parties hereto:

WITNESS:

Paul L. Baker (SEAL)
PAUL L. BAKER

Charmaine L. Baker (SEAL)
CHARMAINE L. BAKER

WITNESS:

PRO-CUSTOM HOMES, INC.

By: _____ President

(Place corporate seal here)

WITNESS:

Wilbur E Burton

PROSPECT PLANTATION WEST HOMEOWNERS ASSOCIATION, INC.

By: James A. Hutton
President

(Place corporate seal here)

State of Maryland

County of Queen Anne's - to wit:

I hereby certify that on this 6th day of February, 1988, before me, the Subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Paul L. Baker and Charmaine L. Baker and they did acknowledge the aforegoing to be their act.

As Witness my hand and notarial seal:

Patricia A. Smith
Notary Public
My Commission Expires: 7-1-1990

NOTARY PUBLIC

State of Maryland

County of QUEEN ANNE'S to wit:

I hereby certify that on this 5th day of January, 1988, before me, the Subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared George H. Hill, who acknowledged himself to be the _____ President of Pro-Custom Homes, Inc. and that he, as such _____ President, being authorized so to do, did acknowledge the aforegoing to be his act and deed on behalf of said body corporate.

As Witness my hand and notarial seal:

Kimberly J. Ruth
Notary Public
My Commission Expires: 7-1-1990

NOTARY PUBLIC

State of Maryland

County of Queen Anne's to wit:

I hereby certify that on this 23rd day of February, 1988, before me, the Subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Jesse C. Houston, who acknowledged himself to be the President of Prospect Plantation West Homeowners Association, Inc. and that he, as such President, being authorized so to do, did acknowledge the aforegoing to be his act and deed on behalf of said body corporate.

As Witness my hand and notarial seal:

C. Ellis Thomas
Notary Public
My Commission Expires: 7-1-1990

NOTARY PUBLIC

DOCUMENT NO. 142344

295 180

EXHIBIT NO. 8

THIS DEED OF EASEMENT AND RELEASE, Made this 2ND day of FEBRUARY, 1987, by and between PROSPECT PLANTATION WEST HOMEOWNERS ASSOCIATION, INC., Grantor; and PAULINE MILLER, Grantee.

EXPLANATORY STATEMENT

MCD Enterprises, Inc., was the owner and developer of a tract or parcel of land located in the Fifth Election District of Queen Anne's County, Maryland, and known as Prospect Plantation West. The Developers anticipated a potential community need for access to Prospect Bay thereby prompting a reservation of an easement to be included in a deed for Lot 113, Section Two, to Maryland Day Care Centers, Inc., said deed being recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 207 folio 116. The reservation further provided that the use of said beach area was to be governed by Prospect Bay West Homeowners Association, Inc.

Lot 113, Section Two, was granted and conveyed unto Pauline Miller by deed dated June 27, 1984, said deed being recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 215 folio 723.

The aforementioned beach area has been the subject of shore erosion thereby eliminating its utility as a beach area for homeowners and resulting in the need for monetary expenditures to stabilize and maintain the shoreline. Such erosion, coupled with numerous protruding tree stumps within the beach area, and the general conditions thereof made said easement area unsuitable for its intended purpose from the inception. Further, there exists in the immediate area another beach suitable for recreational purposes (previously conveyed unto the Grantor by MCD Enterprises, Inc.,) for the use and enjoyment of the Grantor's membership and guests.

For such reasons, the parties hereto have agreed that it is in their respective best interests to deed and release the aforementioned beach easement unto the owner of the fee in consideration of which the fee owner has agreed to, and does hereby, release and hold the Grantor harmless from any and all liability for past or future damage to the fee resulting from shore erosion; and for such purposes the Grantor, after due investigation and proper corporate resolution, has approved such action upon the condition that the Grantee, forthwith, at her expense, repair and retore the existing bulkhead and place stone rip-rap in front of such bulkhead, remove tree stumps and other debris within the easement area and comply with each and every of the terms and conditions agreed to between the parties hereto, including, but not limited to shoreline cleanup and erosion control. Such agreements between the parties have been reduced to writing and are spread among the minutes and/or other records of said corporation.

NOW, THEREFORE, WITNESSETH: that for and in consideration of the mutual exchange of covenants, and other good and valuable considerations, and without monetary consideration passing hereunder, the receipt of which is hereby acknowledged, Prospect Plantation West Homeowners Association, Inc., does hereby grant, convey and release

unto Paulino Miller, her heirs and assigns, all that easement interest described as follows, to wit:

ALL that easement for beach area and pedestrian ingress and egress therefrom in and over a portion of Lot 113, Section Two, Prospect Plantation West, said portion being more particularly described by a survey description recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 190 folio 290.

BEING that same easement interest reserved by deed dated the 29th day of December, 1983, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 207 folio 116.

AND the said Grantee, for herself and her heirs and assigns, does hereby join in the execution of this Deed and Release for the purpose of evidencing her consent thereunto, and for the further purpose of releasing and indemnifying the Grantor, its successors and assigns, and its servants, agents and employees, from every and all manner of claim, demand, action, suit, damages, recovery, charges, legal costs, court costs, or other expense, loss, cost or charge, of every kind and nature, including but not limited to defense of its corporate action relating to this Deed and Release, now or hereafter arising from the interest, control, exercise of authority and/or proprietorship, or otherwise, over said easement area; it being the purpose and intent hereof to hold said Grantor free and harmless thereunto in every respect.

WITNESS the hands and seals of the parties hereto.

WITNESS:

C. Ellen Thomas

Bianca A. Lewis

PROSPECT PLANTATION WEST HOMEOWNERS ASSOCIATION, INC.

BY: Robert Sheehan (SEAL)

Pauline Miller (SEAL)
PAULINE MILLER, Grantee

STATE OF Maryland TO WIT:

CITY ~~OR~~ COUNTY OF Queen Anne's

I HEREBY CERTIFY, that on this 2nd day of February, 1987, before me, the subscriber, a Notary Public as aforesaid, personally appeared ROBERT SHEEHAN, who acknowledged himself to be PRESIDENT of Prospect Plantation West Homeowners Association, Inc., and that he, as such PRESIDENT, being authorized so to do, executed the aforegoing Deed and Release for the purposes therein contained, and further made oath in due form of law that there is no consideration passing in this transaction.

AS WITNESS my hand and Notarial Seal.

C. Ellen Thomas
NOTARY PUBLIC
My Commission Expires: 7/1/90

C. ELLEN THOMAS NOTARY PUBLIC QUEEN ANNE'S COUNTY

2

LIBER 295 PAGE 182

STATE OF Maryland

TO WIT:

~~CITY OR~~ COUNTY OF Queen Anne's

I HEREBY CERTIFY, that on this 2nd day of February, 1987, before me, the subscriber, a Notary Public as aforesaid, personally appeared Pauline Miller who acknowledged the aforegoing Deed and Release to be her act.

AS WITNESS my hand and Notarial Seal.

Charlotte A. Saxon
NOTARY PUBLIC
My Commission Expires: July 1-1990.

RECEIVED
FOR RECORD
1987 DEC 10 PM 1:34
QUEEN ANNE'S COUNTY

MISC OH
RECD FEE 16.00
POSTAGE .50
SUBTOTAL 16.50
CHECK/MO 16.50
H0008190 C002 R00 T13:33
12/10/87

EXHIBIT NO. 9

Prospect Bay Country Club
Summary of 1989 Budget

LINE		1989 BUDGET
1	GENERAL REVENUE:	
2	LOT OWNER ASSESSMENTS	$ 248,000
3	MEMBERSHIP FEES	243,500
4	INITIATION FEES	50,000
5	GUEST FEES	86,500
6	CART FEES (GROSS)	140,000
7	OTHER	20,000
8	TOTAL	$ 788,000
9		
10	RESTAURANT:	
11	SALES	$ 200,800
12	LESS: COSTS/SALES	85,582
13	EXPENSES	115,218
14	TOTAL REVENUE PLUS RESTAURANT	$ --0--
15		
16	EXPENSES:	
17	GENERAL (includes depreciation)	$ 248,675
18	GOLF COURSE	261,650
19	PRO SHOP	120,000
20	POOL/TENNIS	36,875
21	COMMON AREAS	15,200
22	TOTAL	$ 682,400
23		
24	REVENUE OVER EXPENSES	$ 105,600
25		
26	LESS: CAPITAL EXPENDITURES	$ 60,600
27	LOAN PRINCIPAL PAYMENTS	20,000
28	RESERVE FOR TENNIS COURT	25,000
29	REVENUE OVER/(UNDER) REQUIREMENTS	$ --0--

EXHIBIT NO. 10

PROSPECT PLANTATION WEST PLATS

1. "Amended Plat, Plat One, Section One, Lots 31 Thru 83, Inclusive, and Parcels "A", "B", "B-1", "B-2", "B-3", "B-4", "C", "D", "F", and "I" and Outlot "A", Prospect Plantation West, Fifth Election District of Queen Anne's County, Maryland," dated May, 1980, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 165 folio 673 and in Plat Book M.W.M. No. 5 folio 5.

2. "Plat Two, Section One, Lots 1 Thru 30, Inclusive, and Parcels "E", "G" and "H", Prospect Plantation West, Fifth Election District, Queen Anne's County, Maryland," dated April 1973, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 126 folio 226 and in Plat Book C.W.C. No. 3 folio 33.

3. "Amended Plat, Section Two, Lots 84 Thru 167, Inclusive, and Parcels "A", "A-1", "A-2", "A-3", "A-4", "B", "C", "D", "E", "F" and "G", Prospect Plantation West, Fifth Election District, Queen Anne's County, Maryland," dated May, 1980, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 165 folio 672 and in Plat Book M.W.M. No. 5 folio 4.

4. "Second Amended Plat, Plat One, Section Three, Lots 214 Thru 297, Inclusive, and Parcels "A", "A-1", "A-2", "A-3", "B", "C", "D", "E" and "E-1", Prospect Plantation West, Fifth Election District, Queen Anne's County, Maryland," dated September, 1980, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 170 folio 283 and in Plat Book M.W.M. No. 5 folio 12.

5. "Amended Plat, Plat Two, Section Three, Lots 168 Thru 213, Inclusive, Lots 298 Thru 322, Inclusive and Parcels "F", "F-1", "F-2", "G", "H" and "I" and Outlot "A", Prospect Plantation West, Fifth Election District, Queen Anne's County, Maryland", dated May, 1980, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 165 folio 670 and in Plat Book M.W.M. No. 5 folio 2.

6. "Walkway Easements, Lots 138 & 139, Amended Plat, Section Two, Prospect Plantation West, Plat Book M.W.M. No. 5 Plat 4, Queen Anne's County, Maryland," dated February 8, 1982, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 190 folio 298.

7. "Walkway Easement, Lot 297, Second Amended Plat, Plat One, Section Three, Prospect Plantation West, Plat Book M.W.M. No. 5 folio 12, Queen Anne's County, Maryland", dated February 8, 1982, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 190 folio 298.

8. "Easement Plat, Lot 278, Prospect Plantation West, P.B. M.W.M. No. 5, Plat 12, Queen Anne's County, Maryland", dated February 1, 1982, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 190 folio 294, for a golf course easement.

9. "Easement Plat, Lots 288, 289 & 290, Prospect Plantation West, P.B. M.W.M. No. 5 folio 12, Queen Anne's County, Maryland", dated February 1, 1982, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 190 folio 294, for a golf course easement.

10. "Easement Plat, Beach Site, Part of Lot 113, Amended Plat, Section Two, Prospect Plantation West, P.B. M.W.M. No. 5, Plat 4, Queen Anne's County, Maryland", dated February 1, 1982, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 190 folio 289.

11. "Lot Line Change For Revised Lots 193 and 194, Prospect Plantation West, Amended Plat No. Two, Section Three, Fifth Election District, Queen Anne's County, Maryland", dated September 14, 1987, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 291 folio 47 and in Plat Book M.W.M. No. 10 folio 6.

Seabrook, Md. 20501 Club House - Golf Course

DOCUMENT NO. 108659 LIBER MWM 184 FOLIO 258

Prospect Plantation WEST

EXHIBIT NO. 4

THIS DEED, Made this 12 day of April, 1982, by and between MCD ENTERPRISES, INC., a body corporate of the State of Delaware, of the first part, and PROSPECT PLANTATION WEST, HOMEOWNER'S ASSOCIATION, INC. a body corporate of the State of Maryland, of the second part;

WITNESSETH: that for and in consideratio of the provisions of the restrictive covenants and conditions hereinafter referred to and without monetary consideration hereby passing, the said party of the first part, MCD Enterprises, Inc., a body corporate of the State of Delaware, does hereby grant and convey unto the said party of the second part, Prospect Plantation West, Homeowner's Association, Inc., a body corporate of the State of Maryland, its successors and assigns, in fee simple, the following described lands, to wit:

PARCEL NO. ONE

ALL the following described lands set forth and shown on a certain plat entitled, "Amended Plat, Plat One, Section One, Lots 31 Thru 83, Inclusive, Parcels "A", "B", "B-1", "B-2", "B-3", "B-4", "C", "D", "F" and "I" and Outlot "A", Prospect Plantation West, Fifth Election District, Queen Anne's County, Maryland," dated May, 1980, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 165 folio 673 and in Plat Book M.W.M. No. 5 folio 5, which said lands are described and designated as follows, to wit:

(a) Outlot A containing 1.7579 acres, more or less.

(b) Parcel A containing 6.5276 acres, more or less.

(c) Parcel B containing 59.4976 acres, more or less.

(d) Parcel C, containing 2.2293 acres, more or less.

(e) Parcel D, containing 0.2410 acres, more or less.

PARCEL NO. TWO

ALL the following described lands set forth and shown on a certain plat entitled, "Plat Two, Section One, Lots 1 Thru 30,

Inclusive and Parcels "E", "G" and "H", Prospect Plantation West, Fifth Election District, Queen Anne's County, Maryland," dated April, 1973, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 126 folio 227 and in Plat Book C.W.C. No. 3 folio 34, which said lands are described and designated as follows, to wit:

(a) Parcel E containing 64.7932 acres, more or less.

PARCEL NO. THREE

ALL the following described lands set forth and shown on a certain plat entitled, "Amended Plat, Section Two, Lots 84 Thru 167, Inclusive, Parcels "A", "A-1", "A-2", "A-3", "A-4", "B", "C", "D", "E", "F" and "G", Prospect Plantation West, Fifth Election District, Queen Anne's County, Maryland," dated May, 1980, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 165 folio 672 and in Plat Book M.W.M. No. 5 folio 4 which said lands are described and designated as follows, to wit:

(a) Parcel C containing 7.1284 acres, more or less.

(b) Parcel F containing 9.7533 acres, more or less.

PARCEL NO. FOUR

ALL the following described lands set forth and shown on a certain plat entitled "Second Amended Plat, Plat One, Section Three, Lots 214 Thru 297, Inclusive, and Parcels "A", "A-1", "A-2", "A-3", "B", "C", "D", "E" and "E-1", Prospect Plantation West, Fifth Election District, Queen Anne's County, Maryland," dated September, 1980, by Greenhorne and O'Mara, reg-

istered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 170 folio 283 and in Plat Book M.W.M. No. 5 folio 12, which said lands are described and designated as follows, to wit:

(a) Parcel A containing 59.1086 acres, more or less.

(b) Parcel B containing 6.7591 acres, more or less.

(c) Parcel C containing 2.3030 acres, more or less.

(d) Parcel D containing 2.4257 acres, more or less.

BEING part of the same lands set forth in a Confirmatory Deed from MCD Enterprises, Inc., a Maryland Corporation, to MCD Enterprises, Inc., a Delaware corporation, dated August 14, 1980, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 166 folio 617.

SUBJECT to the Declaration of Covenants, Conditions and Restrictions adopted by grantor herein, dated June 28, 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber C.W.C. No. 137 folio 624, together with an Amended Declaration of Covenants, Conditions and Restrictions, dated September 20, 1978, and recorded among the Land Records of the aforesaid County at Liber C.W.C. No. 141 folio 342, together with an Amendment to Amended Declaration of Covenants, Conditions and Restrictions dated November 15, 1978 and recorded among the Land Records of the aforesaid County at Liber C.W.C. No. 143 folio 688, together with the Second Amendment to Amended Declaration of Covenants, Conditions and Restrictions, dated June 11, 1980 and recorded among the Land Records of the aforesaid County at Liber M.W.M. No. 165 folio 136, together with the Third Amendment to Amended Declaration of Covenants, Conditions and Restrictions, dated May 26, 1981, and recorded among the Land Records of the aforesaid County in Liber M.W.M. No. 175 folio 557, said restrictive covenants and conditions being hereby incorporated in this deed by reference as a part hereof, as is evidenced by the execution of these presents and by the acceptance by the Grantee of its delivery.

SUBJECT, nevertheless, to the operation and effect, grants, easements, rights of way, terms, contents and provisions of the following, to wit:

(1) Deed from MCD Enterprises, Inc., et.al., to County Commissioners of Queen Anne's County, dated October 1, 1980, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 168 folio 56,

(2) Deed from MCD Enterprises, Inc., et.al., to County Commissioners of Queen Anne's County, dated January 5, 1981, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 171 folio 736.

(3) Public Works Agreement from MCD Enterprises, Inc., a Maryland corporation, to County Commissioners of Queen Anne's County, dated January 29, 1976, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 142 folio 439, as amended by "Amendment No. 1" dated June 6, 1979, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 150 folio 629.

TOGETHER with the buildings and improvements thereupon erected, made or being; and all and every, the rights, alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

AND the same party of the first part covenants that it will warrant specially the property hereby conveyed and will execute such further assurances of said land as may be requisite.

The undersigned hereby certifies that the grant made by this deed is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the grantor herein.

IN TESTIMONY WHEREOF, the said MCD Enterprises, Inc., has caused this deed to be executed in its corporate name, by its President, with its corporate seal hereunto affixed, attested by its Secretary on the date first above written.

ATTEST:

Harry D. Barney, Secretary

MCD ENTERPRISES, INC.

BY: Roy F Kilby
President

APR 14-82 * 22466 *****1?.00
APR 14-82 A 22466 *****1?.00

STATE OF MARYLAND

TO WIT:

COUNTY OR PRINCE GEORGE'S

I HEREBY CERTIFY, that on this 12 day of April, 1982, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared in said State and County, Roy F Kilby, who made oath in due form of law that he is the duly elected and acting President of MCD Enterprises, Inc., grantor in the aforegoing Deed, and he acknowledged said deed to be the act of said corporation, executed by authority of its Board of Directors.

WITNESS my hand and official seal this 12th day of April, 1982.

NOTARY PUBLIC

RECEIVED
CLERK, CIRCUIT COURT
1982 APR 14 PM 3:20
QUEEN ANNE'S COUNTY

My Commission Expires: My Commission expires July 1, 1982

DOCUMENT NO. 115224 LIBER 207 FOLIO 486 EXHIBIT NO. 5

THIS DEED, made this 12 day of January, 1984, by and between MCD ENTERPRISES, INC., a body corporate of the State of Delaware, party of the first part; and PROSPECT PLANTATION HOMEOWNER'S ASSOCIATION, INC., a body corporate of the State of Maryland, party of the second part;

WITNESSETH: that for and in consideration of the sum of ONE DOLLAR ($1.00) and other good and valuable considerations, the receipt of which is hereby acknowledged, the said party of the first part, MCD Enterprises, Inc., does hereby grant and convey unto the said party of the second part, Prospect Plantation Homeowner's Association, Inc., its successors and assigns, in fee simple, the following described lands, to wit:

ALL that lot of land situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, being known and designated as Parcel B on a certain plat entitled, "Parcels A thru D and Lots 1 thru 10 and 15 thru 37, Prospect Plantation, Fifth Election District, Queen Anne's County, Maryland," dated August, 1972, by Greenhorne and O'Mara, Inc., Registered Engineers and Surveyors, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 66 folio 714 and in Plat Book C.W.C. No. 1 folio 50, being situate on Prospect Bay Drive East and containing 5.0100 acres of land, more or less.

BEING a part of the same lands granted and conveyed unto the said Maryland Community Developers, Inc., by deed from The Manchester Corporation, dated the 20th day of July, 1971, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 57 folio 256; M.C.D. Enterprises, Inc., by virtue of Articles of Merger filed August 14, 1972, with the State Department of Assessments and Taxation, being the successor to Maryland Community Developers, Inc.; and Confirmatory Deed from MCD Enterprises, Inc., a Maryland corporation, to MCD Enterprises, Inc., a Delaware corporation, dated August 14, 1980, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 166 folio 617.

SUBJECT, nevertheless, to the restrictive covenants and conditions contained in a certain "Declaration of Covenants, Conditions and Restrictions," made by M.C.D. Enterprises, Inc., dated April 3, 1975, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber C.W.C. No. 102 folio 1; "Amended Declaration of Covenants, Conditions and Restrictions", recorded in Liber C.W.C. No. 137 folio 603, dated June 28, 1978, "Second Amended Declaration of Covenants, Conditions and Restrictions," recorded in Liber C.W.C. No. 141 folio 363, dated September 20, 1978; and "Amendment to the Second Amended Declaration of Covenants, Conditions and Restrictions," recorded in Liber C.W.C. No. 143 folio 681; all being recorded among the Land Records of Queen Anne's County, Maryland, said restrictive covenants and conditions being incorporated in this deed as a part hereof by reference thereto as is evidenced by the execution of these presents and by the acceptance of its delivery by the Grantees.

AND FURTHER SUBJECT to the operation and effect of the following, to wit:

1. A right of way deed for electric lines, etc., from MCD Enterprises, Inc., to Delmarva Power and Light Company of Maryland, dated April 10, 1973, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 74 folio 691.

2. A deed from M.C.D. Enterprises, Inc., to Prospect Plantation Homeowner's Association, Inc., dated January 27, 1976, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 102 folio 20 for bed of Prospect Bay Drive East.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said party of the second part, Prospect Plantation Homeowner's Association, Inc., its successors and assigns, in fee simple.

AND the said party of the first part does hereby covenant that it has not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that it will warrant specially the property hereby granted and conveyed; and that it will execute such further assurances of the same as may be requisite.

WITNESS the hand of Roy F. Kilby, _____ President of MCD Enterprises, Inc., and its corporate seal hereto affixed.

WITNESS: MCD ENTERPRISES, INC.

Harry D. Barry BY: Roy F. Kilby, President

(Place corporate seal here)

STATE OF MARYLAND

CITY OR COUNTY OF Queen Anne's TO WIT:

I HEREBY CERTIFY, that on this 12 day of January, 1984, before me, the subscriber, a Notary Public of the State of Maryland, in and for the City or County of Queen Anne's, personally appeared Roy F. Kilby, who did acknowledge himself to be the _____ President of MCD Enterprises, Inc., a Delaware corporation, and that as such _____ President, being authorized so to do, did execute the aforegoing instrument for the purposes therein contained by signing the name of the corporation by himself as _____ President, and certified that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the Grantor corporation.

AS WITNESS my hand and Notarial Seal.

[signature]
NOTARY PUBLIC
My Commission Expires: 7/1/86

AFFIDAVIT OF CONSIDERATION

"I, Roy F. Kilby, President of MCD Enterprises, Inc., a body corporate of the State of Delaware, hereby certify under the penalties of perjury that the actual consideration paid or to be paid for the aforegoing conveyance, including the amount of any mortgage or deed of trust assumed by the grantees, is in the sum total of $-0-."

WITNESS:

Harry O. Barry

MCD ENTERPRISES, INC.

BY: Roy F. Kilby
President

MCD ENTERPRISES, INC. CORPORATE SEAL 1980 DELAWARE

TAXES LEVIED AS OF Jan 13, 1984
PAID TO Jan 30, 1984
Wm. H. Gibson

RECEIVED FOR TRANSFER
This 13 Day of Jan 1984
[illegible] Clerk
Superior Court of Assistance
Queen Anne's County

[illegible] JAN 13 PM 3:07
QUEEN ANNE'S COUNTY

JAN 13-84 * 29636 *****1' 50
JAN 13-84 A 29636 *****1' 50

Prospect Bay
Chadwick, Md 21638

DOCUMENT NO. 116,578

LIBER 210 PAGE 58

THIS DEED, Made this 6th day of March, 1984, by and between MCD ENTERPRISES, INC., a corporation duly organized and incorporated under the laws of the State of Delaware, party of the first part; and PROSPECT PLANTATION WEST HOMEOWNER'S ASSOCIATION, INC., a body corporate of the State of Maryland, party of the second part;

WHEREAS, on or about the 25th day of July, 1980, MCD Enterprises, Inc., by proper resolution duly agreed among its minutes, did gift and grant unto Herndon G. Kilby and Lenore S. Kilby, his wife, individually, for their individual and joint lives and for the life of the survivor of them, membership in the Prospect Plantation West Homeowner's Association, including use of the clubhouse and all club facilities, without assessment, charges, dues or costs for such life membership; and

WHEREAS, the purpose and intent of said resolution constitute the consideration for this deed, having a maximum value of FIVE THOUSAND DOLLARS ($5,000.00) for the gift above mentioned, and

WHEREAS, by the acceptance of the delivery of this deed the grantee does agree to accept, observe, honor and be bound by the gift and grant above set forth and mentioned;

WITNESSETH: that for and in consideration of the sum of Ten Dollars ($10.00), and other good and valuable considerations, receipt of which is hereby acknowledged, the said party of the first part does hereby grant and convey unto Prospect Plantation West, Homeowner's Association, Inc., party of the second part, its successors and assigns, in fee simple, all that piece or parcel of ground situate, lying and being in the Prospect Plantation West Subdivision, in Queen Anne's County, Maryland, particularly described as follows, to wit:

ALL that lot or parcel of land situate, lying and being in the Fifth Election District of Queen Anne's County, State of Maryland, being known and designated as Lot No. 112, on a certain plat entitled "Amended Plat, Section Two, Lots 84 Thru 167, Inclusive, and Parcels "A", "A-1", "A-2", "A-3", "A-4", "B", "C", "D", "E", "F" and "G", Prospect Plantation West, Fifth Election District, Queen Anne's County, Maryland, dated May, 1980, by Greenhorne and O'Mara, Inc., registered engineers and surveyors, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 165 folio 672 and in Plat Book M.W.M. No. 5 folio 4.

BEING part of the same lands set forth in a Confirmatory Deed from MCD Enterprises, Inc., a Maryland corporation, to MCD Enterprises, Inc., a Delaware corporation, dated August 14, 1980, recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 166 folio 617.

SUBJECT to the Declaration of Covenants, Conditions and Restrictions adopted by grantor herein, dated June 28, 1978, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber C.W.C. No. 137 folio 624, together with an Amended Declaration of Covenants, Conditions and Restrictions, dated September 20, 1978, and recorded among the Land Records of the aforesaid County at Liber C.W.C. No. 141 folio 342, together with an Amendment to Amended Declaration of Covenants, Conditions and Restrictions, dated November 15, 1978, and recorded among the Land Records of the aforesaid County at Liber C.W.C. No. 143 folio 688, together with the Second Amendment to Amended Declaration of Covenants, Conditions and Restrictions, dated June 11, 1980 and recorded among the Land Records of the aforesaid County at Liber M.W.M. No. 165 folio 136, together with the Third Amendment to Amended Declaration of Covenants, Conditions and Restrictions, dated May 26, 1981 and recorded among the Land Records of the aforesaid County in Liber M.W.M. No. 175 folio 557, said restrictive covenants and conditions being hereby incorporated in this deed by reference as a part hereof, as is evidenced by the execution of these presents and by the acceptance by the Grantee of its delivery.

TOGETHER with the buildings and improvements thereupon erected, made or being; and all and every the rights, alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining; PROVIDED; however that said lands hereby conveyed shall be used by the Grantee herein, its successors and assigns, solely as a boat ramp and boat launching facility with all uses customary and usual thereto. This conveyance dedicates said lands solely to the use of the members of the grantee, its successor and assigns, for the aforesaid community uses and for no other purposes whatsoever. It is further a conveyance that the said Grantee, its successors and assigns, at its expense, shall maintain said lands and all improvements thereon in good condition and in a neat and orderly manner. The aforesaid covenants and conditions are intended to forever run with and bind the said lands.

AND the same party of the first part covenants that it will warrant specially the property hereby conveyed and will execute such further assurances of said land as may be requisite.

The undersigned hereby certifies that the grant made by this deed is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the grantor herein.

Total consideration paid $5,000.00.

IN TESTIMONY WHEREOF, the said MCD Enterprises, Inc., has caused this deed to be executed in its corporate name, by its President, with its corporate seal hereunto affixed, and Witnessed on the date first above written.

WITNESS:

Sidonia T. Kellogg

MCD ENTERPRISES, INC.

BY: Harry D. Barney

Harry D. Barney, President

STATE OF MARYLAND

TO WIT:

COUNTY OF QUEEN ANNE'S

I HEREBY CERTIFY, that on this 6 th day of March 1984, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of QUEEN ANNE'S, personally appeared Harry D. Barney, who made oath in due form of law that he is the duly elected and acting President of MCD Enterprises, Inc., grantor in the aforegoing Deed, and he acknowledged said deed to be the act of said corporation, executed by authority of its Board of Directors.

WITNESS my hand and official seal this 6 th day of March, 1984.

Notary Public, Maryland

My Commission Expires: 7/1/86

TAXES LEVIED AS OF March 16, 1984
PAID TO June 30, 1984
Wm. N. Taylor

RECEIVED FOR TRANSFER
This 16 Day of March 1984
Supervisor of Assessments
Queen Anne's County

MAR 16 84 * 21830 *****6 50
MAR 16 84 A # 21831 *****2 00
MAR 16 84 A # 21832 *****2 00
MAR 16 84 A # 21828 *****1 50

RESTRICTIONS

QUEEN ANNE'S-ON-WYE

BENNETT POINT ROAD, QUEENSTOWN, MARYLAND

(President John E. Hennessey Box 211 Wye Rd Queenstown 827-6012)

The Restrictions set forth herein are applicable only to Lots Nos. 1 through 76, as appears on Monumental Corporation Sub-Division Plat, "Tract", dated February 8, 1955, by Shew & Bartlett, Surveyors, and recorded among the land records of Queen Anne's County, Maryland, on April 5, 1955, in T. S. P. No. 21, folio No. 95.

PARAGRAPH I

There shall not be erected, permitted, maintained or operated upon any of the land included in the tract any brewery, distillery, malthouse, slaughterhouse, brass foundry, tin, nail, iron or other foundry, limekiln, stone quarry, cement mill, sugar refinery, crematory, graveyard, jail, penitentiary, house of correction, hospital, asylum, sanitorium or institution of like or kindred nature, stable of any kind, cattle yard, hogpen, fowl yard or fowl house, cesspool, privy vault or any form of privy (not including, however, septic tanks with lenching pits or dry wells); nor any plant, manufactory or establishment for the purpose of making or preparing soap, candles, starch, vitriol, vinegar, glue, ink, turpentine, oil, lamp black, gunpowder, dynamite or other explosive, baking powder, cream of tartar, gas asphalt or fertilizer, nor for bone boiling, fat boiling, dyeing, tanning, dressing or preparing of skins, hides or leather; nor shall any noxious, dangerous or offensive thing, trade or business whatsoever be permitted or maintained on the tract; nor shall any live poultry, hogs, cattle or other livestock be kept thereon; nor shall any commercial enterprise or activity be undertaken on the water front contiguous to any lot contained in this Sub-Division; nor shall any dock, pier, wharf, or other facility be constructed on any lot, or water front, for commercial use or purposes.

PARAGRAPH II

The land included in this Sub-Division, except as hereinbefore or hereinafter provided, shall be used for private residence purposes only; and with such exceptions, no building of any kind whatsoever shall be erected or maintained thereon except private dwelling houses, one (1) to each lot, each dwelling being designed for occupancy by a single family, and private garages for the sole use of the occupants of the lots upon which such garages are erected. There shall not be erected or maintained on said tract of land an apartment house, or any house designed or altered, for occupation by more than one family, this prohibition to include renting of rooms for any purpose to other than members of the family of the occupants.

No trailer, basement, tent, shack, garage, barn, or other out-building erected on the tract shall at any time be used as a residence, temporarily or permanently; nor shall any residence of a temporary character be permitted.

Every dwelling erected upon the tract shall be provided with inside toilets with adequate water supply and septic tank installation for disposal of sewage, approved by the Health Department.

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1989 JUN -7 AM 9:40
QUEEN ANNE'S COUNTY

PARAGRAPH III

Plans and specifications showing the nature, kind, shape, materials to be used, height and location on the plot of private dwellings, and roadways on the plot leading to said dwelling to be built, shall be submitted to and approved in writing by Monumental Corporation, its successors and assigns, and a copy thereof, as finally approved, lodged permanently with Monumental Corporation.

Free, or open spaces shall be left on every plot built upon, on both sides of every building erected thereon, which free spaces shall extend the full depth of the plot. The width of such free space to be left on either side of any building shall be not less than twenty per cent (20%) of the front footage on each side of the lot upon which such building is to be erected.

Any structure erected on a lot of this Sub-Division must be built at least twenty-five feet back from the top or edge of the embankment along the water front and likewise any such structure must not be erected less than twenty-five feet in from the rear boundary of any of said plots.

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50.00
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PARAGRAPH IV

Monumental Corporation hereby expressly reserves the right in its absolute discretion at any time to change or modify any of the restrictions, conditions, covenants, agreements, or provisions contained in Paragraphs I, II and III hereof, as to any part of said tract then owned by said Corporation, and with the consent of the then owner, as to any other land included in said tract.

PARAGRAPH V

The right and easements are reserved to construct and maintain on the rear and/or side portion of any lot shown on said plat the anchors and guys, with their attachments, that may be reasonably necessary in the construction and maintenance of the pole lines erected in furnishing electric current, telephone and other public utility services to the occupants of said tract, provided that, if any anchor, guy or attachment shall interfere with any building that may hereafter be erected on said tract, the anchor, guy or attachment shall be relocated, without expense to the owner of the lot on which it is located. The right is reserved to prune or trim any tree or shrub on any lot that interferes with the construction, maintenance or efficiency of said electric current, telephone or other public utility service. Said easements and rights of way in and over said strips of land extending five feet, unless otherwise specified on said plat, on either or both sides of back and/or side lines of any lot, shall be for the following purposes:

For the erection, construction and maintenance of poles, wires and conduits and the necessary or proper attachments in connection therewith for the transmission of electricity and the telephone and other public utility services.

For the construction and maintenance of stormwater drains, land drains and for any other public or quasi-public utility or function conducted, maintained, furnished, or performed by or in any method beneath the surface of the ground.

Monumental Corporation or its representatives shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights of way are reserved.

PARAGRAPH VI

It is hereby expressly stated and provided that the Monumental Corporation desires to maintain this development on the highest possible plane as a residential neigh-

borhood, thus necessitating the advisability of this following covenant:

It is covenanted and agreed that in the event there shall be a building commenced on any plot in said Sub-Division then the construction later discontinued and abandoned for a period of six months, Monumental Corporation has the right and power to give notice, in writing, to the owner thereof, to complete said building within 90 days from the date of such notice, and if the same is not completed, then Monumental Corporation shall have the right to remove said building, if it so desires, and to charge the expense of such removal to the said property owner; and that in the event it becomes necessary for Monumental Corporation to remove said partially constructed building, as aforesaid, the owner covenants for himself, his heirs, personal representatives and assigns, that Monumental Corporation, or its agent, shall have the right of ingress and egress on said land for the purpose of removing said building or buildings.

PARAGRAPH VII

It is hereby expressly stated and provided that nothing herein contained shall constitute a dedication of any street shown on said plat, or hereafter laid out in said tract, the title to all of such streets or roads being hereby expressly reserved to the Monumental Corporation, nor shall any deed from said Corporation hereafter made, conveying any part of the land included in said tract, be held to convey the title to or to dedicate the bed of any street, except where expressly so conveyed or dedicated in the deed.

Monumental Corporation hereby gives and grants to each owner, hereafter acquiring title to any of the land included in said tract, the right to such use of the streets or roads shown on said plat as may be necessary for reasonable and convenient ingress and egress to and from the land belonging to such owner; but, subject to such use by said Owners, the Corporation expressly reserves to itself the title to both the surface and beds of all said streets and roads and the right to use and occupy the same or to allow others to do so in any manner that does not materially interfere with said users, of ingress and egress, and it further expressly reserves the exclusive right to grade, change the grade of, regrade, change the location of, close or partly close any street shown on said plat or plats, but no change of location or closing shall be made that will prevent reasonable convenient ingress and egress to and from, or take any portion of, any lot sold or conveyed by the Corporation prior to such change of location or closing.

Monumental Corporation reserves, however, the right to dedicate to public use and the right to convey to any public authority or to any corporation having power to acquire the same, all its right, title, and interest in and to any street shown in said plat or hereafter laid out in said tract, subject to the rights of property owners as hereinbefore granted.

PARAGRAPH VIII

The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by Monumental Corporation, or the owner of any land included in said tract, their respective legal representatives, heirs, successors and assigns, and failure by Monumental Corporation or any land owner to enforce any restriction, condition, covenant or agreement herein contained shall in no event be deemed a waiver of the right to do so thereafter as to the same breach or as to one occuring prior or subsequently thereto.

PARAGRAPH IX

All of the restrictions, conditions, covenants, charges, easements and agreemants contained herein shall be in perpetuity, provided, however that in the year 1980 and in each twenty-fifth year thereafter (that is, in the year 2005, in the year 2030, etc.), any or all of the provisions contained herein may be cancelled, annulled or abrogated, in whole or in part, by the recording in the proper public land records of appropriate instruments, in writing, executed by the then owner (not including mortgagees) of a majority in area of the land included in said tract, exclusive of streets, parks, playgrounds and other land then devoted to public use or the general use of the occupants of said tract, which instruments shall specifically set out the provisions of the deed and agreement that are thereby cancelled, annulled or abrogated.

Any or all of the powers and duties (including discretionary powers and duties), obligations, rights, titles, easements and estates reserved or given to the Monumental Corporation in these restrictions may be assigned to any one or more corporations or associations that will agree to assume the assigned rights, powers, duties and obligations and carry out and perform the same. Any such assignment or transfer shall be made by appropriate instrument in writing, in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance of such rights and powers; and such assignee or transferee shall thereupon have the same rights and powers and be subject to the same obligations and duties as are herein given to and assumed by Monumental Corporation, said Corporation thereupon being released therefrom.

MONUMENTAL CORPORATION
809 Cathedral Street
Baltimore 1, Maryland

Dated: April 8, 1955

File in
"Homeowners Association Depository"
the document file created by the Clerk of the
Court of each county as required under
the Maryland Homeowners Association Act.

RECEIVED
CLERK, CIRCUIT COURT
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QUEEN ANNE'S COUNTY

HOMEOWNERS ASSOCIATION DEPOSITORY INFORMATION FOR PROVIDENCE FARM, PHASE II

1. (a) The name, principal address and telephone number of the Declarant are:

Peter G. Sheaffer
2025 Corsica Neck Road
Centreville, MD 21617
Tel. (410) 758-1497

RECORDING FEE 50.00
TOTAL 50.00
Rcpt # 40439
Blk # 1121
Jul 09, 2003 04:17 PM

(b) If the Declarant is a corporation or partnership, list the names and addresses of the principal officers of the corporation, or the general partners of the partnership (as the case may be): **N/A.**

2. The name of the Homeowners Association is: **Providence Farm Homeowners Association, Inc.** If incorporated, the Homeowners Association was incorporated in the State of **Maryland**. The name of the Maryland resident agent for the Homeowners Association is: **Cynthia L. McCann**.

3. The Development is located at: **Kidwell Avenue, Centreville, MD**. The Development consists of **33** lots. The minimum number of lots which may be contained within the Development are **33**. The maximum number of lots which may be contained within the Development are **144**.

4. A **Declaration of Covenants, Conditions and Restrictions** ("Declaration") for the Development, dated June 13, 2003, was recorded among the Land Records for Queen Anne's County, Maryland in **Liber S.M. No. 1097, folio 133.**

5. The Declarant owns the following property which is contiguous to the Development and is to be dedicated to public use: **N/A**

6. State whether the Development is, or will be, within, or a part of, another development: **No.**. If the answer is yes, give a general description of that other development: **N/A**.

7. State whether the Declarant has reserved the right to annex additional property to the Development: **Yes.** If the answer is yes, give a description of the size and location of the additional property and the approximate number of lots currently planned to be contained in the Development, as well as any time limits within which the Declarant may annex such property:

Additional land surrounding the development and owned by Declarant is described on the following plats recorded among the Land Records of Queen Anne's County, Maryland: Plat Liber S.M. 03/Folios 96A-D; Plat Liber S.M. 27/Folios38A&B. The approximate number of lots currently planned to be contained in the Development, upon completion, is 144; however, the Declarant reserves the right to increase the maximum number of lots to be contained in the Development upon full build-out. The time limit established for subjecting additional land to the Declaration establishing this development is 15 years.

8. Attach a copy of the Bylaws and Rules of the Development. If the Development is, or will be, within, or a part of, another development, also attach a copy of the Bylaws and Rules of the other development. The obligations set forth in the Bylaws and Rules of the Development (and, if the Development is, or will be, within, or a part of, another development, the obligations set forth in the Bylaws and Rules of the other development) will become the obligations of, and will be enforceable against, the owner of a lot in the Development. State whether these obligations are also intended to become the obligations of, and enforceable against, the tenants of any owner of a lot in the Development: **Yes.**.

9. (a) The Homeowners Association is now, or is expected to be, the owner of the common area described in the Declaration. In addition, the Homeowners Association is now, or is expected to be, the owner of the following property: **N/A**.

(b) The Homeowners Association leases now, or is expected to be the lessee of, the following property: **N/A**.

(c) The following property is not now owned or leased by the Homeowners Association, nor is the Homeowners Association expected to own or lease the following property, but it is maintained by the Homeowners Association: **Common Area (Stormwater Management Area and Entrance Monument).**

10. Information regarding the zoning and other land use requirements affecting the Development is available at the **Centreville Planning Department, Queen Anne's County, Maryland**, whose address is: **101 Lawyers Row, Centreville, Maryland 21617**.

11. (a) If mandatory Homeowners Association fees or assessments are not now being levied, state when they will first be levied against owners of lots: **Upon purchase, but pro-rated for the applicable fiscal quarter.**

(b) Provide a description of the procedure for increasing or decreasing such fees or assessments: **See Declaration of Covenants, Conditions and Restrictions, Art. V, Sections 5 & 6.**

(c) Provide a description of how fees or assessments and delinquent charges will be collected:

See Declaration of Covenants, Conditions and Restrictions, Art. V.

(d) State whether unpaid fees or assessments are personal obligations of owners of lots: **Yes.**

(e) State whether unpaid fees or assessments bear interest: **Yes.** If they do, state the rate of interest: **1% per month (12% per annum)**.

(f) State whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act (§14-201, *et seq.* of the Real Property Article of the Annotated Code of Maryland): **Yes.**

(g) State whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and describe any other consequences for the non-payment of fees or assessments: **Yes.**

12. The following is a description of special rights or exemptions reserved by, or for, the Declarant, including (a) the right to conduct construction activities within the Development, (b) the right to pay a reduced Homeowners Association fee or assessment, (c) exemptions from use restrictions, and (d) architectural control provisions contained in the Declaration or provisions by which the Declarant intends to maintain control over the Homeowners Association: **See Declaration of Covenants, Conditions and Restrictions.**

13. Provide the name, address, and telephone number of the management agent of the Homeowners Association (or other officer or agent authorized by the Homeowners Association to provide members of the public the information regarding the Homeowners Association, or state that no such agent (or officer) is presently so authorized: **No such agent is presently so authorized**.

14. Attachments (check if attached)

Bylaws: ✔.

Regulations:.

Bylaws and Regulations of any other development of which the Development is or will be a part: **N/A.**

BY LAWS

OF

PROVIDENCE FARM HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Providence Farm Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 358 High Point Lane, Chestertown, Maryland, 21620, but meetings of Members and directors may be held at such places within the State of Maryland, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The terms "Architectural Review Committee," "Association," "Board of Directors," "Common Areas," "Declarant," "Lot," "Member," "Mortgagee," "Owner" and "Property" as used in these Bylaws shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for Providence Farm, Phase II dated June 13, 2003, and recorded among the Land Records of Queen Anne's County on June 13, 2003 in Liber S.M. No. 1097, folio 133 (the "Declaration").

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within the State of Maryland selected by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president, by the Charter Director, or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Members of the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than fifteen (15) nor more than sixty (60) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to cast one-tenth (1/10) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

ARTICLE IV

BOARD OF DIRECTORS SELECTION: TERM OF OFFICE

Section 1. Number. The initial Board of Directors shall consist of one (1) Charter Director, the Declarant. Thereafter, the affairs of this Association shall be managed by a Board of three (3) directors, who shall be Members of the Association.

Section 2. Term of Office. The terms of office of the "Charter Director" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members at which his successor is elected. The terms of each director other than a Charter Director shall be for one (1) year or until his or her successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal. Any director, other than a Charter Director, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal, pursuant to these Bylaws, of a Director, his or her successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service rendered to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of his duties.

Section 5. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination of Directors for election to the Board of Directors shall be made by the Members of the Association from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At the election the Members of the Association or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

(d) employ a manager, independent contractors, or other employees or contractors as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Membership, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Members of the Association.

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) fix the amount of the annual assessment against each Lot not later than January 31st of each year;

(2) send written notice of each annual assessment to every Lot Owner subject thereto not later than February 15th of each year, and of each special assessment, at least forty-five (45) days in advance of its due date; and

(3) foreclose the lien against a Lot if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates; (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Common Areas to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Not more than two offices may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds, and other written instruments.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

ARTICLE IX

DIRECTOR AND OFFICER LIABILITY

No Director or Officer shall be liable to the Association or to its Members for money damages except (1) to the extent that it is proved that such Director of Officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (2) to the extent that a judgment or other final adjudication adverse to such Director or Officer is entered in a proceeding based on a finding in the proceeding that such Director's or Officer's action, or failure to act, was (a) the result of active and deliberate dishonesty, or (b) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding.

ARTICLE X

COMMITTEES

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE XI

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the Lot against which the assessment is made. If the assessment is not paid on the due date, the assessment shall bear interest from the date of delinquency at a rate not to exceed the maximum legal rate permitted from time to time in the State of Maryland, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Common Area or abandonment of his Lot.

ARTICLE XIII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken. Anything set forth above in this Article XII to the contrary notwithstanding, the Association shall have the absolute unilateral right, power and authority to modify, revise, amend or change any of the terms or provisions of these Bylaws all as from time to time amended or supplemented.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.

Section 3. Notwithstanding the preceding Sections 1 and 2 of this Article, so long as Peter G. Schaeffer controls the voting rights of the Association, the prior approval of the Federal Housing Administration or the Veterans Administration shall be required to: amend these By-laws or the Articles of Incorporation; to annex additional properties into the Association; to mortgage or dedicate the Common Areas; and, to dissolve the Association.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, I, being the Charter Director of Providence Farm Homeowners Association, Inc., have hereunto set my hand and executed these Bylaws effective this 3rd day of July, 2003.

Peter G. Sheaffer

S:\Clients\NVR\01-Providence Farm Phase Two\BYLAWS.wpd
June 4, 2003

EXHIBIT 1

QUEEN ANNE COLONY ASSOCIATION, INC.

ARTICLES OF INCORPORATION

THIS IS TO CERTIFY:

FIRST: We, the undersigned, Joseph P. Brennan, whose post office address is Stevensville, Maryland, 21666, Frederick L. Roser, Jr., whose post office address is Stevensville, Maryland, 21666, and Kenneth B. Smith, whose post office address is Stevensville, Maryland, 21666, each being over twenty-one years of age, do hereby associate ourselves as incorporators with the intention of forming a corporation under and by virtue of the General Laws of the State of Maryland.

SECOND: The name of the Corporation (which is hereinafter called the "Corporation") is:

QUEEN ANNE COLONY ASSOCIATION, INC.

THIRD: The purposes for which the Corporation is formed are as follows:

(a) The uniting of all residents or owners of land within the development entitled Queen Anne Colony to work for the betterment of the conditions in the community and to engage in activities that will enable it to support these undertakings, to own and maintain community recreational facilities; to build and maintain roads, easements, walkways, bulkheads, boat channels, and the like and to enforce in every respect subdivision restrictions.

(b) To advance and protect the interest of the members and to promote facilities for the general welfare of the community.

(c) To purchase, lease or otherwise acquire, hold, develop, improve, mortgage, sell, exchange, let or in any manner encumber or dispose of real property, or personal property and chattels.

(d) To make contracts, incur liabilities and borrow money for its corporate purposes; and to issue bonds, notes and other obligations and secure the same by mortgage or deed of trust of all or any part of its property, franchises and income in accordance with the general corporation of laws of said state.

(e) To assess dues and other charges among the membership and do all other things and to exercise all other powers that may be necessary or appropriate in the exercise of the powers hereinbefore set forth and also all of the powers conferred upon the Corporation by the General Corporation Laws of the State of Maryland now or hereafter in force.

FOURTH: The post office address of the place at which the principal office of the Corporation in thisState will be located in Stevensville, Maryland. The residence agent of the corporation is Kenneth B. Smith, whose post office address is Stevensville, Maryland, 21666. Said resident agent is a citizen of the State of Maryland and actually resides therein.

FIFTH: This Corporation being a non-profit organization shall have no capital stock, and shall pay no dividends or salary to its incorporators, members, or board of directors, but the interest of the various members herein shall be represented and evidenced by a Certificate of Membership to be issued by the office of the Corporation under the direction of the board of directors.

SIXTH: The number of directors of the Corporation shall be three (3) which number may be increased or decreased pursuant to the by-laws of the Corporation, but shall never be less than three; and the names of the directors who shall act until the first annual meeting or until their successors are duly chosen and qualify are Joseph P. Brennan, Frederick H. Roser, Jr. and Kenneth B. Smith.

SEVENTH;; The duration of the Corporation shall be perpetual.

IN WITNESS WHEREOF, we have signed these Articles of Incorporation on this 26 day of October, 1971.

WITNESS:

Margaret D. Brennan — Joseph P. Brennan (SEAL)
Joseph P. Brennan

[illegible] — [illegible] (SEAL)
Frederick H. Roser, Jr.

Beverly A. Kinnamon — [illegible] (SEAL)
Kenneth B. Smith

STATE OF MARYLAND

COUNTY OF QUEEN ANNE'S to wit:

I HEREBY CERTIFY, that on this 26 day of October, 1971, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Joseph P. Brennan, Frederick H. Roser, Jr., and Kenneth B. Smith, and severally did they acknowledge the aforegoing Articles of Incorporation to be their respective act.

AS WITNESS my hand and Notarial Seal.

[illegible]
NOTARY PUBLIC

My Commission Expires: July 1, 1974

ARTICLES OF INCORPORATION

OF

QUEEN ANNE COLONY ASSOCIATION, INC.

approved and received for record by the State Department of Assessments and Taxation of Maryland October 29, 1971 at 2:29 o'clock P. M. as in conformity with law and ordered recorded.

/A/ 8814

Recorded in Liber F919, folio 584, one of the Charter Records of the State Department of Assessments and Taxation of Maryland.

Bonus tax paid $20.00 Recording fee paid $15.00

To the clerk of the Circuit Court of Queen Annes County

IT IS HEREBY CERTIFIED, that the within instrument, together with all indorsements thereon, has been received, approved and recorded by the State Department of Assessments and Taxation of Maryland.

AS WITNESS my hand and seal of the said Department at Baltimore.

STATE OF MARYLAND

[illegible] this is a true and complete copy of the 3 [illegible] in this office. DATED: 2-19-88.

[illegible] DEPARTMENT OF ASSESSMENTS AND TAXATION

[illegible] Paula Cary McKean

[illegible] certification system. Effective: 10/84

DISCLOSURES BY

QUEEN ANNE COLONY ASSOCIATION, INC.

UNDER THE MARYLAND HOMEOWNERS ASSOCIATION ACT,

TITLE 11B OF THE REAL PROPERTY ARTICLE

OF THE ANNOTATED CODE OF MARYLAND

RECEIVED
CLERK CIRCUIT COURT
1990 MAR -9 AM 10: 44
QUEEN ANNE'S COUNTY

MISC 0#
RECD TAX 50.00
VOID
RECD TAX 50.00-
SUBTOTAL .00
RECD FEE 50.00
SUBTOTAL 50.00
CHECK/MO 50.00
#321640 C001 R00 T10:44
03/09/90

I. The Name of Declarant is: Queen Anne Colony Association, Inc., a body corporate of the State of Maryland

II. The declarant is a body corporate of the State of Maryland and the Maryland Resident Agent is: Vachel A. Downes, Jr., whose address is 115 Lawyer's Row, Centreville, Maryland 21617.

III. The names and addresses of principal officers of the Corporation are as follows:

President:	Charles S. Koegel 304 Five Farms Drive Stevensville, Maryland 21666
Vice President:	John L. Bonner 324 Columbia Lane Stevensville, Maryland 21666
Secretary:	Mary Evans 300 Congressional Drive Stevensville, Maryland 21666
Treasurer:	Lillian J. Lowe 105 Congressional Drive Stevensville, Maryland 21666

IV. Queen Anne Colony Subdivision is located in the Fourth Election District of Queen Anne's County, Maryland, on Maryland Rte. No. 8. There are a total of 309 lots in the development.

V. Copies of the Articles of Incorporation are attached hereto as Exhibit No. 1.

VI. Copies of the Recorded Covenants and Restrictions are attached hereto as Exhibit No. 2. Such restrictive Covenants and Restrictions are enforceable against an owner of a lot within the development and also against the tenants of any owner, if applicable.

VII. Copies of the By-laws of the Association are attached hereto as Exhibit No. 3 and the obligations therein are enforceable against a lot owner and such owner's tenants,if applicable.

VIII. The Homeowners' Association owns numerous parcels of ground within said subdivision as set forth on Exhibit No. 4 attached hereto.

IX. A copy of the estimated Annual Budget for calendar year 1989 is attached hereto as Exhibit No. 5.

X. The mandatory annual fees charged to lot owners are as

follows:

All lots pay an annual mandatory charge of $10.00 per lot. Owners of lots on Price's Creek pay an additional annual mandatory charge of $20.00 per lot.

The one-time initiation fee for Association membership is $20.00 per lot and the annual Association dues at $5.00 per lot.

All such assessments, initiation fees and dues are payable to the Declarant.

XI. There are no public water or sewer facilities servicing Queen Anne Colony Subdivision.

XII. All subdivided lots within said development are zoned under the "Neighborhood Conservation - 15" classification by the Queen Anne's County Comprehensive Zoning Ordinance.

XIII. All lots within the development have been conveyed by the original developer and the schedule of fees aforesaid is now being charged to lot owners.

XIV. Fees and/or assessments may not be increased or decreased by action of the Board of Directors under current Restrictions, Covenants and Conditions.

XV. Fees and/or assessments are billed annually, are a personal obligation of lot owners, are are payable by March 31st of each year.

XVI. At the present time interest is not charged for unpaid fees and assessments, subject ot change by the Board of Directors.

XVII. Unpaid fees and/or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act. At the time of the filling of a lien, the Association will impose a fee which includes the cost of recording of the lien. In the event that proceedings are instituted against a lot owner under the Maryland Contract Lien Act, attorneys fees will also be imposed to cover the cost of such collection.

XVIII. The Association has the right to engage in construction activities within the development only on its own lands and is exempt from the Architectural Control Provisions of the Restrictive Covenants and Conditions.

XIX. As of the date of this statement, there are no known unsatisfied judgements or pending law suits against the Association.

XX. A list of the Queen Anne Colony Subdivision Plats recorded among the Land Records of Queen Anne's County is attached hereto as Exhibit No. 6 and said recorded plats are incorporated herein by reference as a part hereof.

XXI. Queen Anne Colony Association, Inc., does not maintain an office nor does it have an outside agent or agency collecting its annual dues and charges. The affairs of this Association are conducted solely by its officers and Board of Directors as may from time to time exist.

Under the penalties of perjury, the undersigned does hereby make oath in due form of law that the aforegoing disclosures are true to the best of his knowledge, information and belief.

Charles S. Koegel
President

Date: August 30, 1989

DECLAR

EXHIBIT NO. 2

The restrictive covenants, restrictions and conditions imposed upon residential lots and other properties within the bounds of Queen Anne Colony Subdivision are recorded among the Land Records of Queen Anne's County, Maryland, by the following documents, to wit:

a. Deed from Village Green, Incorporated, unto Frances C. Legg, dated April 2, 1061, recorded in Liber T.S.P. No. 60, folio 110.

b. Deed from Village Green, Incorporated, unto Anne M. Starkey, dated December 2, 1966, recorded in Liber C.W.C. No. 25, folio 540.

c. Deed from Village Green, Incorporated, unto Lisle T. Lipscomb, et.al., dated May 24, 1965. and recorded in Liber C.W.C. No. 15, folio 249.

d. Deed from Village Green, Incorporated, unto Judith C. Conley, dated March 4, 1974, recorded in Liber C.W.C. No. 82, folio 35.

e. Deed from Village Green, Incorporated, unto Anne M. Starkey, dated September 5, 1973, recorded in Liber C.W.C. No. 77, folio 406.

f. Deed from Village Green, Incorporated, unto Milton E. Kettler, et.ux., dated April 8, 1963, recorded in Liber T.S.P. No. 72, folio 96.

g. Deed from Ryland L. Willis, et.al., to Lawrence G. Hansel, et.ux., dated August 1, 1976, recorded in Liber C.W.C. No. 108, folio 102.

ENFORCEMENT and other rights, as well as duties and obligations under the aforesaid restrictions, covenants and conditions were assigned unto Queen Anne Colony Association, Inc., by the following:

1. Indenture and assignment from Ryalnd L. Willis, et.al., dated August 11, 1982, recorded in said Land Records in Liber M.W.M. No. 192, folio 767.

2. Indenture and assignment from Queen Anne Colony Foundation, Inc., dated August 11, 1982, recorded in Liber M.W.M. No. 192, folio 770.

TSP

LIBER 60 PAGE 110

RECEIVED FOR RECORD April 25, 1961

THIS DEED, made this 24th day of April, 1961, by and between VILLAGE GREEN, INCORPORATED, a body corporate of the State of Maryland, party of the first part, hereinafter sometimes referred to as the "Company"; and FRANCES C. LEGG, of Queen Anne's County, State of Maryland, party of the second part;

WHEREAS, Village Green, Incorporated, is the owner of a certain tract or parcel of land or farm called or known as "Airy Plains" and/or "The Isaac and Emma Grolman Farm", situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, and

WHEREAS, Village Green, Incorporated, has caused part of said tract or parcel of land or farm to be subdivided into lots as shown on a plat entitled "Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland," dated November, 1960, by J. R. McCrone, Jr., Inc., registered engineers and land surveyors, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 59 folio 251, and desiresto subject said lots as shown thereon to certain covenants, agreements, restrictions, easements, conditions and charges as hereinafter set forth, and

WHEREAS, Village Green, Incorporated, does intend to hereafter subdivide into lots all or a portion of the remaining parts of said tract or parcel of land or farm, and does expressly reserve the right to include such of its remaining land as it may desire with the land designated on the aforementioned plat in a general scheme or plan of development by subjecting such remaining land, or any part thereof, to the covenants, agreements, easements, restrictions, conditions and charges contained in this deed, or similar in character thereto, and

WHEREAS, in order to make said covenants, agreements, easements, restrictions, conditions and charges binding and in full force and effect upon each and every of the individual residential lots set forth and shown on said plat, and upon the present and future owners and occupants thereof, the parties hereto have agreed to enter into this Deed whereby the party of the first part will convey said lots unto the party of the second part, and immediately thereafter the party of the second part will reconvey said lots unto the party of the first part, charged with all the covenants, agreements, easements, restrictions, conditions and charges hereinafter set out;

NOW THEREFORE, THIS DEED WITNESSETH: that for and in consideration of the premises and the sum of One Dollar ($1.00) the receipt whereof is hereby acknowledged, and the performance of the covenants and conditions hereinafter set out, the said party of the first part, Village Green, Incorporated, does hereby grant and convey unto the party of the second part, Frances C. Legg, her heirs and assigns, in fee simple, subject to the covenants, agreements, easements, restrictions, conditions and charges hereinafter set out, which are hereby entered into by the said party of the first part for itself, its successors and assigns, and the party of the second part for herself, her heirs and assigns, as part of the consideration for the execution of this Deed, all the following described lands, to wit:

ALL those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled "Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland," by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated November, 1960, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 59 folio 251, and

being known and designated thereon as LIBER 60 PAGE 111

Lots Nos. 1 through 36, inclusive	Block A
Lots Nos. 1 through 15, inclusive	Block B
Lots Nos. 1 through 27, inclusive	Block C
Lots Nos. 1 through 20, inclusive	Block F
Lots Nos. 1 through 25, inclusive	Block J
Lots Nos. 1 through 29, inclusive	Block K
Lots Nos. 1 through 34, inclusive	Block Q

of Queen Anne Colony.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, ways, waters, appurtenances, privileges and advantages thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the party of the second part, Frances C. Legg, her heirs and assigns, in fee simple, forever; subject, however, to the following covenants, agreements, easements, restrictions, conditions and charges, to wit:

Whenever used in the hereinafter set forth covenants, agreements, easements, restrictions, conditions and charges, the following definitions shall apply, unless a contrary intention is evident from the context, as follows:

a. The word "person" shall include individuals, co-partnerships, associations and corporations; the singular shall include the plural and the masculine, the feminine and neuter.

b. The word "Company" as hereinafter used is intended to mean Village Green, Incorporated, or its successors in interest or assigns.

c. The words "Plat 1, Queen Anne Colony", as hereinafter used are intended to mean all those individual lots hereinabove designated in Block A, Block B, Block C, Block F, Block J, Block K and Block Q, as set forth on a plat entitled "Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland," by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated November, 1960, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 59 folio 251, or any amendment or revision thereof as may hereafter be recorded among said Land Records.

d. The word "lot" as hereinaftor used shall include the plural, and/or any two or more lots consolidated into one lot by the owner or owners thereof.

e. The words "front lot line" as hereinafter used shall mean that line of any lot binding upon a street, avenue or roadway.

f. The words "street" or "roadway" as hereinafter used shall be those streets or roads as shown on said plat of not less than fifty feet in width.

g. A "corner lot" shall be deemed to be any lot fronting on two or more streets or roads each of not less than fifty (50) feet in width.

h. The word "owner" or "owners" as hereinafter used shall mean the person or persons having publicly recorded title to any lot or lots within said subdivision.

i. The words "tract" or "parcel" as hereinafter used is intended to mean any portion of the lands of Village Green, Inc., its successors or assigns, which has not been subdivided into lots.

1. No owner of any lot fronting on Chesapeake Bay shall acquire, by reason of his ownership, any riparian rights in and to any any of the waters in Chesapeako Bay, such riparian rights being hereby expressly reserved to Village Green, Incorporated, its successors in

interest or assigns.

2. Owners of lots facing on Queen Anne Sound (formerly known as Price's Creek) shall have and are granted riparian rights to the near or westerly edge of the dredged channel but cannot encroach upon or into the dredged channel at any point, or interfere with the use of the same in any manner whatsoever.

3. No owner of any of the lots in Queen Anne Colony subdivision shall acquire, by reason of his ownership of any lot therein, any right to erect ducking or other wild fowl blinds, or to hunt or shoot ducks or other wild fowl upon any shore of Queen Anne Colony, or upon, in or over the waters upon which Queen Anne Colony abounds, such rights being hereby expressly reserved to Village Green, Incorporated, its successors in interest or assigns.

Village Green, Incorporated, its successors in interest or assigns, further reserves the right, in any manner whatsoever, to control, restrict or prevent upland game hunting or shooting in, over or upon the aforementioned lots set forth on said plat, or in, over or upon the farm, tract or parcel of land known as "Airy Plains" or "The Isaac and Emma Grolman Farm", or any part thereof.

4. No building, including additions or accessories thereto, or fences, wells, piers, docks, bulkheading, or any other structure of any kind or nature whatsoever, whether upon fast land or above or beneath any of the waters adjacent to Queen Anne Colony, shall be commenced, erected or maintained, nor shall any addition to, or change, or alteration (including change of color of any exterior part) therein be made until the written or printed plans and specifications showing the nature, kind, shape, heights, material, floor plans, color scheme, location of the building with respect to plat plan, topography and ground elevation shall have been submitted to and approved in writing by the Company, and copies of all building plans, specifications, alteration plans, plat plans, etc., as above required, permanently lodged with the Company.

The Company shall have the right to refuse to approve any building plan and/or specification grading plan, or material contemplated in the proposed building or improvement, either external or internal, which, in its opinion, is not considered suitable or desirable for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement, and the materials of which the same is to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Company shall further have the right to establish minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected in Queen Anne Colony.

Any approval given hereunder shall become null and void unless construction is commenced within six (6) months of the date of such approval.

5. The floor area of any dwelling house erected upon any lot, exclusive of attached porches and garages, shall be not less than nine hundred (900) square feet for a one story dwelling, nor less than fourteen hundred (1400) square feet for a one and one-half story dwelling, nor less than eighteen hundred (1800) square feet for a two story dwelling. No dwelling, garage, porch, guest house or boat house shall be more than twenty eight (28) feet in elevation from ground level, and no roof pitch shall be less than 3:1; provided, however, that the Company reserves the right from time to time to amend or modify such requirements in its sole discretion, if it deems it best so to do.

6. No dwelling shall be located on any lot closer to any front lot line than thirty (30) feet, or closer than thirty (30) feet to any side lot line abutting on a street in case of a corner lot. No dwelling shall be located nearer than fifteen (15) feet to any side lot line. No dwelling shall be located within twenty (20) feet of the rear lot line. The main dwelling or residence on any lot which is bounded on the west by Chesapeake Bay shall be set back from the Bay property line not less than 75 feet. Entrance stoops, terraces, steps, eaves, cornices and gutters, as may be approved by the Company, may be built, erected and maintained on any part of the restricted area.

7. All detached garages and other outbuildings of any kind whatsoever, shall be located not less than twenty (20) feet from rear lot lines and not less than 15 feet from side lot lines.

The Company shall, in all cases, have the right to determine the front, side or rear lines of any lot and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Company thereon shall be final in all respects.

8. No trees shall be cut and no excavations shall be made on the premises except for the purpose of building thereon and at the time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such excavations. Any dwelling, outbuilding, or other structure, commenced as provided hereby shall be completed within nine months of the date the same is commenced, unless the time for completion shall be extended by the Company in the exercise of its discretion.

9. No privy of any kind shall be allowed on said property, but each dwelling shall have inside toilets only, with adequate water supply and septic tank installation for disposal of sewage approved by the health authorities of Queen Anne's County, and/or the State of Maryland.

10. No noxious or offensive trade shall be carried on upon any lot, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. All lots set forth on the aforementioned plat shall be for residential use only, and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage and other structures appurtenant to the main residence or to be used in connection therewith and on no lot shall there be more than one main dwelling and on no lot shall there be more than one family and their servants occupying the main dwelling, or any structure appurtenant thereto.

11. No basement, tent, shack, garage, barn or other outbuilding shall be erected on any lot and used temporarily or permanently as a residence. No trailer shall be used temporarily or permanently for residential purposes, but trailers may be stored on a lot after completion of the main dwelling, providing they are parked beyond the rear of the main dwelling, and at least fifteen (15) feet from the side lot line, and not less than twenty (20) feet from the rear lot line.

12. No animal, livestock, poultry or other fowl of any kind shall be raised, bred or kept on any lot, excepting dogs, cats, riding horses or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose; but not more than three (3) household pets may be kept on any one lot, and one horse for every 20,000

square feet of ground.

13. Owners of building lots shall not sell, lease or in any manner transfer any portion of a lot less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Company shall give its written consent thereto. Before any owner shall sell or convey any lands, he shall first submit in writing to the Company, the name, address, and any bona fide sales price offered by the prospective purchaser, and the Company shall have the option to purchase said land at the same price within thirty (30) days of the receipt of said information, as shall owners of land adjoining that proposed to be sold (whom the Company shall immediately notify), subject to the prior right of purchase by Village Green, Incorporated, its successors or assigns.

14. In order to preserve or improve the views of land and water, to promote the free movement of breezes and prevent the harboring of flies, mosquitoes and other insects, the Company reserves the right to require the owner of any lot, upon thirty (30) days notice, to trim any trees or shrubbery now or hereafter standing on any part of the lands known as Queen Anne Colony, which may, in the opinion of the Company, destroy or interfere with such views or the free movement of breezes, or which may furnish harboring places for flies, mosquitoes or other insects, or to trim such trees and shrubbery at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

15. The Company hereby gives and grants to each owner hereafter acquiring title to any lot or lots in Queen Anne Colony, and to their invitees, lessess, servants, agents, and employees, the right to use the streets, roads, roadways, avenues, lanes and alleyways shown upon the aforementioned subdivision plat, or any amendment or revisions thereof. Subject to such use, the Company expressly reserves the title to the surface and the bed of all such streets, roads, roadways, avenues, lanes and alleyways, and the right to use and occupy the same, or to allow or permit others to do so in any manner that does not materially interfere with the rights hereinabove granted. The Company further reserves the right to use and utilize the beds of said streets, roads, roadways, avenues, lanes and alleyways for the laying or erecting of water pipes, gas pipes, electric poles, or other public utilities as may be found necessary to adaquately provide such facilities to the owners or occupiers of said tract or parcel, or any part thereof; and the said Company expressly reserves the right to create slopes, grade, change the grade of, re-grade, change the location of, close, or partially close any street, road, roadway, avenue, lane or alleyway on the aforesaid plat, provided that no change of location or closing shall be made that will prevent reasonable and convenient ingress to and from, or take any portion of, any lot sold or conveyed by the Company prior to such change of location or closing. The Company further reserves the right to dedicate to public use and the right to convey to any public authority, or to any corporation having the right to acquire the same, all its right, title and interest in and to any parcel or tract of land on any street, road, roadway, avenue, lane or alleyway shown on said plat, or hereafter laid out in said tract or parcel, subject to the rights of property owners heretofore granted.

It is expressly stated and provided that nothing herein contained shall constitute a dedication of any street, road, roadway, avenue, lane or alleyway shown on the aforementioned plat, or hereafter laid out in Queen Anne Colony; the title to all such streets, roads, roadways, avenues, lanes and alleyways being expressly reserved in the Company. Nor shall any

deed hereafter made and delivered by the Company, or its successors in interest or assigns, conveying any lot or other part of said tract or parcel be held to convey the title to, or to dedicate the surface or bed of any street, road, roadway, avenue, lane or alleyway except where expressly so conveyed or dedicated in the deed.

16. Easements and rights of way are hereby expressly reserved upon, in and over strips of land five feet in width along the rear and interior lines of all lots in Queen Anne Colony for the purpose of erecting, constructing and maintaining poles, wires and conduits with the necessary or proper attachments in connection therewith for the transmission of electricity and for telephone and other public utilities or services and for public sanitary sewers and storm water drainage; and Village Green, Incorporated, its successors, assigns or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth. The Company shall have the right to remove, prune or trim any tree or shrub on any lot interfering with the construction or maintenance of electric or telephone lines or other utility service.

17. All purchasers of any lands within Queen Anne Colony, and all successors in ownership or possession, shall pay to the Village Green, Incorporated, and its successors in interest or assigns, on March 1st of each year, the sum of Ten Dollars ($10.00) per year for each and every lot purchased, it being understood and agreed, however, that the liability of each owner of each of said lots, for the payment of said annual maintenance charge, shall be a personal liability, recoverable by suit, and that said annual maintenance charge shall not be a lien upon any of said lots.

Such funds, as far as they be sufficient, shall be applied toward the maintenance and repair of streets, road, roadways, avenues, lanes, alleyways, storm drains, sanitary sewers, and easement areas now or hereafter constructed or erected in said tract; for lighting, improving and caring for areas maintained for the general use of the owners or occupants of the land included in said tract; for caring for unimproved and for improved but unoccupied land within said tract; for expenses incident to the examination and approval of plans as herein provided, and the enforcement of these covenants, agreements, easements, restrictions, conditions and charges; and for any other purpose which, in the opinion of the Company, shall be for the general benefit of the owners, users and occupiers of said tract, or any part thereof.

18. All the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty (20) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary or mortgagee interests) of the lots subject hereto may amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments duly executed and properly recorded among the Land Records of Queen Anne's County.

19. If any provisions of the covenants and restrictions herein contained, or the application of such provision to any person or circumstances shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

20. The provisions herein contained shall run with and bind the land and shall inure to

the benefit of and be enforceable by Village Green, Incorporated, its successors in interest or assigns, or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any lot or other area, their respective legal representatives, heirs, successors and assigns; and failure by the Company or any land owner to enforce any restriction, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so. Violation of any covenant, condition or restriction herein shall give the Company, in addition to all other remedies, (1) the right to enter upon the land upon, or as to which, such violation exists and summarily to abate and remove, at the expense of the owner thereof, such violation, and the Company, its successors in interest or assigns, shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal or for any damages resulting therefrom, and (2) the right to apply for relief by injunction, since the parties hereto agree that any breach, as aforesaid, cannot be compensated adequately by recovery of damages.

21. The Company hereby expressly reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein so long as such changes do not substantially effect the rights of any owner of any lot. Where any owner's rights are so affected, before any such change can become operative, all affected owners must indicate their consent and approval to such annulment, waiver, modification or change by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

And the said party of the first part does hereby covenant that it will execute such further assurances of the same as may be requisite.

WITNESS the hand of Wilbur R. Garrett, Jr., Vice President of Village Green, Incorporated, a body corporate of the State of Maryland, and its corporate seal hereto affixed, both duly attested.

WITNESS:

C. ARTHUR SLATER JR.

ATTEST:

Lisle T. Lipscomb, Secretary

VILLAGE GREEN, INCORPORATED

By: W. Elbert Garrett Jr.

Wilbur R. Garrett, Jr., Vice President

(Place corporate seal here)

STATE OR DISTRICT OF Maryland.

CITY OR COUNTY OF Montgomery to wit:

On this 14th day of September, 1961, before me, PHYLLIS C. [illegible], the undersigned officer, personally appeared Wilbur R. Garrett, Jr., who acknowledged himself to be the Vice President of Village Green, Incorporated, a body corporate of the State of Maryland, and that he, as such Vice President, being authorized so to do, executed the aforegoing instrument for the purposes therein contained by signing the name of the Corporation by himself as Vice

President.

LIBER 60 PAGE 117

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Phyllis C Beall

PHYLLIS C. BEALL NOTARY PUBLIC

My commission expires: 5/1/61

WAIVER OF RESTRICTION recorded in Liber C.W.C. No.72, folio 744. for lot 17 Blk J

No 45931

Rs 55480 RECEIVED FOR RECORD April 25, 1961

THIS DEED, made this 24 day of April, 1961, by and between FRANCES C. LEGG, single lady, of Queen Anne's County, State of Maryland, party of the first part; and VILLAGE GREEN, INCORPORATED, a body corporate of the State of Maryland, party of the second part;

WITNESSETH: that for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, the receipt whereof is hereby acknowledged, the said party of the first part, Frances C. Legg, does hereby grant and convey unto the party of the second part, Village Green, Incorporated, its successors and assigns, in fee simple, the following described lands, to wit:

ALL those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled "Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland," by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated November, 1960, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 59 folio 251, and being known and designated thereon as

Lots Nos. 1 through 36, inclusive	Block A
Lots Nos. 1 through 15, inclusive	Block B
Lots Nos. 1 through 27, inclusive	Block C
Lots Nos. 1 through 20, inclusive	Block F
Lots Nos. 1 through 25, inclusive	Block J
Lots Nos. 1 through 29, inclusive	Block K
Lots Nos. 1 through 34, inclusive	Block Q

of Queen Anne Colony.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, ways, waters, appurtenances, privileges and advantages thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, to and unto the proper use and benefit of the party of the second part, Village Green, Incorporated, its successors and assigns, in fee simple.

SUBJECT, nevertheless, to the covenants, agreements, easements, restrictions, conditions and charges contained in a deed from Village Green, Incorporated, to Frances C. Legg, of even date herewith, recorded, or intended to be recorded, among the Land Records of Queen Anne's County immediately prior hereto, said covenants, agreements, easements, restrictions, conditions and charges being hereby incorporated in this deed by reference as a part hereof, as is evidenced by the execution of these presents and by the acceptance by the Grantee of its delivery.

Original mailed to Frances C. Legg 5-24-61 [illegible] Washington, D.C.

AND the said party of the first part hereby covenants that she will execute such further assurances of the same as may be requisite.

WITNESS the hand and seal of said Grantor.

WITNESS: Rachel A Downes Jr Frances C Legg (SEAL)
Frances C. Legg

STATE OF MARYLAND
to wit:
COUNTY OF QUEEN ANNE'S

I HEREBY CERTIFY, that on this 24 day of April, 1961, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Frances C. Legg, and she acknowledged the aforegoing Deed to be her act.

WITNESS my hand and Notarial Seal.

Rachel A Downes Jr
NOTARY PUBLIC

My Comm. expires 5-1-1961

No. 45932
R. 55493 RECEIVED FOR RECORD April 26 1961

THIS MORTGAGE, made this 25th day of April, 1961, by and between Gayland N. Clark and Frances C. Clark, his wife, parties of the first part, hereinafter referred to as MORTGAGOR, and The Sudlersville Bank of Maryland, a body corporate, party---------- of the second part, hereinafter referred to as MORTGAGEE.

WHEREAS, the Mortgagor is justly indebted to the Mortgagee for a loan contemporaneous herewith, evidenced by a promissory note of even date herewith in the principal sum of Eleven Thousand Five Hundred----------00/100 Dollars($11,500.00------) payable, with interest thereon from the date hereof at the rate of six-----(----0%) per centum per annum on the unpaid principal until paid, at the designated office of the holder, in the manner following:

WHEREAS, the said principal indebtedness together with interest shall be repaid on demand.

AND WHEREAS the better to secure the repayment of said loan, with interest, this mortgage is executed and delivered.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH, that in consideration of the premises and the sum of One Dollar ($1.00) this day paid, the receipt whereof is hereby acknowledged, the Mortgagor does hereby grant, convey and assign unto the Mortgagee, in fee simple the following described real estate, to wit:

Tract Number ONE: ALL that lot, tract, parcel or part of a tract of land situate, lying and being in the First Election District of Queen Anne's County, Maryland, in the town of Sudlersville, fronting on Main Street of said town; and being bounded on the East by the lands of Addie Sudler, on the West by the land of (or formerly of) Effie Goodhand, and on the South by the land of (or formerly of) Carrie Clendening;

BEING the same land granted and conveyed unto Gayland N. Clark and wife by Alan S. Walls, et al., by deed dated the 11th day of November 1957 and recorded in Liber T. S. P. No. 38, folio 94, of the Land Records of Queen Anne's County.

SAVE AND EXCEPT therefrom that part conveyed unto Joseph M. George by deed dated June, 1958, and recorded in Liber T. S. P. No. 41, folio 173, of the Land Records of Queen Anne's County.

Tract Number TWO: ALL those two lots or parcels of land designated as Lot #1 and Lot #2 on the "Plat of the Paul W. Phillips lands" prepared by J. B. Metcalfe, Surveyor, and recorded in Liber N. B. W. No. 8, folio 398, a Land Record Book for Queen Anne's County, aforesaid, situate, lying and being in the First Election District of Queen Anne's County, State of Maryland, on the south side of the State Road leading from Sudlersville, Maryland, to Smyrna, Delaware, and bounded

Original mailed to Mortgagee 5-27-61 [illegible]

CWC

LIBER 25 PAGE 540

No 56838

R. 17945 RECEIVED FOR RECORD Dec. 2, 1966

THIS DEED, made this 2nd day of December, 1966, by and between VILLAGE GREEN, INCORPORATED, a body corporate of the State of Maryland, party of the first part; and ANN M. STARKEY, of Queen Anne's County, State of Maryland, party of the second part;

WHEREAS, Village Green, Incorporated, has subdivided additional portions of the farm or tract of land known as "Airy Plains" and/or "The Isaac and Emma Grolman Farm", situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, all as shown on the plats hereinafter referred to; and

WHEREAS, Village Green, Incorporated, does expressly reserve the right to include said of its remaining land as it may desire in the general scheme of development by subjecting said remaining land, or any part thereof, to covenants, agreements, easements, restrictions, conditions and charges, identical to those contained in this deed, or similar in character thereto; and

WHEREAS, Village Green, Incorporated, does desire to impose upon the lots set forth and shown on the hereinafter mentioned plats certain covenants, agreements, easements, restrictions, conditions and charges, which shall be binding and in full force and effect upon each and every of the individual residential lots set forth and shown on said plats, and upon the present and future owners and occupants thereof; and

WHEREAS, to effectuate the aforesaid purposes the parties hereto have agreed to enter into this deed whereby the party of the first part will convey the hereinafter described lots unto the party of the second part and immediately thereafter the party of the second part will reconvey said lots unto the party of the first part charged with all the covenants, agreements, easements, restrictions, conditions and charges, hereinafter set out;

NOW, THEREFORE, THIS DEED WITNESSETH: that for and in consideration of the premises and the sum of One Dollar ($1.00), the receipt whereof is hereby acknowledged, and the performance of the restrictive covenants and conditions herein contained, the said party of the first part, Village Green, Incorporated, does hereby grant and convey unto the party of the second part, Ann M. Starkey, her heirs and assigns, in fee simple, subject to the covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth, which are hereby entered into by the party of the first part for itself, its successors and assigns, and the party of the second part for herself, her heirs and assigns, as part of the consideration for the execution and delivery of this deed, all the following described lands, to wit:

PARCEL NO. 1

ALL those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled "Plat 2, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated July, 1965, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 25 folio 73, and in Plat Book C.W.C. No. 1 folio 12, said lots being shown and designated thereon as follows, to wit:

Lots Nos. 16 thru 29, inclusive	Block B
Lots Nos. 1 thru 12, inclusive	Block D
Lots Nos. 1 thru 14, inclusive	Block C

of Queen Anne Colony.

Original mailed to Grantee - 1321 Conn. Ave., N.W.

PARCEL NO. 2

ALL those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled "Plat 3, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated September, 1965, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 25 folio 73, and in Plat Book C.W.C. No. 1 folio 13, said lots being shown and designated thereon as follows, to wit:

Lots Nos. 1 thru 27, inclusive	Block H
Lots Nos. 1 thru 11, inclusive	Block L
Lots Nos. 1 thru 8, inclusive	Block M
Lots Nos. 1 thru 4, inclusive	Block N

of Queen Anne Colony.

BEING part of the same lands conveyed by Aaron Grolman, et. al., unto Village Green, Incorporated, by deed dated October 24, 1960, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 57 folio 317.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises above described and mentioned and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the party of the second part, Ann M. Starkey, her heirs and assigns, in fee simple, forever; subject, however, to the following covenants, agreements, easements, restrictions, conditions and charges, to wit:

Whenever used in the hereinafter set forth covenants, agreements, easements, restrictions, conditions and charges, the following definitions shall apply, unless a contrary intention is evident from the context, as follows:

a. The word "person" shall include individuals, co-partnerships, associations and corporations; the singular shall include the plural, and the masculine shall include the feminine and neuter.

b. The word "Company" as hereinafter used is intended to mean Village Green, Incorporated, or its successors in interest or assigns.

c. The word "plat" or "plats" as hereinafter used is intended to refer to "Plat 2, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated July, 1965, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 25 folio 73, and "Plat 3, Queen Anne Colony, Kent Island, Queen Anne's County,

Maryland", by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated September, 1965, recorded among the Land Records aforesaid in Liber C.W.C. No. 25 folio 73, or to either of said plats, or to any amendment or revision thereof as may hereafter be recorded among the Land Records of Queen Anne's County.

d. The word "lot" as hereinafter used shall include the plural, and/or any two or more lots consolidated into one lot by the owner or owners thereof.

e. The words "front lot line" as hereinafter used shall mean that line of any lot binding upon a street, avenue or roadway.

f. The words "street" or "roadway" as hereinafter used shall be those streets or roads of not less than fifty feet in width set forth and shown on the recorded subdivision plats of said development.

g. A "corner lot" shall be deemed to be any lot fronting on two or more streets or roads each of not less than fifty (50) feet in width.

h. The word "owner" or "owners" as hereinafter used shall mean the person or persons having publicly recorded title to any lot or lots within said subdivision.

i. The words "tract" or "parcel" as herein used is intended to mean any portion of the lands of Village Green, Incorporated, its successors or assigns, originally lying within the bounds of "Airy Plains" and/or "The Isaac and Emma Grolman Farm", irrespective of whether or not the same has been subdivided into lots.

1. Owners of lots facing on Queen Anne Sound (formerly known as Price's Creek), Widgeon Cove and Teal Cove shall have and are granted riparian rights to the near edge of the dredged channel but cannot encroach upon or into tha dredged channal at any point, or interfere with the use of the same in any manner whatsoever.

2. No owner of any of the lots in Queen Anne Colony subdivision shall acquire, by reason of his ownership of any lot therein, any right to erect duck-ing or other wild fowl blinds, or to hunt or shoot ducks or other wild fowl upon any shore of Queen Anne Colony, or upon, in or over the waters upon which Queen Anne Colony abounds, such rights being hereby expressly reserved to Village Green, Incorporated, its successors in interest or assigns. Village Green,

Incorporated, its successors in interest or assigns, further reserves the right, in any manner whatsoever, to control, restrict or prevent upland game hunting or shooting in, over or upon the aforementioned lots set forth on said plats, or in, over or upon the farm, tract or parcel of land known as "Airy Plains" or "The Isaac and Emma Grolman Farm", or any part thereof.

3. No building, including additions or accessories thereto, or fences, wells, piers, docks, bulkheading, or any other structure of any kind or nature whatsoever, whether upon faat land or above or beneath any of the waters adjacent to Queen Anne Colony, shall be commenced, erected or maintained, nor shall any addition to, or change, or alteration (including change of color of any exterior part) therein be made until the written or printed plans and specifications showing the nature, kind, shape, heights, material, floor plans, exterior color scheme, location of driveways, location of the building with respect to plot plan, topography and ground elevation shall have been submitted to and approved in writing by the Company, and copies of all building plans, specifications, alteration plans, plot plans, etc., as above required, permanently lodged with the Company.

The Company shall have the right in its sole discretion to refuse to approve any building plan and/or specification grading plan, or material contemplated in the proposed building or improvement, either external or internal, which, in its opinion, is not considered suitable or desirable for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement, and the materials of which the same is to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Company shall further have the right to establish minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected in Queen Anne Colony.

Any approval given hereunder shall become null and void unless construction is commenced within six (6) months of the date of such approval.

LIBER 25 PAGE 543

4. The floor area of any dwelling house erected upon any lot, exclusive of attached porches and garages, shall be not less than one thousand (1,000) square feet for a one story dwelling, nor less than fourteen hundred (1400) square feet for a one-and one-half story dwelling, nor less than eighteen hundred (1800) square feet for a two story dwelling. No dwelling, garage, porch, guest house or boat house shall be more than twenty eight (28) feet in elevation from ground level, and no roof pitch shall be less than 3:1; provided, however, that the Company reserves the right from time to time to amend or modify such requirements in its sole discretion, if it deems it best so to do.

5. No dwelling shall be located on any lot closer to any front lot line than thirty-five (35) feet, or on a corner lot closer than thirty-five (35) feet to any side lot line abutting on a street. No dwelling shall be located nearer than fifteen (15) feet to any side lot line. No dwelling shall be located within twenty (20) feet of the rear lot line. The main dwelling or residence on any lot which is bounded by Queen Anne Sound (formerly known as Price's Creek), Widgeon Cove or Teal Cove shall be set back from the rear or water property line not less than seventy-five (75) feet. Entrance stoops, terraces, steps, eaves, cornices and gutters, as may be approved by the Company, may be built, erected and maintained on any part of the restricted area.

6. All detached garages and other outbuildings of any kind whatsoever, shall be located not less than twenty (20) feet from rear lot lines and not less than fifteen (15) feet from side lot lines, except boathouses, which may be built to the rear lot line of lots bounded on the rear by Queen Anne Sound, Widgeon Cove and Teal Cove.

The Company shall, in all cases, have the right to determine the front, side or rear lines of any lot and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Company thereon shall be final in all respects.

The Company, in its sole discretion, reserves the right to alter, amend, change or waive such set-back provisions as to any lot or group of lots, provided that no such waiver, annulment or change in the aforesaid set-back

provisions shall permit the construction of any improvements in violation of the rules and regulations, from time to time promulgated, of the Queen Anne's County Planning and Zoning Commission.

Approval by the Company of site plans permitting building or improvements to be located a lesser distance from lot boundaries than above specified shall constitute an automatic and instantaneous waiver of the set-back provisions herein contained, provided the same shall not violate the rules and regulations, from time to time promulgated, of the Queen Anne's County Planning and Zoning Commission.

7. No trees shall be cut and no excavations shall be made on any lot except for the purpose of building thereon and at the time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such excavations. Any dwelling, outbuilding, or other structure, commenced as provided hereby shall be completed within nine (9) months of the date the same is commenced, unless the time for completion shall be extended by the Company in the exercise of its sole discretion.

8. No privy of any kind shall be allowed on said property, but each dwelling shall have inside toilets only, with adequate water supply and septic tank installation for disposal of sewage approved by the health authorities of Queen Anne's County, and/or the State of Maryland.

9. No noxious or offensive trade shall be carried on upon any lot, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. All lots set forth on the aforementioned plats shall be for residential use only, and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage and other structures appurtenant to the main residence or to be used in connection therewith and on no lot shall there be more than one main dwelling and on no lot shall there be more than one family and their servants occupying the main dwelling, or any structure appurtenant thereto; which provision shall not apply to temporary non-paying guests of the occupants of any dwelling. No laundry or clothing shall be dried or aired in any such manner that is visible from any street in Queen Anne Colony.

10. No basement, tent, shack, garage, barn or other outbuilding shall

be erected on any lot and used temporarily or permanently as a residence. No trailer shall be used temporarily or permanently for residential purposes, and no trailer or "job-trailer" used in the construction of improvements on any lot shall be kept or stored on any lot after completion of the main dwelling thereon, or after occupancy of the main dwelling or residence.

11. No animal, livestock, poultry or other fowl of any kind shall be raised, bred or kept on any lot; excepting dogs, cats, riding horses or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes; but not more than three (3) household pets may be kept on any one lot, and one horse for every 20,000 square feet of ground.

12. Owners of building lots shall not sell, lease or in any manner transfer any portion of a lot less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Company shall give its written consent thereto. Before any owner shall sell or convey any lot, or part of a lot, or any improvements thereon, he shall first submit in writing to the Company a copy of the bona fide sales contract which the owner proposes to accept, together with the name and address of the prospective purchaser, and the Company shall, for a period of thirty (30) days from the receipt of said contract, have the option to purchase said lot and improvements, if any, at the same price and on the same terms and conditions as set forth in the contract. The provisions hereinabove contained are restricted to bona fide sales only, and nothing herein contained shall deny to any owner or owners the right to mortgage, pledge, or otherwise encumber their property, or to devise the same by will or other testamentary disposition, or to convey the same to any trustee or trustees under any trust for the use and benefit of the owner or owners, or their heirs, successors, assigns, executors, administrators or personal representatives; nor shall said provision apply to foreclosure sales of any mortgage or deed of trust, or to any sale directed by any Court, or to any tax sale by any governmental authority.

13. In order to preserve or improve the views of land and water, to promote the free movement of breezes and prevent the harboring of flies,

mosquitoes and other insects, the Company reserves the right to require the owner of any lot, upon thirty (30) days notice, to trim any trees or shrubbery now or hereafter standing on any part of the lands known as Queen Anne Colony, which may, in the opinion of the Company, destroy or interfere with such views or the free movement of breezes, or which may furnish harboring places for flies, mosquitoes or other insects, or to trim such trees and shrubbery at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

14. The Company hereby gives and grants to each owner hereafter acquiring title to any lot or lots in Queen Anne Colony, and to their invitees, lessees, servants, agents, and employees, the right to use the streets, roads, roadways, avenues, lanes and alleyways shown upon the aforementioned subdivision plats, or any amendment or revisions thereof. Subject to such use, the Company expressly reserves the title to the surface and the bed of all such streets, roads, roadways, avenues, lanes and alleyways, and the right to use and occupy the same, or to allow or permit others to do so in any manner that does not materially interfere with the rights hereinabove granted. The Company further reserves the right to use and utilize the beds of said streets, roads, roadways, avenues, lanes and alleyways (either above or beneath the surface) for the laying or erecting of water pipes, gas pipes, telephone, electric poles and conduits, electric transformers, or other public utilities as may be found necessary to adequately provide such facilities to the owners or occupiers of the aforesaid lots, or any of them, or of the original tract or parcel known as "Airy Plains" or "The Isaac and Emma Grolman Farm", or any part thereof; and the said Company expressly reserves the right to create slopes, grade, change the grade of, re-grade, change the location of, close, or partially close any street, road, roadway, avenue, lane or alleyway on the aforesaid plat, provided that no change of location or closing shall be made that will prevent reasonable and convenient ingress to and from, or take any portion of, any lot sold or conveyed by the Company prior to such change of location or closing. The Company further reserves the right to dedicate to public use and the right to convey to any public authority, or to any corporation having the right to acquire the same, all its right, title and interest in and to any

parcel or tract of land on any street, road, roadway, avenue, lane or alleyway shown on said plat, or hereafter laid out in said tract or parcel, subject to the rights of property owners heretofore granted.

It is expressly stated and provided that nothing herein contained shall constitute a dedication of any street, road, roadway, avenue, lane or alleyway shown on the aforementioned plat, or hereafter laid out in Queen Anne Colony; the title to all such streets, roads, roadways, avenues, lanes and alleyways being expressly reserved in the Company; nor shall any deed hereafter made and delivered by the Company, or its successors in interest or assigns, conveying any lot or other part of said tract or parcel, be held to convey the title to, or to dedicate the surface or bed of any street, road, roadway, avenue, lane or alleyway except where expressly so conveyed or dedicated in the deed.

15. Easements and rights of way are hereby expressly reserved upon, in and over strips of land ten (10) feet in width along the rear and interior lines of all lots in Queen Anne Colony for the purpose of erecting, constructing and maintaining poles, wires and conduits with the necessary or proper attachments in connection therewith for the transmission of electricity and for telephone and other public utilities or services and for public sanitary sewers and water drainage; and Village Green, Incorporated, its successors, assigns or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth. The Company shall have the right to remove, prune or trim any tree or shrub on any lot interfering with the construction or maintenance of electric or telephone lines or other utility service.

16. All owners of lots within Queen Anne Colony, as shown on said plats, and all successors in ownership or possession shall pay to the Village Green, Incorporated, and its successors in interest or assigns, on March 1st of each year, the sum of Ten Dollars ($10.00) per year for each and every lot so owned, it being understood and agreed, however, that the liability of each owner of each of said lots for the payment of said annual maintenance charge

shall be a personal liability, recoverable by suit, and that said annual maintenance charge shall not be a lien upon the land.

Such funds, as far as they be sufficient, shall be applied toward the maintenance and repair of streets, roads, roadways, avenues, lanes, alleyways, storm drains, sanitary sewers, and easement areas now or hereafter constructed or erected in said tract; for lighting, improving and caring for areas maintained for the general use of the owners or occupants of the land included in said tract; for caring for unimproved and for improved but unoccupied land within said tract; for expenses incident to the examination and approval of plans as herein provided, and the enforcement of these covenants, agreements, easements, restrictions, conditions and charges; and for any other purpose which, in the opinion of the Company, shall be for the general benefit of the owners, users and occupiers of said tract, or any part thereof.

17. All owners of lots in Queen Anne Colony, as shown on said plats, abutting the waters of Queen Anne Sound (formerly known as Price's Creek), Widgeon Cove or Teal Cove shall pay to Village Green, Incorporated, and its successors in interest or assigns, on March 1st of each year, the further and additional sum of Twenty Dollars ($20.00) per year for each and every lot so owned, it being understood and agreed, however, that the liability of each owner of each of said lots for the payment of said annual charge provided by this paragraph shall be a personal liability, recoverable by suit, and that the said annual charge hereby prescribed shall not constitute a lien upon the land.

Such funds, so far as they be sufficient, shall be applied towards the maintenance and improvement of the dredged channel extending from the mouth of Queen Anne Sound to the lots shown on the aforesaid plats abutting the aforesaid waters; without in any manner limiting the discretion of the Company as to the kind, nature or location of said maintenance or improvements in the expenditure of said funds.

18. All the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty (20) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary or mortgagee interests) of the lots subject hereto may amend, cancel, annul

or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments duly executed and properly recorded among the Land Records of Queen Anne's County.

19. If any provisions of the covenants and restrictions herein contained, or the application of such provision to any person or circumstances shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

20. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by Village Green, Incorporated, its successors in interest or assigns, or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any lot or other area shown on said plats, or either of them, and their respective legal representatives, heirs, successors and assigns; and failure by the Company or any land owner to enforce any restriction, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so. Violation of any covenant, condition or restriction herein shall give the Company, in addition to all other remedies, (1) the right to enter upon the land upon, or as to which, such violation exists and summarily to abate and remove, at the expense of the owner thereof, such violation, and the Company, its successors in interest or assigns, shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal or for any damages resulting therefrom, and (2) the right to apply for relief by injunction, since the parties hereto agree that any breach, as aforesaid, cannot be compensated adequately by recovery of damages.

21. The Company hereby expressly reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein so long as such changes do not substantially effect the rights of any owner of any lot. Where any owner's rights are so affected, before any such change can become operative, all affected owners must indicate their consent and approval to such annulment, waiver, modification or change by joining in an appropriate agreement to be duly

executed and recorded among the Land Records of Queen Anne's County.

AND the said party of the first part does hereby covenant that it will execute such further assurances of the same as may be requisite.

WITNESS the hand of Ryland L. Willis, President of Village Green, Incorporated, a body corporate of the State of Maryland, and its corporate seal hereto affixed, both duly attested.

WITNESS:

VILLAGE GREEN, INCORPORATED

BY: Ryland L. Willis
Ryland L. Willis, President

ATTEST:

Lisle T. Lipscomb, Secretary

(Place corporate seal here)

WITNESS:

Ann M. Starkey (SEAL)
Ann M. Starkey

STATE ~~OR DISTRICT~~ OF Maryland,

~~CITY OR~~ COUNTY OF Queen Anne's, to wit:

On this 1st day of December, 1966, before me, Vachel A Downes Jr, the undersigned officer, personally appeared Ryland L. Willis, who acknowledged himself to be the President of Village Green, Incorporated, a body corporate of the State of Maryland, and that he, as such President, being authorized so to do, executed the aforegoing Deed for the purposes therein contained by signing the name of the Corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Vachel A Downes Jr
NOTARY PUBLIC

STATE OF MARYLAND,
to wit:
COUNTY OF QUEEN ANNE'S,

I HEREBY CERTIFY, that on this 2nd day of December, 1966, before me, the Subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Ann M. Starkey and she did acknowledge the aforegoing Deed to be her act.

AS WITNESS my hand and Notarial Seal.

Vachel A Downes Jr
NOTARY PUBLIC

No 53829
Re 1.12.67 RECEIVED FOR RECORD June 1, 1965

THIS DEED, made this 24th day of MAY, 1965, by and between VILLAGE GREEN, INCORPORATED, a body corporate of the State of Maryland, party of the first part; and LISLE T. LIPSCOMB and ETHEL LIPSCOMB, his wife, of Queen Anne's County, State of Maryland; PARKE B. BENTLEY and FAY H. BENTLEY, his wife, and EVERETT R. BENTLEY and MARGARET E. BENTLEY, his wife, of Anne Arundel County, State of Maryland, parties of the second part;

WITNESSETH: that for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, the receipt whereof is hereby acknowledged, the party of the first part, Village Green, Incorporated, does hereby grant and convey an undivided one-third interest unto Lisle T. Lipscomb and Ethel Lipscomb, his wife, as tenants by the entirety, an undivided one-third interest unto Parke B. Bentley and Fay H. Bentley, his wife, as tenants by the entirety, and an undivided one-third interest unto Everett R. Bentley and Margaret E. Bentley, his wife, as tenants by the entirety, and as tenants in common as between the said Lisle T. Lipscomb and Ethel Lipscomb, his wife, of one part, Parke B. Bentley and Fay H. Bentley, his wife, of one part, and Everett R. Bentley and Margaret E. Bentley, his wife, of one part, their respective heirs and assigns, in fee simple.

ALL that tract or parcel of land situate, lying and being in Queen Anne's County, State of Maryland, on Kent Island, more particularly described according to a survey by J. R. McCrone, Jr., Inc., registered surveyors, dated April 7, 1965, as follows, to wit:

BEGINNING for the same at a point located on the west side of Queen Anne Club Drive, said point beginning being located where the southernmost line of Lot 36, Block A of Revised Plat #1 of Queen Anne Colony recorded among the Plat Records of Queen Anne's County in Land Book T.S.P. No. 59 folio 251, intersects said Drive; and running from said beginning point so fixed and with the west side of said Drive and with a part of the arc of a curve to the left which has a radius of 125.22 feet, a chord bearing and distance of South 76° 20' 10" East 83.40 feet for said arc distance of 85.03 feet to a point of tangency; THENCE North 84° 12' 40" East 142.56 feet to a point of curve; THENCE with the arc of a curve to the right which has a radius of 58.04 feet, a chord bearing and distance of South 55° 02' 40" East 75.76 feet for said arc distance of 82.55 feet to a point of tangency located on the west side of Congressional Drive; THENCE with the west side of Congressional Drive South 14° 18' East 265.39 feet to a point of curve; THENCE with the arc of said curve to the right which has a radius of 196.78 feet, a chord bearing and distance of South 04° 08' 55" West 124.55 feet for said arc distance of 126.72 feet to a point of tangency; THENCE South 22° 35' 50" West 236.80 feet to a point; THENCE leaving the west side of Congressional Drive and running South 89° 11' 40" West 507.12 feet to a point located on the water's edge of the Chesapeake Bay; THENCE with the same, North 00° 48' 20" West 262.00 feet to a point; THENCE North 03° 04' 50" West 349.35 feet to a point located at the southwest corner of Lot 36, Block A, of the above mentioned recorded plat; THENCE with the southern line of Lot 36, Block A, North 80° 50' East 282.61 feet to the place of beginning. CONTAINING 8.530 acres, more or less.

BEING a part of the same lands conveyed unto Village Green, Incorporated, by deed from Aaron Grolman, et. al., dated the 24th day of October, 1960, and recorded as aforesaid in Liber T.S.P. No. 57 folio 317.

SUBJECT, nevertheless, to the restrictive covenants and conditions contained in a deed from Village Green, Incorporated to Frances C. Legg, dated the 24th day of April, 1961, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 60 folio 110, said restrictive covenants and conditions being hereby incorporated in this deed by reference as a part hereof, as is evidenced by the execution of these presents and by the acceptance by the Grantees of its delivery.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging, or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises above described and

EWC

mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the parties of the second part, an undivided one-third interest unto Lisle T. Lipscomb and Ethel Lipscomb, his wife, as tenants by the entirety, an undivided one-third interest unto Parke B. Bentley and Fay H. Bentley, his wife, as tenants by the entirety, and Everett R. Bentley and Margaret E. Bentley, his wife, as tenants by the entirety, and as tenants in common as between the said Lisle T. Lipscomb and Ethel Lipscomb, his wife, of one part, Parke B. Bentley and Fay H. Bentley, his wife, of one part, and Everett R. Bentley and Margaret E. Bentley, of one part, their respective heirs and assigns, in fee simple.

AND the said party of the first part does hereby covenant that it has not done or suffered to be done, any act, matter or thing whatsoever to encumber the property hereby conveyed; that it will warrant specially the property hereby conveyed; and that it will execute such further assurances of the same as may be requisite.

WITNESS the hand of R. L. WILLIS, President of Village Green, Incorporated, a body corporate of the State of Maryland, and its corporate seal hereto affixed, both duly attested.

WITNESS: _____

VILLAGE GREEN, INCORPORATED

By: R. L. Willis
President

(Place corporate seal here)

ATTEST: _____
Lisle T. Lipscomb, Secretary

~~STATE OR~~ DISTRICT OF Columbia

CITY ~~OR COUNTY~~ OF WASHINGTON to wit:

On this 24th day of MAY, 1965, before me, the undersigned, personally appeared R. L. Willis, who acknowledged himself to be the _____ President of Village Green, Incorporated, a body corporate of the State of Maryland, and that he, as such _____ President, being authorized so to do, executed the aforegoing instrument for the purposes therein contained, by signing the name of the corporation by himself as _____ President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Katherine T. Gravanis
NOTARY PUBLIC D. C.

My commission expires: June 14, 1967.

No. 75082
Re. 56162 RECEIVED FOR RECORD Mar. 4, 1974, 3:43 P.M.

THIS DEED, Made this 4th day of March, 1974, by and between VILLAGE GREEN, INCORPORATED, a body corporate of the State of Maryland, party of the first part; and JUDITH C. CONLEY, of Queen Anne's County, State of Maryland, party of the second part;

WHEREAS, Village Green, Incorporated, has subdivided additional portions of the farm or tract of land known as "Airy Plains" and/or "The Isaac and Emma Grolman Farm", situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, and as shown on the plat hereinafter referred to; and

WHEREAS, Village Green, Incorporated, does expressly reserve the right to include portions of its remaining land as it may desire in the general scheme of development by subjecting said remaining land, or any part thereof, to covenants, agreements, easements, restrictions, conditions and charges, identical to those contained in this deed, or similar in character thereto; and

WHEREAS, Village Green, Incorporated, does desire to impose upon the lots set forth and shown on the hereinafter mentioned plat certain covenants, agreements, easements, restrictions, conditions and charges, which shall be binding and in full force and effect upon each and every of the individual residential lots set forth and shown on said plat, and upon the present and future owners and occupants thereof; and

WHEREAS, to effectuate the aforesaid purposes the parties hereto have agreed to enter into this deed whereby the party of the first part will convey the hereinafter described lots unto the party of the second part and immediately thereafter the party of the second part will reconvey said lots unto the party of the first part charged with all the covenants, agreements, easements, restrictions, conditions and charges, hereinafter set out;

NOW, THEREFORE, THIS DEED WITNESSETH: that for and in consideration of the premises and the sum of One Dollar ($1.00), the receipt whereof is hereby acknowledged, and the performance of the restrictive covenants and conditions herein contained, the said party of the first part, Village Green, Incorporated, does hereby grant and convey unto the party of the second part, Judith C. Conley, her heirs and assigns, in fee simple, subject to the covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth, which are hereby entered into by the party of the first part for itself, its successors and assigns as part of the consideration for the execution and delivery of this deed, all the following described lands, to wit:

ALL those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled "Plat 5, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J.R. McCrone, Jr., Inc., registered engineers and surveyors, dated June, 1971, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 58 folio 366 and in Plat Book C.W.C. No. 1 folio 37, said lots being shown and designated thereon as follows, to wit:

Lot No. 1, Lots 3-10, inclusive

of Queen Anne Colony

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BEING part of the same lands conveyed by Aaron Grolman, et. al., unto Village Green, Incorporated, by deed dated October 24, 1960, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 57 folio 317.

TOGETHER with the buildings and improvements thereon erected, made or eing, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises above described and mentioned and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the party of the second part, Judith C. Conley, her heirs and assigns, in fee simple, forever; subject, however, to the following covenants, agreements, easements, restrictions, conditions and charges, to wit:

Whenever used in the hereinafter set forth covenants, agreements, easements, restrictions, conditions and charges, the following definitions shall apply, unless a contrary intention is evident from the context, as follows:

a. The word "person" shall include individuals, co-partnerships, association and corporation; the singular shall include the plural and the masculine, the feminine and neuter.

b. The word "Company" as hereinafter used is intended to mean Village Green, Incorporated or its successors in interest or assigns.

c. The words "Plat 5, Queen Anne Colony", as hereinafter used are intended to mean all those individual lots hereinabove designated in Plat 5, Queen Anne Colony, being lots 1 to 10 as set forth on a plat entitled "Plat 5, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland, "by J.R. McCrone, Jr., Inc., registered engineers and surveyors, dated June, 1971, and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 58, folio 366, or any amendment or revision thereof as may hereafter be recorded among the said Land Records.

d. The word "lot" as hereinafter used shall include the plural, and/or any two or more lots consolidated into one lot by the owner or owners thereof.

e. The words "front lot line" as hereinafter used shall mean that line of any lot binding upon a street, avenue or roadway.

f. The words "street" or "roadway" as hereinafter used shall be those streets or roads as shown on said plat of not less than fifty feet in width.

g. A "corner lot" shall be deemed to be any lot fronting on two or more streets or roads each of not less than fifty (50) feet in width.

h. The word "owner" or "owners" as hereinafter used shall mean the person or persons having publicly recorded title to any lot or lots within said subdivision.

i. The words "tract" or"parcel" as hereinafter used is intended to mean any portion of the lands of Village Green, Inc. its successors or assigns, which has not been subdivided into lots.

1. No owner of any lot fronting on Chesapeake Bay shall acquire, by reason of his ownership, any riparian rights in and to any of the waters in Chesapeake Bay, such riparian rights being hereby expressly reserved to Village Green, Incorporated, its successors in interest or assigns.

2. No owner of any of the lots in Queen Anne Colony subdivision shall acquire, by reason of his ownership of any lot therein, any right to erect duck hunting or other wild fowl hunting blinds, or to hunt or shoot ducks or other wild fowl upon any shore of Queen Anne Colony, or upon, or over the waters upon which Queen Anne Colony abounds, such rights being hereby expressly reserved to Village Green, Incorporated, its successors in interest or assigns. Village Green, Incorporated, its successors in interest or assigns, further reserves the right, in any manner whatsoever, to control, restrict or prevent upland game hunting or shooting in, over or upon the aforementioned lots set forth on said plat, or in, over or upon the farm, tract or parcel of land known as "Airy Plains" or "The Isaac and Emma Grolman Farm", or any part thereof.

3. No building, including additions or accessories thereto, or fences, wells, piers, docks, bulkheading, or any other structure of any kind of nature whatsoever, whether upon fast land or above

or beneath any of the waters adjacent to Queen Anne Colony, shall be commenced, erected or maintained, nor shall any addition to, or change, or alteration (including change of color of any exterior part) therein be made until the written or printed plans and specifications showing the nature, kind, shape, heights, material, floor plans, color scheme. location of the building with respect to plat plan, topography and ground elevation shall have been submitted to and approved in writing by the Company, and copies of all building plans, specifications, alteration plans, plot plans, landscaping plans, etc., as above required, permanently lodged with the Company.

The Company shall have the right to refuse to approve any building plan and/or specification grading plan, or material contemplated in the proposed building or improvement, either external or internal, which, in its opinion, is not considered suitable or desirable for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement, and the materials of which the same are to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Company shall further have the right to establish minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected in Queen Anne Colony.

Any approval given hereunder shall become null and void unless construction is commenced within six (6) months of the date of such approval.

4. The floor area of any dwelling house erected upon any lot, exclusive of attached porches and garages, shall be not less than twelve hundred (1200) square feet for a one story dwelling, nor less than (1500) square feet for a one-and one-half story dwelling nor less than eighteen hundred (1800) square feet for a two story dwelling. No dwelling, garage, porch, guest house shall be more

than twenty eight (28) feet in elevation from ground level, and no roof pitch shall be less than 3:1; provided, however, that the Company reserves the right from time to time to amend or modify such requirements in its sole discretion, if it dooms it best so to do.

5. No dwelling shall be located on any lot closer to any front lot line than thirty-five (35) feet, or closer than thirty (30) feet to any side lot line abutting on a street in case of a corner lot. No dwelling shall be located nearer than fifteen (15) feet to any side lot line. No dwelling shall be located within twenty (20) feet of the rear lot line. The main dwelling or residence on any lot which is bounded on the west by Chesapeake Bay shall be set back from the Bay property line not less than fifty (50) feet. Upon and with approval of the company entrance stoops, terraces, steps, eaves, cornices and gutters may be built, erected and maintained on any part of the restricted area.

6. All detached garages and other outbuildings of any kind whatsoever, shall be located not less than twenty (20) feet from rear lot lines and not less than 15 feet from side lot lines.

7. The Company shall, in all cases, have the right to determine the front, side or rear lines of any lot and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Company thereon shall be final in all respects. The Company, in its sole discretion, reserves the right to alter, amend, change or waive the aforegoing set back provisions as to any lot or group of lots, provided that no such waiver, annulment or change in the aforesaid set-back provisions shall permit the construction of improvements in violation of the zoning ordinances of Queen Anne's County from time to time promulgated.

8. No trees shall be cut and no excavations shall be made on the premises except for the purposes of building thereon and at the

time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such excavations, Any dwelling, outbuilding, or other structure, commenced as provided hereby shall be completed within nine months of the date the same is commenced, unless the time for completion shall be extended by the Company in the exercise of its discretion.

9. Each dwelling shall have inside toilets only, with adequate water supply and septic tank installation for disposal of sewage approved by the health authorities of Queen Anne's County, and/or the State of Maryland.

10. No noxious or offensive trade shall be carried on upon any lot, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. All lots set forth on the aforementioned plat shall be for residential use only, and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage and other structures appurtenant to the main residence or to be used in connection therewith, and on no lot shall there be more than one main dwelling and on no lot shall there be more than one family and their servants occupying the main dwelling or any structure appurtenant thereto.

11. No basement, tent, shack, garage, barn or other outbuildings shall be erected on any lot and used temporarily or permanently as a residence. No trailer, camper or recreational vehicle of any type shall be used temporarily or permanently for residential purposes, but trailers, campers and recreational vehicles may be stored on a lot after completion of the main dwelling, providing they are parked beyond the rear of the main dwelling, and at least fifteen (15) feet from the side lot, and no less than twenty (20) feet from the rear lot line.

12. No animal, livestock, poultry or other fowl of any kind shall be raised, bred, or kept on any lot; excepting dogs, cats, riding horses or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes;

but not more than three (3) household pets may be kept on any one lot, and one horse for every 20,000 square feet of ground.

13. Owners of building lots shall not sell, lease or in any manner transfer any portion of a lot less than the entirety thereof, except pursuant to duly processed condemnation proceedings or voluntary deeding for public purposes, or unless the Company shall given its written consent thereto. Before any owner shall sell or convey any lot, or part of a lot, or any improvement thereon, he shall first submit in writing to the Company a copy of the bona fide sales contract which the owner proposes to accept, together with the name and address of the prospective purchaser, and the Company, and adjacent lot owners fronting on the same roadway shall, for a period of thirty (30) days from the receipt of said contract, have the option to purchase said lot and improvements, if any, at the same price and on the same terms and conditions as set forth in the contract. The provisions hereinabove contained are restricted to bona fide sale only, and nothing herein contained shall deny to any owner or owners the right to mortgage, pledge, or otherwise encumber their property, or to devise the same by will or other testamentary disposition, or to convey the same to any trustee or trustees under any trust for the use and benefit of the owner or owners, or their heirs, successors, assigns, executors, administrators or personal representatives; nor shall said provision apply to foreclosure sales of any mortgage or deed of trust, or to any sale directed by any Court, or to any tax sale by any governmental authority.

14. In order to preserve or improve the views of land and water, to promote the free movement of breezes and prevent the harboring of flies, mosquitoes and other insects, the Company reserves the right to require the owner of any lot, upon thirty (30) days notice, to trim any trees or shrubbery now or hereafter standing on any part of the lands known as Queen Anne Colony which may, in the opinion of the Company, destroy or interfere with such views or the free movement of breezes, or which may furnish harboring places for flies, mosquitoes or other insects, or to trim

such trees and shrubbery at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

15. The Company hereby gives and grants to each owner hereafter acquiring title to any lot or lots in Queen Anne Colony, and to their invitees, lessees, servants, agents and employees, the right to use the streets, roads, roadways, avenues, lanes and alleyways, and the right to use and occupy the same, or to allow or permit others to do so in any manner that does not materially interfere with the rights hereinabove granted. The Company further reserves the right to use and utilize the beds of said streets, roads, roadways, avenues, lanes and alleyways (either above or beneath the surface) for the laying or erecting of water pipes, gas pipes, telephone, electric poles and conduits, electric transformers, or other public utilities as may be found necessary to adequately provide such facilities to the owners or occupiers of the aforesaid lots, or any of them, or of the original tract or parcel known as "Airy Plains" or "The Isaac and Emma Grolman Farm" or any part thereof; and the said Company expressly reserves the right to create slopes, grade, change the grade of, re-grade, change the location of, close or partially close any street, road, roadway, avenue, lane or alleyway on the aforesaid plat, provided that no change of location or closing shall be made that will prevent reasonable and convenient ingress to and from, or take any portion of any lot sold or conveyed by the Company, prior to such change of location or closing. The Company further reserves the right to dedicate to public use and the right to convey to any public authority, or to any corporation having the right to acquire the same, all its right, title and interest in and to any parcel or tract of land on any street, road, roadway, avenue, lane or alleyway shown on said plat, or hereafter laid out in said tract or parcel, subject to the rights of property owners heretofore granted.

It is expressly stated and provided that nothing herein contained shall constitute a dedication of any street, road, roadway, avenue, lane or alleyway shown on the aforementioned plat, or hereafter laid out in Queen Anne Colony; the title to all such streets, roads, roadways, avenues, lanes and alleyways being expressly reserved in the Company; nor shall any deed hereafter made and delivered by the Company, or its successors in interest or assigns, conveying any lot or other part of said tract or parcel, be held to convey the title to, or to dedicate the surface or bed of any street, road, roadway, avenue, lane or alleyway except where expressly so conveyed or dedicated in the deed.

16. Easements and rights of way are hereby expressly reserved upon, in and over strips of land ten (10) feet in width along the rear and interior lines of all lots in Queen Anne Colony for the purpose of erecting, constructing and maintaining poles, wires and conduits with the necessary or proper attachments in connection there with for the transmission of electricity and for telephone and other public utilities or services and for public sanitary sewers and water drainage; and Village Green, Incorporated, its successors, assigns or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth. The Company shall have the right to remove, prune or trim any tree or shrub on any lot interfering with the construction or maintenance of electric or telephone lines or other utility service, or interfering with the construction or maintenance of public sewers, water lines or storm drainage.

17. All owners of lots within Queen Anne Colony, as shown on said plat, and all successors in ownership or possession shall pay to the Village Green, Incorporated, and its successors in interest or assigns, on March 1st of each year, the sum of Ten Dollars ($10.00) per year for each and every lot so owned, it being understood and agreed, however, that the liability of each owner of each of said lots for the payment of said annual maintenance charge shall

be a personal liability, recoverable by suit, and that said annual maintenance charge shall not be a lien upon the said lots.

Such lots, as far as they be sufficent, shall be applied toward the maintenance and repair of streets, roads, roadways, avenues, lanes, alleyways, storm drains, sanitary sewers, and easement areas now or hereafter constructed or erected in said tract; for lighting, improving and caring for areas maintained for the general use of the owners or occupants of the land included in said tract; for caring for unimproved and for improved but unoccupied land within said tract; for expenses incident to the examination and approval of plans as herein provided, and the enforcement of these covenants, agreements, easements, restrictions, conditions and charges; and for any other purpose which, in the opinion of the Company, shall be for the general benefit of the owners, users and occupiers of said tract, or any part thereof.

18. All the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty (20) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary or mortgagee interests) of the lots subject hereto may amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments duly executed and properly recorded among the Land Records of Queen Anne's County.

19. If any provisions of the covenants and restrictions herein contained, or the application of such provision of any person or circumstances shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

20. The provisions herein contained shall run with the bind the land and shall insure to the benefit of and be enforceable by Village Green, Incorporated, its successors in interest or assigns, or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any lot or other area, their

respective legal representatives, heirs, successors and assigns; and failure by the Company or any land owner to enforce any restriction, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so. Violation of any covenant, condition or restriction herein shall give the Company in addition to all other remedies, (1) the right to enter upon the land upon, or as to which, such violation exists and summarily to abate and remove, at the expense of the owner thereof, such violation, and the Company, its successors in interest or assigns, shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal or for any damages resulting therefrom and (2) the right to apply for relief by injunction, since the parties hereto agree that any breach, as foresaid, cannot be compensated adequately by recovery of damages.

21. The Company hereby expressly reserves the right in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein so long as such changes do not substantially effect the rights of any owner of any lot. Where any owner's rights are so affected, before any such change can become operative, all affected owners must indicate their consent and approval to such annulment, waiver, modification or change by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

And the party of the second part does join herein for the purpose of assenting to the imposition of the aforesaid restrictions, convenants and conditions upon the lands hereby intended to be conveyed.

AND the said party of the first part does hereby covenant that it will execute such further assurances of the same as may be requisite.

WITNESS the hand of Ryland L. Willis, President of Village Green, Incorporated, a body corporate of the State of Maryland, and its corporate seal hereto affixed, both duly attested.

WITNESS: VILLAGE GREEN, INCORPORATED

Rachel C. Downes Jr. By: R L Willis
Ryland L. Willis, President

(Place corporate seal here)

WITNESS:

Rachel C. Downes Jr. Judith C. Conley (SEAL)
Judith C. Conley

STATE OF MARYLAND

to wit:

COUNTY OF QUEEN ANNE'S,

On this 4th day of March, 1974, before me, Rachel C. Downes Jr., the undersigned officer, personally appeared Ryland L. Willis, who acknowledged himself to be the President of Village Green, Incorporated, a body corporate of the State of Maryland, and that he, as such President, being authorized so to do, executed the aforegoing Deed for the purpose therein contained by signing the name of the Corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Rachel C. Downes Jr.
NOTARY PUBLIC

STATE OF MARYLAND,

to wit:

COUNTY OF QUEEN ANNE'S

I HEREBY CERTIFY, that on this 4 day of March, 1974, before me, the Subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Judith C. Conley, and she did acknowledge the aforegoing Deed to be her act.

AS WITNESS my hand and Notarial Seal.

Rachel C. Downes Jr.
NOTARY PUBLIC

CWC

No. 73,561
Rec. 53334 RECEIVED FOR RECORD Sept 10 1973 2:45 PM

THIS DEED, Made this 5th day of September, 1973, by and between VILLAGE GREEN, INCORPORATED, a body corporate of the State of Maryland, party of the first part; and ANN M. STARKEY, of Queen Anne's County, State of Maryland, party of the second part;

WHEREAS, Village Green, Incorporated, as the developer of a tract of land known as "Airy Plains" and/or "The Isaac and Emma Grolman Farm", in the Fourth Election District of Queen Anne's County, State of Maryland, did heretofore record among the Land Records of Queen Anne's County a certain plat entitled, "Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated November, 1960, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 59 folio 251, and did further record an amendment or modification of said plat, "Revised Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland," by J. R. McCrone, Jr., Inc., registered surveyors and engineers, revised March, 1962, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 67 folio 391, and in Plat Book T.S.P. No. 1 folio 91, which said plat did include Lots Nos. 10 and 11, Block F, and Lots Nos. 7, 8, 9, Block Q and Lots Nos. 28, 29, 30, 31 and 32, Block Q; and

WHEREAS, the aforesaid lots in Block F and Block Q, Queen Anne Colony were made subject to the restrictive covenants and conditions contained in a deed to Village Green, Incorporated unto Frances C. Legg, dated the 24th day of April, 1961, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 60 folio 110; and

WHEREAS, certain roads in Queen Anne Colony were relocated necessitating a revision of the aforesaid lots by said developer, as is more particularly shown on "Plat 6, Queen Anne Colony", hereinafter mentioned; and

WHEREAS, the party of the first part desires to impose the aforementioned restrictive covenants and conditions upon said lots shown on "Plat 6, Queen Anne Colony".

NOW, THEREFORE, THIS DEED WITNESSETH: that for and in consideration of the premises and the sum of One Dollar ($1.00) and the receipt of which is hereby acknowledged, the performance of the restrictive covenants and conditions herein contained, the said party of the first part, Village Green, Incorporated, does hereby grant and convey unto the said party of the second part, Ann M. Starkey, her heirs and assigns, in fee simple, subject to the covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth, which the party of the first part and the party of the second part for themselves, their heirs, successors and assigns, consider a part of the consideration for the execution and delivery of this deed, all the following described lands, to wit:

ALL those lots or parcels of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled, "Plat 6, Queen Anne Colony, A Revision of Lots 10 and 11, Block F, 7 to 9 and 28 to 32, Block Q, Revised Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland" by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated July, 1972, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 68 folio 732, said lots being shown and designated thereon as follows, to wit: Lot 7A, Lot 8A, Lot 9A, Lot 10A, Lot 11A, Lot 28A, Lot 29A, Lot 30A, Lot 31A and Lot 32A.

BEING a part of the same lands conveyed unto Village Green, Incorporated, by deed from Aaron Grolman, dated the 24th day of October, 1960, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 57 folio 217.

SUBJECT, nevertheless, to the restrictive covenants and conditions contained in a certain deed from Village Green, Incorporated, unto Frances C. Legg, dated the 24th day of April, 1961, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 60 folio 110, said restrictive covenants and conditions being hereby incorporated in this deed by reference as a part hereof, as is evidenced by the execution of these presents and by the acceptance by the Grantee of its delivery.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said party of the second part, Ann M. Starkey, her heirs and assigns, in fee simple.

AND the said party of the first part does hereby covenant that it has not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that it will warrant specially the property hereby granted and conveyed; and that it will execute such further assurances of the same as may be requisite.

WITNESS the hand of R L Willis, President of Village Green, Incorporated, a body corporate as aforesaid, and its corporate seal hereto affixed.

WITNESS: VILLAGE GREEN, INCORPORATED

Richard G. Downes Jr. BY: R. L. Willis
President

(Place corporate seal here)

STATE OR DISTRICT OF Maryland
CITY OR COUNTY OF Queen Anne's to wit:

I HEREBY CERTIFY, that on this 5th day of September, 1973, before me, the subscriber, a Notary Public as aforesaid, personally appeared R L Willis, who did acknowledge himself to be the President of Village Green, Incorporated and that he as such President, being authorized so to do, did execute the aforegoing instrument for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

Richard G. Downes Jr.
NOTARY PUBLIC

My Commission Expires: 7-1-74

LIBER 72 PAGE 96

No 49464

Fo. 1604 RECEIVED FOR RECORD Apr 23 1963

THIS DEED, made this 8th day of APRIL, 1963, by and between VILLAGE GREEN, INCORPORATED, a body corporate of the State of Maryland, party of the first part; and MILTON E. KETTLER and BARBARA W. KETTLER, his wife, of Montgomery County, State of Maryland, parties of the second part;

WITNESSETH: that for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, the receipt whereof is hereby acknowledged, the said party of the first part, Village Green, Incorporated, does hereby grant and convey unto the parties of the second part, Milton E. Kettler and Barbara W. Kettler, his wife, as tenants by the entirety, their heirs and assigns, in fee simple, the following described property, to wit:

ALL that tract or parcel of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, more particularly described by metes and bounds, courses and distances according to a survey thereof by J. R. McCrone, Jr., Inc., dated the 11th day of March, 1963, as follows, to wit:

BEGINNING for the same at a point on the South 36° 17' West 594 foot line of the conveyance from Aaron Grolman, et.al., to Village Green, Incorporated, by deed dated October 24, 1960, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 57 folio 317, said point being South 36° 17' West 381 feet along said line from its beginning and running from said beginning point so fixed and with the outlines of the above mentioned conveyance, South 36° 17' West 213 feet, South 46° 47' West 297 feet, South 04° 13' East 99 feet, and South 58° 47' West 231 feet; thence leaving the outlines of said tract and running through the marsh land, South 78° 46' West 260 feet and North 05° 04' 15" East 998.42 feet to a point on the edge of the marsh; thence leaving the marsh and running across the high land, South 63° 23' 10" East 300 feet to a pipe set, said pipe being the following two courses and distances from point of curve #6, which is on the north side of Queen's Colony High Road in the front of Lot 13 Block K as shown on the revised Plat #1 of Queen Anne's Colony recorded among the Plat Records of Queen Anne's County in Plat Book T.S.P. No. 1 folio 91: North 84° 01' East 320 feet to a pipe at the point of intersection of said curve and South 10° 11' 30" East 891.87 feet; thence continuing across the high land and continuing South 63° 23' 10" East 359.35 feet to a pipe set; thence continuing South 63° 23' 10" East 122.77 feet to the place of beginning, containing 10 acres, more or less.

BEING a part of the same lands conveyed unto Village Green, Incorporated, by deed from Aarol Grolman, et.al., dated the 24th day of October, 1960, and recorded as aforesaid in Liber T.S.P. No. 57 folio 317.

And the said party of the first part, Village Green, Incorporated, does hereby further grant and convey unto the parties of the second part, Milton E. Kettler and Barbara W. Kettler, his wife, their heirs and assigns, unhampered ingress and egress to and from the above described lands over the lands of the party of the first part, by a fifty (50) foot wide right of way connecting said lands with Queen's Colony Highroad, to be used in common with Village Green, Incorporated, its successors and assigns, and to be located as mutually agreed upon by and between the parties hereto. The said parties of the second part, their heirs and assigns, shall have the right to improve, construct at their own expense, and without cost unto Village Green, Incorporated, or its successors and assigns, a roadbed over and within the aforesaid right of way, and to thereafter maintain the same at their own expense so long as said roadbed is used solely or primarily by the parties of the second part, or their heirs and assigns. The said party of the first part, Village Green, Incorporated, its successors and assigns, shall have the right and privilege, at its option, to use, improve, widen, connect with or lengthen such roadbed constructed by the parties of the second part, and to incorporate the said right of way within the development plans of the subdivision known as Queen Anne's Colony, and thereupon the maintenance of said road shall be divided between said parties proportionately to their respective use thereof, and as said parties shall agree from time to time.

Village Green, Incorporated, its successors and assigns, may from time to time relocate said right of way and/or roadbed into the lands hereby intended to be conveyed, upon condition that such relocation and construction is done without cost to the said Milton E. Kettler and Barbara W. Kettler, his wife, their heirs and assigns, and in such manner as to afford the said Milton E. Kettler and Barbara W. Kettler, their heirs and assigns, at all times uninterrupted passage to the hereinabove described lands over a right of way not less than fifty (50) feet wide having an improved roadbed of comparable width, material and workmanship to any roadbed constructed or improved by the said Milton E. Kettler and Barbara W. Kettler, their heirs and assigns, under the provisions hereinabove set forth; and upon the further understanding that upon completion of such relocated right of way or roadbed in compliance with the provisions and undertakings herein set forth, the said Milton E. Kettler and Barbara W. Kettler, their heirs and assigns, will surrender the right to

use any right of way or roadbed agreed upon, laid out, used, constructed or maintained by said parties prior to the completion of said relocated right of way and roadbed.

The said parties of the second part, Milton E. Kettler and Barbara W. Kettler, their heirs and assigns, shall have the right to dredge or otherwise create a channel or channels over, upon, across or within the marshland area of the above described parcel and across the adjacent marshland area of Village Green, Incorporated, its successors and assigns, to any channel now or hereafter existing in Price's Creek, also known as Queen Anne Sound, upon the following understandings, terms, conditions and provisions, to wit: (1) the location of any channel or channels dredged or created over the adjacent lands of Village Green, Incorporated, its successors and assigns, shall be approved by the owner or owners of said lands; (b) any channel or channels dredged or created over said lands hereby conveyed and the adjacent lands of Village Green, Incorporated, its successors and assigns, may be used in common by and between the said Milton E. Kettler and Barbara W. Kettler, his wife, their heirs and assigns, of one part, and the said Village Green, Incorporated, its successors and assigns, of the other part; and (c) Village Green, Incorporated, its successors and assigns, shall have the right and privilege, at its expense, to widen, deepen or extend said channel or channels dredged or otherwise created on the lands hereby intended to be conveyed, and to construct such other channel or channels as Village Green, Incorporated may desire, wheresoever situate or located on that portion of the hereinabove described lands having an elevation of two (2) feet or less above the mean high water mark of Price's Creek, also known as Queen Anne Sound.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging, or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the parties of the second part, Milton E. Kettler and Barbara W. Kettler, his wife, as tenants by the entirety, their heirs and assigns, in fee simple, forever.

AND the said party of the first part does hereby covenant that it has not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that it will warrant specially the property hereby conveyed; and that it will execute such further assurances of the same as may be requisite.

It is understood and agreed by and between the parties hereto that the said parties of the second part may subdivide said tract of land hereinbefore described in accordance with, and subject to the approval of, the Queen Anne's County Planning and Zoning Commission, and the regulations of such other governmental bodies as may be necessary. Said lands hereby intended to be conveyed, and every part thereof, whether or not subdivided, shall be subject nevertheless to the following restrictive covenants and conditions, to wit:

a. The word "person" shall include individuals, co-partnerships, associations and corporations; the singular shall include the plural and the masculine, the feminine and neuter.

b. The word "Company" as hereinafter used is intended to mean Village Green, Incorporated, or its successors in interest or assigns.

c. The word "lot" as hereinafter used is intended to mean any lot, tract or parcel resulting from any subdivision of the hereinabove described lands, or of the whole tract or parcel of land hereby intended to be conveyed should the same be not subdivided; and as used shall include the plural and/or two or more lots consolidated into one lot by the owner or owners thereof.

d. The words "front lot line" as hereinafter used shall mean that line of any lot binding upon a street, avenue or roadway.

e. The words "street" or "roadway" as hereinafter used shall be those streets or roads as shown on said plat of not less than fifty feet in width.

f. A "corner lot" shall be deemed to be any lot fronting on two or more streets or roads each of not less than fifty (50) feet in width.

g. The word "owner" or "owners" as hereinafter used shall mean the person or persons having publicly recorded title to said tract or parcel of land hereinabove described, or any part thereof, or any "lot" or "lots" arising from a subdivision of the aforesaid lands.

1. Owners of lots facing on Queen Anne Sound (formerly known as Price's Creek) shall have and are granted riparian rights to the near ~~xxxxxxxxx~~ edge

of the dredged channel but cannot encroach upon or into the dredged channel at any point, or interfere with the use of the same in any manner whatsoever.

2. No owner of any of the lots shall acquire, by reason of his ownership of any lot therein, any right to erect ducking or other wild fowl blinds, or to hunt or shoot ducks or other wild fowl upon the shore of the aforesaid lands, or upon, in, or over the waters adjacent thereto, such rights being hereby expressly reserved to Village Green, Incorporated, its successors in interest or assigns. Village Green, Incorporated, its successors in interest or assigns, further reserves the right, in any manner whatsoever, to control, restrict or prevent upland game hunting or shooting in, over or upon the aforementioned lands.

3. No building, including additions or accessories thereto, or fences, walls, piers, docks, bulkheading, or any other structure of any kind or nature whatsoever, whether upon fast land or above or beneath any of the waters adjacent to said lands, shall be commenced, erected or maintained, nor shall any addition to, or change, or alteration (including change of color of any exterior part) therein be made until the written or printed plans and specifications showing the nature, kind, shape, heights, material, floor plans, color scheme, location of the building with respect to plat plan, topography and ground elevation shall have been submitted to and approved in writing by the Company, and copies of all building plans, specifications, alteration plans, plat plans, etc., as above required, permanently lodged with the Company.

The Company shall have the right to refuse to approve any building plan and/or specification grading plan, or material contemplated in the proposed building or improvement, either external or internal, which in its opinion, is not considered suitable or desirable for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvement, and the materials of which the same is to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Company shall further have the right to establish minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected upon said lands.

Any approval given hereunder shall become null and void unless construction is commenced within six (6) months of the date of such approval.

4. The floor area of any dwelling house erected upon any lot, exclusive of attached porches and garages, shall be not less than nine hundred (900) square feet for a one story dwelling, nor less than fourteen hundred (1400) square feet for a one and one-half story dwelling, nor less than eighteen hundred (1800) square feet for a two story dwelling. No dwelling, garage, porch, guest house or boat house shall be more than twenty eight (28) feet in elevation from ground level, and no roof pitch shall be less than 3:1; provided, however, that the Company reserves the right from time to time to amend or modify such requirements in its sole discretion, if it deems it best so to do.

5. No dwelling shall be located on any lot closer to any front lot line than thirty (30) feet, or closer than thirty (30) feet to any side lot line abutting on a street in case of a corner lot. No dwelling shall be located nearer than fifteen (15) feet to any side lot line. No dwelling shall be located within twenty (20) feet of the rear lot line. Entrance stoops, terraces, steps, eaves, cornices and gutters, as may be approved by the Company, may be built, erected and maintained on any part of the restricted area.

6. All detached garages and other outbuildings of any kind whatsoever, shall be located not less than twenty (20) feet from rear lot lines and not less than 15 feet from side lot lines.

The Company shall, in all cases, have the right to determine the front, side or rear lines of any lot and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Company thereon shall be final in all respects.

7. No trees shall be cut and no excavations shall be made on the premises except for the purpose of building thereon and at the time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such excavations. Any dwelling, outbuilding or other structure, commenced as provided hereby shall be completed within nine months of the date the same is commenced, unless the time for completion shall be extended by the Company in the exercise of its discretion.

8. No privy of any kind shall be allowed on said property, but each dwelling shall have inside toilets only, with adequate water supply and septic tank installation for disposal of sewage approved by the health authorities of Queen Anne's County, and/or the State of Maryland.

9. No noxious or offensive trade shall be carried on upon any lot, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. Said tract, and all lots therein as may be subdivided therefrom, shall be for residential use only, and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage and other structures appurtenant to the main residence or to be used in connection therewith, including, but not limited to a guest house.

10. No basement, tent, shack, garage, barn or other outbuilding shall be erected on any lot and used temporarily or permanently as a residence. No trailer shall be used temporarily or permanently for residential purposes, but trailers may be stored on a lot after completion of the main dwelling, providing they are parked beyond the rear of the main dwelling, and at least fifteen (15) feet from the side lot line, and not less than twenty (20) feet from the rear lot line.

11. No animal, livestock, poultry or other fowl of any kind shall be raised, bred or kept on any lot, excepting dogs, cats, riding horses or other household pets may be kept, provided that they are not kept,bred or maintained for any commercial purposes; but not more than three (3) household pets may be kept on any one lot, and one horse for every 20,000 square feet of ground.

12. Before any owner shall sell or convey any lands, he shall first submit in writing to the Company, the name, address and any bona fide sales price offered by the prospective purchaser, and the Company shall have the option to purchase said land at the same price within thirty (30) days of the receipt of said information, as shall owners of land adjoining that proposed to be sold (whom the Company shall immediately notify), subject to the prior right of purchase by Village Green, Incorporated, its successors or assigns.

13. In order to preserve or improve the views of land and water, to promote the free movement of breezes and prevent the harboring of flies, mosquitoes and other insects, the Company reserves the right to require the owner of any lot, upon thirty (30) days notice to trim any trees or shrubbery now or hereafter standing on any part of the said lands which may, in the opinion of the Company, destroy or interfere with such views or the free movement of breezes, or which may furnish harboring places for flies, mosquitoes or other insects, or to trim such trees and shrubbery at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

and to their invitees, lessees, servants, agents and employees

14. The Company hereby gives and grants to each owner/hereafter acquiring title to any lot or lots above set forth and mentioned over the lands of Village Green, Incorporated, as well as over the bed of the street, road or roadway called or known as Queen's Colony Highroad as may be required to provide ingress and egress to and from the above described lands and the public road from Stevensville to Kent Point. Subject to such use, the Company expressly reserves the title to the surface and the bed of all such streets, roads, roadways, avenues, lanes and alleyways, and the right to use and occupy the same, or to allow or permit others to do so in any manner that does not materially interfere with the rights hereinabove granted. The Company further reserves the right to use and utilize the beds of said streets, roads, roadways, avenues, lanes and alleyways for the laying or erecting of water pipes, gas pipes, electric poles, or other public utilities; and the said Company expressly reserves the right to create slopes, grade,change the grade of, re-grade, change the location of, close or partially close any street, road, roadway, avenue, lane or alleyway on its said land, provided that no change of location or closing shall be made that will prevent reasonable and convenient ingress to and from, or take any portion of, any lot sold or conveyed by the Company prior to such change of location or closing. The Company further reserves the right to dedicate to public use and the right to convey to any public authority, or to any corporation having the right to acquire the same, all its right, title and interest in and to any street, road, roadway, avenue, lane or alleyway above mentioned, subject to the rights of property owners heretofore granted.

It is expressly stated and provided that nothing herein contained shall constitute a dedication of any street, road, roadway, avenue, lane or alleyway laid out, constructed or running over, across or through the lands of said Company. The title to all such streets, roads, roadways, avenues, lanes and alleyways being expressly reserved in the Company. Nor shall any deed hereafter made and delivered by the Company, or its successors in interest or assigns, conveying any lot or other part of said tract or parcel be held to convey the title to, or to dedicate the surface or bed of any street, road, roadway, avenue, lane or alleyway except where expressly so conveyed or dedicated in the deed.

15. Easements and rights of way are hereby expressly reserved upon, in and over strips of land five feet in width along the rear and interior lines of all lots for the purpose of erecting, constructing and maintaining poles, wires and conduits with the necessary or proper attachments in connection therewith for the transmission of electricity and for telephone and other public utilities or

services and for public sanitary sewers and storm water drainage; and Village Green, Incorporated, its successors, assigns or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth. The Company shall have the right to remove, prune or trim any tree or shrub on any lot interfering with the construction or maintenance of electric or telephone lines or other utility service.

16. All purchasers of any lands within said tract or parcel hereby intended to be conveyed, and all successors in ownership or possession, shall pay to the Village Green, Incorporated, and its successors in interest or assigns, on March 1st of each year, the sum of Ten Dollars ($10.00) per year for each and every lot purchased, it being understood and agreed, however, that the liability of each owner of each of said lots, for the payment of said annual maintenance charge, shall be a personal liability, recoverable by suit, and that said annual maintenance charge shall not be a lien upon any of said lots.

16. Such funds, as far as they be sufficient, shall be applied toward the maintenance and repair of streets, roads, roadways, avenues, lanes, alleyways, storm drains, sanitary sewers, and easement areas now or hereafter constructed or erected over, across or through the lands of the Company to the tract or parcel of land hereby conveyed, and to that portion of Queen's Colony Highroad used by the owners of said tract or their heirs and assigns, for ingress and egress thereto and therefrom; for expenses incident to the examination and approval of plans as herein provided, and the enforcement of these covenants, agreements, easements, restrictions, conditions and charges; and for any other purpose which, in the opinion of the Company, shall be for the general benefit of the owners, users and occupiers of said tract, or any part thereof.

17. All the covenants and restrictions contained herein shall be in perpetuity, but on and after twenty (20) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary or mortgagee interests) of the lots subject hereto may amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments duly executed and properly recorded among the Land Records of Queen Anne's County.

18. If any provisions of the covenants and restrictions herein contained, or the application of such provision to any person or circumstances shall be invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

19. The provisions herein containes shall run with and bind the land and shall inure to the benefit of and be enforceable by Village Green, Incorporated, its successors in interest or assigns, or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any lot or other area, their respective legal representatives, heirs, successors, and assigns; and failure by the Company or any land owner to enforce any restriction, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so. Violation of any covenant, condition or restriction herein shall give the Company, in addition to all other remedies, (1) the right to enter upon the land upon, or as to which, such violation exists and summarily to abate and remove, at the expense of the owner thereof such violation, and the Company, its successors in interest or assigns, shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal or for any damages resulting therefrom, and (2) the right to apply for relief by injunction, since the parties hereto agree that any breach, as aforesaid, cannot be compensated adequately by recovery of damages.

20. The Company hereby expressly reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein so long as such changes do not substantially effect the rights of any owner of any lot. Where any owner's rights are so effected, before any such change can become operative, all affected owners must indicate their consent and approval to such annulment, waiver, modification or change by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

WITNESS the hand of W.R. GARRETT, JR., VICE-President of Village Green, Incorporated, a body corporate of the State of Maryland, and its corporate seal hereto affixed, both duly attested.

WITNESS:

C. ARTHUR SLATTER, JR.

VILLAGE GREEN, INCORPORATED

By: W.R. Garrett, Jr.
VICE President
W.R. GARRETT, JR.

(Place corporate seal here)

ATTEST:

Lisle T. Lipscomb, Secretary

STATE OF DISTRICT OF Columbia

CITY OF COUNTY OF Washington to wit:

On this 8TH day of APRIL, 1963, before me, the undersigned, personally appeared W. R. GARRETT, JR., who acknowledged himself to be the VICE President of Village Green, Incorporated, a body corporate of the State of Maryland, and that he, as such VICE President, being authorized so to do, executed the aforegoing instrument for the purposes therein contained by signing the name of the corporation by himself as VICE President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Katherine T. Aravanis
NOTARY PUBLIC

My comm. exp. [illegible] June 14, 1967

22495

Rec'd & RECEIVED FOR RECORD Apr 23 1963

THIS DEED, made this 9TH day of APRIL, 1963, by and between VILLAGE GREEN, INCORPORATED, a body corporate of the State of Maryland, party of the first part; and HARMON L. ELDER and DILLIE B. ELDER, his wife, of the City of Washington, District of Columbia, parties of the second part;

WITNESSETH: that for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, the receipt whereof is hereby acknowledged, the party of the first part, Village Green, Incorporated, does hereby grant and convey unto the parties of the second part, Harmon L. Elder and Dillie B. Elder, his wife, as tenants by the entirety, their heirs and assigns, in fee simple, the following described property, to wit:

ALL that lot or parcel of land situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled "Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland," by J. R. McCrone, Jr., Inc., registered engineers and surveyors, dated November, 1960, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 59 folio 251, and as also shown on a plat entitled "Revised Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland," by J. R. McCrone, Jr., Inc., registered engineers and surveyors, revised March, 1962, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 67 folio 391, and in Plat Book T.S.P. No. 1 folio 91, and being known and designated thereon as

Lot No. 17 Block J

of Queen Anne Colony.

BEING a part of the same lands conveyed unto Village Green, Incorporated, by deed from Aaron Grolman, et.al., dated the 24th day of October, 1960, and recorded as aforesaid in Liber T.S.P. No. 57 folio 317.

SUBJECT, nevertheless, to the restrictive covenants and conditions contained in a deed from Village Green, Incorporated to Frances C. Legg, dated the 24th day of April, 1961, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 60 folio 110, said restrictive covenants and conditions being hereby incorporated in this deed by reference as a part hereof, as is evidenced by the execution of these presents and by the acceptance by the Grantees of its delivery.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging, or in anywise appertaining.

Original mailed to Grantees 5.1.63 5612 Springfield Drive Washington 16, D.C.

TO HAVE AND TO HOLD said lands and premises above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the parties of the second part, Harmon L. Elder and Billie B. Elder, his wife, as tenants by the entirety, their heirs and assigns, in fee simple, forever.

AND the said party of the first part does hereby covenant that it has not done or suffered to be done, any act, matter or thing whatsoever to encumber the property hereby conveyed; that it will warrant specially the property hereby conveyed; and that it will execute such further assurances of the same as may be requisite.

WITNESS the hand of W.R. GARRETT, JR., VICE President of Village Green, Incorporated, a body corporate of the State of Maryland, and its corporate seal hereto affixed, both duly attested.

WITNESS:
C. ARTHUR SLATER, JR.

VILLAGE GREEN, INCORPORATED
By: W.R. Garrett, Jr.
VICE President
W.R. GARRETT, JR.

(Place corporate seal here)

ATTEST:
Lisle T. Lipscomb, Secretary

~~STATE~~ OR DISTRICT OF Columbia
CITY ~~OR COUNTY OF~~ of Washington to wit:

On this 9th day of APRIL, 1963, before me, the undersigned, personally appeared W.R. GARRETT, JR., who acknowledged himself to be the VICE President of Village Green, Incorporated, a body corporate of the State of Maryland, and that he, as such VICE President, being authorized so to do, executed the aforegoing instrument for the purposes therein contained, by signing the name of the corporation by himself as VICE President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Katherine T. Gravanis
NOTARY PUBLIC

My comm. exp. My Commission Expires June 14, 1967

DOCUMENT NO. 84,889

THIS DEED, Made this 1st day of August, 1976, by and between RYLAND L. WILLIS, LISLE T. LIPSCOMB, WILBUR R. GARRETT, JR. and C. ARTHUR SLATER, JR., Co-partners, trading as Queen Anne Joint Venture, party of the first part; and QUEEN ANNE COLONY FOUNDATION, INC., a body corporate of the State of Maryland, party of the second part; and LAWRENCE G. HANSEL and SHERRILL Y. HANSEL, his wife, parties of the third part;

WITNESSETH: that for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, the receipt of which is hereby acknowledged, the said parties of the first part do hereby grant and convey unto the said parties of the third part, Lawrence G. Hansel and Sherrill Y. Hansel, his wife, as tenants by the entireties, their heirs and assigns, in fee simple, the following described property, to wit:

ALL that tract, part of a tract or parcel of land, situate, lying and being on Kent Island in the Fourth Election District of Queen Anne's County, State of Maryland, being a part of the farm known as "Airy Plains" and/or as "The Isaac and Emma Grolman Farm", and more particularly described by metes and bounds, courses and distances, as follows, to wit:

BEGINNING for the same at a point in and 738.62 feet from the beginning of the South 15 degrees 48 minutes 10 seconds West 2183.43 foot line of a conveyance from Aaron Grolman, et. al. to Village Green, Inc., by deed dated October 24, 1960, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 57 folio 317; thence running with same South 15 degrees 48 minutes 10 seconds West 1026.90 feet; thence leaving said outline and running for a new line of division through a conveyance from Village Green, Inc., to Queen Anne Colony Joint Venture by deed dated June 27, 1961, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 61 folio 205, North 74 degrees 11 minutes 50 seconds West 625.62 feet to an existing bulkhead; thence with said bulkhead following three courses and distances, North 63 degrees 48 minutes 21 seconds West 33.14 feet, North 85 degrees 52 minutes 54 seconds West 55.26 feet and South 70 degrees 45 minutes 44 seconds West 13.69 feet; thence North 85 degrees 29 minutes 12 seconds West 74.15 feet to the shoreline of the Chesapeake Bay; thence North 20 degrees 51 minutes 40 seconds East 119.33 feet to an existing bulkhead; thence with the same the following two courses and distances, North 20 degrees 51 minutes 40 seconds East 142.65 feet and North 01 degrees 0 minutes 20

seconds West 18.07 feet to intersect the southern outline of the Club House Lot; thence leaving said Chesapeake Bay and running with said Club House Lot South 85 degrees 41 minutes 50 seconds East 153.74 feet to the end of Congressional Drive, a 50 foot right of way; thence leaving said lot and running across to intersect the eastern right of way line of Congressional Drive South 47 degrees 15 minutes 50 seconds East 28.04 feet; thence with said eastern right of way line the following three courses and distances, North 42 degrees 44 minutes 10 seconds East 442.63 feet, North 30 degrees 48 minutes 40 seconds East 121.54 feet and North 07 degrees 29 minutes 40 seconds East 189.15 feet; thence leaving said Congressional Drive South 82 degrees 30 minutes 20 seconds East 402.51 feet to the place of beginning; Containing 12.3840 acres, more or less, according to a description prepared by J. R. McCrone, Jr., Inc., registered surveyors, in May, 1974.

BEING a part of the same lands conveyed by deed from Village Green, Incorporated unto said Grantors, dated the 27th day of June, 1961, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 61 folio 205.

TOGETHER with the right of use unto the said Grantees, their heirs, assigns, licensees, invitees, guests, servants, agents and employees, or such other person who may lawfully be entitled to use, occupy or enjoy the above described lands, over, across and upon all streets and roadways as set forth and shown on a plat entitled, "Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland," by J. R. McCrone, Jr., Inc., registered surveyors and engineers, dated November, 1960, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 59 folio 251, as well as over a continuation of Congressional Drive, by whatsoever name or names the same may be called or known, now or in the future constructed and located, not less than 50 feet wide, extending from the southerly terminus of Congressional Drive on the aforesaid plat to the "Marina Land", hereinabove described, for the purpose of ingress and egress to, from and between the said "Marina Land" hereby conveyed and the public road from Stevensville to Romancoke, now or formerly known as Maryland Route No. 33 and/or as Maryland Route No. 8.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, waters, ways, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

AND ESPECIALLY TOGETHER with all riparian rights appurtenant thereto.

SUBJECT, nevertheless, to the right of the Grantors, their heirs and assigns, the right of all lot owners in the adjacent subdivision known as Queen Anne Colony and to the rights of the public, if any there be, to the use of the waters binding the fast land hereby conveyed and known as Price's Creek and/or as Queen Anne Sound, and of a certain dredged channel running from the waters of the Chesapeake Bay into Price's Creek and/or Queen Anne Sound and through the lands hereinabove described, to be used in perpetuity in common with the Grantees herein, their heirs and assigns; including the right of ingress and egress for any party in interest to keep currently existing channels dredged to normal depth.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining, unto and to the proper use and benefit of the said parties of the third part, Lawrence G. Hansel and Sherrill Y. Hansel, his wife, as tenants by the entireties, their heirs and assigns, in fee simple.

SUBJECT, nevertheless, to the following restrictive covenants and conditions, as follows, to wit:

1. The Grantees shall not acquire, by reason of their ownership of the above described property any right to erect duck hunting or other wild fowl hunting blinds, or to hunt or shoot ducks or other wild fowl upon any shoreline thereof, or upon, or over the waters upon which said property bounds.

2. No building, including additions or accessories thereto, or fences, wells, piers, docks, bulkheading, or any other structure of any kind or nature whatsoever, whether upon fast land or above or beneath any of the waters adjacent to the property hereby intended to be conveyed shall be commenced, erected, or maintained, nor shall any addition to or change, or alteration (including change of color of any exterior part) therein be made until the written or printed plans and specifications showing the nature, kind, shape, heights, material, color scheme, location of the building with respect to plat plan, topography and ground elevation shall have been submitted to and approved in writing by the Grantors and copies of all building plans, specifications, alteration plans, plot plans, landscaping plans, etc., as above required, permanently lodged with the Grantors.

The Grantors shall have the right to refuse to approve any building plan and/or specification grading plan, or material contemplated in the proposed building or improvement, either external or internal, which, in its opinion, is not considered suitable or desirable for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed structure or other improvement, and the materials of which the same are to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

No approval herein above provided shall be unreasonably withheld.

Any approval given hereunder shall become null and void unless construction is commenced within six (6) months of the date of such approval.

3. The Grantees herein, and their successors and assigns, shall pay unto Queen Anne Colony Foundation, Inc., its successors and assigns, on the 1st day of July of each year, an annual charge in an amount equal to ONE tenth of one per cent (1 /10 of 1%) of the assessed value of the land and improvements hereby intended to be conveyed as shown on the assessment records of the Queen Anne's County on the 15th day of June of each year, which funds shall be co-mingled with other funds of said Foundation collected under and to be used for the purposes of road maintenance, etc., as set forth in the restrictive covenants and conditions, of record heretofore, appertaining unto the subdivision known as Queen Anne Colony, which annual charge shall be a personal liability, recoverable by suit, and shall not be a lien upon the lands hereinabove described.

4. If any provisions of the covenants and restrictions herein contained, or the application of such provision of any person or circumstances shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

5. The provisions herein contained shall run with the bind of the land and shall insure to the benefit of and be enforceable by the Grantors, their heirs or assigns; and failure by the Grantors to enforce any restrictions, condition, covenant or assignment herein contained shall not in any event be deemed a waiver of the right to do so. Violation of any covenant, condition or restriction herein shall give the Grantors in addition to all other remedies, (1) the right to enter upon the land upon, or as to which, such violation exists and summarily to abate and remove, at the expense of the owner thereof, such violation, and the Grantors, their heirs or assigns, shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal or for any damages resulting therefrom and (2) the right to apply for relief by injunction, since the parties hereto agree that any breach, as foresaid,, cannot be compensated adequately by recovery of damages.

6. The parties hereto expressly reserve the right in their absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained herein by mutual agreement.

7. The Grantors herein shall have the right and privilege of assigning all rights, duties, benefits and obligations hereunder unto Queen Anne Colony Foundation, Inc., its successors or assigns, or unto any person, firm or coporation duly charged with the enforcement of the restrictive covenants and conditions appertaining unto the adjacent subdivision known as Queen Anne Colony.

8. Whenever appearing in the aforesaid restrictive covenants and conditions, the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

All privileges, benefits, duties and obligations hereunder shall inure to the heirs, successors or assigns of both parties hereto.

AND Queen Anne Colony Foundation, Inc., party of the second part, owner of fee simple title to all roadways in the subdivision known as Queen Anne Colony, joins herein for the purpose of assenting to the common use of the roadways in said subdivision by the parties of the third part and the provisions herein contained relating to contributions or payment for maintenance.

AND the said parties of the first part do hereby covenant that they have not done or suffered to be done any act, matter or thing whatsoever to encumber the property hereby conveyed; that they will warrant specially the property hereby granted and conveyed; and that they will execute such further assurances of the same as may be requisite.

WITNESS the hands and seals of said Grantors.

WITNESS:

Ryland L. Willis (SEAL)

Lisle T. Lipscomb (SEAL)

Wilbur R. Garrett, Jr. (SEAL)

C. Arthur Slater, Jr. (SEAL)

Co-partners, trading as Queen Anne Joint Venture

TEST:

QUEEN ANNE COLONY FOUNDATION, INC.

By: _____ President

(Place corporate seal here)

3/3/83 Original mailed to Michael R. Foster P.O. Box 367 Stevensville

DOCUMENT NO. 105 11317 MWM LIBER 192 PAGE 770

ALSO EXHIBIT 6

THIS INDENTURE AND ASSIGNMENT, made this 11th day of August, 1982, by and between QUEEN ANNE COLONY FOUNDATION, INC., a body corporate of the State of Maryland, party of the first part; and QUEEN ANNE COLONY ASSOCIATION, INC., a body corporate of the State of Maryland, party of the second part.

WITNESSETH, that for and in consideration of the mutual exchange of covenants and other good and valuable considerations, the receipt of which is hereby acknowledged, the said party of the first part, Queen Anne Colony Foundation, Inc., does hereby grant and assign unto the party of the second part, Queen Anne Colony Association, Inc., its successors and assigns, all of the rights and powers, subject to all the duties and obligations, which it has previously exercised or undertaken by virtue of the terms and provisions of the restrictions applicable to the subdivision known as Queen Anne Colony, located in the Fourth Election District of Queen Anne's County, State of Maryland, which restrictive covenants and conditions are of record prior hereto, which include, but are not limited to, the following:

1. Plat One, recorded in Liber T.S.P. No. 60, folio 110.
2. Plat Two, recorded in Liber C.W.C. No. 25, folio 540.
3. Plat Three, recorded in Liber C.W.C. No. 25, folio 540.
4. Plat Four, recorded in Liber C.W.C. No. 15, folio 249 (refers to Liber T.S.P. No. 60, folio 110).
5. Plat Five, recorded in Liber C.W.C. No. 82, folio 35.
6. Plat Six, recorded in Liber C.W.C. No. 77, folio 406 (refers to Liber T.S.P. No. 60, folio 110).
7. Restrictions contained in deed from Village Green, Inc. to Milton E. Kettler, et. ux. dated April 8, 1963.

BEING those same rights granted and assigned unto Queen Anne Colony Foundation, Inc. by deed and assignment dated April 24, 1975 and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 92, folio 668.

TOGETHER with all rights that the parties of the first part have to enforce those restrictive set backs as set forth on the recorded plats of Queen Anne Colony, said plats being recorded among the Land Records of Queen Anne's County.

AND, the said party of the second part, Queen Anne Colony Association, Inc., does hereby join in the execution of this instrument for the purpose of assenting to this conveyance and assuming the rights, powers, duties and obligations appurtenant thereto.

WITNESS the hands and seals of the parties the day and year first above mentioned.

ATTEST: QUEEN ANNE COLONY FOUNDATION, INC.

Michael R. Foster BY: [signature] (SEAL)

PRESIDENT

LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21666
(301) 643-2141

ATTEST:

QUEEN ANNE COLONY ASSOCIATION, INC.

BY Philip B. Donnelly, Pres. (SEAL)

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, TO WIT:

I HEREBY CERTIFY, that on this 11th day of August, 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Lisle I. Lipscomb, who acknowledged himself to be President of Queen Anne Colony Foundation, Inc., a body corporate as aforesaid, and that he, as such President, being authorized so to do, executed the aforegoing instrument for the purposes therein contained.

WITNESS my hand and Notarial Seal.

Kathy J. Johnson
Notary Public

My commission expires: 7/1/86

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, TO WIT:

I HEREBY CERTIFY, that on this 11th day of August, 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Philip B. Donnelly, who acknowledged himself to be President of Queen Anne Colony Association, Inc., a body corporate as aforesaid, and that he, as such President, being authorized so to do, executed the aforegoing instrument for the purposes therein contained.

WITNESS my hand and Notarial Seal.

Kathy J. Johnson
Notary Public

My commission expires: 7/1/86

RECEIVED
CLERK, CIRCUIT COURT
1983 JAN 27 PM 4 05
QUEEN ANNE'S COUNTY

JAN 27-83 * 24611 *****12.50
JAN 27-83 A #24611K*******.50
JAN 27-83 A #24610 *****12.00

LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21666
(301) 643-2141

DOCUMENT NO. 104 111,316

THIS INDENTURE AND ASSIGNMENT, made this 11th day of August, 1982, by and between RYLAND L. WILLIS, LISLE T. LIPSCOMB, WILBUR R. GARRETT, JR., and C. ARTHUR SLATER, JR., co-partners, trading as QUEEN ANNE JOINT VENTURE, parties of the first part; and QUEEN ANNE COLONY ASSOCIATION, INC., a body corporate of the State of Maryland, party of the second part.

WITNESSETH, that for and in consideration of the mutual exchange of covenants and other good and valuable considerations, the receipt of which is hereby acknowledged, the said parties of the first part, Queen Anne Joint Venture, do hereby grant and assign unto the party of the second part, Queen Anne Colony Association, Inc., its successors and assigns, all of the rights and powers subject to all of the duties and obligations, which it has previously exercised or undertaken by virtue of the terms and provisions of certain restrictive covenants and conditions set forth in a deed to Lawrence G. Hansel and Sherrill Y. Hansel, dated August 1, 1976 and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 108, folio 102, said restrictive covenants and conditions affecting certain lands commonly known as Queen Anne Colony Marina Lands, located in the Fourth Election District of Queen Anne's County, State of Maryland.

AND the said party of the second part, Queen Anne Colony Association, Inc., does join herein for the purpose of assenting to this conveyance and for the further purpose of assuming the rights, powers, duties and obligations appurtenant thereto.

WITNESS the hands and seals of the parties the day and year first above mentioned.

WITNESS:

Ryland L. Willis (SEAL)

Lisle T. Lipscomb (SEAL)

Wilbur R. Garrett, Jr. (SEAL)

C. Arthur Slater, Jr. (SEAL)

Co-Partners trading as
QUEEN ANNE JOINT VENTURE

ATTEST:

QUEEN ANNE COLONY ASSOCIATION, INC.

BY: Ryland L. Willis, Pres. (SEAL)

LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21666
(301) 643-2141

LIBER 192 FOLIO 767

3/3/83 Original mailed to Michael R. Foster P.O. Box 367 Stevensville

LIBER 192 FOLIO 768

STATE OF Maryland , COUNTY OF Queen Anne's, TO WIT:

I HEREBY CERTIFY, that on this 11th day of August, 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared RYLAND L. WILLIS, and he acknowledged the aforegoing Indenture and Assignment to be his act.

WITNESS my hand and Notarial Seal.

Kathy J. Johnson
Notary Public

My commission expires: 7-1-86

STATE OF Maryland , COUNTY OF Queen Anne's TO WIT:

I HEREBY CERTIFY, that on this 11th day of August, 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared LISLE T. LIPSCOMB, and he acknowledged the aforegoing Indenture and Assignment to be his act.

WITNESS my hand and Notarial Seal.

Kathy J. Johnson
Notary Public

My commission expires: 7-1-86

STATE OF Maryland , COUNTY OF Queen Anne's TO WIT:

I HEREBY CERTIFY, that on this 11th day of August, 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared WILBUR R. GARRETT, JR. and he acknowledged the aforegoing Indenture and Assignment to be his act.

WITNESS my hand and Notarial Seal.

Kathy J. Johnson
Notary Public

My commission expires: 7-1-86

LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21666
(301) 643-2141

STATE OF Maryland , COUNTY OF Queen Anne's TO WIT:

I HEREBY CERTIFY, that on this 11th day of August, 1982, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared C. ARTHUR SLATER, JR. and he acknowledged the aforegoing Indenture and Assignment to be his act.

WITNESS my hand and Notarial Seal.

Kathy J. Johnson
Notary Public
My commission expires: 7-1-86

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, TO WIT:

I HEREBY CERTIFY, that on this 11th day of August, 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Philip B. Donnelly, who acknowledged himself to be President of QUEEN ANNE COLONY ASSOCIATION, INC., a body corporate as aforesaid, and that he, as such President, being authorized so to do, executed the aforegoing Indenture and Assignment for the purposes therein set forth.

WITNESS my hand and Notarial Seal.

Kathy J. Johnson
Notary Public
My commission expires: 7/1/86

RECEIVED
CLERK, CIRCUIT COURT
1983 JAN 27 PM 4:04
QUEEN ANNE'S COUNTY

JAN 27-83 * 24609 *****18.50
JAN 27-83 A #24606K*******1.50
JAN 27-83 A #24608 *****18.00

LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21666
(301) 643-2141

EXHIBIT 3

QUEEN ANNE COLONY ASSOCIATION, INCORPORATED

BYLAWS

ARTICLE I

NAME

Section 1. The name of the corporation defined in the following articles shall be the "Queen Anne Colony Association, Incorporated," herein after referred to as the "Association."

ARTICLE II

Purpose

Section 1. To foster and advance matters deemed to be in the best interests of the community.

Section 2. To assist in establishing and maintaining high community standards and restrictions, to seek enforcement of the same, and to take whatever action is necessary and advisable in these respects.

Section 3. To consider and advocate or oppose any existing or proposed legislation and/or administrative action that may affect any or all residents of the community and take whatever action may be deemed advisable.

ARTICLE III

Membership

Section 1. Regular membership shall be restricted to residential property owners residing on the premises of Queen Anne Colony, herein referred to as the community. Associate membership shall be restricted to bona fide lot owners who have purchased same for their future residence and to leasees residing in the community. Associate members shall have identical rights as regular members, except they shall have no vote on issues decided by the President to be germane to residential property owners, namely those issues affecting property values, and they shall not be eligible for election to any position of officer as defined in ARTICLE IV. Exceptions shall be made whereby property owner may delegate his vote to a leasee.

Section 2. Each household shall be eligible for membership provided all other requirements for membership have been met.

Section 3. Each membership entitles all members of each household to enjoy all the privileges of the Association, except that only one adult per household may vote.

Section 4. Applications for membership in the association shall be filed with the Secretary and approved by the Board of Directors within three months.

Section 5. Any membership being two months in arrears from the due date in the payment of dues shall automatically stand suspended and shall be so notified in writing by the Secretary. Membership may be reinstated upon payment of arrears and written application to the Board of Directors within thirty days of the category of suspension. Otherwise, the membership is dropped from the rolls of the Association and readmission to the Association may only be gained by the procedure required for a new membership plus the payment of any prior debt.

ARTICLE IV

Officers

Section 1. The officers of this Association shall consist of the following:

a. A President who shall be the executive officer of the Association and shall preside over all meetings of the Association and the Board of Directors and be exofficio member of all committees except the Nominating Committee. He/she shall conduct the affairs of the Association in accordance with these bylaws and policies promulgated by the Board of Directors. He/she shall be responsible for the preparation of a full and true report to be submitted to the annual meeting and shall file said report with the Secretary where it shall be available for inspection by the membership. When the President leaves office at the end of his term, he shall automatically, as immediate Past President, become a member of the Board of Directors to serve until such time as he/she may be succeeded by the next Past President.

b. A First Vice President who shall, in the absence of the President, preside at all meetings of the Association and of the Board of Directors. Under the direction of the President, he/she shall be responsible for the functioning of several standing committees and for the coordination of such committees' reports. He/she shall also perform such other duties as may be assigned to him/her by the President.

c. A Second Vice President who shall, in the absence of the President and the First Vice President, preside at all meetings of the Association and of the Board of Directors. Under the Direction of the President, he/she shall be responsible for the function of several of the standing committees and for the coordination of such committees" reports. He/shall also perform such other duties as may be assigned to that office by the President.

d. A Secretary who shall record the the proceedings of the meetings of the Association, of the Board of Directors, and the reports of all committees. He/she shall keep the rolls of membership and attendance at meetings which shall be verified by a register of signatures of attendees at each meeting. He/she shall issue notices of various meetings, carry on the ordinary correspondence of the Association, and perform such other duties as may be required.

e. A Treasurer who shall collect and have custody of all funds paid to the Association and shall deposit same in official depositories. He/she shall file reports with the U.S. Internal Revenue Service and any other such reports

as may be legally required. He/she shall pay all bills and disburse funds as may be authorized by the Association, the Board of Directors, or as provided in ARTICLE IX, Section 5, of these bylaws. His/her books shall at all times be open to inspection by the President, the Board of Directors, and authorized auditors. He/she shall make a full report of the financial condition of the Association at the annual meeting and at such other times as the President or the Board of Directors may require.

ARTICLE V

Board of Directors

Section 1. The Board of Directors shall consist of the officers, and the immediate Past President and five directors, each of whom shall be a member in good standing.

Section 2. If, in any year, the immediate Past President ceases to be an active member of the Association, the active member who served as President of the Association most recently prior to the incumbent immediate Past President shall automatically become immediate Past President.

Section 3. The Board of Directors, subject to the approval of the Association, shall determine the policies and the activities of the Association, elect and discipline members, approve the budget, approve the bills and authorize disbursements, take counsel with the committees, and have general management of the Association.

Section 4. The Board of Directors shall fill vacancies occurring in the offices and the Board for the unexpired term with the following exceptions: (a) The First Vice President shall automatically fill any vacancy in the office of President and the Second Vice President shall automatically fill any vacancy in the office of First Vice President: (b) Director vacancies occurring during the first year of a two year term may be filled by the Board until the annual election in said year. If, however, the vacancy occurs after the annual election, said vacancy shall be filled by the Board as herein provided; and (c) as may otherwise provided in these bylaws.

Section 5. At the discretion of the Board, the appropriate committee chairman shall meet with the Board of Directors in joint session.

ARTICLE VI

Nomination and Election of Officers and Directors

Section 1. The election shall be held annually at the regular November meeting at a time and place determined by the Board of Directors.

Section 2. The President shall appoint by the first of September a Nominating Committee to consist of no less than six or more than ten active members in good standing. The report of the Committee shall be made to the President by the first of October.

Section 3. The Nominating Committee shall report one candidate for each of the following officers and directors:

President (one year term)
First Vice President (one year term)
Second Vice President (one year term)
Secretary (one year term)
Treasurer (one year term)
Three Directors (three year terms the first year these bylaws are effective and for two years thereafter)
Two Directors (two year terms)

Section 4. The Committee shall present its nominees' names, in writing, to the Secretary not later than October 1 of each year.

Section 5. The Secretary shall, prior to October 15, mail a copy of the list of nominees to each member of this Association.

Section 6. Nominations, in addition to those made by the the Nominating Committee, may be made by in writing signed by at least five members of this Association and countersigned by the candidate so nominated to signify his agreement to being a candidate. Nominations under this sub-section must be filed with the Secretary not later than October 1.

Section 7. No director shall be eligible to succeed himself more than once.

Section 8. No nomination, other than those set forth in this article shall be legal.

Section 9. The first officers and directors elected under these bylaws shall take office immediately and serve until their successors are elected. Subsequently, officers and directors shall take office on the first day of January and shall be formally installed at the annual meeting. Each officer's term shall be one year; the term of the directors shall be as set forth in Article VI, Section 3.

Section 10. The call for the November meeting shall be mailed by the Secretary to each member of this Association at least two weeks prior to the date of the meeting and it shall set forth the complete slate of nominees including those nominated under Article VI, Section 6.

Section 11. The Secretary shall prepare a ballot listing all the nominees and the office for which nominated. A copy of this ballot shall be provided to each member in attendance at the time of election during the regular November meeting.

Section 12. Where there are multiple candidates for the same office, the member receiving the highest number of votes shall be declared elected. In the case of the Board of Directors, the nominees who receive the three/two highest number of votes shall be declared elected (see Article VI, Section 3). In the event of a tie vote, the tie shall be settled by the Board of Directors at its first meeting subsequent to the election.

Section 13. Two tellers and two judges shall be appointed by the presiding officer to receive and count the ballots. The results, in accordance with Section 12 above, shall be provided to the presiding officer during the meeting and the winners declared elected.

*Effective after the first election October 1971.

ARTICLE VII

Meetings

Section 1. The annual meeting of the Association shall be in January. The membership shall be given at least two weeks notice of the date, time and place of the annual meeting.

Section 2. Regular meetings of the Association shall also be held in March, May and November.. The membership shall be given at least two weeks notice of these meetings.

Section 3. The date, time and place of all meetings shall be determined by the Board of Directors.

Section 4. Special meetings may be called (a) by the President when he deems it necessary; or (b) when the President receives a request signed by fifteen per cent of the total membership of the Association: or (c) when the President receives a request signed by seven members of the Board of Directors; or (d) as provided in Article XV, Section 2, of these bylaws. Written notices of all special meetings shall be mailed to the membership, together with the purpose of such meetings. No other business than that stated in the notice shall be discussed upon such meetings.

Section 5. The Board of Directors shall meet at the call of the President and at least every two months.

ARTICLE VIII

Membership Fee and Dues

Section 1. The initiation of membership fee shall be twenty dollars payable with application.

Section 2. Any membership severed while in good standing shall not require payment of membership or initiation fee upon application for re-admission to the association.

Section 3. The annual dues of the association shall be five dollars payable the first of January in advance. Dues shall be prorated quarterly for new memberships, payable on the basis of the quarter in which application for membership is passed upon by the Board of Directors.

ARTICLE IX

Finance

Section 1. The fiscal year of the Association shall begin on the first day of January each year.

Section 2. No later than the 31st day of January a budget of estimated income and expenditures for the year shall be adopted by the Board of Directors and said budget shall be within a reasonable time distributed to the membership.

Section 3. The Association's books of account shall be audited at least once each year. An audit shall be made each year before the annual meeting, at which meeting the report of the audit shall be made to the membership.

Section 4. The Board of Directors shall determine the official depository or depositories.

Section 5. Between each meeting of the Board of Directors, the Treasurer shall be authorized to issue checks not to exceed in total a maximum of fifty dollars, provided the expenditure was incurred for the Association. An itemized statement and/or invoice shall be presented as evidence of the debt. These statements and/or invoices shall be presented to the Board of Directors at their next meeting for their official approval.

Section 6. All checks shall be signed by the Treasurer and countersigned by any one of the other officers.

Section 7, The Treasurer, and such other officers as may be designated by the Board of Directors, may be bonded in an amount as determined by the Board. Indemnity bond premiums shall be paid by the Association.

ARTICLE X

Special Assessments

Section 1. It is declared the policy of this Association that special assessments are generally undesirable and shall be levied only in an emergency or under extraordinary circumstances.

Section 2. Assessments shall be levied only upon the recommendation of the Board of Directors and with the written consent of a two-thirds majority of the entire membership.

Section 3. At such time as an assessment is levied such assessment shall be due immediately. Assessments in arrears for two months shall be treated in the same manner as provided for membership dues in arrears in Article III, Section 5 of these bylaws.

ARTICLE XI

Committees

Section 1. At the discretion of the President there shall be committees with responsibilities and duties as shall be determined by the Board of Directors such as:

a. Membership and Attendance and Rules
b. Legislative and legal actions
c. Grievance
d. Restrictions and Zoning
e. Community maintenance and improvement
f. Youth and adult activities
g. Safety and public health

Section 2. Each standing committee shall be composed of at least three members and shall serve for a term of one year, commencing on the first day of January. All committee men and/or women shall be appointed by the President and be subject to removal by him. Each committee shall be ultimately responsible to the President and shall make such reports as he may direct.

Section 3. Special committees may be appointed by the President and shall perform such duties as may be defined in their creation.

Section 4. Reports of all committees shall be written and a copy filed with the Secretary.

ARTICLE XII

Quorum

Section 1. One-third of the total membership in good standing present at the meeting or represented by written proxy shall constitute a quorum at all regular or special meetings.

Section 2. A majority of the Board of Directors shall constitute a quorum at all meetings of the Board.

ARTICLE XIII

Rules of Order

Section 1. "Robert's Rules of Order" shall be the parliamentary authority for all matters of procedure not specifically covered in these bylaws.

ARTICLE XIV

Amendments

Section 1. These bylaws may be amended in any regular or special meeting of the Association, provided that the call for the meeting contain in full the proposed amendment. The amendment may be revised during the meeting provided the amendments are germane. A two thirds vote of the members present and voting shall be required to carry the amendment.

ARTICLE XV

Conduct of Business

Section 1. In general, the order of business at a regular meeting of the Association shall be as follows:

Call to Order
Reading of the Minutes of the Previous Meeting
Report of the Treasurer
Report of the Standing and Special Committees
Unfinished Business
New Business
Adjournment

Section 2. With the approval of the Board of Directors, business of the Association may be conducted by mail. When the mail is used and such business is in the form of a referendum to the membership, a ballot and a clear description of the question at issue shall be mailed to each membership.. A minimum of twenty bona fide ballots must be returned and a majority of the votes cast shall favor or reject the referendum before the Board of Directors shall declare the result binding on the Association, except as otherwise provided in these bylaws. If twenty bona fide ballots are not returned, the President may call a special meeting to present the matter to the membership.

ARTICLE XVI

Removal of Officer, Directors or Members

Section 1. No member, officer or director may be removed except for just cause, with formal charges being stated in writing with the signatures of 25% of the active membership of the Association. In addition, a hearing must be held before a committee of twelve appointed by the Board of Directors for this purpose only. No signer of the charges or no officer or member of the Board shall be a member of the impeachment committee. The chairman of this committee shall be elected by the members, and shall have full voting powers in the committee. A finding of "just cause for impeachment" sustained by two-thirds vote of the committee and ratified by two-thirds vote of the active membership of the Association, shall automatically remove the impeached officer or member from his/her office or membership.

ARTICLE XVII

Distribution of Assets After Termination

Section 1. No member of this Association shall have, as an individual, any interest in or title to the assets of the Queen Anne Colony Association, Incorporated, and such assets shall be devoted exclusively to the purposes of the Association.

Section 2. In the event of dissolution or other termination of this Association, all of its assets shall be assigned to an institution that qualifies for tax exemption as selected by the Board of Directors.

Bylaws adopted 29 October 1971.

EXHIBIT NO. 4

1. Conveyed by and described in a Deed from Ryland L. Willis, et.al., to Queen Anne Colony Association, Inc., dated August 11, 1982, recorded among the Land Records of Queen Anne's County, Maryland, in Liber M.W.M. No. 192, folio 757.

2. Conveyed by and described in a Deed from Queen Anne Colony Foundation, Inc., to Queen Anne Colony Association, Inc., dated August 11, 1982, recorded among the aforesaid Land Records in Liber M.W.M. No. 192, folio 760.

3. Conveyed by and described in a Deed from Ryland L. Willis, et.al., to Queen Anne Colony Association, Inc., dated August 11, 1982, recorded among the aforesaid Land Records in Liber M.W.M. No. 192, folio 762.

Note: Queen Anne Colony Association, Inc., has conveyed all roadways and roads shown on all recorded subdivision plats to The County Commissioners of Queen Anne's County by unrecorded deed dated July 19, 1984.

DOCUMENT NO. 101 111,313

THIS DEED, made this 11th day of August, in the year nineteen hundred eighty-two, by and between RYLAND L. WILLIS, LISLE T. LIPSCOMB, WILBUR R. GARRETT, JR., and C. ARTHUR SLATER, JR., Co-Partners trading as QUEEN ANNE JOINT VENTURE, parties of the first part; and QUEEN ANNE COLONY ASSOCIATION, INC., a body corporate of the State of Maryland, party of the second part.

WITNESSETH, that for and in consideration of the sum of One Dollar ($1.00), and other good and valuable considerations, the receipt of which is hereby acknowledged, the said parties of the first part do hereby grant and convey unto the said party of the second part, its successors and assigns, in fee simple, the following described real estate, to wit:

ALL those lands situate, lying and being in the Fourth Election District of Queen Anne's County, State of Maryland, and comprising all that land lying below the navigable waters of Price's Creek and lying between the mean high water line as it meets the shores of Queen Anne Colony Subdivision to the center-line of said Creek as set forth and shown on a plat by J. R. McCrone, Jr., Inc., entitled "Revised Plat 1, Queen Anne Colony, Kent Island, Queen Anne County, Maryland", dated November, 1960, revised March, 1962 and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 67, folio 391.

SAVE AND EXCEPTING all those parcels heretofore conveyed.

BEING a part of the same land granted and conveyed unto the Grantors herein by deed from Village Green Incorporated, dated April 24, 1975 and recorded in Liber C.W.C. No. 92, folio 671 of the Land Records of Queen Anne's County.

TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD the said lot or parcel of land and premises, unto and to the use of the said party of the second part, its successors and assigns, in fee simple, forever.

AND the said parties of the first part do hereby covenant that they have not done, nor suffered to be done, any act, matter or thing whatsoever to encumber the property hereby granted and conveyed; that they will warrant specially the property

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MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21666
(301) 643-2141

mcm

LIBER 192 PAGE 757

3/3/83 Original mailed to Michael R. Foster
P.O. Box 367
Stevensville, Md 21666

hereby granted and conveyed; and that they will execute such further assurances of said land as may be requisite.

WITNESS the hands and seals of the said Grantors.

WITNESS:

R. L. Willis (SEAL)
Ryland L. Willis

Lisle T. Lipscomb (SEAL)

Wilbur R. Garrett, Jr. (SEAL)

C. Arthur Slater, Jr. (SEAL)

Co-Partners trading as
QUEEN ANNE JOINT VENTURE

STATE OF Maryland, COUNTY OF Queen Anne's, TO WIT:

I HEREBY CERTIFY, that on this 11th day of August, 1982, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared RYLAND L. WILLIS and he acknowledged the aforegoing Deed to be his act, and further made oath in due form of law that there is no consideration passing in this transaction.

WITNESS my hand and Notarial Seal.

Notary Public

My commission expires: 7/1/86

STATE OF Maryland, COUNTY OF Queen Anne's, TO WIT:

I HEREBY CERTIFY, that on this 11th day of August, 1982, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared LISLE T. LIPSCOMB and he acknowledged the aforegoing Deed to be his act.

WITNESS my hand and Notarial Seal.

Notary Public

My commission expires: 7/1/86

TAXES LEVIED AS OF Jan 24 1983
PAID TO Jun 30 1983
Wm. H. Tolson
Treasurer of Queen Anne's Co.

RECEIVED FOR TRANSFER
This 27 Day of Jan 1983
Deborah Gilmore Clerk
Supervisor of Assessments
Queen Anne's County

LAW OFFICES
MICHAEL R. FOSTER
MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21666
(301) 643-2141

Stevensville

DOCUMENT NO. 102 111,314 MSM

LIBER 192 PAGE 760

THIS DEED, made this 11th day of August, in the year nineteen hundred eighty-two, by and between QUEEN ANNE COLONY FOUNDATION, INC., a body corporate of the State of Maryland, party of the first part; and QUEEN ANNE COLONY ASSOCIATION, INC., a body corporate of the State of Maryland, party of the second part.

WITNESSETH, that for and in consideration of the sum of One Dollar ($1.00), and other valuable considerations, the receipt of which is hereby acknowledged, the said party of the first part does hereby grant and convey unto the said party of the second part, its successors and assigns, in fee simple, the following described real estate, to wit:

PARCEL ONE

ALL those roads, roadways, streets, alleys, foot paths, walks, lanes and the strips of land used therefore and easements for such uses, all set forth and shown on the various subdivision plats of "Queen Anne Colony", a subdivision in the Fourth Election District of Queen Anne's County, State of Maryland, which plats are of record prior hereto among the Land Records and/or Plat Records of said County.

TOGETHER with all drainage easements set forth on the aforedescribed plats.

PARCEL TWO

ALL riparian rights, not heretofore conveyed, as may be apputenant to the lands formerly known as "Airy Plains" or the "Isaac and Emma Grolman Farm" now known as Queen Anne Colony Subdivision, situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland.

BEING all those lands and riparian rights granted and conveyed unto Queen Anne Colony Foundation, Inc., by deed and assignment dated April 24, 1975 and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 92, folio 668.

THIS CONVEYANCE is subject to the existing easements, rights of way and agreements for roadways, electric transmission lines and telephone lines and the service and maintenance thereof.

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TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD the said lot or parcels of land and premises, unto and to the use of the said party of the second, its successors and assigns, in fee simple, forever.

AND the said party of the first part does hereby covenant that it has not done, nor suffered to be done, any act, matter or thing whatsoever to encumber the property hereby granted and conveyed; that it will warrant specially the property hereby granted and conveyed; and that it will execute such further assurances of said land as may be requisite.

WITNESS the hand and seal of the said Grantor.

ATTEST:

QUEEN ANNE COLONY FOUNDATION, INC.

BY: _____ (SEAL)

STATE OF MARYLAND)
)
QUEEN ANNE'S COUNTY) TO WIT:

JAN 27-83 * 24605 *****17.50
JAN 27-83 A #24605K *******.50
JAN 27-83 A #24605 *******17.00

I HEREBY CERTIFY, that on this _____ day of _____ 1982, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared _____, who acknowledged himself to be President of QUEEN ANNE COLONY FOUNDATION, INC., a body corporate as aforesaid, and that he, as such President, being authorized so to do, executed the aforegoing Deed for the purposes therein set forth; and he further certifies that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the Grantor Corporation; and further made oath in due form of law that there is no consideration passing in this transaction.

WITNESS my hand and Notarial Seal.

_____
Notary Public

My commission expires: 7/1/85

TAXES LEVIED AS OF July 1, 1983
PAID TO July 30, 1983
_____
Treasurer of Queen Anne's Co.

RECEIVED FOR TRANSFER
This 27 Day of Jan 1983
_____
Supervisor of Assessments
Queen Anne's County

RECEIVED
CLERK, CIRCUIT COURT
1983 JAN 27 PM 4:03
QUEEN ANNE'S COUNTY

LAW OFFICES
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MORGAN BUILDING
SHOPPING CENTER ROAD
P. O. BOX 367
STEVENSVILLE, MD. 21666
(301) 643-2141

Stevensville

DOCUMENT NO. 103 11,315 LIBER MWM 192 FOLIO 762

THIS DEED, made this 11th day of AUGUST, in the year nineteen hundred eighty-two, by and between RYLAND L. WILLIS, LISLE T. LIPSCOMB, WILBUR R. GARRETT, JR. and C. ARTHUR SLATER, JR., Co-Partners trading as QUEEN ANNE JOINT VENTURE, a Co-Partnership under the laws of the State of Maryland, parties of the first part; and the QUEEN ANNE COLONY ASSOCIATION, INC., a body corporate of the State of Maryland, party of the second part.

WITNESSETH, that for and in consideration of the sum of One Dollar ($1.00), and other good and valuable considerations, the receipt of which is hereby acknowledged, the said parties of the first part do hereby grant and convey unto Queen Anne Colony Association, Inc., its successors and assigns, in fee simple, the following described real estate, to wit:

PARCEL ONE

ALL that lot, parcel or tract of land, situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, known and designated as "north beach area," as set forth and shown on a plat entitled "Revised Plat One, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", dated November, 1960, revised March, 1962, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 67, folio 391, and in Plat Book T.S.P. No. 1, folio 91.

TOGETHER with all other easements and lands dedicated for community purposes as set forth and shown on the aforedescribed plat of Queen Anne Colony.

PARCEL TWO

ALL those lots, parcels or tracts of land, situate, lying and being on Kent Island, in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled "Plat Three, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors, dated September, 1965 and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 25, folio 73, and in Plat Book C.W.C. No. 1, folio 12, said tracts or parcels of land being

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set forth and designated thereon and described as follows:

1. "Reserved Lot", located north of Big Holly Court and fronting on Widgeon Cove.

2. "Cemetery Lot", located on the north side of Big Holly Court and fronting on Widgeon Cove.

3. "Mallard Island".

4. "Wingshot Island".

5. Right of way to Wingshot Island extending easeward from Five Farms Drive.

TOGETHER with all easements and lands dedicated for community purposes as set forth on the aforedescribed plat.

PARCEL THREE

ALL that lot, parcel or tract of land situate, lying and being in the Fourth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors, said plat being recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 87, folio 287, said parcel or tract of land being set forth and designated thereon as "access easement area", and "boat slip area".

PARCEL FOUR

ALL that tract or parcel of land being a portion of the "Reserved Land" and "Manor House" land, set forth on "Plat 2, Queen Anne Colony", dated July, 1965 and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 25, folio 73, said parcel being more particularly described as follows:

BEGINNING for the same at a point at the intersection of the division line between the lands of Edward J. McGraw (see CWC 30/171), and the herein described lands, with the easternmost right of way line of Columbia Lane; thence, leaving the beginning point so fixed, and the McGraw lands, and binding on the aforesaid right of way line, the three (3) following courses and distances:

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North 00° 38' 40" West 164.25 feet to a point of curvature; thence, binding on the arc of a curve to the right a distance of 90.40 feet, said curve having a radius of 475.00 feet and scribed by a chord of North 04° 48' 28" East 90.26 feet to a point of tangency; thence, North 10° 15' 35" East 145.94 feet to a point; thence, leaving said right of way line and running for two (2) new lines of division through the above mentioned Reserved Area, North 84° 01' 00" East 432.11 feet to a point, and South 16° 00' 10" East 461.33 feet to a point in the northernmost outline of Lot 8, Block G, as shown on Plat Two, Queen Anne Colony, recorded among the Plat Records of Queen Anne's County, Maryland, in Plat Book No. 1, folio 12; thence, binding on the division line between Lots 8, 9, and 10, as shown on the aforesaid plat, the two (2) following courses and distances: South 67° 02' 35" West 210.00 feet to a point, and South 38° 00' 10" West 203.14 feet to a point at the intersection of the division line between Lots 10 and 11 of the aforesaid Block G, the aforementioned Edward J. McGraw lands, and the herein described lands; thence, leaving Block G and binding on the division line between the McGraw lands and the herein described lands, the two (2) following courses and distances: North 16° 00' 10" West 254.72 feet to a point, and South 89° 21' 20" West 200.00 feet to the place of beginning. Containing in all 5.863 acres of land, more or less, as described by J. R. McCrone, Jr., Inc., Registered Professional Engineers and Land Surveyors in August of 1982.

THIS CONVEYANCE is subject to the existing easements, rights of way and agreements for roadways, electric transmission lines and telephone lines and the service and maintenance thereof.

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TOGETHER with the buildings and improvements thereupon erected, made or being, and all and every the rights, roads and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD the said lots or parcels of land and premises, unto and to the use of the said party of the second part, its successors and assigns, in fee simple, forever.

AND the said party of the first part does hereby covenant that it has not done, nor suffered to be done, any act, matter or thing whatsoever to encumber the property hereby granted and conveyed; that it will warrant specially the property hereby granted and conveyed; and that it will execute such further assurances of said land as may be requisite.

WITNESS the hands and seals of the said Grantors.

WITNESS:

Ryland L. Willis (SEAL)

Lisle T. Liscomb (SEAL)

Wilbur R. Garrett, Jr. (SEAL)

C. Arthur Slater, Jr. (SEAL)

Co-Partners trading as
QUEEN ANNE JOINT VENTURE

STATE OF Maryland, COUNTY OF Queen Anne's, TO WIT:

I HEREBY CERTIFY, that on this 11th day of Aug., 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared RYLAND L. WILLIS, and he acknowledged the aforegoing Deed to be his act, and further made oath in due form of law that there is no consideration passing in this transaction.

WITNESS my hand and Notarial Seal.

Notary Public

My commission expires: 7-1-86

TAXES LEVIED AS OF July 1, 1983
PAID TO June 30, 1983
Treasurer of Queen Anne's Co.

RECEIVED FOR TRANSFER
This 27 Day of Dec 1983
Supervisor of Assessments
Queen Anne's County
Clerk

LAW OFFICES
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MORGAN BUILDING
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STEVENSVILLE, MD. 21666
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JAN 27-83 * 24607 *****26 50
JAN 27-83 A # 24607K ******* 50
JAN 27-83 A # 24606 *****25 00

STATE OF Maryland, COUNTY OF Queen Anne's, TO WIT:

I HEREBY CERTIFY, that on this 11th day of Aug., 1982, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared LISLE T. LIPSCOMB, and he acknowledged the aforegoing Deed to be his act.

WITNESS my hand and Notarial Seal.

Kathy J. Johnson
Notary Public
My commission expires:

STATE OF Maryland, COUNTY OF Queen Anne's, TO WIT:

I HEREBY CERTIFY, that on this 11th day of Aug., 1982, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared WILBUR R. GARRETT, JR. and he acknowledged the aforegoing Deed to be his act.

WITNESS my hand and Notarial Seal.

RECEIVED
CLERK. CIRCUIT COURT
1983 JAN 27 PM 4:04
QUEEN ANNE'S COUNTY

Kathy J. Johnson
Notary Public
My commission expires:

STATE OF Maryland, COUNTY OF Queen Anne's, TO WIT:

I HEREBY CERTIFY, that on this 11th day of Aug., 1982, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared C. ARTHUR SLATER, JR. and he acknowledged the aforegoing Deed to be his act.

WITNESS my hand and Notarial Seal.

Kathy J. Johnson
Notary Public
My commission expires:

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SHOPPING CENTER ROAD
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EXHIBIT 5

Queen Anne Colony
Financial Report

July 31, 1989

Categories	Beginning Bal. 1988	Income	Expenses	Ending Bal. 1988
Covenant	5913	5029	8771	2171
Creek	766	2655	2644	777
Defense	0	2639	0	2639
Insect Spray	1367	1400	766	2001
Members	6407	2065	1208	7264
TOTAL	14453	13788	13389	14852

EXPENSES	1988 ACTUAL	1989 ESTIMATE	1989 SPENT TO DATE	Actual 58% Target 58%
Bank Charges	124	100	47	
Contributions	50	0	0	
County List	0	0	35	
Creek Survey	3139	500	160	
Grounds	2267	1500	870	
Insect Spray	756	850	53	
Insurance	1932	2000	1932	
KICC	25	25	25	
Legal Fees	1475	1500	955	
Meetings	392	250	150	
Misc.	679	500	0	
Postage	313	350	243	
Print/Copy	308	300	110	
Publications	270	0	0	
Recreation	773	300	0	
Supplies	472	200	161	
Taxes	396	300	306	
Telephone	18	25	0	
TOTAL	13389	8700	5047	

INCOME	1989 ESTIMATE	1989 REC. TO DATE
Bank Interest	800	468
Covenant Fees (309-15 delin.) 300X$10	3000	2875
Covenant Fee - Marina (Hansel)	220	0
Creek Owners/Slips (56+6 slips) 55x$20	1100	1200
Donation ($6) + Bank Income ($72)	0	78
Insect Spray Dues	0	5
Members Dues (160) & New (10) Actual New (13)	1000	1180
Recreation Fund	0	278
TOTAL	6120	6084

QAC.BUD

EXHIBIT #6

Queen Anne Colony Plats Recorded
Among Land Records of
Queen Anne's County, Maryland

"Plat 2, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., dated July, 1965, recorded in Liber C.W.C. No. 25, folio 73 and in Plat Book C.W.C. No. 1, folio 12.

"Plat 3, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Inc., dated September, 1965, recorded in Liber C.W.C. No. 25, folio 73 and Plat Book C.W.C. No. 1, folio 13.

"Revised Plat One, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., dated November, 1960, recorded in Liber T.S.P. No. 67, folio 391 and in Plat Book T.S.P. No. 1, folio 91.

"Plat One, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland" by J. R. McCrone, Jr., Inc., dated November, 1960, recorded in Liber T.S.P. No. 59, folio 251 and in Plat Book T.S.P. No. 1, folio 77.

"Plat 6, Queen Anne Colony, A Revision of Lots 10 and 11, Block F, 7 to 9 and 28 to 32, Block Q, Revised Plat 1, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., dated July, 1972, recorded in Liber C.W.C. No. 1, folio 52.

"Plat 5, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., dated June, 1971, recorded in Liber C.W.C. No. 58, folio 366, and in Plat Book C.W.C. No. 1, folio 37.

"Lots 3A, 4A, 5A and 6A, Block J (a Resubdivision of Lots 3, 4, 5 and 6, Block J, Revised Plat One), Queen Anne Colony, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., dated October 14, 1964, recorded in Liber C.W.C. No. 12, folio 104.

"Plat 4, Queen Anne Colony, Kent Island, Queen Anne's County, Maryland", by J. R. McCrone, Jr., Inc., dated February, 1966, recorded in Liber C.W.C. No. 25, folio 99 and in Plat Book C.W.C. No. 1, folio 14.

"Plat of Four Lots In the Club House Area, Queen Anne Colony, 4th District, Queen Anne's County, Md." by J. R. McCrone, Jr., Inc., dated May, 1962, recorded in Liber C.W.C. No. 8, folio 144.

"Lots 3A, 4A, 5A and 6A, Block J, (A Resubdivision of Lots 3, 4, 5 and 6, Block J, Revised Plat 1) Queen Anne Colony, Kent Island, Queen Anne's County, Maryland",dated October, 1964 by J. R. McCrone, Jr., Inc., recorded in T.S.P. No. 1, folio 99-A.

"Barbara W. and Milton E. Kettler Property Addition to Queen Anne Colony, 4th Election District, Kent Island, Queen Anne's County, Maryland",by Clarence H. Miller, dated July 30, 1981, recorded in Plat Book M.W.M. No. 5, folio 25.

MISC 0#
RECD FEE 25.00
CHECK/MO 25.00
#364930 C001 R00 T09:47
06/08/90

RECEIVED
CLERK, CIRCUIT COURT
1990 JUN -8 AM 10:50
QUEEN ANNE'S COUNTY

ADDENDUM NO. 2

ADDENDUM NO. 2 TO SALES AGREEMENT DATED _____, 199___, BY AND BETWEEN QUEENSTOWN HARBOR, LLC ("SELLER") AND _____ ("BUYER").

DISCLOSURES AND TRANSMITTAL OF DOCUMENTS PURSUANT TO MARYLAND HOMEOWNERS ASSOCIATION ACT

Pursuant to Section 11B-105(b) of the Maryland Homeowners Association Act (the "Act"), the Seller hereby certifies that as of the date hereof, except as herein stated:

1. The name, principal address, and telephone number of the Seller/Successor Declarant is as follows:

Name:	Alan G. Halle
Address:	Suite A-5 9500 Annapolis Road Lanham, Maryland 20706
Telephone:	(301) 459-2330

2. The Seller/Successor Declarant is a Maryland limited liability company. The names and addresses of the manager of the Seller/Successor Declarant is as follows:

Name:	Washington Brick & Terra Cotta Company
Address:	888 17th Street, N.W. Washington, D.C. 20006
Telephone:	(202) 828-8303

RECORDING FEE 30.00
TOTAL 30.00
Rec# 04401 Rcpt # 18242
SM RCB Blk # 1048
Aug 14, 1995 01:16 PM

3. The name of the Homeowners Association is "The Queenstown Harbor Community Association, Inc." which is incorporated in the State of Maryland. The name of the Maryland Resident Agent of the incorporated Homeowners Association is Alan G. Halle.

4. The following is a description of the location and size of the Development, including the minimum and maximum number of lots currently planned or permitted, if applicable, which may be contained within the Development:

The Development is located in Queenstown, Queen Anne's County, Maryland, and consists of approximately 23,386 acres, as shown on a Plat prepared by Rauch, Walls and Lane, Inc., entitled "Revised Plat Showing 'QUEENSTOWN HARBOR' A SUBDIVISION QUEENSTOWN, QUEEN ANNE'S CO., MD, TAX MAP 51 GRID 19 PARCEL 10" dated October, 1994, and recorded among the Plat Records of Queen Anne's County, Maryland in Book 21, Page 70 (the "Plat"). The Development currently consists of 19 single family residential lots and 16 townhouse Lots, as shown on the Plat.

5. The following is a description of any property owned by the Declarant or the Seller contiguous to the Development, which is to be dedicated to public use: the Roads shown on the Plat;

6. The Development is not part of another Development.

7. The Declarant has not reserved in the Declaration the right to annex additional property to the Development.

8. Attached to this Addendum is a copy of:

   (a) The Articles of Incorporation, the First Amended Declaration, and all recorded covenants and restrictions of the Development and of other related developments to the extent reasonably available to which the Purchaser shall become obligated on becoming an owner of the Lot; and

   (b) The Bylaws of the Development to the extent reasonably available, to which the Purchaser shall become obligated on becoming an owner of the Lot.

9. The obligations described in subparagraphs 8(a) and (b) above are enforceable against an owner and the owner's tenants.

10. The following is a description or statement of any property which is currently planned to be owned, leased, or maintained by the Homeowners Association:

   (a) The Open Space, Recreation Area, Shore Buffer and Concrete Walks, as shown on the Plat.

11. Attached to this Addendum is a copy of the estimated annual budget for the Homeowners Association for the 1995 calendar year, including a description of the replacement reserves for common area improvements, if any.

12. The current or anticipated mandatory fees or assessments to be paid by owners of Lots within the Development for the use, maintenance, and operation of common areas and for other purposes related to the Homeowners Association are as follows: $264 base annual assessment payable in installments of $22 each. Lots 20 through 35 shall pay an additional monthly increment of $37 for grass cutting service.

13. The Successor Declarant will be obligated to pay the fees in whole.

14. The following is either a brief description of zoning and other land use requirements affecting the Development, or a written disclosure of where the information is available for inspection: The Development is zoned Town of Queenstown. The Zoning Ordinance is available for inspection at the Queenstown Town office.

15. Mandatory Homeowners Association fees or assessments will first be levied against owners of Lots on January 1, 1995.

16. The procedure for increasing or decreasing such fees or assessments is as follows: The amount of the base assessment shall be fixed by the Board of Directors of the Association at least thirty (30) days in advance of each annual assessment period.

17. The method by which fees or assessments and delinquent charges will be collected is set forth in Article VIII of the First Amended Declaration.

18. Unpaid fees or assessments are a personal obligation of owners of Lots.

19. Interest is charged on unpaid fees or assessments at the rate of ten percent (10%) and subject to a late fee of the greater of $15.00 or ten percent (10%).

20. Unpaid fees or assessments may be enforced by imposing a lien on a Lot under the terms of the Maryland Contract Lien Act.

21. Lot owners will be assessed late charges and attorney's fees for collecting unpaid fees or assessments.

22. Other than prorated fees or assessments, no other sums of money are to be collected at settlement for contribution to the Homeowners Association.

23. The only special rights reserved for the benefit of the Successor Declarant are the rights to Amend the First Amended Declaration until the expiration of Class C membership.

24. THE DOCUMENTS WERE PROVIDED BY AND ALL INFORMATION HEREIN WAS COMPLETED BY THE SELLER.

NOTE: EXCEPT AS PROVIDED IN SECTION 11B-105(D) OF THE ACT, THE FOREGOING DISCLOSURES SHALL BE DEEMED TO HAVE BEEN FULFILLED IF THE INFORMATION REQUIRED TO BE DISCLOSED IS PROVIDED TO THE PURCHASER IN WRITING IN A CLEAR AND CONCISE MANNER. THE DISCLOSURES MAY BE SUMMARIZED OR PRODUCED IN A COLLECTION OF DOCUMENTS, INCLUDING PLATS, THE DECLARATION, OR THE ORGANIZATIONAL DOCUMENTS OF THE HOMEOWNERS ASSOCIATION, PROVIDED THOSE DOCUMENTS EFFECTIVELY CONVEY THE REQUIRED INFORMATION TO THE PURCHASER.

A SELLER IS NOT LIABLE TO THE PURCHASER FOR ANY ERRONEOUS INFORMATION PROVIDED BY AN UNAFFILIATED DECLARANT, SO LONG AS THE SELLER PROVIDES THE PURCHASER WITH A CERTIFICATE STATING THE NAME OF THE PERSON WHO PROVIDED THE INFORMATION ALONG WITH AN ADDRESS AND TELEPHONE NUMBER FOR CONTACTING SUCH PERSON. AN UNAFFILIATED DECLARANT IS DEFINED BY THE ACT AS A PERSON WHO IS NOT AFFILIATED WITH THE SELLER OF A LOT, BUT WHO HAS SUBJECTED SUCH PROPERTY TO A DECLARATION REQUIRED TO BE DISCLOSED BY THE ACT.

BY EXECUTION HEREOF, THE BUYER HEREBY ACKNOWLEDGES RECEIPT OF THE FOREGOING DISCLOSURES AND COPIES OF ALL DOCUMENTS DESCRIBED AS ATTACHMENTS HERETO.

WITNESS:

SELLER:

QUEENSTOWN HARBOR, LLC

_____ By:_____(SEAL)
Name:
Title:

BUYER:

_____ _____(SEAL)

_____ _____(SEAL)

BYLAWS
OF
THE QUEENSTOWN HARBOR COMMUNITY ASSOCIATION, INC.

ARTICLE I
Name and Location

The name of the corporation is THE QUEENSTOWN HARBOR COMMUNITY ASSOCIATION, INC. hereinafter referred to as the "Association". The principal office of the corporation shall be located at c/o Alan G. Halle, 9500 Annapolis Road, Suite A-5, Lanham, Maryland 20706, but meetings of members and Directors may be held at such places within the State of Maryland as may be designated by the Board of Directors.

ARTICLE II
Definitions

Section (a) "Association" shall mean and refer to The Queenstown Harbor Community Association, Inc., a Maryland corporation, its successors and assigns.

Section (b) "Property" shall have the meaning set forth in the First Amended Declaration of Easements, Covenants and Restrictions for Queenstown Harbor dated November 30, 1994 and recorded among the land records of Queen Anne's County, Maryland in Liber 482, folio 168 ("Declaration") and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section (c) "Association Property" shall mean all "Common Area" as defined in the Declaration and such additions thereto as may hereafter become owned by the Association.

Section (d) "Lot" shall have the meaning set forth in the Declaration.

Section (e) "Owner" shall have the meaning set forth in the Declaration.

Section (f) "Successor Declarant" shall mean and refer to Queenstown Harbor, LLC and its successors and assigns.

Section (g) "Declaration" shall mean the First Amended Declaration of Easement, Covenants and Restrictions for Queenstown Harbor dated November 30, 1994 and recorded among the Land Records of Queen Anne's County, Maryland, in Liber 482, folio 168, and any subsequent amendment thereto.

Section (h) "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration.

The terms used in these Bylaws shall have the same meaning ascribed to them in the Declaration, unless a different meaning is clearly evident from the context used herein.

ARTICLE III
Meeting of Members

Section (a) Annual Meetings. The first annual meeting of the Members shall be held within twelve (12) months from the date of filing of the Articles of Incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter or such other reasonably similar date as may be selected by the Board of Directors. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section (b) Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all the votes of any class of membership, except that no special meetings shall be called except upon resolution of the Board of Directors prior to the first annual meeting of Members as herein provided for or to consider any matter which is substantially the same as a matter voted on at any special meeting of the Members held during the preceding twelve (12) months.

Section (c) Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing or delivering a copy of such notice, at least ten (10) days, but not more than sixty (60) days, before such meeting to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. All meetings of the Members shall be held at places and times convenient to the greatest numbers of Members. Notice of any meeting may be waived by any Member either prior to or after any such meeting. Attendance by any Member at any meeting, either in person or by proxy, shall be a waiver of notice of that Member of the time, place and purpose of that meeting.

Section (d) Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or be represented.

Section (e) Voting. No Member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association. Any action required or permitted to be taken at any annual or special meeting of the Members shall be taken without a meeting if all of the Members shall individually or collectively consent in writing to such action and if such written consent or consents is filed with the minutes of the proceedings of the meeting.

Section (f) Proxies. At all meetings of Members, each Member may vote in person or by proxy. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot. No proxy shall be valid after eleven (11) months from its date, unless otherwise provided in the proxy. Any proxy must be in writing and must be filed with the Secretary in form approved by the Board of Directors, which approval may not be unreasonably withheld, before the appointed time of each meeting. Any written proxy which conforms with the applicable laws of Maryland shall be satisfactory and approved as to form by the Board of Directors.

Section (g) Rights of Mortgagees. Any institutional mortgagee of any Lot who desires notice of the annual and special meetings of the Members shall notify the Secretary to that effect by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom notice of the annual and special meetings of the Members should be addressed. The Secretary of the Association shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the Members to each such institutional mortgagee in the same manner, and subject to the same requirements and limitations as are otherwise provided in this Article for notice to the Members. Any such institutional mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the Members and such representative may participate in the discussion at any such meeting. Such representative shall have no voting rights at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the Members upon request made in writing to the Secretary.

ARTICLE IV
Board of Directors; Selection; Term of Office

Section (a) Number. The affairs of the Association shall be managed by a Board of Directors initially consisting of three (3) natural persons who shall be designated by the Successor Declarant and who shall hold office until the election of their successors at the first annual meeting of the Members. The names of the initial Directors are as set forth in the Articles of Incorporation of the Association.

Commencing with the first annual meeting of the Association, the Board of Directors shall consist of an uneven number of not less than three (3) nor more than five (5) members. The number of Directors shall be determined by a vote of the Directors, except that no Director's term shall be terminated as a result of a vote to reduce the size of the Board.

The Board of Directors, in its sole discretion, may establish electoral districts within the Property. An electoral district shall constitute of an area, parcel or group or Lots, or such other designated group or classification of Lots within the Property as the Board may establish by resolution from time to time. The electoral district(s), if any, shall elect one (1) member to the Board of Directors from among the Owners of Residential units within said electoral district. The remainder of the members of the Board of Directors, if any, shall be elected "at large" by the entire membership of the Association. In no event may there

be more than five (5) members on the Board of Directors at any time. In the event there are more than five (5) electoral districts in existence at one time, the Board of Directors shall establish, by resolution, which electoral district, if any, may elect its own representative member to the Board of Directors. In the absence of such a resolution, only "at large" members shall be elected.

Section (b) Term of Office. The terms of office of the Directors listed in the Articles of Incorporation shall be for the period until the first annual meeting of the Members at which their successors are elected. The terms of each Director, other than the Directors listed in the Articles of Incorporation shall be for one (1) year or until their successor is elected, whichever shall be the longer period. Each Director shall be elected at the annual meeting.

Section (c) Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section (d) Compensation. Except for any management agreement entered into pursuant to Article VII, Section (r) of these Bylaws, no Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section (e) Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of Directors.

ARTICLE V
Nomination and Election of Directors

Section (a) Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting at which the election is to be held. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more other persons. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members and such appointment shall be announced at each annual meeting. The Nominating Committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may be made from among Members or non-members.

In the event the Board of Directors establishes electoral district(s) pursuant to these Bylaws, each electoral district so created shall submit to the Nominating Committee the name(s) of the nominee(s) for said electoral district's member of the Board of Directors not less than thirty (30) nor more than sixty (60) days prior to the annual or special meeting. If no Nominating Committee has been created, the electoral district(s) shall submit their

respective nominees(s) to the Board of Directors not less than thirty (30) nor more than sixty (60) days prior to the annual or special meeting. Other nominations may be taken from the floor at the said meeting.

Section (b) Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI
Meetings of Directors

Section (a) Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section (b) Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days notice to each Director.

Section (c) Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section (d) Open Meetings.

(e) Except as provided below, all meetings of the Board and of any committee of the Board shall be open to all Members and their agents, but Members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board. The Board or any committee of the Board may, with approval of a majority of a quorum, convene in closed session for the following purposes:

(i) Discussion of a matter pertaining to employees and personnel;

(ii) Protection of the privacy or reputation of individuals in matters not related to Association business;

(iii) Consultation with legal counsel;

(iv) Consultation with staff personnel, consultants, attorneys or other persons in connection with pending or potential litigation;

(v) Investigative proceedings concerning possible or actual criminal misconduct;

(vi) Consideration of the terms or conditions of a business transaction in the negotiation stage if the disclosure could adversely effect the economic interests of the Association;

(vii) Compliance with a specific constitutional, statutory or judicially imposed requirement protecting particular proceedings or matters from public disclosure; or

(viii) On an individually recorded affirmative vote of two-thirds (2/3) of the board or committee members present, for some other exceptional reason so compelling as to override the general policy in favor of open meetings.

(f) If a meeting is held in closed session pursuant to the procedures established above,

(i) No action may be taken and no matter may be discussed other than those permitted above; and

(ii) A statement of the time, place and purpose of any closed meeting, the record of the vote of each board or committee member by which the meeting was closed, and the authority under this Section for closing a meeting shall be included in the minutes of the next meeting of the Board of Directors or the committee, as the case may be.

ARTICLE VII
Powers and Duties of the Board of Directors

Section (a) Powers. The Board of Directors shall have power to:

(b) adopt and publish rules and regulations governing the use of the Association Property and improvements thereto, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(c) suspend the voting rights and right to use of the recreational facilities, if any, of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed thirty (30) days for infraction of published rules and regulations;

(d) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(e) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(f) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and

(g) borrow money for the purpose of (i) improving the Association Property in a manner designed to promote the enjoyment and welfare of the Members and in aid thereof to mortgage any of the Association Property, or (ii) for such other purposes deemed desirable by the Board of Directors; provided, however, that the consent of the Members entitled to cast a majority of the votes of the membership is obtained.

Section (h) Duties. It shall be the duty of the Board of Directors to:

(i) cause to be kept a complete record of all its acts and corporate affairs and to present a statement to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by the holders of one-fourth (1/4) of the votes of any Class who are entitled to vote;

(j) supervise all officers, agents and employees of the Association, and to see their duties are properly performed;

(k) as more fully provided in the Declaration, to:

(i) prepare an annual budget and to fix the amount of the annual assessment (including, without limitation, Base Assessments, Special Assessments, Assessments for Reserves and Capital Improvements, Repairs and Replacements, and Townhome Exterior Assessments provided in the Declarations) against each Lot at least thirty (30) days in advance of each annual assessment period;

(ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(iii) foreclose at its discretion the lien, in accordance with the Maryland Contract Lien Act, against any Lot for which assessments are not paid within thirty (30) days after due date and/or to bring an action at law against the Owner personally obligated to pay the same;

(l) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(m) procure and maintain adequate liability and hazard insurance on property owned, leased or controlled by the Association, and adequate officers and directors indemnity insurance;

(n) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(o) cause the Association Property and all improvements thereto to be maintained in accordance with the terms of the Declaration;

(p) otherwise perform or cause to be performed the functions and obligations of the Board and the Association as provided for in the Declaration and Articles of Incorporation and these Bylaws, including employing an insurance consultant if the Board of Directors deems it necessary to do so in order to analyze the insurance requirements of the Association; and

(q) enter into an agreement with first mortgagees of Lots in the properties to provide that such first mortgagees, jointly or singly, may pay taxes or other charges which are in default and which may or have become a charge against the Association Property, and such mortgagees may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such property, and such first mortgagees, upon making such payments, shall be owed immediate reimbursement therefor from the Association.

(r) Management Agent. Employ for the Association a 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. Any management agreement entered into by the Association shall provide, inter alia, that such agreement may be terminated for cause by either party upon not more than ninety (90) days' written notice thereof to the Management Agent. The term of any such management agreement shall not exceed one year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one-year periods.

ARTICLE VIII
Officers and Their Duties

Section (a) Enumeration of Offices. The officers of this Association shall be a President and Vice President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section (b) Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section (c) Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year or until his successor is duly elected and

qualified, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section (d) Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section (e) Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section (f) Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section (g) Multiple Offices. The offices of Secretary and Assistant Secretary, Treasurer and Vice President may be held by the same person, but in no event shall the same officer execute, acknowledge or verify any instrument in more than one capacity, if such instrument is required by law, the Declaration, the Articles of Incorporation or these Bylaws to be executed, acknowledged or verified by two (2) or more officers. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section (d) of this Article and except as otherwise provided in this Section (g).

Section (h) Duties. The duties of the officers are as follows:

(i) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(j) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by him of the Board.

(k) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(l) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account, coordinate any audits of the Association books

and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX
Liability and Indemnification of Officers and Directors - Interested Directors

Section (a) Indemnification of Officers and Directors. The Association shall indemnify every person who is or was an officer or Director of the Association and who was, is or is threatened to be made a party to any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative by reason of the fact that he is or was such director or officer or an employee or agent of the Association, if that person (i) acted in good faith; and (ii) reasonably believed (a) in the case of conduct in that person's official capacity, that the conduct was in the best interests of the Association; and (b) in all other cases that the conduct was at least not opposed to the best interests of the Association; and (iii) in the case of any criminal proceeding, had no reasonable cause to believe that the conduct was unlawful. The indemnification provided for in this Article is against judgments, penalties, fines, settlements and reasonable expenses (including attorneys' fees) actually incurred in connection with any such threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, provided, however, that if any such action, suit or proceeding was one by or in the right of the Association, indemnification shall be made only against reasonable expenses and shall not be made in respect of any proceeding in which the person otherwise entitled to indemnification pursuant to the provisions of this Article have been adjudged to be liable to the Association. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, creates a rebuttable presumption that the person otherwise entitled to indemnification did not meet the requisite standard of conduct set forth in this Article. A person who is or was an officer or Director of the Association is not indemnified under the provisions of this Article in respect of any threatened, pending or completed action, suit or proceeding charging improper personal benefit to that person, whether or not involving action in that person's official capacity, in which the person was adjudged to be liable on the basis that personal benefit was improperly received. The provisions of this Article are intended to provide every person who is or was an officer or Director of the Association and who was, is or is threatened to be made a named defendant or respondent in any threatened, pending or completed action, suit or proceeding by reason of service in that capacity, with indemnification to the extent permitted in Section 2-418(b) of Title 2, Corporations and Associations Article, Annotated Code of Maryland, as from time to time amended or superseded. Indemnification under this Article may not be made by the Association unless authorized in the specific case after a determination has been made that indemnification is permissible because the person who is or was an officer or Director of the Association has met the standard of conduct set forth in this Article. Such determination shall be made in the manner provided in Section 2-418(e) of Title 2, Corporations and Associations Article, Annotated Code of Maryland, as from time to time amended or superseded. Reasonable expenses incurred by any person who is or was an officer or Director of the Association and who is a party to any threatened, pending or completed action, suit or proceeding by reason of service in that capacity, may

be paid or reimbursed by the Association in advance of the final disposition of that proceeding, after a determination that the facts then known to those making the determination would not preclude indemnification under this Article, upon receipt by the Association of:

(i) a written affirmation by that person of that person's good faith belief that the standard of conduct necessary for indemnification by the Association as authorized in this Article has been met; and

(ii) a written undertaking by or on behalf of that person to repay the amount if it shall ultimately be determined that the standard of conduct necessary for indemnification by the Association as authorized in this Article has not been met. The undertaking required by this subparagraph (ii) shall be an unlimited general obligation of the person making it but need not be secured and may be accepted without reference to financial ability to make the repayment.

Determination and authorization of payments under this Article shall be in the manner specified in Section 2-418(e) of Title 2, Corporations and Associations Article, Annotated Code of Maryland, as from time to time amended or superseded. The officers and Directors of the Association shall not be liable to the Association for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association except to the extent that such officers or Directors may also be Members of the Association, and the Association shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment, except as aforesaid. The provisions of this Article do not limit the power of the Association to pay or reimburse expenses incurred by any person who is an officer or Director of the Association in connection with an appearance as a witness in any proceeding by reason of service in that capacity, or otherwise involving the Association, when that person has not been made a named defendant or respondent in the proceeding. Any right to indemnification provided for in this Article shall be in addition to, and not exclusive of, any other rights to which any person who is or was an officer or Director of the Association may be entitled by law, or otherwise. The Association may purchase and maintain insurance on behalf of any person who is or was an officer or Director of the Association against any liability asserted against and incurred by such person in any such capacity or arising out of such person's position, whether or not the Association would have the power to indemnify against such liability pursuant to the provisions of this Article, or otherwise. Any indemnification of, or advance of expenses to, any person in accordance with the provisions of this Article, if arising out of a proceeding by or in the right of the Association, shall be reported in writing to the Members of the Association with notice of the next annual meeting of the Members of the Association or prior to the next annual meeting of the Members.

Section (b) Interested Directors. The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Association. A contract or other transaction between the Association and any of its Directors, or between the Association and

any corporation, firm or other entity in which any of its Directors is a director or has a material financial interest is not void or voidable solely because of the common directorship or interest, or because the Director is present at the meeting of the Board of Directors which authorizes, approves or ratified the contract or transaction, or because the vote of the Director was counted for the authorization, approval or ratification of the contract or transaction, if any of the following conditions exist:

(i) the fact of the common directorship or interest is disclosed or known to the Board of Directors and the Board of Directors authorizes, approves or ratifies the contract or transaction by the affirmative vote of a majority of disinterested Directors, even if the disinterested Directors constitute less than a quorum; or

(ii) the fact of the common directorship or interest is disclosed or known to the Members of the Association entitled to vote, and the contract or transaction is authorized, approved or ratified by a majority of the votes cast by the Members entitled to vote other than the votes appurtenant to memberships owned by the interested Director or corporation, firm or other entity; or

(iii) the contract or transaction is fair and reasonable to the Association at the time it was authorized, approved or ratified.

Common or interested Directors or the votes which they are entitled to cast or which are entitled to be cast by an interested corporation, firm or other entity, may be counted in determining the presence of a quorum at a meeting of the Board of Directors or at a meeting of the Owners, as the circumstances may require, at which the contract or transaction is authorized, approved or ratified. If a contract or transaction is not authorized, approved or ratified in the manner provided for in subparagraphs (i) or (ii) of this Paragraph, the person asserting the validity of the contract or transaction bears the burden of proving that the contract or transaction was fair and reasonable to the Association at the time it was authorized, approved or ratified.

ARTICLE X
Committees

The Board of Directors shall appoint an Architectural Committee, as provided in the Declaration, and a Nominating Committee, as provided in Article V, Section (a) of these Bylaws. In addition, the Board of Directors may appoint such other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI
Insurance

In addition to the insurance coverages allowed to be maintained by the Declaration, the Board of Directors of the Association may obtain and maintain, to the extent reasonably available:

(a) A "Legal Expense Indemnity Endorsement", or its equivalent, affording protecting for the officers and Directors of the Association for expenses and fees incurred by any of them in defending any suit or settling any claim, judgment or cause of action to which any such officer or Director shall have been made a party by reason of his or her services as such; and

(b) Such other policies of insurance as are or shall hereafter be considered appropriate by the Board of Directors.

ARTICLE XII
Books and Records/Fiscal Management

Section (a) Fiscal Year. The fiscal year of the Association shall be established by the Board of Directors.

Section (b) Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices, consistently applied. The same shall include books with detailed account, in chronological order, of receipts and of the expenditures and other transactions of the Association and its administration and shall specify the maintenance and repair expenses of the Association Property and the improvements thereto, services required or provided with respect to the same and any other expenses incurred by the Association.

Section (c) Auditing. Within the sole discretion of the Board of Directors, at the close of each fiscal year, the books and records of the Association may be audited by an independent Public Accountant whose report shall be prepared in accordance with generally accepted auditing standards, consistently applied. Based upon such report, the Association shall furnish the Members and any mortgagee requesting the same with an annual financial statement, including the income and disbursements of the Association, within ninety (90) days following the end of each fiscal year.

Section (d) Inspection of Books. The books and accounts of the Association vouchers accrediting the entries made thereupon and all other records maintained by the Association shall be available for examination by the Members and their duly authorized agents, and to the institutional holder of any first mortgage on any Lot and its duly authorized agents, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIII
Assessments

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the Lot against which

the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the lesser of (a) fifteen percent (15%) per annum or (b) the maximum rate permitted by law, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XIV
Amendments

Section (a) These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds of a quorum of Members present in person or by proxy.

Section (b) Notwithstanding anything contained in these Bylaws to the contrary, prior to the lapse of the Class C membership, the Board of Directors may make corrective and other modifications to these Bylaws without the consent of the Members.

ARTICLE XV
Interpretation/Miscellaneous

Section (a) Conflict. These Bylaws are subordinate and subject to all provisions of the Declaration and to the provisions of the Articles of Incorporation of the Association. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration. In the event of any conflict between these Bylaws and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between these Bylaws and the Articles of Incorporation of the Association, the provisions of the Articles of Incorporation shall control.

Section (b) Notices. Unless another type of notice is specifically provided for, any and all notices called for in these Bylaws shall be given in writing.

Section (c) Severability. In the event any provision or provisions of these Bylaws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

Section (d) Waiver. No restriction, condition, obligation or provisions of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section (e) Captions. The captions contained in these Bylaws are for convenience only and are not a part of these Bylaws and are not intended in any way limit or enlarge the terms and provisions of these Bylaws or to aid in the construction thereof.

Section (f) Gender, etc. Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse, and the use of any gender shall be deemed to include all genders.

IN WITNESS WHEREOF, we, being all of the Directors of THE QUEENSTOWN HARBOR COMMUNITY ASSOCIATION, INC. have hereunto set our hands this _____ day of December, 1994.

WITNESS:

_____ _____
Alan G. Halle

_____ _____
Arthur A. Birney, Jr.

_____ _____
Janet L. McDonald

***

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of THE QUEENSTOWN HARBOR COMMUNITY ASSOCIATION, INC. a Maryland corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors hereof, held on the _____ day of December, 1994.

IN WITNESS WHEREOF, I have hereunto subscribed my name this _____ day of December, 1994.

_____
Janet L. McDonald

FIRST AMENDED

DECLARATION OF EASEMENTS,

COVENANTS, AND RESTRICTIONS

FOR

QUEENSTOWN HARBOR

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Exhibit "A" - Legal Description of the Property

FIRST AMENDED
DECLARATION OF EASEMENTS, COVENANTS,
AND RESTRICTIONS
FOR QUEENSTOWN HARBOR

THIS FIRST AMENDED DECLARATION OF EASEMENTS, COVENANTS, AND RESTRICTIONS ("Declaration") is made this 1st day of December, 1994, by QUEENSTOWN HARBOR LLC, a Maryland limited liability company (the "Successor Declarant").

RECITALS

A. Successor Declarant is the owner of the real property containing approximately 23.386 acres, located in The Town of Queenstown, Queen Anne's County, Maryland, as more particularly described in Exhibit "A" attached hereto and made a part hereof (the "Property").

B. Successor Declarant intends to develop the Property or cause it to be developed as a residential community as shown on a Plat prepared by Rauch, Walls and Lane, Inc., entitled "REVISED PLAT SHOWING 'QUEENSTOWN HARBOR' A SUBDIVISION QUEENSTOWN QUEEN ANNE'S CO., MD. TAX MAP 51 - GRID 19 - PARCEL 10", dated October, 1994, and recorded among the Plat Records of Queen Anne's County simultaneously herewith ("Plat"). The Plat amends and replaces the "PLAT SHOWING 'QUEENSTOWN HARBOR' A SUBDIVISION TOWN OF QUEENSTOWN TAX MAP 51 BLOCK 19 PARCEL 10 QUEEN ANNE'S COUNTY, MARYLAND", dated April 1994, and recorded among the Plat Records of Queen Anne's County, Maryland in Liber 21, folios 10-A, 10-B and 10-C.

C. Successor Declarant intends by this Declaration to provide for the preservation of the values and amenities of the proposed community by (i) insuring the proper development and use of the Property, (ii) enforcing high standards of development, maintenance, and operation of the Property for the benefit of the owners of the lots and any other residents of such community, (iii) granting and reserving rights, easements and other privileges, and (iv) creating a continuing means to provide adequately for a high quality residential community.

D. By a Declaration of Easements, Covenants and Restrictions for Queenstown Harbor recorded among the Land Records of Queen Anne's County, Maryland in Liber 465, folio 523 ("Original Declaration"), Washington Brick & Terra Cotta Company (the predecessor in interest to Queenstown Harbor LLC) subjected the Property to the easements, covenants and restrictions contained therein.

E. By Deeds dated June 20, 1994, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber 467, folio 569, and in Liber 468, folio 064, and Confirmatory Deeds dated July 25, 1994, and recorded in Liber 470, folio 606, and in Liber 470, folio

609, Successor Declarant became the owner of one hundred percent (100%) of the Property encumbered by the Original Declaration.

F. Pursuant to Article XII of the Original Declaration, Successor Declarant desires to amend the Original Declaration, as hereinafter set forth by rescinding the Original Declaration, and by the recording of this First Amended Declaration of Restrictions, Covenants and Restrictions for Queenstown Harbor in lieu thereof.

G. Successor Declarant has caused or will cause a non-profit membership corporation known or to be known as The Queenstown Harbor Community Association, Inc. (the "Association") to be formed in order to perform certain functions on behalf of the owners of lots within the Property, including, but not limited to, the enforcement of the covenants, conditions and restrictions herein set forth, the management of the common areas to be owned by the Association and the collection and disbursement of the assessments and charges hereinafter imposed.

H. Successor Declarant wishes to provide for the integrated use of the Property and to provide that each separate parcel and/or the Association shall have all necessary easements for utilities, ingress, egress, use, maintenance, operation and repair, on, over, and across the other parcels as are reasonably necessary for the use and enjoyment of each parcel and the Common Area.

NOW, THEREFORE, Successor Declarant hereby rescinds the recording of the Original Declaration in its entirety, and hereby declares that all of the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, reservations and conditions which are for the purpose of protecting the value and desirability of and which shall run with the Property and which shall be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of the Declarant, and each of its successors and assigns of the Property, and any part thereof and the Association.

ARTICLE I
DEFINITIONS

As used herein, the following words and terms shall have the following meaning:

Section 1. "Architectural Committee" The Architectural Committee shall be composed of those three or more individuals so designated from time to time by (i) Successor Declarant until the sale of all the Lots or upon such earlier date designated by the Successor Declarant and (ii) thereafter by the Association's Board of Directors. Those individuals appointed by the Association's Board of Directors may be removed from the Architectural Committee at any time by the Association's Board of Directors at its discretion.

Section 2. "Area of Common Responsibility" shall mean and refer to the Common Area together with those additional areas, if any, which, by contract or agreement with the Town of Queenstown, with any residential association or with any other party, becomes in whole or in part the responsibility of the Association.

Section 3. "Association" shall mean and refer to The Queenstown Harbor Community Association, Inc., a Maryland non-profit, non-stock corporation, and its successors and assigns.

Section 4. "Base Assessments" shall mean assessments described in Article VIII, Section 2.

Section 5. "Board of Directors" shall mean the Board of Directors of the Association, as constituted from time to time. The affairs of the Association shall be managed by a Board of Directors initially consisting of three (3) natural persons who shall be designated by the Successor Declarant and who shall hold office until the election of their successors at the first annual meeting of the Members of the Association. The names of the initial Directors are as set forth in the Articles of Incorporation of the Association.

Section 6. "Common Area" shall mean those areas designated on the Plat defined in Section 19 of this Article as "Open Space", "Recreation Area", "Shore Buffer" and "Concrete Walk".

Section 7. "Common Expenses" shall mean and include the actual and estimated expenses incurred by the Association in connection with the use, maintenance, repair and replacement of the Common Area and the operation of the Association. Common Expenses shall include amounts necessary to establish and maintain any reserve or capital repair and replacement fund determined to be necessary and appropriate by the Board of Directors.

Section 8. "Successor Declarant" shall mean Queenstown Harbor LLC, a Maryland limited liability company, and its successors and assigns to whom any or all of the special rights, reservations, easements, interests, exemptions, privileges and powers of the Successor Declarant are specifically assigned or transferred in a writing recorded among the Land Records of Queen Anne's County, Maryland.

Section 9. "Detached Single Family Residential Section" shall mean lots numbered 1 through 19 on the Plat defined in Section 19 of this Article.

Section 10. "Improved Lot" shall mean a Lot upon which a structure suitable for occupancy as a single-family residence has been constructed and shall, unless otherwise specified, include within its meaning (by way of illustration, but not limitation) townhomes, or detached single-family dwellings. All Lots shall be deemed to constitute Improved Lots within the meaning of this Declaration after January 1, 2000.

Section 11. "Lot" shall mean any single-family detached or townhome residential lot created by any subdivision or re-subdivision of the Property or any part thereof. The Townhome Section and the Detached Home Section are intended to be subdivided in phases. Any single family residential lot created pursuant to any such subdivisions shall become a Lot for all purposes of this Declaration upon the recordation in the Land Records of Queen Anne's County of the subdivision plat creating such Lot.

Section 12. "Member" shall mean and refer to a Person having membership in the Association, as provided herein.

Section 13. "Mortgage" shall mean any recorded instrument, including a deed of trust, encumbering a Lot which is intended to secure the performance of an obligation.

Section 14. "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.

Section 15. "Owner" shall mean and refer to one or more persons or entities who hold the record title to any Lot, but shall not include any party holding an interest merely as security for the performance of an obligation.

Section 16. "Person" means a natural person, a corporation, a partnership, trustee or other legal entity.

Section 17. "Plat" means the subdivision plat prepared by Rauch, Walls and Lane, Inc., entitled "REVISED PLAT SHOWING 'QUEENSTOWN HARBOR' A SUBDIVISION QUEENSTOWN, QUEEN ANNE'S CO., MD. TAX MAP 51 - GRID 19 - PARCEL 10", dated October, 1994, and recorded among the Plat Records of Queen Anne's County simultaneously herewith, or any amendment or revision thereof which may hereafter be recorded among said Plat Records.

Section 18. "Project" shall mean the residential community known or to be known as "Queenstown Harbor", as shown on the Plat or any amendment or revision thereof.

Section 19. "Property" shall mean and refer to all of the real property described in Exhibit A and shown on the Plat.

Section 20. "Structure" shall mean and refer to any thing or device placed upon or connected to the Property (or any part thereof), including by way of illustration but not limitation, any building, garage, porch, shed, mailbox, greenhouse, covered or uncovered patio, swimming pool, tennis court, radio or television antenna or satellite dish, fence, curbing, paving, wall, tree, hedge, signboard, swing set, dog house, ramp, clothes line, dock, pier, or any other temporary or permanent improvement to such Lot. "Structure" shall also mean (i) any excavation, fill, ditch, or other thing or device which affects or alters the flow of surface water from, upon or across any Lot, and (ii) any change in the

grade of any lot of more than six (6) inches from that existing at the time of original subdivision.

Section 21. "Supplementary Declaration" shall include all modifications, deletions or additions to the Declaration which are legally executed and duly recorded in the Land Records of Queen Anne's County, Maryland.

Section 22. "Townhome Section" shall mean the parcel of land designated as Lots 20 through 35 on the Plat.

Section 23. "Townhome Group" shall mean each of the separate groups of Townhomes.

Section 24. "Vacant Lot" shall mean and refer to any Lot which is not an Improved Lot.

ARTICLE II
EASEMENTS AND PROPERTY RIGHTS

Section 1. Utilities and Drainage. Easements for the installation and maintenance of utilities and drainage facilities are hereby granted and reserved as shown on the Plat. In addition thereto, the Successor Declarant or the Association shall have the right to grant licenses, rights-of-way, and easements on, over and under the Common Areas, and easement areas shown on the Plat for access or for the construction, reconstruction, maintenance and repair of any utility lines, drainage facilities or appurtenances, whether public or private, to any municipal agency, public utility, cable television franchise, the Successor Declarant or any other person.

Section 2. Special Townhome Easements. The Association shall have the right to enter upon the Lots 20 through 35 for the purpose of cutting grass in accordance with Article IV, Section 1(b) and for the purpose of making exterior alterations, repairs or improvements in accordance with Article VIII, Section 6.

Section 3. Development Easements. (a) The Successor Declarant reserves unto itself, its successors and assigns, a perpetual, alienable and releasable easement and right on, over and under all parts of the Property to construct, install, maintain, repair, replace and use roads, sidewalks, electric, cable television and telephone poles, wires, cables, conduits, drainage ways, sewers, wells, pumping stations, tanks, water treatment facilities, water mains, telephone equipment, gas, sewer, water, drainage or other public conveniences or utilities on, in or over the portions of the Property as may be reasonably required to develop Queenstown Harbor.

(b) These easements and rights expressly include, but are not limited to, the right to cut any trees, bushes or shrubbery, grade or excavate the soil, or to take any other similar action reasonably necessary to provide economical and safe road,

sidewalk, drainage and utility installations and to maintain reasonable standards of health, safety and appearance.

Section 4. Easements for Open Space, Recreation Area and Concrete Walk. The Successor Declarant hereby grants to the Owner of each Lot and to its invitees, lessees, agents, and employees, subject to the Restrictions and Conditions contained in Article X, the right to use the Open Space, Recreation Area and Concrete Walk, as shown on the Plat.

Section 5. Shore Buffer Easement. The Successor Declarant hereby grants to the owner of each Lot numbered 7 through 19 on the Plat, and to its invitees, lessees, agents and employees, subject to the restrictions and conditions contained in Article X, Section 2, the right to use that portion of the Shore Buffer lying between the two lines extended to Little Queenstown Creek or its drainage way from the side boundaries of each said Lot.

Section 6. Extent of Easements. The easement rights granted above 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 establish uniform rules, assessments and regulations pertaining to the use of the Common Area;

(b) the right of the Successor Declarant, its successors and assigns, or the Association by its Board of Directors, to dedicate or transfer all or any part of the Common Areas owned by the Association to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the Association and approved by the Queenstown Commissioners;

(c) the reservation to the Successor Declarant, its successors and assigns of the right to enter upon any Common Area conveyed to the Association for the purpose of construction or completing the construction of improvements and the landscaping of the Common Area.

Section 7. Conveyance by Successor Declarant. The Successor Declarant covenants for itself, its successors and assigns that, no later than the expiration of the Class C membership under Article III, Section 2(b) or January 1, 1999, whichever shall first occur, it shall convey to the Association the fee simple title to all of the Common Area and all improvements located thereon or attached thereto.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Lot Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of the land.

Section 2. Voting. The Association shall have the following three (3) classes of voting membership:

(a) Class "A". Class "A" Members shall be Owners of Improved Lots within the Residential Parcels and shall be entitled to one (1) vote for each such Lot owned. When more than one Person holds an interest in any such Lot, all such persons shall be Members. The vote for such Lot shall be exercised as those Persons determine, but in no event shall more than one vote be cast with respect to any such Lot.

(b) Class "B". The Class "B" Members shall be the Vacant Lot Owners, and shall be entitled to one-half (1/2) vote for each such Lot owned. When more than one Person holds an ownership interest in any such Lot, the vote of the Owner of such Lot shall be exercised as those Persons determine, but in no event shall more than one-half (1/2) vote be cast with respect to any such Lot. At such time as a vacant Lot becomes an Improved Lot, the voting classification of such Lot will be adjusted accordingly.

(c) Class "C". The Class "C" Member shall be the Successor Declarant. The Class "C" Member shall originally be entitled to fifty five (55) votes; this number shall be decreased by one (1) vote for each vote outstanding in the Class "A" membership, and by one (1) vote for each one-half (1/2) vote outstanding in the Class "B" membership. The Class "C" membership shall terminate and be converted to Class "A" and/or Class "B" membership, as the case may be, upon the happening of the earlier of the following:

(i) when the total outstanding Class "A" and Class "B" votes equal or exceed twenty eight (28);

(ii) January 1, 1999; or

(iii) when, in its discretion, the Successor Declarant so determines.

From and after the happening of the first to occur of such events, the Class "C" Member shall be deemed to be a Class "A" and/or Class "B" Member entitled to the applicable vote for each Lot owned.

Section 3. Assignment to Tenant. Any Owner of an Improved Lot which is leased may, in the lease or other written instrument, assign the voting right appurtenant to that Lot to the lessee, provided that a copy of such lease or other written instrument is furnished to the Secretary of the Association prior to any meeting.

ARTICLE IV
MAINTENANCE

Section 1. Association's Responsibility.

(a) The Association shall maintain and keep in good order the Common Area, such maintenance to be funded as provided in Article VIII hereof. This maintenance shall include, but not be limited to, maintenance, repair and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures and improvements situated upon such areas.

(b) The Association shall cut the grass on the lawns of Lots 20 through 35 lying outside any fences erected on such Lots.

(c) The Association may, at the discretion of the Board of Directors, assume additional maintenance responsibilities upon all or any portion of the Property. In such event, all costs of such maintenance shall be assessed only against those Owners to which the services are provided.

Section 2. Owner's Responsibility. The Owner of each Lot shall keep his Lot, and all improvements thereon, in good order and repair, including, but not limited to, the seeding, watering, and mowing of all lawns and yards, keeping all sidewalks neat, clean, and in good repair, and free of ice and snow, the pruning and cutting of all trees and shrubbery, and the painting (or other appropriate external care) of all buildings and Structures on the Lot, all in a manner and with such frequency as is consistent with good property management and maintenance. If, in the opinion of the Architectural Committee, such maintenance is not properly performed by any Lot Owner, the Association may perform such maintenance and assess the Lot Owner for the cost thereof. All costs incurred by the Association in connection with such restoration or maintenance shall be reimbursed to the Association by the Owner of the Lot upon demand. All unreimbursed costs shall be a lien upon the Lot until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid assessment levied in accordance with Article VIII. Except in the case of an emergency, the Association shall afford the Owner reasonable notice and an opportunity to cure the default prior to undertaking such maintenance.

ARTICLE V
INSURANCE AND CASUALTY LOSSES

Section 1. Insurance. (a) The Association's Board of Directors, or its duly authorized agent, shall have the authority to and may obtain insurance for loss or damage by fire or other hazards for all insurable improvements within the Common Area. This insurance shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard.

(b) The Board of Directors shall have the authority to, and may also obtain, to the extent reasonably feasible, a public liability policy covering the Common Area, other areas that are under the supervision of the Association. Any such public liability policy shall be for such amount as deemed reasonable by the Board of Directors but shall, at a minimum, have at least a Five Hundred Thousand Dollar ($500,000.00) single person limit as respects bodily injury and property damage, a One Million Dollar ($1,000,000.00) limit per occurrence, and a Two Hundred Fifty Thousand Dollar ($250,000.00) minimum property damage limit.

(c) Premiums for all insurance obtained by the Board of Directors or its duly authorized agent shall be a Common Expense and as such will be included in the Base Assessment. All policies obtained by the Board of Directors or its duly authorized agent may contain a reasonable deductible.

(d) All policies obtained by the Board of Directors or its duly authorized agent shall be for the benefit of the Association and the Lot Owners and their Mortgagees as their interests may appear.

(e) Exclusive authority to adjust losses under policies obtained by the Board of Directors or its duly authorized agent shall be vested in the Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(f) The Board of Directors or its duly authorized agent shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) a waiver of subrogation by the insurer as to any claims against the Board of Directors, its manager, the Lot Owners, and their respective tenants, servants, agents, and guests;

(ii) that no policy may be canceled, invalidated, or suspended on account of the conduct of any director, officer, or employee of the Association or its duly authorized agent or on account of any one or more Lot Owners without prior demand in writing delivered to the Board of Directors to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Board of Directors, its duly authorized agent, any Lot Owner, or Mortgagee;

(iii) that any "other insurance" clause in any policy exclude individual Lot Owners' policies from consideration; and

(iv) that no policy may be cancelled or substantially modified without at least (10) days' prior written notice to the Board of Directors.

(g) In addition to the other insurance required by this Section, the Board of Directors may obtain, as a Common Expense, directors and officers liability insurance, worker's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds for directors, officers, employees, and other persons handling or responsible for the Association's funds.

ARTICLE VI
CHANGE OF DEVELOPMENT PLAN

Section 1. Change of Development Plan by Successor Declarant. The term "change of development plan" shall mean any change in all or any part of the Property or the abandonment or modification of the Project. The Successor Declarant intends to develop the Property in accordance with the Plat , as subsequently modified from time to time. The Successor Declarant reserves the right to modify the Plat at its sole option, from time to time. The Plat or any future Plat shall not bind the Successor Declarant, its successors and assigns, to adhere to the Plat in the development of the Property. Successor Declarant shall have the unilateral right, privilege, and option from time to time, subject to the provision of this Declaration, without the approval of Class "A" or Class "C" Members to change the use of all or any portion of the Property. A Supplementary Declaration detailing the change of land use shall be executed by the Successor Declarant and recorded in the Land Records of Queen's Anne County, Maryland.

Section 2. Amendment. Section 1 of this Article VI shall not be amended without the written consent of Successor Declarant, so long as the Successor Declarant owns any portion of the Property.

ARTICLE VII
RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. Area of Common Responsibility. The Association, subject to the rights and responsibilities of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including, without limitation, furnishings and equipment related thereto, private drainage facilities and common landscaped areas), and shall keep the Common Area in good, clean, attractive, and sanitary condition, order and repair, pursuant to the terms and conditions hereof.

Section 2. Ownership and Acceptance of Property. The Association through action of its Board of Directors, may acquire, hold, and dispose of tangible and intangible property and real property, subject to the requirements of this Declaration. The Board of Directors, acting on behalf of the Association, must accept any real or personal property, leasehold, or other property interests within the Property conveyed to it by the Successor

Declarant.

Section 3. Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE VIII
ASSESSMENTS

Section 1. Creation of Lien and Personal Obligations for Assessments. Each Lot Owner by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association if applicable: (i) the Base Assessment, (ii) Assessment for Reserves and Capital Improvements, Repairs and Replacements, (iii) Special Assessments and (iv) Townhome Exterior Assessment. All such assessments shall be established and collected as hereinafter provided. Unpaid Base Assessments, Assessments for Reserves and Capital Improvements, Repairs and Replacements, Special Assessments, and Townhome Exterior Assessments together with interest, costs, and reasonable attorney's fees shall be a charge on and shall be a continuing lien upon the land against which such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the assessment falls due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed.

Section 2. Base Assessments. The Board shall levy a Base Assessment to be used exclusively to promote the recreation, health, safety, and welfare of the residents of Lots within the Property and for the improvement and regular and routine maintenance of the Common Areas and as is otherwise consistent with the rights and responsibilities of the Association hereunder and for the benefit of the Members. The Base Assessment for Lots 20 through 35 shall include an additional increment for the Association's cost to provide grass cutting services under Article IV, Section 1(b).

Section 3. Assessment for Reserves and Capital Improvements, Repairs and Replacements. Certain improvements within the Common Area have been or may be constructed and paid for by the Successor Declarant or the Association. The Board shall have the authority to levy an Assessment for capital improvements, repairs and replacements or for reserves therefore, annually or from time to time.

Section 4. Special Assessment. In addition to the assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only, to meet any emergency or unforeseen expenses of the Association

provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized under Section 4. Written notice of any meeting called for the purpose of taking an action authorized under Section 4 shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Townhome Exterior Assessment. Upon the written application of at least two-thirds (2/3) of the owners of the Lots in one or more Townhome Groups, with respect to specific Townhome Groups, or at least two-thirds (2/3) of the owners of all the Townhome Lots, with respect to all the Townhouses, and with the concurrence of the Architectural Committee, the Board may make or cause to be made exterior alterations, repairs or improvements, including, but not limited to, painting, siding and roof shingles, to one or more Townhome Groups. The purpose of this Townhome Exterior Assessment is to ensure that desirable or needed improvements or repairs to two (2) or more Townhome Units can be made at the same time to maintain the compatibility and complementary aspects of Townhome Units within a Group and among all Townhome Units. The Board shall have the authority to assess each Townhome owner for its pro-rata costs such exterior alterations, repairs or improvements. Any assessment made under this provision shall not exceed the cost of the alteration, repair or improvement to the Townhome so assessed.

Section 7. Uniform Rate of Assessment/Increases in Assessments. Unless otherwise expressly provided herein, assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis, or other periodic basis not more often than monthly, or less often than annually, as provided by the Board of Directors. The Board shall have the power and authority to increase each of the annual assessments described in Sections 2, 3 and 6 of this Article VIII, without a vote of the Lot Owners, by an amount not to exceed twenty-five percent (25%) of the maximum annual amount of each assessment for the immediately preceeding year.

Section 8. Surplus Receipts. Unless otherwise expressly provided herein, any surplus of receipts over expenses, including reserves, of the Association for any fiscal year shall be either applied to reduce the assessments necessary to meet the budget adopted by the Association for the next fiscal year or refunded by

the Association to each Owner, and the refund may be prorated among the Owners (and former Owners), including the Successor Declarant, based upon the portion of the previous fiscal year that each such Owner (or former Owners), including the Successor Declarant, shall have held record title to the Lot, as determined by resolution of the Board of Directors.

Section 9. Date of Commencement of Annual Assessments; Due Dates; Certificate of Payment of Assessments. (a) The Base Assessments provided for herein shall commence as to all Lots on the first day of the month following January 1, 1995. The first Base Assessment shall be fixed by the Board of Directors and shall be adjusted according to the number of months remaining in the calendar year. Thereafter, the Board of Directors shall fix the amount of the Base Assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the Base Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an office of the Association setting forth whether the assessments on a specified Lot have been paid.

(b) Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum, and shall be subject to a late charge of Fifteen Dollars ($15.00) or ten percent (10%) of the assessment, whichever is greater, and the Board of Directors shall have the right to declare the entire balance of the annual assessment and accrued interest thereon to be immediately due and payable. In addition, the Owner shall be liable for all costs of collecting any such assessment, including reasonable attorneys' fees and court costs. All such interest, late charges, and costs of collection shall be deemed to be an additional assessment hereunder. The Association may bring an action at law against the Owner personally obligated to pay the same and/or, without waiving any other right, may foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Areas or abandonment of his Lot.

Section 10. Maryland Contract Lien Act. The Association may establish and enforce the lien for any assessment granted herein pursuant to the Maryland Contract Lien Act or any similar successor law. The lien is imposed upon the Lot against which such assessment is made. The lien may be established and enforced for damages, costs of collection, late charges permitted by law, and attorneys' fees provided for herein or awarded by a court for breach of any of the covenants herein.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments, including interest, late charges and costs (including reasonable attorney's fees) provided for herein shall be subordinate to the lien of any first Mortgage upon any Lot. The

sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first Mortgage (or deed in lieu of foreclosure) shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where the Mortgagee of a first Mortgage on a Lot obtains title, its successors and assigns shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such Mortgagee. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses payable as a Base Assessment on pro-rata basis from all of the Lot Owners, including such Mortgagee, its successors and assigns.

ARTICLE IX
ARCHITECTURAL REVIEW

Section 1. Building and Landscaping Restrictions. No Structure or landscaping shall be commenced, erected, installed or maintained on the Property, nor shall any addition to or change or alteration therein (including alterations or replacements in exterior color, materials, plant materials or design) be made, until the plans and specifications, in duplicate, showing the nature, kind, shape, height, materials, plant materials, color, locations, and approximate cost of the Structure, addition, landscaping, or alteration shall have been submitted to and approved in writing by the Architectural Committee. The Architectural Committee shall consider applications for approval of plans, specifications, etc., upon the basis of conformity with this Declaration and shall be guided by the extent to which the proposed Structure, addition or alteration will insure conformity and harmony in exterior design and appearance, based upon, among other things, the following factors: the quality of workmanship; nature and durability of materials; harmony of external design with existing Structures; choice of colors; changes in topography, grade elevations, and/or drainage; factors of public health and safety; the effect of the value of other neighboring properties, and/or the outlook or view from adjacent or neighboring properties; and the suitability of the proposed Structure, addition, landscaping or alteration, taking into account the general aesthetic values of the surrounding area.

Section 2. Setbacks. (a) No dwelling or appurtenances shall be located closer than thirty (30) feet to the front line or line abutting a street of a Lot or closer than thirty (30) feet to the rear line of the Lot. No detached dwelling shall be located nearer than ten (10) feet to any side lot line.

(b) The Architectural Committee shall, in all cases, have the right to determine the location of the front, side and/or rear lines of any parcel and the amount of setback from said lines

necessary to conform to the requirements hereof, and the determination, judgment and decision of the Architectural Committee thereon shall be final in all respects.

Section 3. Design, Materials, Size, and Fencing. (a) In general, all homes shall be designed to harmonize and fit with the overall architectural style quality of the community.

(b) Only first class materials will be allowed. Approved exterior siding materials shall include: brick, stone, wood, or stucco. No more than one (1) foot of concrete, block, or parged block shall be exposed above grade.

(c) The finished living area of any detached dwelling house erected upon any Lot, exclusive of basement and attached porches and garages, shall be not less than one thousand five hundred (1,500) square feet for a one or one and one-half story dwelling, nor less than two thousand (2,000) square feet for a two story dwelling. The roof of any dwelling, garage, porch, or other structure or improvement shall not be more than thirty-five feet (35') in elevation from ground level.

(d) Fencing shall be allowed only in side and rear yards. Fencing shall not exceed four feet in height. All fencing shall be wood. Chain link, vinyl clad, metal, or aluminum fences are prohibited.

Section 4. Front Yard. The front yard on each Lot shall be kept only as a lawn, including trees, flowers, and shrubs.

Section 5. Disapproval of Plans. In any case where the Architectural Committee shall disapprove the plans and specifications submitted hereunder, or shall approve the same only as modified or upon specified conditions, such disapproval or qualified approval shall be accompanied by a statement in writing or the grounds upon which such action was based. In any such case, Successor Declarant shall, if requested, make reasonable efforts to assist and advise the applicant in order that an acceptable proposal can be prepared and submitted for approval. However, the final decision of the Architectural Committee is binding.

Section 6. Approval of Plans. The applicant shall submit for approval two sets of plans and specifications. Upon approval by the Architectural Committee, one copy of such plans and specifications shall be retained by the Architectural Committee, and the other bearing the approval of the Architectural Committee in writing shall be returned to the applicant.

Section 7. Nonapproved Structures. If any Structure shall be altered, erected, placed, or maintained upon any Lot, or any new use commenced on any Lot, in violation of the provisions hereof, such Structure or new use shall be removed or discontinued, and such use shall be terminated so as to extinguish such violation. If within fifteen (15) days after notice of such violation, the

Owner of the Lot upon which such violation exists shall not have taken reasonable steps towards the removal or termination of the same, the Successor Declarant or the Association, through its agents and employees, shall have the right to enter upon the Lot and to take such steps as it deems necessary to extinguish such violation and the costs thereof shall be a binding, personal obligation of the Owner of the Lot, and an additional assessment upon the Lot.

Section 8. Completion of Construction. The exterior construction of any dwelling, outbuilding, or other Structure, as herein provided shall be completed within twelve (12) months after the construction of such structure shall have commenced, unless the time for completion shall be extended by the Architectural Committee in the exercise of its discretion. The Architectural Committee reserves the right to assess a penalty of twenty-five ($25.00) per day after the expiration of the aforesaid twelve (12) month construction period for failure to complete exterior construction in accordance with the approved plans.

Section 9. Examination Fee. The Architectural Committee may charge and collect a reasonable fee for the examination of the plans and specifications submitted for approval. Such payment shall be made at the time such plans and specifications are submitted.

Section 10. Architectural Review Rules. The Architectural Committee to the extent of its functions hereunder and rights specifically provided herein, may adopt and promulgate reasonable rules and regulations regarding the administration, interpretation, and enforcement of the provisions of this Declaration.

Section 11. Conditional Approvals. In granting any permit, authorization, or approval, as herein provided, the Architectural Committee may impose any appropriate conditions or limitations thereon as they shall deem advisable under the circumstances of each case.

Section 12. Assignment of Review Power. All or any part of the rights and powers (including discretionary powers and rights) reserved by or conferred upon the Successor Declarant by this Declaration may be assigned or transferred by the Successor Declarant to any successor developer of all or any part of the Property, or to the Association. Any such assignment or transfer shall be evidenced by an appropriate instrument, containing a signed acknowledgment of the assumption of the Successor Declarant's rights and powers by the grantee, recorded among the Land Records of Queen Anne's County, Maryland, and upon recordation thereof, the grantee or grantees of such rights and powers shall thereafter have the rights to exercise and perform all of the rights and powers reserved by or conferred upon the Successor Declarant by this Declaration.

Section 13. Interpretations. The Architectural Committee

will be the interpreter of the provisions of this Declaration with respect to all matters involving aesthetics. Its decision in such matters shall be final if consistent with the intent of this Declaration. In any and all events, the Architectural Committee, Successor Declarant, and Association will not be liable for any decision, action, or inaction taken hereunder with respect to any such matters concerning aesthetics and the administration, interpretation, and enforcement of the provisions of this Declaration.

ARTICLE X
RESTRICTIONS AND CONDITIONS

Section 1. Architectural Review. No Structure may be erected or maintained on any Lot in violation of Article IX above. Any approval given hereunder shall become null and void unless construction of the approved Structure shall be commenced within six (6) months of the date of such approval.

Section 2. Shore Buffer Environmental Restrictions. Except for the pathway from the Recreation Area to Little Queenstown Creek all uses of and activities on the Shore Buffer shall be subject to the restrictions imposed by nontidal wetlands buffers, and forest retention and afforestation requirements. Use of the Shore Buffer is restricted to those activities that are consistent with forest and wildlife conservation, water quality protection and passive recreation. These covenants shall allow for the removal of diseased, dead or dying trees, provide for removal of noxious plants or weeds, allow passive recreational uses such as hiking or nature study, allow forest and wildlife management activities to take place, and prevent the dumping of trash or other material within the protected areas.

Section 3. Purpose. No noxious or offensive trade shall be carried on upon any Lot, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to neighbors. Except as provided below, all Lots shall be used for residential purposes only, and not for purposes of any profession, trade or business whatsoever. Structures erected on any one Lot shall consist of a main dwelling or residence for the occupancy of one family only, together with a private garage, and other structures appurtenant to the main residence or to be used in connection therewith.

Section 4. Family Day Care Provider. No structure may be used as a Family Day Care Home as that term is defined in Section 11-111.1(A)(3) of the Real Property Article, Annotated Code of Maryland, or any successor law. This prohibition may be eliminated and Family Day Care Homes may be approved by a simple majority of the total eligible voters of the Association under the voting procedures contained in the Declaration and By-Laws of the Association.

Section 5. Use. No school or church shall be maintained

or operated upon any portion of the Property.

Section 6. Temporary Structures. No basement, tent, shack, garage, barn or other outbuilding shall be erected on any Lot and used temporarily or permanently as a residence.

Section 7. Vehicles. No trailer, boat, habitable motor vehicle, commercial vehicle, or construction equipment shall be parked or stored on any Lot or on any street, road, or alley in the Property except while actively engaged in transporting to or from a residence therein or, in the case of construction equipment, while actively engaged upon construction work therein.

Section 8. Animals. No animal, livestock, poultry or other fowl of any kind shall be raised, bred or kept on any Lot; however, household pets in reasonable numbers may be so raised, bred or kept, provided that they are not raised, bred or kept for any commercial purposes.

Section 9. Hunting Prohibited. There shall be no hunting nor discharging of firearms within the Property.

Section 10. Obstruction. 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 draining channels.

Section 11. Gardens. Vegetable gardens shall not be permitted on any Lot unless placed in the rear portion of such Lot in such a manner as to not constitute a nuisance to adjoining Lot Owners.

Section 12. Lawn Furniture. No lawn furniture shall be maintained on any Lot except if shielded by landscaping or a fence or wall approved by the Architectural Committee.

Section 13. Window Treatments. Bed sheets, plastic sheets, newspapers, plastic storm windows or other similar window treatments shall not be hung or placed in or on any window on any dwelling located on any Lot.

Section 14. Recreational Equipment. No play equipment, including, without limitation, basketball backboards, basketball hoops, swing sets and trampolines or other equipment associated with either adult or juvenile recreation, shall be attached in any manner to the exterior of any dwelling or otherwise installed on any Lot except if screened from view from the street and approved by the Architectural Committee.

Section 15. Exterior Lighting. No exterior lighting, emanating from a Lot, shall be directed outside the boundaries of the Lot without the prior written approval of the Architectural Committee.

Section 16. Swimming Pools. Swimming pools must be approved by the Architectural Committee. Only in-ground swimming pools will be approved; above ground pools are prohibited.

Section 17. Vehicles. No vehicles without a current and valid registration, no inoperable vehicles and no truck (over 1/2 ton capacity), trailer, camper, van, horse trailer, recreation vehicle, boat or any vehicle having commercial registration or displaying commercial information or similar equipment shall be stored or parked on any of the Lots nor parked on any of the streets within or appurtenant to the Property by Owners, lessees or other occupants of the Lots. Notwithstanding the above, passenger vans, passenger vehicles may be stored within garages. Except for bona fide emergencies, no repair or significant maintenance of automobiles or other vehicles shall be carried out on any Lot or the streets within or appurtenant to the Property.

Section 18. Antennas. All television or other antennae shall be located within the interior of a dwelling. Satellite dishes or similar transmitting or receiving devices will not be permitted within Property. Electric meters and air conditioner units shall be screened from view.

Section 19. Leasing. Any lease agreement between an Owner and a lessee shall provide that the terms of the lease are subject in all respects to the provisions of this Declaration and Bylaws and Rules and Regulations of the Association, and that any failure by the leasee to comply with the terms of such documents shall be a default under the lease. The Owner of a leased residence shall be jointly and severally liable with the tenant to pay for any claim for injury or damage to persons or property caused by any action or omission, including, without limitation, the negligence of the tenant. Every lease shall be subordinate to any lien filed by the Association, whether before or after the date of such lease.

Section 20. Landscape Maintenance. In order to preserve or improve the views, to promote the free movement of air and to prevent the harboring of flies, vermin, mosquitoes and other insects, the Successor Declarant or the Association have the right to require the owner of any parcel, upon thirty (30) days written notice, mailed to the Owner at the address shown in the tax assessment records of Queen Anne's County, to trim any trees or shrubbery, to cut and remove any tall grasses greater than (six (6) inches in height) and weeds, and/or to remove any trash and litter standing on any part of such parcel which may furnish harboring places for flies, vermin, mosquitoes or other insects, and the Successor Declarant may trim, cut and remove such trees, shrubbery, grasses, weeds, trash and litter at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

Section 21. Recreation Area. Owners shall have the right to use the Recreation Area for parking and access to the Community Pier.

Section 22. Open Space. Owners shall have the right to use the Open Space for passive recreation.

ARTICLE XI
DURATION

This Declaration shall be deemed covenants running with the land and/or charges and liens upon the land and any and every conveyance of any part of the Property shall be absolutely subject to the provisions hereof whether or not it shall be so expressed in the deed, lease or other conveyance thereof. The provisions of this Declaration shall inure to the benefit of and shall be enforceable by the Successor Declarant and any Owner, their respective legal representatives, heirs, successors and assigns.

ARTICLE XII
AMENDMENTS

Section 1. Amendment. The Successor Declarant specifically reserves to itself, its successors and assigns, the right to amend the Declaration, or any portion thereof, on its own motion, from the date hereof until the expiration of the Class C membership under Article III, Section 2(b), so long as the voting power of existing Members is not diluted thereby, nor the method of making assessments of such existing Members raised or changed in any manner which would adversely affect such Members. After the expiration of Class C membership, all proposed amendments shall be submitted to a vote of the Members at a duly called meeting of the Association and any such proposed amendment shall be deemed approved if three-fourths (3/4) of the votes cast at such meeting at which such proposed amendment is to be considered are in favor of the amendment. If any amendment to this Declaration is made as set forth above, the President and Secretary of the Association shall execute an Addendum to this Declaration which shall forth the amendment, the effective date of the amendment (which in no event shall be less than sixty (60) days after the date when such amendment was adopted), and, if applicable, the date of the meeting of the Association at which such amendment was adopted, the date that notice of such meeting was given, and the total number of votes cast for and against the amendment. Such addendum shall be recorded in the Land Records of Queen Anne's County, Maryland.

The quorum required for any action authorized to be taken by the Association under this Section 1 shall be as follows:

(a) the first time any meeting of the Members of the Association is called to take action under this Article, the presence at the meeting of the Members or proxies entitled to cast sixty percent (60%) of the total vote of the Membership shall constitute a quorum.

(b) If the required quorum is not forthcoming at the first meeting, a second meeting may be called subject to the giving of proper notice and the required quorum at such subsequent meeting shall be the presence of Members or proxies entitled to cast fifty percent (50%) of the total Membership votes.

ARTICLE XIII
NOTICES

Section 1. Any notice required to be sent to any Member or Lot Owner under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed, to the address of record on file with the Secretary of the Association or, if there is not such record, to the last known address of the person or entity who appears as Owner in the Land Records of Queen Anne's County, Maryland, on the third day after the date the notice is mailed.

Section 2. Notice to one of two or more co-owners of a Lot shall constitute notice to all co-owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address.

Section 3. Any person who becomes an Owner and Member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor in title.

ARTICLE XIV
ENFORCEMENT

Section 1. Who May Enforce Generally. In the event of a violation or breach of any of the affirmative obligations, covenants, conditions or restrictions contained in this Declaration, the Successor Declarant, the Association or any other Lot Owner or any of them jointly or severally shall have the right to proceed at law or in equity to compel compliance with the terms hereof, to prevent their violation or breach, to recover damages or to create any lien provided for in this Declaration.

Section 2. Enforcement by the Association and Successor Declarant. The Association or the Successor Declarant may engage a person or persons to respond to complaints received as to violations of the Successor Declarant and shall inform the violators of such complaint. If the violation is not expeditiously terminated, the Successor Declarant or Association may engage legal counsel to bring an appropriate injunctive action, including any appeals, to enforce these covenants. Violators shall be obligated to reimburse the Association and the Successor Declarant in full for all their direct and indirect costs, including but not limited to legal fees incurred by the Association and the Successor

Declarant in maintaining compliance with these covenants.

ARTICLE XV
GENERAL PROVISIONS

Section 1. Severability. The determination by a Court that any provision hereof is invalid for any reason shall not affect the validity of any other provision hereof.

Section 2. Interpretation. In all cases, the provisions of this Declaration shall be given that interpretation or construction which will best tend toward the consummation of the general plan of development of the Property. The provision of these covenants shall be given full force and effect notwithstanding the existence of any zoning ordinance which allows a less restrictive use of the Property.

Section 3. Trespass. Whenever the Association, and/or the Successor Declarant are permitted by this Declaration to correct, repair, clean, preserve, clear out or do any action on any Lot, Common Area, or easement areas adjacent thereto, entering such property and taking such action shall not be deemed a trespass.

Section 4. Attorney's Fees. Any party to a proceeding who succeeds in enforcing a provision hereof or enjoining the violation of a provision against a Lot Owner may be awarded a reasonable attorney's fee against such Lot Owner.

Section 5. Successors and Assigns. Each grantee accepting a deed or other instrument conveying any interest in any Lot, whether or not the same incorporates or refers to this Declaration, covenants for himself, his heirs, successors and assigns to observe, perform and be bound by this Declaration and to incorporate the same by reference in any deed or other conveyance of all or any portion of this interest in any real property subject hereto.

Section 6. Successors of Successor Declarant. Any and all rights, reservations, easements, interests, exemptions, privileges and powers of the Successor Declarant hereunder, or any part of them, may be assigned and transferred (exclusively or non-exclusively) by the Successor Declarant, with or without notice to the Association by an instrument specifically assigning them.

IN WITNESS WHEREOF, the Successor Declarant has set its hand and seal as of the day and year first above written.

WITNESS:

QUEENSTOWN HARBOR LLC,
a Maryland limited liability company

By: Washington Brick & Terra Cotta Company, its Manager

By: _____ (SEAL)
Arthur A. Birney, Jr.,
Managing Partner

STATE OF MARYLAND, COUNTY OF Worcester, TO WIT:

I HEREBY CERTIFY, that on this 30th day of November, 1994, before me, the undersigned, a Notary Public of the State of Maryland, personally appeared **ARTHUR A. BIRNEY, JR.**, who acknowledged himself to be Managing Partner of Washington Brick & Terra Cotta Company, Manager of Queenstown Harbor LLC, a Maryland limited liability company, known to me (or satisfactorily proven), to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained as the Managing Partner of Washington Brick & Terra Cotta Company, Manager of Queenstown Harbor LLC, a Maryland limited liability company.

AS WITNESS my hand and notarial seal.

Robin A. Willey
Notary Public

ROBIN A. WILLEY NOTARY PUBLIC WORCESTER CO., MD.

My Commission Expires:

August 1, 1998

THIS IS TO CERTIFY that this instrument was prepared by John H. Murray, an attorney duly admitted to practice before the Court of Appeals of Maryland.

John H. Murray

EXHIBIT "A"

ALL that property situate, lying and being in the Town of Queenstown, Queen Anne's County, Maryland, containing 23.386 acres of land, more or less, and being more particularly described by metes and bounds, courses and distances according to a Certificate of Survey prepared by Rauch, Walls and Lane, Inc., dated June 15, 1994, as follows:

BEGINNING for the same at an Iron Rod, said Iron Rod being the southeasterly most corner of the herein described land and being on the northwesterly side of the public road known as Maryland Highway No. 18; and from said Place of Beginning running (1) North 59 degrees 28 minutes 00 seconds West 260.00 feet to an Iron Rod; thence (2) North 30 degrees 32 minutes 00 seconds East 508.51 feet; thence (3) North 59 degrees 28 minutes 00 seconds West 134.79 feet; thence (4) South 83 degrees 00 minutes 00 seconds West 150.00 feet; thence (5) South 39 degrees 00 minutes 00 seconds West 850.00 feet; thence (6) South 00 degrees 00 minutes 00 seconds West 75.00 feet; thence (7) North 53 degrees 58 minutes 36 seconds West 198.99 feet; thence (8) North 26 degrees 24 minutes 30 seconds West 211.04 feet to Little Queenstown Creek; thence by and with the Mean High Water Line of the said Little Queenstown Creek, the following seven courses and distances (9) North 33 degrees 05 minutes 19 seconds East 290.69 feet; thence (10) North 41 degrees 43 minutes 55 seconds East 765.16 feet; thence (11) North 63 degrees 56 minutes 06 seconds East 688.36 feet; thence (12) South 38 degrees 00 minutes 00 seconds East 118.91 feet; thence (13) South 63 degrees 22 minutes 00 seconds East 112.60 feet; thence (14) North 11 degrees 40 minutes 00 seconds East 106.70 feet; thence (15) North 85 degrees 52 minutes 00 seconds East 299.99 feet to the aforementioned Maryland Highway No. 18; thence by and with the westerly side of the said Maryland Highway No. 18 (16) South 30 degrees 32 minutes 00 seconds West 1497.37 feet to the Place of Beginning, containing 23.386 acres of land more or less.

LAW OFFICES
MILES & STOCKBRIDGE
A PROFESSIONAL CORPORATION
101 BAY STREET
EASTON, MARYLAND 21601-2718

TELEPHONE 410-822-5280
FAX 410-822-5450

10 LIGHT STREET
BALTIMORE, MD 21202-1487

300 ACADEMY STREET
CAMBRIDGE, MD 21613-1865

11350 RANDOM HILLS ROAD
FAIRFAX, VA 22030-7429

30 WEST PATRICK STREET
FREDERICK, MD 21701-6903

22 WEST JEFFERSON STREET
ROCKVILLE, MD 20850-4286

600 WASHINGTON AVENUE
TOWSON, MD 21204-3965

1450 G STREET, N.W.
WASHINGTON, D.C. 20005-2001

JOHN H. MURRAY
410-820-0226

July 18, 1996

Scott MacGlashan, Clerk
Circuit Court for Queen Anne's County
Court House
Centreville, Maryland 21617

Re: Queenstown Harbor Community Association, Inc.

Dear Mr. MacGlashan:

Enclosed for deposit in the homeowners association depository of Queen Anne's County is a copy of the Second Amended Declaration of Easements, Covenants & Restrictions of Queenstown Harbor Community Association. Also enclosed is a check in the amount of $25.00 to cover the filing fee.

Thank you for your assistance in this matter. Please contact me if you have any questions.

Sincerely,

John H. Murray

RECEIVED
CLERK, CIRCUIT COURT
'96 JUL 19 AM 8:54
QUEEN ANNE'S COUNTY

JHM:rw
enclosure
cc: Arthur A. Birney, Jr. (w/o enc.)

SECOND AMENDED
DECLARATION OF EASEMENTS,
COVENANTS, AND RESTRICTIONS
FOR
QUEENSTOWN HARBOR

RECEIVED
CLERK, CIRCUIT COURT
96 JUL 19 AM 8:52
QUEEN ANNE'S COUNTY

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SECOND AMENDED
DECLARATION OF EASEMENTS, COVENANTS,
AND RESTRICTIONS
FOR QUEENSTOWN HARBOR

THIS SECOND AMENDED DECLARATION OF EASEMENTS, COVENANTS, AND RESTRICTIONS ("Declaration") is made this 9th day of July, 1996, by QUEENSTOWN HARBOR LLC, a Maryland limited liability company (the "Successor Declarant").

RECITALS

A. Successor Declarant is the developer of the real property containing approximately 23.386 acres, located in The Town of Queenstown, Queen Anne's County, Maryland, as more particularly described in Exhibit "A" attached hereto and made a part hereof (the "Property").

B. Successor Declarant has initiated development and intends to continue to develop the Property or cause it to be developed as a residential community as shown on a Plat prepared by Rauch, Walls and Lane, Inc., entitled "REVISED PLAT SHOWING 'QUEENSTOWN HARBOR' A SUBDIVISION QUEENSTOWN QUEEN ANNE'S CO., MD. TAX MAP 51 - GRID 19 - PARCEL 10", dated October, 1994, and recorded among the Plat Records of Queen Anne's County Book 21, page 70 and as modified by the Plat prepared by Rauch, Walls and Lane, Inc. entitled "EASEMENT PLAT FOR 'QUEENSTOWN HARBOR, A SUBDIVISION QUEENSTOWN, QUEEN ANNE'S CO., MD. TAX MAP 51 - GRID 19 - PARCEL 10" dated January, 1996 and recorded among the Plat Records of Queen Anne's County in Book 23, Page 50, or any amendment or revision thereof which may hereafter be recorded among said Plan Records.

C. Successor Declarant intends by this Second Amended Declaration to provide for the preservation of the values and amenities of the proposed community by (i) insuring the proper development and use of the Property, (ii) enforcing high standards of development, maintenance, and operation of the Property for the benefit of the owners of the lots and any other residents of such community, (iii) granting and reserving rights, easements and other privileges, and (iv) creating a continuing means to provide adequately for a high quality residential community.

D. By a First Amended Declaration of Easements, Covenants and Restrictions for Queenstown Harbor recorded among the Land Records of Queen Anne's County, Maryland in Liber 482, folio 168 ("First Amended Declaration"), Queenstown Harbor LLC subjected the Property to the easements, covenants and restrictions contained therein.

E. Pursuant to Article XII of the First Amended Declaration, Successor Declarant desires to amend the First Amended Declaration, as hereinafter set forth by rescinding the First Amended

Declaration, and by the recording of this Second Amended Declaration of Restrictions, Covenants and Restrictions for Queenstown Harbor in lieu thereof.

F. Successor Declarant has caused a non-profit membership corporation known or to be known as The Queenstown Harbor Community Association, Inc. (the "Association") to be formed in order to perform certain functions on behalf of the owners of lots within the Property, including, but not limited to, the enforcement of the covenants, conditions and restrictions herein set forth, the management of any common areas to be owned by the Association and the collection and disbursement of the assessments and charges hereinafter imposed.

G. Successor Declarant wishes to provide for the integrated use of the Property and to provide that each separate parcel and/or the Association shall have all necessary easements for utilities, ingress, egress, use, maintenance, operation and repair, on, over, and across the other parcels as are reasonably necessary for the use and enjoyment of each parcel and the Common Area.

NOW, THEREFORE, Successor Declarant hereby rescinds the recording of the First Amended Declaration in its entirety, and hereby declares that all of the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, reservations and conditions which are for the purpose of protecting the value and desirability of and which shall run with the Property and which shall be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of the Declarant, and each of its successors and assigns of the Property, and any part thereof and the Association.

ARTICLE I
DEFINITIONS

As used herein, the following words and terms shall have the following meaning:

Section 1. "Architectural Committee" The Architectural Committee shall be composed of those three or more individuals so designated from time to time by (i) Successor Declarant until the sale of all the Lots or upon such earlier date designated by the Successor Declarant and (ii) thereafter by the Association's Board of Directors. Those individuals appointed by the Association's Board of Directors may be removed from the Architectural Committee at any time by the Association's Board of Directors at its discretion.

Section 2. "Area of Common Responsibility" shall mean and refer to all parts of the Common Area, together with those additional areas, if any, which, by contract or agreement with the Town of Queenstown, with any residential association or with any

other party, becomes in whole or in part under the control or the responsibility of the Association.

Section 3. "Association" shall mean and refer to The Queenstown Harbor Community Association, Inc., a Maryland non-profit, non-stock corporation, and its successors and assigns.

Section 4. "Base Assessments" shall mean assessments described in Article VIII, Section 2.

Section 5. "Boat Slip" - shall mean that space on, above and below the surface of the water which is located between the pilings of the Community Pier on one side and the finger piers or pilings on the other side and between the shoreline on the landward side and the outermost piling on the channel side. The Boat Slips shall not include the pilings, finger piers, bulkhead, platforms or walkways adjacent to the Boat Slips.

Section 6. "Board of Directors" shall mean the Board of Directors of the Association, as constituted from time to time. The affairs of the Association shall be managed by a Board of Directors initially consisting of three (3) natural persons who shall be designated by the Successor Declarant and who shall hold office until the election of their successors at the first annual meeting of the Members of the Association. The names of the initial Directors are as set forth in the Articles of Incorporation of the Association.

Section 7. "Common Area" shall mean those areas designated on the Plat defined in Section 20 of this Article as "Open Space", "Recreation Area", "Shore Buffer", and "Concrete Walk", and those areas designated on the Easement Plat defined in Section 12 of this Article as "Community Pier", "Drainage, Utility and Access Easement" and Utility and Access Easement.

Section 8. "Common Expenses" shall mean and include the actual and estimated expenses incurred by the Association in connection with the use, maintenance, repair and replacement of the Common Area and the operation of the Association. Common Expenses shall include amounts necessary to establish and maintain any reserve or capital repair and replacement fund determined to be necessary and appropriate by the Board of Directors.

Section 9. "Community Pier" shall mean the pier shown on the Easement Plat at which the Boat Slips are located.

Section 10. "Detached Single Family Residential Section" shall mean lots numbered 1 through 19 on the Plat defined in Section 20 of this Article.

Section 11. "Drainage, Utility and Access Easement" shall mean the area so designated on the Plat.

Section 12. "Easement Plat" means the plat prepared by

Rauch, Walls and Lane, Inc. entitled "EASEMENT PLAT FOR 'QUEENSTOWN HARBOR, A SUBDIVISION QUEENSTOWN, QUEEN ANNE'S CO., MD. TAX MAP 51 - GRID 19 - PARCEL 10" dated January, 1996" and recorded among the Plat Records of Queen Anne's County in Book 23, Page 50, or any amendment or revision thereof which may hereafter be recorded among said Plat Records.

Section 13. "Improved Lot" shall mean a Lot upon which a structure suitable for occupancy as a single-family residence has been constructed and shall, unless otherwise specified, include within its meaning (by way of illustration, but not limitation) townhomes, or detached single-family dwellings. All Lots shall be deemed to constitute Improved Lots within the meaning of this Declaration after January 1, 2000.

Section 14. "Lot" shall mean any single-family detached or townhome residential lot created by any subdivision or re-subdivision of the Property or any part thereof. The Townhome Section and the Detached Home Section are intended to be subdivided in phases. Any single family residential lot created pursuant to any such subdivisions shall become a Lot for all purposes of this Declaration upon the recordation in the Land Records of Queen Anne's County of the subdivision plat creating such Lot.

Section 15. "Member" shall mean and refer to a Person having membership in the Association, as provided herein.

Section 16. "Mortgage" shall mean any recorded instrument, including a deed of trust, encumbering a Lot which is intended to secure the performance of an obligation.

Section 17. "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.

Section 18. "Owner" shall mean and refer to one or more persons or entities who hold the record title to any Lot, but shall not include any party holding an interest merely as security for the performance of an obligation.

Section 19. "Person" means a natural person, a corporation, a partnership, trustee or other legal entity.

Section 20. "Plat" means the subdivision plat prepared by Rauch, Walls and Lane, Inc., entitled "REVISED PLAT SHOWING 'QUEENSTOWN HARBOR' A SUBDIVISION QUEENSTOWN, QUEEN ANNE'S CO., MD. TAX MAP 51 - GRID 19 - PARCEL 10", dated October, 1994, and recorded among the Plat Records of Queen Anne's County in Book 21, Page 70, or any amendment or revision thereof which may hereafter be recorded among said Plat Records.

Section 21. "Project" shall mean the residential community known or to be known as "Queenstown Harbor", as shown on the Plat or any amendment or revision thereof.

Section 22. "Property" shall mean and refer to all of the real property described in Exhibit A and shown on the Plat.

Section 23. "Structure" shall mean and refer to any thing or device placed upon or connected to the Property (or any part thereof), including by way of illustration but not limitation, any building, garage, porch, shed, mailbox, greenhouse, covered or uncovered patio, swimming pool, tennis court, radio or television antenna or satellite dish, fence, curbing, paving, wall, tree, hedge, signboard, swing set, dog house, ramp, clothes line, dock, pier, or any other temporary or permanent improvement to such Lot. "Structure" shall also mean (i) any excavation, fill, ditch, or other thing or device which affects or alters the flow of surface water from, upon or across any Lot, and (ii) any change in the grade of any lot of more than six (6) inches from that existing at the time of original subdivision.

Section 24. "Successor Declarant" shall mean Queenstown Harbor LLC, a Maryland limited liability company, and its successors and assigns to whom any or all of the special rights, reservations, easements, interests, exemptions, privileges and powers of the Successor Declarant are specifically assigned or transferred in a writing recorded among the Land Records of Queen Anne's County, Maryland.

Section 25. "Supplementary Declaration" shall include all modifications, deletions or additions to the Declaration which are legally executed and duly recorded in the Land Records of Queen Anne's County, Maryland.

Section 26. "Townhome Section" shall mean the parcel of land designated as Lots 20 through 35 on the Plat.

Section 27. "Townhome Group" shall mean each of the separate groups of Townhomes.

Section 28. "Under the Control or the Responsibility of the Association" shall mean any area over which the Association has temporarily or permanently acquired all or substantially all of the possessory interest, by lease, deed, license or any other means whatsoever.

Section 29. "Utility and Access Easement" shall mean the area so designated on the Easement Plat.

Section 30. "Vacant Lot" shall mean and refer to any Lot which is not an Improved Lot.

ARTICLE II
EASEMENTS AND PROPERTY RIGHTS

Section 1. Utilities and Drainage. Easements for the installation and maintenance of utilities and drainage facilities are hereby granted and reserved as shown on the Plat and the Easement Plat. In addition thereto, the Successor Declarant or the Association shall have the right to grant licenses, rights-of-way, and easements on, over and under the Common Areas, and easement areas shown on the Plat or Easement Plat for access or for the construction, reconstruction, maintenance and repair of any utility lines, drainage facilities or appurtenances, whether public or private, to any municipal agency, public utility, cable television franchise, the Successor Declarant or any other person.

Section 2. Special Townhome Easements. The Association shall have the right to enter upon the Lots 20 through 35 for the purpose of cutting grass in accordance with Article IV, Section 1(b) and for the purpose of making exterior alterations, repairs or improvements in accordance with Article VIII, Section 6.

Section 3. Development Easements. (a) The Successor Declarant reserves unto itself, its successors and assigns, a perpetual, alienable and releasable easement and right on, over and under all parts of the Property to construct, install, maintain, repair, replace and use roads, sidewalks, electric, cable television and telephone poles, wires, cables, conduits, drainage ways, sewers, wells, pumping stations, tanks, water treatment facilities, water mains, telephone equipment, gas, sewer, water, drainage or other public conveniences or utilities on, in or over the portions of the Property as may be reasonably required to develop Queenstown Harbor.

(b) These easements and rights expressly include, but are not limited to, the right to cut any trees, bushes or shrubbery, grade or excavate the soil, or to take any other similar action reasonably necessary to provide economical and safe road, sidewalk, drainage and utility installations and to maintain reasonable standards of health, safety and appearance.

Section 4. Certain Easements. The Successor Declarant hereby grants to the Owner of each Lot and to its invitees, lessees, agents, and employees, subject to the Restrictions and Conditions contained in Article X, the right to use the Open Space, Recreation Area and Concrete Walk, Community Pier, Drainage, Utility and Access Easement, and Utility and Access Easement, as shown on the Plat and Easement Plat.

Section 5. Easement for Boat Slips. The Declarant hereby grants, subject to the annual allocation process set forth in Article X Section 18, an annual easement to Persons having the benefit of an annual Boat Slip, the right to use such assigned Boat Slip.

Section 6. Shore Buffer Easement. The Successor Declarant hereby grants to the owner of each Lot numbered 7 through 19 on the Plat, and to its invitees, lessees, agents and employees, subject to the restrictions and conditions contained in Article X, Section 2, the right to use that portion of the Shore Buffer lying between the two lines extended to Little Queenstown Creek or its drainage way from the side boundaries of each said Lot. The Easement created hereby shall be subject to the Utility and Access Easement between the Recreation Area and the Community Pier and to the "15' wide Utility Easement" between the northern most point on the common boundary of Lots 18 and 19 and the Community Pier, as shown on the Easement Plat.

Section 7. Extent of Easements. The easement rights granted above shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Successor Declarant and the Association to establish uniform rules, assessments and regulations pertaining to the use of any portion of the Property subject to the Easements set forth in this Article with respect to any portion under their respective responsibility and control;

(b) the right of the Successor Declarant, its successors and assigns, or the Association by its Board of Directors, to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the Association and approved by the Queenstown Commissioners;

(c) the reservation to the Successor Declarant, its successors and assigns of the right to enter upon any Common Area conveyed to the Association for the purpose of construction or completing the construction of improvements and the landscaping of the Common Area.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Lot Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of the land.

Section 2. Voting. The Association shall have the following three (3) classes of voting membership:

(a) Class "A". Class "A" Members shall be Owners of Improved Lots within the Residential Parcels and shall be entitled to one (1) vote for each such Lot owned. When more than one Person holds an interest in any such Lot, all such persons shall be Members. The vote for such Lot shall be exercised as those Persons determine, but in no event shall more than one vote be cast with respect to any such Lot.

(b) Class "B". The Class "B" Members shall be the Vacant Lot Owners, and shall be entitled to one-half (1/2) vote for each such Lot owned. When more than one Person holds an ownership interest in any such Lot, the vote of the Owner of such Lot shall be exercised as those Persons determine, but in no event shall more than one-half (1/2) vote be cast with respect to any such Lot. At such time as a vacant Lot becomes an Improved Lot, the voting classification of such Lot will be adjusted accordingly.

(c) Class "C". The Class "C" Member shall be the Successor Declarant. The Class "C" Member shall originally be entitled to fifty five (55) votes; this number shall be decreased by one (1) vote for each vote outstanding in the Class "A" membership, and by one (1) vote for each one-half (1/2) vote outstanding in the Class "B" membership. The Class "C" membership shall terminate and be converted to Class "A" and/or Class "B" membership, as the case may be, upon the happening of the earlier of the following:

(i) when the total outstanding Class "A" and Class "B" votes equal or exceed twenty eight (28);

(ii) January 1, 1999; or

(iii) when, in its discretion, the Successor Declarant so determines.

From and after the happening of the first to occur of such events, the Class "C" Member shall be deemed to be a Class "A" and/or Class "B" Member entitled to the applicable vote for each Lot owned.

Section 3. Assignment to Tenant. Any Owner of an Improved Lot which is leased may, in the lease or other written instrument, assign the voting right appurtenant to that Lot to the lessee, provided that a copy of such lease or other written instrument is furnished to the Secretary of the Association prior to any meeting.

ARTICLE IV
MAINTENANCE

Section 1. Association's Responsibility.

(a) The Association shall maintain and keep in good order the Area of Common Responsibility, such maintenance to be funded as provided in Article VIII hereof. This maintenance shall include, but not be limited to, maintenance, repair and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures and improvements situated upon such areas.

(b) The Association shall cut the grass on the lawns of Lots 20 through 35 lying outside any fences erected on such Lots.

(c) The Association may, at the discretion of the Board of Directors, assume additional maintenance responsibilities upon all or any portion of the Property. In such event, all costs of such maintenance shall be assessed only against those Owners to which the services are provided.

Section 2. Owner's Responsibility. The Owner of each Lot shall keep his Lot, and all improvements thereon, in good order and repair, including, but not limited to, the seeding, watering, and mowing of all lawns and yards, keeping all sidewalks neat, clean, and in good repair, and free of ice and snow, the pruning and cutting of all trees and shrubbery, and the painting (or other appropriate external care) of all buildings and Structures on the Lot, all in a manner and with such frequency as is consistent with good property management and maintenance. If, in the opinion of the Architectural Committee, such maintenance is not properly performed by any Lot Owner, the Association may perform such maintenance and assess the Lot Owner for the cost thereof. All costs incurred by the Association in connection with such restoration or maintenance shall be reimbursed to the Association by the Owner of the Lot upon demand. All unreimbursed costs shall be a lien upon the Lot until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid assessment levied in accordance with Article VIII. Except in the case of an emergency, the Association shall afford the Owner reasonable notice and an opportunity to cure the default prior to undertaking such maintenance.

ARTICLE V
INSURANCE AND CASUALTY LOSSES

Section 1. Insurance. (a) The Association's Board of Directors, or its duly authorized agent, shall have the authority to and may obtain insurance for loss or damage by fire or other hazards for all insurable improvements within the Common Area. This insurance shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard.

(b) The Board of Directors shall have the authority to, and may also obtain, to the extent reasonably feasible, a public liability policy covering the Common Area, other areas that are under the supervision of the Association. Any such public liability policy shall be for such amount as deemed reasonable by the Board of Directors but shall, at a minimum, have at least a Five Hundred Thousand Dollar ($500,000.00) single person limit as respects bodily injury and property damage, a One Million Dollar ($1,000,000.00) limit per occurrence, and a Two Hundred Fifty Thousand Dollar ($250,000.00) minimum property damage limit.

(c) Premiums for all insurance obtained by the Board of Directors or its duly authorized agent shall be a Common Expense and as such will be included in the Base Assessment. All policies

obtained by the Board of Directors or its duly authorized agent may contain a reasonable deductible.

(d) All policies obtained by the Board of Directors or its duly authorized agent shall be for the benefit of the Association and the Lot Owners and their Mortgagees as their interests may appear.

(e) Exclusive authority to adjust losses under policies obtained by the Board of Directors or its duly authorized agent shall be vested in the Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(f) The Board of Directors or its duly authorized agent shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) a waiver of subrogation by the insurer as to any claims against the Board of Directors, its manager, the Lot Owners, and their respective tenants, servants, agents, and guests;

(ii) that no policy may be canceled, invalidated, or suspended on account of the conduct of any director, officer, or employee of the Association or its duly authorized agent or on account of any one or more Lot Owners without prior demand in writing delivered to the Board of Directors to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Board of Directors, its duly authorized agent, any Lot Owner, or Mortgagee;

(iii) that any "other insurance" clause in any policy exclude individual Lot Owners' policies from consideration; and

(iv) that no policy may be cancelled or substantially modified without at least (10) days' prior written notice to the Board of Directors.

(g) In addition to the other insurance required by this Section, the Board of Directors may obtain, as a Common Expense, directors and officers liability insurance, worker's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds for directors, officers, employees, and other persons handling or responsible for the Association's funds.

ARTICLE VI
CHANGE OF DEVELOPMENT PLAN

Section 1. Change of Development Plan by Successor Declarant. The term "change of development plan" shall mean any change in all or any part of the Property or the abandonment or

modification of the Project. The Successor Declarant intends to develop the Property in accordance with the Plat and the Easement Plat, as subsequently modified from time to time. The Successor Declarant reserves the right to modify the Plat and/or Easement Plat at its sole option, from time to time, with respect to any portion of the Property owned by the Successor Declarant at the time of such modification. The Plat and Easement Plat or any future Plat or Easement Plat shall not bind the Successor Declarant, its successors and assigns, to adhere to the Plat or Easement Plat in the development of the Property. Successor Declarant shall have the unilateral right, privilege, and option from time to time, subject to the provision of this Declaration, without the approval of Class "A" or Class "B" Members to change the use of all or any portion of the Property owned by the Successor Declarant at the time of such change. A Supplementary or Amended Declaration detailing the change of land use shall be executed by the Successor Declarant and recorded in the Land Records of Queen's Anne County, Maryland.

Section 2. Amendment. Section 1 of this Article VI shall not be amended without the written consent of Successor Declarant, so long as the Successor Declarant owns any portion of the Property.

ARTICLE VII
RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. Area of Common Responsibility. The Association, subject to the rights and responsibilities of the Owners set forth in this Declaration, upon transfer of the possessory interest in any portion of the Common Area shall be responsible for the exclusive management and control of such portion of the Common Area and all improvements thereon (including, without limitation, furnishings and equipment related thereto, private drainage facilities and common landscaped areas), and shall keep such portion of the Common Area in good, clean, attractive, and sanitary condition, order and repair, pursuant to the terms and conditions hereof.

Section 2. Ownership and Acceptance of Property. The Association through action of its Board of Directors, may acquire, hold, and dispose of tangible and intangible property and real property, subject to the requirements of this Declaration. The Board of Directors, acting on behalf of the Association, must accept any real or personal property, leasehold, or other property interests within the Property conveyed to it on a temporary or permanent basis by the Successor Declarant. Successor Declarant has the right but not the obligation to transfer any or all of the Common Area to the Association at any time.

Section 3. Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration and every other right or privilege reasonably to be implied from

the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE VIII
ASSESSMENTS

Section 1. Creation of Lien and Personal Obligations for Assessments. Each Lot Owner by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association if applicable: (i) the Base Assessment, (ii) Assessment for Reserves and Capital Improvements, Repairs and Replacements, (iii) Special Assessments and (iv) Townhome Exterior Assessment. All such assessments shall be established and collected as hereinafter provided. Unpaid Base Assessments, Assessments for Reserves and Capital Improvements, Repairs and Replacements, Special Assessments, and Townhome Exterior Assessments together with interest, costs, and reasonable attorney's fees shall be a charge on and shall be a continuing lien upon the land against which such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the assessment falls due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed.

Section 2. Base Assessments. The Board shall levy a Base Assessment to be used exclusively to promote the recreation, health, safety, and welfare of the residents of Lots within the Property and for the improvement and regular and routine maintenance of the Common Areas and as is otherwise consistent with the rights and responsibilities of the Association hereunder and for the benefit of the Members. The Base Assessment for Lots 20 through 35 shall include an additional increment for the Association's cost to provide grass cutting services under Article IV, Section 1(b).

Section 3. Assessment for Reserves and Capital Improvements, Repairs and Replacements. Certain improvements within the Common Area have been or may be constructed and paid for by the Successor Declarant or the Association. The Board shall have the authority to levy an Assessment for capital improvements, repairs and replacements or for reserves therefore, annually or from time to time.

Section 4. Special Assessment. In addition to the assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only, to meet any emergency or unforeseen expenses of the Association provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized

under Section 4. Written notice of any meeting called for the purpose of taking an action authorized under Section 4 shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Townhome Exterior Assessment. Upon the written application of at least two-thirds (2/3) of the owners of the Lots in one or more Townhome Groups, with respect to specific Townhome Groups, or at least two-thirds (2/3) of the owners of all the Townhome Lots, with respect to all the Townhouses, and with the concurrence of the Architectural Committee, the Board may make or cause to be made exterior alterations, repairs or improvements, including, but not limited to, painting, siding and roof shingles, to one or more Townhome Groups. The purpose of this Townhome Exterior Assessment is to ensure that desirable or needed improvements or repairs to two (2) or more Townhome Units can be made at the same time to maintain the compatibility and complementary aspects of Townhome Units within a Group and among all Townhome Units. The Board shall have the authority to assess each Townhome owner for its pro-rata costs such exterior alterations, repairs or improvements. Any assessment made under this provision shall not exceed the cost of the alteration, repair or improvement to the Townhome so assessed.

Section 7. Uniform Rate of Assessment/Increases in Assessments. Unless otherwise expressly provided herein, assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis, or other periodic basis not more often than monthly, or less often than annually, as provided by the Board of Directors. The Board shall have the power and authority to increase each of the annual assessments described in Sections 2, 3 and 6 of this Article VIII, without a vote of the Lot Owners, by an amount not to exceed twenty-five percent (25%) of the maximum annual amount of each assessment for the immediately proceeding year.

Section 8. Surplus Receipts. Unless otherwise expressly provided herein, any surplus of receipts over expenses, including reserves, of the Association for any fiscal year shall be either applied to reduce the assessments necessary to meet the budget adopted by the Association for the next fiscal year or refunded by the Association to each Owner, and the refund may be prorated among the Owners (and former Owners), including the Successor Declarant, based upon the portion of the previous fiscal year that each such Owner (or former Owners), including the Successor Declarant, shall have held record title to the Lot, as determined by resolution of

the Board of Directors.

Section 9. Date of Commencement of Annual Assessments; Due Dates; Certificate of Payment of Assessments. (a) The Base Assessments provided for herein shall commence as to all Lots on the first day of the month following January 1, 1995. The first Base Assessment shall be fixed by the Board of Directors and shall be adjusted according to the number of months remaining in the calendar year. Thereafter, the Board of Directors shall fix the amount of the Base Assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the Base Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an office of the Association setting forth whether the assessments on a specified Lot have been paid.

(b) Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum, and shall be subject to a late charge of Fifteen Dollars ($15.00) or ten percent (10%) of the assessment, whichever is greater, and the Board of Directors shall have the right to declare the entire balance of the annual assessment and accrued interest thereon to be immediately due and payable. In addition, the Owner shall be liable for all costs of collecting any such assessment, including reasonable attorneys' fees and court costs. All such interest, late charges, and costs of collection shall be deemed to be an additional assessment hereunder. The Association may bring an action at law against the Owner personally obligated to pay the same and/or, without waiving any other right, may foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Areas or abandonment of his Lot.

Section 10. Maryland Contract Lien Act. The Association may establish and enforce the lien for any assessment granted herein pursuant to the Maryland Contract Lien Act or any similar successor law. The lien is imposed upon the Lot against which such assessment is made. The lien may be established and enforced for damages, costs of collection, late charges permitted by law, and attorneys' fees provided for herein or awarded by a court for breach of any of the covenants herein.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments, including interest, late charges and costs (including reasonable attorney's fees) provided for herein shall be subordinate to the lien of any first Mortgage upon any Lot. The sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first Mortgage (or deed in lieu of foreclosure) shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale

or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where the Mortgagee of a first Mortgage on a Lot obtains title, its successors and assigns shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such Mortgagee. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses payable as a Base Assessment on pro-rata basis from all of the Lot Owners, including such Mortgagee, its successors and assigns.

ARTICLE IX
ARCHITECTURAL REVIEW

Section 1. Building and Landscaping Restrictions. No Structure or landscaping shall be commenced, erected, installed or maintained on the Property, nor shall any addition to or change or alteration therein (including alterations or replacements in exterior color, materials, plant materials or design) be made, until the plans and specifications, in duplicate, showing the nature, kind, shape, height, materials, plant materials, color, locations, and approximate cost of the Structure, addition, landscaping, or alteration shall have been submitted to and approved in writing by the Architectural Committee. The Architectural Committee shall consider applications for approval of plans, specifications, etc., upon the basis of conformity with this Declaration and shall be guided by the extent to which the proposed Structure, addition or alteration will insure conformity and harmony in exterior design and appearance, based upon, among other things, the following factors: the quality of workmanship; nature and durability of materials; harmony of external design with existing Structures; choice of colors; changes in topography, grade elevations, and/or drainage; factors of public health and safety; the effect of the value of other neighboring properties, and/or the outlook or view from adjacent or neighboring properties; and the suitability of the proposed Structure, addition, landscaping or alteration, taking into account the general aesthetic values of the surrounding area.

Section 2. Setbacks. (a) No dwelling or appurtenances shall be located closer than thirty (30) feet to the front line or line abutting a street of a Lot or closer than thirty (30) feet to the rear line of the Lot. No detached dwelling shall be located nearer than ten (10) feet to any side lot line.

(b) The Architectural Committee shall, in all cases, have the right to determine the location of the front, side and/or rear lines of any parcel and the amount of setback from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Architectural Committee thereon shall be final in all respects.

Section 3. Design, Materials, Size, and Fencing. (a) In general, all homes shall be designed to harmonize and fit with the overall architectural style quality of the community.

(b) Only first class materials will be allowed. Approved exterior siding materials shall include: brick, stone, wood, or stucco. No more than one (1) foot of concrete, block, or parged block shall be exposed above grade.

(c) The finished living area of any detached dwelling house erected upon any Lot, exclusive of basement and attached porches and garages, shall be not less than one thousand five hundred (1,500) square feet for a one or one and one-half story dwelling, nor less than two thousand (2,000) square feet for a two story dwelling. The roof of any dwelling, garage, porch, or other structure or improvement shall not be more than thirty-five feet (35') in elevation from ground level.

(d) Fencing shall be allowed only in side and rear yards. Fencing shall not exceed four feet in height. All fencing shall be wood. Chain link, vinyl clad, metal, or aluminum fences are prohibited.

Section 4. Front Yard. The front yard on each Lot shall be kept only as a lawn, including trees, flowers, and shrubs.

Section 5. Disapproval of Plans. In any case where the Architectural Committee shall disapprove the plans and specifications submitted hereunder, or shall approve the same only as modified or upon specified conditions, such disapproval or qualified approval shall be accompanied by a statement in writing or the grounds upon which such action was based. In any such case, Successor Declarant shall, if requested, make reasonable efforts to assist and advise the applicant in order that an acceptable proposal can be prepared and submitted for approval. However, the final decision of the Architectural Committee is binding.

Section 6. Approval of Plans. The applicant shall submit for approval two sets of plans and specifications. Upon approval by the Architectural Committee, one copy of such plans and specifications shall be retained by the Architectural Committee, and the other bearing the approval of the Architectural Committee in writing shall be returned to the applicant.

Section 7. Nonapproved Structures. If any Structure shall be altered, erected, placed, or maintained upon any Lot, or any new use commenced on any Lot, in violation of the provisions hereof, such Structure or new use shall be removed or discontinued, and such use shall be terminated so as to extinguish such violation. If within fifteen (15) days after notice of such violation, the Owner of the Lot upon which such violation exists shall not have taken reasonable steps towards the removal or termination of the same, the Successor Declarant or the Association, through its agents and employees, shall have the right to enter upon the Lot

and to take such steps as it deems necessary to extinguish such violation and the costs thereof shall be a binding, personal obligation of the Owner of the Lot, and an additional assessment upon the Lot.

Section 8. Completion of Construction. The exterior construction of any dwelling, outbuilding, or other Structure, as herein provided shall be completed within twelve (12) months after the construction of such structure shall have commenced, unless the time for completion shall be extended by the Architectural Committee in the exercise of its discretion. The Architectural Committee reserves the right to assess a penalty of twenty-five ($25.00) per day after the expiration of the aforesaid twelve (12) month construction period for failure to complete exterior construction in accordance with the approved plans.

Section 9. Examination Fee. The Architectural Committee may charge and collect a reasonable fee for the examination of the plans and specifications submitted for approval. Such payment shall be made at the time such plans and specifications are submitted.

Section 10. Architectural Review Rules. The Architectural Committee to the extent of its functions hereunder and rights specifically provided herein, may adopt and promulgate reasonable rules and regulations regarding the administration, interpretation, and enforcement of the provisions of this Declaration.

Section 11. Conditional Approvals. In granting any permit, authorization, or approval, as herein provided, the Architectural Committee may impose any appropriate conditions or limitations thereon as they shall deem advisable under the circumstances of each case.

Section 12. Assignment of Review Power. All or any part of the rights and powers (including discretionary powers and rights) reserved by or conferred upon the Successor Declarant by this Declaration may be assigned or transferred by the Successor Declarant to any successor developer of all or any part of the Property, or to the Association. Any such assignment or transfer shall be evidenced by an appropriate instrument, containing a signed acknowledgment of the assumption of the Successor Declarant's rights and powers by the grantee, recorded among the Land Records of Queen Anne's County, Maryland, and upon recordation thereof, the grantee or grantees of such rights and powers shall thereafter have the rights to exercise and perform all of the rights and powers reserved by or conferred upon the Successor Declarant by this Declaration.

Section 13. Interpretations. The Architectural Committee will be the interpreter of the provisions of this Declaration with respect to all matters involving aesthetics. Its decision in such matters shall be final if consistent with the intent of this Declaration. In any and all events, the Architectural Committee,

Successor Declarant, and Association will not be liable for any decision, action, or inaction taken hereunder with respect to any such matters concerning aesthetics and the administration, interpretation, and enforcement of the provisions of this Declaration.

ARTICLE X
RESTRICTIONS AND CONDITIONS

Section 1. Architectural Review. No Structure may be erected or maintained on any Lot in violation of Article IX above. Any approval given hereunder shall become null and void unless construction of the approved Structure shall be commenced within six (6) months of the date of such approval.

Section 2. Shore Buffer Environmental Restrictions. Except for the Utility and Access Easement from the Recreation Area to the Community Pier and the "15' wide Utility Easement" between the northern most point on the common boundary of Lots 18 and 19 and the Community Pier, as shown on the Easement Plat, all uses of and activities on the Shore Buffer shall be subject to the restrictions imposed by nontidal wetlands buffers, and forest retention and afforestation requirements. Use of the Shore Buffer is restricted to those activities that are consistent with forest and wildlife conservation, water quality protection and passive recreation. These covenants shall allow for the removal of diseased, dead or dying trees, provide for removal of noxious plants or weeds, allow passive recreational uses such as hiking or nature study, allow forest and wildlife management activities to take place, and prevent the dumping of trash or other material within the protected areas.

Section 3. Purpose. No noxious or offensive trade shall be carried on upon any Lot, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to neighbors. Except as provided below, all Lots shall be used for residential purposes only, and not for purposes of any profession, trade or business whatsoever. Structures erected on any one Lot shall consist of a main dwelling or residence for the occupancy of one family only, together with a private garage, and other structures appurtenant to the main residence or to be used in connection therewith.

Section 4. Family Day Care Provider. No structure may be used as a Family Day Care Home as that term is defined in Section 11-111.1(A)(3) of the Real Property Article, Annotated Code of Maryland, or any successor law. This prohibition may be eliminated and Family Day Care Homes may be approved by a simple majority of the total eligible voters of the Association under the voting procedures contained in the Declaration and By-Laws of the Association.

Section 5. Use. No school or church shall be maintained or operated upon any portion of the Property.

Section 6. Temporary Structures. No basement, tent, shack, garage, barn or other outbuilding shall be erected on any Lot and used temporarily or permanently as a residence.

Section 7. Vehicles. No trailer, boat, habitable motor vehicle, commercial vehicle, or construction equipment shall be parked or stored on any Lot or on any street, road, or alley in the Property except while actively engaged in transporting to or from a residence therein or, in the case of construction equipment, while actively engaged upon construction work therein.

Section 8. Animals. No animal, livestock, poultry or other fowl of any kind shall be raised, bred or kept on any Lot; however, household pets in reasonable numbers may be so raised, bred or kept, provided that they are not raised, bred or kept for any commercial purposes.

Section 9. Hunting Prohibited. There shall be no hunting nor discharging of firearms within the Property.

Section 10. Obstruction. 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 draining channels.

Section 11. Gardens. Vegetable gardens shall not be permitted on any Lot unless placed in the rear portion of such Lot in such a manner as to not constitute a nuisance to adjoining Lot Owners.

Section 12. Lawn Furniture. No lawn furniture shall be maintained on any Lot except if shielded by landscaping or a fence or wall approved by the Architectural Committee.

Section 13. Window Treatments. Bed sheets, plastic sheets, newspapers, plastic storm windows or other similar window treatments shall not be hung or placed in or on any window on any dwelling located on any Lot.

Section 14. Recreational Equipment. No play equipment, including, without limitation, basketball backboards, basketball hoops, swing sets and trampolines or other equipment associated with either adult or juvenile recreation, shall be attached in any manner to the exterior of any dwelling or otherwise installed on any Lot except if screened from view from the street and approved by the Architectural Committee.

Section 15. Exterior Lighting. No exterior lighting, emanating from a Lot, shall be directed outside the boundaries of the Lot without the prior written approval of the Architectural Committee.

Section 16. Swimming Pools. Swimming pools must be

approved by the Architectural Committee. Only in-ground swimming pools will be approved; above ground pools are prohibited.

Section 17. Vehicles. No vehicles without a current and valid registration, no inoperable vehicles and no truck (over 1/2 ton capacity), trailer, camper, van, horse trailer, recreation vehicle, boat or any vehicle having commercial registration or displaying commercial information or similar equipment shall be stored or parked on any of the Lots nor parked on any of the streets within or appurtenant to the Property by Owners, lessees or other occupants of the Lots. Notwithstanding the above, passenger vans, passenger vehicles may be stored within garages. Except for bona fide emergencies, no repair or significant maintenance of automobiles or other vehicles shall be carried out on any Lot or the streets within or appurtenant to the Property.

Section 18. Boat Slips. There are sixteen (16) Boat Slips proposed for construction at the Community Pier. The Boat Slips shall be subject to annual rental by Owners and non-owners on such terms as may be established by the Successor Declarant or the Board of Directors from time to time, but such use may not be assigned, delegated or transferred to others. If the Community Pier has not been transferred to the Association and made part of the Common Area, the annual rent shall not exceed comparable slip rentals. If the Community Pier is part of the Area of Common Responsibility, the aggregate annual rent for all slips shall be at least sufficient to pay for the expense of operating and maintaining the Community Pier and a reserve for capital repair and replacement of the Community Pier. Slips shall be assigned on a "first come-first serve" basis. An Owner shall not be allowed to rent more than one slip if there are other Owners who desire to rent a Slip. Once a Slip is assigned, an Owner may retain it from year to year by giving written notice of his desired use for the ensuing calendar year to the Successor Declarant or the Board of Directors by no later than December 1st of the current year. After December 1, the remaining unassigned slips, or any assigned slip that an Owner wishes to relinquish shall be made available first to the Owners of all Lots without an assigned slip on a "first come - first serve" basis and then to others in accordance with such method of selection as may be adopted by the Successor Declarant or the Board of Directors from time to time.

Section 19. Antennas. All television or other antennae shall be located within the interior of a dwelling. Satellite dishes or similar transmitting or receiving devices will not be permitted within Property. Electric meters and air conditioner units shall be screened from view.

Section 20. Leasing. Any lease agreement between an Owner and a lessee shall provide that the terms of the lease are subject in all respects to the provisions of this Declaration and Bylaws and Rules and Regulations of the Association, and that any failure by the leasee to comply with the terms of such documents shall be a default under the lease. The Owner of a leased residence shall

be jointly and severally liable with the tenant to pay for any claim for injury or damage to persons or property caused by any action or omission, including, without limitation, the negligence of the tenant. Every lease shall be subordinate to any lien filed by the Association, whether before or after the date of such lease.

Section 21. Landscape Maintenance. In order to preserve or improve the views, to promote the free movement of air and to prevent the harboring of flies, vermin, mosquitoes and other insects, the Successor Declarant or the Association have the right to require the owner of any parcel, upon thirty (30) days written notice, mailed to the Owner at the address shown in the tax assessment records of Queen Anne's County, to trim any trees or shrubbery, to cut and remove any tall grasses greater than (six (6) inches in height) and weeds, and/or to remove any trash and litter standing on any part of such parcel which may furnish harboring places for flies, vermin, mosquitoes or other insects, and the Successor Declarant may trim, cut and remove such trees, shrubbery, grasses, weeds, trash and litter at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

Section 22. Recreation Area. Owners shall have the right to use the Recreation Area for parking and access to the Community Pier.

Section 23. Open Space and Drainage Utility and Access Easement. Owners shall have the right to use the Open Space and the Drainage, Utility and Access Easement for passive recreation.

Section 24. Community Pier. Owners shall have the right to use the Community Pier for recreation subject to the rights of Boat Slip Renters and rules and regulations adopted by the Successor Declarant or the Board of Directors.

Section 25. Utility and Access Easement. Owners shall have the right to use the Utility and Access Easement for access to the Community Pier from the Recreation Area.

ARTICLE XI
DURATION

This Declaration shall be deemed covenants running with the land and/or charges and liens upon the land and any and every conveyance of any part of the Property shall be absolutely subject to the provisions hereof whether or not it shall be so expressed in the deed, lease or other conveyance thereof. The provisions of this Declaration shall inure to the benefit of and shall be enforceable by the Successor Declarant and any Owner, their respective legal representatives, heirs, successors and assigns.

ARTICLE XII
AMENDMENTS

Section 1. Amendment. The Successor Declarant specifically reserves to itself, its successors and assigns, the right to amend the Declaration, or any portion thereof, on its own motion, from the date hereof until the expiration of the Class C membership under Article III, Section 2(c), so long as the voting power of existing Members is not diluted thereby, nor the method of making assessments of such existing Members raised or changed in any manner which would adversely affect such Members. After the expiration of Class C membership, all proposed amendments shall be submitted to a vote of the Members at a duly called meeting of the Association and any such proposed amendment shall be deemed approved if three-fourths (3/4) of the votes cast at such meeting at which such proposed amendment is to be considered are in favor of the amendment. If any amendment to this Declaration is made as set forth above, the President and Secretary of the Association shall execute an Addendum to this Declaration which shall forth the amendment, the effective date of the amendment (which in no event shall be less than sixty (60) days after the date when such amendment was adopted), and, if applicable, the date of the meeting of the Association at which such amendment was adopted, the date that notice of such meeting was given, and the total number of votes cast for and against the amendment. Such addendum shall be recorded in the Land Records of Queen Anne's County, Maryland.

The quorum required for any action authorized to be taken by the Association under this Section 1 shall be as follows:

(a) the first time any meeting of the Members of the Association is called to take action under this Article, the presence at the meeting of the Members or proxies entitled to cast sixty percent (60%) of the total vote of the Membership shall constitute a quorum.

(b) If the required quorum is not forthcoming at the first meeting, a second meeting may be called subject to the giving of proper notice and the required quorum at such subsequent meeting shall be the presence of Members or proxies entitled to cast fifty percent (50%) of the total Membership votes.

ARTICLE XIII
NOTICES

Section 1. Any notice required to be sent to any Member or Lot Owner under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed, to the address of record on file with the Secretary of the Association or, if there is not such record, to the last known address of the person or entity who appears as Owner in the Land Records of Queen Anne's County,

Maryland, on the third day after the date the notice is mailed.

Section 2. Notice to one of two or more co-owners of a Lot shall constitute notice to all co-owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address.

Section 3. Any person who becomes an Owner and Member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor in title.

ARTICLE XIV
ENFORCEMENT

Section 1. Who May Enforce Generally. In the event of a violation or breach of any of the affirmative obligations, covenants, conditions or restrictions contained in this Declaration, the Successor Declarant, the Association or any other Lot Owner or any of them jointly or severally shall have the right to proceed at law or in equity to compel compliance with the terms hereof, to prevent their violation or breach, to recover damages or to create any lien provided for in this Declaration.

Section 2. Enforcement by the Association and Successor Declarant. The Association or the Successor Declarant may engage a person or persons to respond to complaints received as to violations of the Successor Declarant and shall inform the violators of such complaint. If the violation is not expeditiously terminated, the Successor Declarant or Association may engage legal counsel to bring an appropriate injunctive action, including any appeals, to enforce these covenants. Violators shall be obligated to reimburse the Association and the Successor Declarant in full for all their direct and indirect costs, including but not limited to legal fees incurred by the Association and the Successor Declarant in maintaining compliance with these covenants.

ARTICLE XV
GENERAL PROVISIONS

Section 1. Severability. The determination by a Court that any provision hereof is invalid for any reason shall not affect the validity of any other provision hereof.

Section 2. Interpretation. In all cases, the provisions of this Declaration shall be given that interpretation or construction which will best tend toward the consummation of the general plan of development of the Property. The provision of these covenants shall be given full force and effect notwithstanding the existence of any zoning ordinance which allows a less restrictive use of the Property.

Section 3. Trespass. Whenever the Association, and/or the Successor Declarant are permitted by this Declaration to correct, repair, clean, preserve, clear out or do any action on any Lot, Common Area, or easement areas adjacent thereto, entering such property and taking such action shall not be deemed a trespass.

Section 4. Attorney's Fees. Any party to a proceeding who succeeds in enforcing a provision hereof or enjoining the violation of a provision against a Lot Owner may be awarded a reasonable attorney's fee against such Lot Owner.

Section 5. Successors and Assigns. Each grantee accepting a deed or other instrument conveying any interest in any Lot, whether or not the same incorporates or refers to this Declaration, covenants for himself, his heirs, successors and assigns to observe, perform and be bound by this Declaration and to incorporate the same by reference in any deed or other conveyance of all or any portion of this interest in any real property subject hereto.

Section 6. Successors of Successor Declarant. Any and all rights, reservations, easements, interests, exemptions, privileges and powers of the Successor Declarant hereunder, or any part of them, may be assigned and transferred (exclusively or non-exclusively) by the Successor Declarant, with or without notice to the Association by an instrument specifically assigning them.

IN WITNESS WHEREOF, the Successor Declarant has set its hand and seal as of the day and year first above written.

WITNESS:

QUEENSTOWN HARBOR LLC,
a Maryland limited liability company

By: Washington Brick & Terra Cotta Company, its Manager

By: _____ (SEAL)
Arthur A. Birney, Jr.,
Managing Partner

~~STATE OF MARYLAND~~, ~~COUNTY OF~~ District of Columbia, TO WIT:

I HEREBY CERTIFY, that on this 9th day of July, 1996, before me, the undersigned, a Notary Public of the State of Maryland, personally appeared **ARTHUR A. BIRNEY, JR.**, who acknowledged himself to be Managing Partner of Washington Brick & Terra Cotta Company, Manager of Queenstown Harbor LLC, a Maryland limited liability company, known to me (or satisfactorily proven), to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained as the Managing Partner of Washington Brick & Terra Cotta Company, Manager of Queenstown Harbor LLC, a Maryland limited liability company.

AS WITNESS my hand and notarial seal.

Notary Public

My Commission Expires:
My Commission Expires 1/31/2001

THIS IS TO CERTIFY that this instrument was prepared by John H. Murray, an attorney duly admitted to practice before the Court of Appeals of Maryland.

John H. Murray

EXHIBIT "A"

ALL that property situate, lying and being in the Town of Queenstown, Queen Anne's County, Maryland, containing 23.386 acres of land, more or less, and being more particularly described by metes and bounds, courses and distances according to a Certificate of Survey prepared by Rauch, Walls and Lane, Inc., dated June 15, 1994, as follows:

BEGINNING for the same at an Iron Rod, said Iron Rod being the southeasterly most corner of the herein described land and being on the northwesterly side of the public road known as Maryland Highway No. 18; and from said Place of Beginning running (1) North 59 degrees 28 minutes 00 seconds West 260.00 feet to an Iron Rod; thence (2) North 30 degrees 32 minutes 00 seconds East 508.51 feet; thence (3) North 59 degrees 28 minutes 00 seconds West 134.79 feet; thence (4) South 83 degrees 00 minutes 00 seconds West 150.00 feet; thence (5) South 39 degrees 00 minutes 00 seconds West 850.00 feet; thence (6) South 00 degrees 00 minutes 00 seconds West 75.00 feet; thence (7) North 53 degrees 58 minutes 36 seconds West 198.99 feet; thence (8) North 26 degrees 24 minutes 30 seconds West 211.04 feet to Little Queenstown Creek; thence by and with the Mean High Water Line of the said Little Queenstown Creek, the following seven courses and distances (9) North 33 degrees 05 minutes 19 seconds East 290.69 feet; thence (10) North 41 degrees 43 minutes 55 seconds East 765.16 feet; thence (11) North 63 degrees 56 minutes 06 seconds East 688.36 feet; thence (12) South 38 degrees 00 minutes 00 seconds East 118.91 feet; thence (13) South 63 degrees 22 minutes 00 seconds East 112.60 feet; thence (14) North 11 degrees 40 minutes 00 seconds East 106.70 feet; thence (15) North 85 degrees 52 minutes 00 seconds East 299.99 feet to the aforementioned Maryland Highway No. 18; thence by and with the westerly side of the said Maryland Highway No. 18 (16) South 30 degrees 32 minutes 00 seconds West 1497.37 feet to the Place of Beginning, containing 23.386 acres of land more or less.

Appendix B

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QUEEN ANNE'S COUNTY

Changes to QHCA Covenants
(Approved at the Annual Meeting May 23, 2000)

RECORDING FEE 5.00
TOTAL 5.00
Dept QA01 Rcpt # 91433
SM JGG Blk # 1339
Jan 19, 2001 01:36 Pg

Article IX, Section 1. At the end of the section, add two paragraphs as follows:

Lots shall be sodded on all sides to the extent directed by the Architectural Review Committee. All lot grading and lawn installation shall be completed prior to the settlement/occupancy date.

Minimum foundation planting in the front of the house, as established by the Architectural Review Committee, shall be installed prior to the settlement/occupancy date.

Article IX, Section 3, para (b). Delete the last sentence, which reads "No more than one (1) foot of concrete, block, or parged block shall be exposed above grade." and substitute for it the following sentence:

"All above grade foundations shall be faced with a brick veneer on all sides of the building."

Article IX, Section 3. At the end of the section, add two new paragraphs as follows"

(e) A "Queenstown Harbor standard-design mailbox/paperbox," i.e., one identical with those already in place in the community, shall be installed at each residence prior to the settlement/occupancy date.

(f) At each detached single-family house an electric pole lamp shall be installed in the driveway/front walk area.

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QUEEN ANNE'S COUNTY

HOMEOWNERS ASSOCIATION DEPOSITORY DISCLOSURE AND TRANSMITTAL OF DOCUMENTS
PURSUANT TO MARYLAND HOMEOWNERS ASSOCIATION ACT

Pursuant to Section 11B-105(e) and 11B-113 of the Maryland Homeowners Association Act (the "Act"), the Seller hereby certifies that as of this 5TH day of APRIL, 2004, except as herein stated:

(1) The name, principal address and telephone number of the Seller and of the Declarant, if the Declarant is not the Seller, are as follows:

RECORDING FEE 50.00
TOTAL 50.00
Rec# QA01 Rcpt # 55752
SM RCB Blk # 562
Apr 06, 2004 11:14 am

SELLER: **Michael J. Bozek, Inc.**
P.O. Box 250
358 Pennsylvania Avenue
Centreville, MD 21617
Tel. (410) 758-2929
Fax (410) 758-3419

DECLARANT: **Same**

(2) If the Seller is a corporation or partnership, the names and addresses of the principal officers or general partners of the Seller are as follows:

Michael J. Bozek, President, Michael J. Bozek, Inc., P.O. Box 250, 358 Pennsylvania Avenue, Centreville, MD 21617.

(3) The name, if any, of the Homeowners Association is **Ridgeview at Centreville Homeowners Association, Inc.**, which is incorporated in the State of Maryland. The name and address of the Maryland resident agent of the incorporated Homeowners Association is: **Michael J. Bozek, P.O. Box 250, 358 Pennsylvania Avenue, Centreville, Maryland 21617**.

(4) The following is a description of the location and size of the Development, including the minimum and maximum number of lots currently planned or permitted, if applicable, which may be contained within the Development:

The Development is located in Centreville, Maryland adjacent to Commerce Street in the Third (3rd) Election District of Queen Anne's County, Maryland. The Development is 1.005 acres, more or less, in total size. The minimum number of Lots currently planned is 14 lots. The maximum number of Lots currently planned is 14 lots. There will be 4 duplexes consisting of 8 lots and 1 townhome consisting of 6 lots for a total of 14 lots. However, the Declarant reserves the right to increase or decrease the number of lots or make amendments or changes to the size of the lots pursuant to the Declaration of Covenants.

(5) The following is a description of any property owned by the Declarant or the Seller

(5) The following is a description of any property owned by the Declarant or the Seller contiguous to the Development, which is to be dedicated to public use: **There are 0.464 acres, more or less, of land contiguous to the Development to be dedicated as a public road for extending Little Kidwell Avenue in Centreville, Maryland.**

(6) If the Development is or will be within or part of another Development, then the other Development is generally described as follows: **N/A.**

(7) If the Declarant has reserved the right to annex additional property to the Development, a description of the size and location of the additional property and the approximate number of Lots currently planned to be contained in the Development, as well as any time limits within which the Declarant may annex such property is as follows: **N/A.**

(8) Attached to this Addendum is a copy of:

(a) The Articles of Incorporation, the Declaration and all recorded covenants and restrictions of the Primary Development and of other related developments to the extent reasonably available, to which the Purchaser shall become obligated on becoming an owner of the Lot, including a statement that these obligations are enforceable against an owner and the owner's tenants, if applicable; and

(b) The By-Laws and Rules of the Primary Development and of other related developments, to the extent reasonably available, to which the Purchaser shall become obligated on becoming an owner of the Lot, including a statement that these obligations are enforceable against an owner and the owner's tenants, if applicable.

(9) The obligations contained in the instruments described in subparagraphs 8(a) and (b), above, are X , are not __ enforceable against an owner and the owner's tenants, if applicable.

(10) The following is a description or statement of any property which is currently planned to be owned, leased or maintained by the Homeowners Association: **Common Areas and Private Road.**

(11) Attached to this Addendum is a copy of the proposed or actual annual budget for the Homeowners Association for the current fiscal year, including a description of the replacement reserves for common area improvements, if any, and a copy of the projected budge for the Homeowner's Association, based upon the Development fully expanded in accordance with expansion rights contained in the Declaration.

(12) The current or anticipated mandatory fees or assessments to be paid by owners of lots within the Development for the use, maintenance and operation of common areas and for other purposes related to the Homeowners Association are as follows:

Homeowners Association dues or assessments are $720.00 per annum per Lot,

payable monthly. The annual assessment may be increased by not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the Membership.

(13) The Declarant will be obligated to pay the fees in whole or in part in the following amounts: **Homeowners Association dues are payable monthly in the amount of $60.00 per month.**

(14) The following is either a brief description of zoning and other land use requirements affecting the Development, or a written disclosure of where the information is available for inspection:

The property is zoned PRA R-3. Information concerning the property zoning is available at the Queen Anne's County Department of Planning & Zoning, 160 Coursevall Drive, Centreville, MD 21617.

(15) Mandatory Homeowners Association fees or assessments will first be levied against owners of Lots on the following date: **Homeowners Association dues will start upon purchase or transfer of title to person other than Declarant. The first homes are anticipated to be ready for sale in June 2004.**

(16) The procedure for increasing or decreasing such fees or assessments is as follows:

See Declaration of Covenants, Paragraph 7.4.1. The annual assessment may be increased by not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the Membership.

(17) Unpaid fees or assessments are__X__, are not _____, a personal obligation of owner of Lots.

(18) The method by which fees or assessments and delinquent charges will be collected is as follows: **See Declaration of Covenants, Paragraphs 7 and 8.**

(19) Interest is charged on unpaid fees or assessments at the following rate: **1% per month (12% per annum).**

(20) Unpaid fees or assessments may be enforced by imposing a lien on a Lot under the terms of the Maryland Contract Lien Act.

(21) Lot owner will be assessed late charges and attorney's fees for collecting unpaid fees or assessments. All other consequences for the nonpayment of the fees or assessments are as follows: **See Declaration of Covenants and By-Laws**.

(22) Other than pro rated fees or assessments, the following sums of money are to be collected at settlement for contribution to the Homeowners Association: **None.**

(23) The following is a description of special rights or exemptions reserved by or for the benefit of the Declarant or Seller, including the right, if any, to conduct construction activities within the Development, the right, if any, to pay a reduced Homeowners Association fee or assessment, and exemptions, if any, from use restrictions or architectural control provisions contained in the Declaration or provisions by which the Declarant or Seller intends to maintain control over the Homeowners Association:

See Declaration of Covenants, Paragraph 16. Declarant has generally reserved the right to amend the Covenants and further reserved a non-exclusive easement and right-of-way in, through, over and across the Common Areas and Open Space for the purpose of the maintaining, removing improving, dedicating, or relocating a historical building located on the Property. The right of Declarant to exercise this reservation shall expire and automatically become null and void as of January 1, 2010.

(24) THE DOCUMENTS WERE PROVIDED BY AND ALL INFORMATION HEREIN WAS COMPLETED BY THE SELLER.

NOTE: EXCEPT AS PROVIDED IN SECTION 11B-105(d) OF THE ACT, THE FOREGOING DISCLOSURES SHALL BE DEEMED TO HAVE BEEN FULFILLED, IN THE INFORMATION REQUIRED TO BE DISCLOSED IS PROVIDED TO THE PURCHASER, IN WRITING, IN A CLEAR AND CONCISE MANNER. THE DISCLOSURES MAY BE SUMMARIZED OR PRODUCED IN A COLLECTION OF DOCUMENTS, INCLUDING PLATS, THE DECLARATION, OR THE ORGANIZATIONAL DOCUMENTS OF THE HOMEOWNERS ASSOCIATION, PROVIDED THESE DOCUMENTS EFFECTIVELY CONVEY THE REQUIRED INFORMATION TO THE PURCHASER.

A SELLER IS NOT LIABLE TO THE PURCHASER FOR ANY ERRONEOUS INFORMATION PROVIDED BY AN UNAFFILIATED DECLARANT, SO LONG AS THE SELLER PROVIDES THE PURCHASER WITH A CERTIFICATE STATING THE NAME OF THE PERSON WHO PROVIDED THE INFORMATION, ALONG WITH AN ADDRESS AND TELEPHONE NUMBER FOR CONTACTING SUCH PERSON. AN UNAFFILIATED DECLARANT IS DEFINED BY THE ACT AS A PERSON WHO IS NOT AFFILIATED WITH THE SELLER OF A LOT, BUT WHO HAS SUBJECTED SUCH PROPERTY TO A DECLARATION REQUIRED TO BE DISCLOSED BY THE ACT.

NAME OF UNAFFILIATED DECLARANT (If any): _____

Address:_____

Telephone: _____.

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QUEEN ANNE'S COUNTY

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR RIDGEVIEW AT CENTREVILLE HOMEOWNERS ASSOCIATION, INC.

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS ("Declaration") is made this 5th day of APRIL 2004, by MICHAEL J. BOZEK, INC., a Maryland corporation, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, the Declarant, on the date hereof, is the owner of certain real property located in the Town of Centreville, Queen Anne's County, Maryland by virtue of a deed to Michael J. Bozek, Inc. from Margaret S. Nash and Roberta J. Seward dated July 27, 2000, and recorded among the Land Records of Queen Anne's County in Liber S.M. 746, folio 27, and more particularly described on Exhibit "A" attached hereto and incorporated herein; and

WHEREAS, Declarant intends to convey the Development, subject to certain protective covenants, conditions, restrictions, easements, charges and liens as hereinafter set forth,

NOW, THEREFORE, Declarant hereby declares that the Development shall be held, sold, conveyed, leased, mortgaged and otherwise dealt with subject to those covenants, conditions, restrictions, easements, charges and liens as hereinafter set forth, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Development. These covenants, conditions, restrictions, easements, charges and liens shall run with the real property and shall be binding upon all parties having and/or acquiring any right, title or interest in the Development or any part thereof, and shall inure to the benefit of each and every person or entity, from time to time, owning or holding an interest in the real property.

1. **Definitions**. The terms used in this Declaration and in the Articles of Incorporation and Bylaws of the Association shall have the meaning stated as follows, unless the context otherwise requires. Whenever the context so permits, the use of the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

1.1 "**Assessment**" shall mean a share of the funds required and which are to be assessed against an Owner for the payment of the costs incurred by the Association for and including, but not limited to: the taxation, operation, maintenance and protection of the Common Areas, Dwelling Units or Lots, recreational facilities, surface water management areas, easements for ingress and egress and other areas subject to and under the control and administration of the Association.

1.2 "**Articles**" shall mean the Articles of Incorporation of the Association, attached to and made a part of this Declaration as Exhibit "B", as they may be amended from time to time.

1.3 "**Association**" shall mean and refer to Ridgeview at Centreville Homeowners Association, Inc., a Maryland nonprofit corporation, and its successors and assigns.

IMP FD SURE $ 20.00
RECORDING FEE 75.00
TOTAL 95.00
Rest 0401 Rcpt # 55648
SM RCB Blk # 317
Apr 05, 2004 10:02 am

1.4 "**Architectural Review Committee**" shall mean a committee consisting of three (3) members, all of whom shall be appointed by the Board pursuant to Paragraph 12 hereof.

1.5 "**Board**" shall mean the Board of Directors of the Association.

1.6 "**Bylaws**" shall mean the Bylaws of the Association, established for the government of the Association, as the Bylaws may exist from time to time. The first Bylaws are attached hereto as Exhibit "C".

1.7 **"Common Areas"** shall mean all that certain real property owned or to be owned by, maintained or to be maintained by, or dedicated on the Plat(s) to the Association and held for the benefit, use and enjoyment of the Owners, the same including all parcels dedicated to the Association, Community Open Space, Private Road, all drainage, stormwater management, utility, and other easements, and other ingress/egress easements shown on the Plat(s).

1.8 **"Common Expenses"** shall mean the expenses for which each Owner is liable, which shall include but not be limited to the following:

1.8.1 Expenses of administration and management of the Common Areas and of any improvements to the Common Areas.

1.8.2 Expenses of taxation, maintenance, operation, repair or replacement of the Association property, including Common Areas, not otherwise covered by insurance, including adequate reserve funds for such repair or replacement;

1.8.3 Expenses declared Common Expenses by the provisions of this Declaration or the Bylaws; any valid charge against the Association or Common Areas, or both, if levied against the Association rather than against any Owner individually;

1.8.4 Any expense of, charges to, or assessment by the Association as provided for in this Declaration, the Articles or the Bylaws; and

1.8.5 Any valid charge against the Association or Common Areas, or both, if levied against the Association rather than against any Owner individually.

1.9 **"Common Surplus"** shall mean the excess of all receipts of the Association, including but not limited to Assessments, rents, profits and revenues on account of the Common Areas, over the amount of the Common Expenses.

1.10 **"Declarant"** shall mean and refer to Michael J. Bozek, Inc., and shall include, where applicable, its successors and/or assigns; provided, 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 assigned by an instrument in writing. An "Assignee" for purposes of this paragraph, shall include a Mortgagee acquiring the rights of the Declarant by foreclosure, or by deed or assignment in lieu of foreclosure.

1.11 "**Declaration**" shall mean this Declaration of Covenants, Conditions, and Restrictions for the subdivision(s) known as Ridgeview at Centreville, and include the same as it may be from time to time amended or supplemented.

1.12 "**Development**" shall mean all of the lands and improvements situate thereon located within the boundaries of the Plat(s) to the extent the same are now subject to this Declaration or are in the future made subject to this Declaration in the manner provided herein.

1.13 "**Dwelling Unit**" shall mean the improvement or improvements constructed on a Lot as described on the Plat(s) of the Property and designed and intended for the use and occupancy as a residence by individuals or a family.

1.14 "**Institutional Mortgagee**" shall mean the owner and holder of a mortgage encumbering a Dwelling Unit or Lot, which owner and holder shall either be a bank, savings bank, life insurance company, federal or state savings and loan Association, mortgage company, real estate or mortgage investment trust, Declarant, Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), Federal Housing Administration ("FHA"), Veterans Administration ("VA"), federal or state agencies or other generally recognized mortgagee.

1.15 "**Lot**" shall mean all subdivided parcels or property which are part of the Property.

1.16 **"Member"** shall mean every person, group of persons, corporation, trust or other legal entity, or any combination thereof, who holds a Membership in the Association.

1.17 "**Operation**" shall mean and include the administration, maintenance and management of the Common Area, ingress and egress and utilities easements and other responsibilities assigned to the Association. All Owners shall hold membership in the Association.

1.18 "**Owner**" shall means the record owner, whether one or more persons or entities, of the fee simple title to any Lot, including the Declarant and contract sellers, but excluding those having such interest solely as security for the performance of an obligation.

1.19 "**Person**" shall mean a person, firm, association, corporation, or other entity.

1.20 **"Plat"** shall mean the Plat(s) described on Exhibit "A", as well as any subsequent Plat or replat of the Development or any part thereof.

1.21 **"Property"** means all the real property described in Exhibit "A" attached hereto to this Declaration and those additions to the Property that may be brought within the jurisdiction of the Association.

1.22 "**Turnover**" shall mean the date ninety (90) days after the earliest of: (I) conveyance by Declarant to Owners of all of the Dwelling Units or Lots to be constructed in the Development; (ii) January 1, 2010; or, (iii) such earlier date when Declarant voluntarily relinquishes control of the Association.

2. **Title to Common Areas**. The title to the Common Areas as they are set forth,

defined, and delineated upon the Plat of the Development shall be conveyed in fee simple to the Association for the benefit of the Association, Owners, their guests, invitees, mortgagees, and their respective successors and assigns, upon Turnover or upon such earlier date as Declarant elects to convey them.

3. **Restrictions and Easements**. Each of the following restrictions and easements over, under and across the entire Development is a covenant running with the land, and notwithstanding any of the other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with its proper and intended use and purpose.

3.1 **Utilities.** Any and all restrictions and easements as may be required for utility (including, without limitation, cable television services) to adequately serve the Development shall be covenants running with the land. However, such easements over, under and/or across a Dwelling Unit or Lot shall be exercised according to plans and specifications for the Dwelling Unit or Lot in question, or according to the Lot as developed and/or the Dwelling Unit as constructed, in a manner which will not unreasonably interfere with the intended purpose and use, unless approved in writing by the Owner.

3.2 **Pedestrian and Vehicular Traffic.** There shall exist easements for pedestrian traffic over, upon, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist, upon the Common Areas; and for the vehicular traffic over, upon, through and across such portions of the Common Areas as may from time to time be paved and intended for such purposes, the same being for the use and benefit of (I) Declarant, (ii) the Owners, their respective successors, guests and invitees and (iii) institutional Mortgagees.

3.3 **Perpetual Non-Exclusive Easement in Common Areas.** The Common Areas shall be, and the same are hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the Owners (including their respective successors and assigns and Institutional Mortgagees) for, their use and the use of their immediate families, guests, and invitees for all proper and normal purposes, and for the furnishing of services and facilities, for which the same are reasonably intended, for the enjoyment of Owners subject to the rules and regulations of the Development.

3.4 **Easement for Unintentional and Non-negligent Encroachments.** In the event that any Dwelling Unit or Lot shall encroach upon any Common Area, for any reason not caused by the purposeful or negligent act of the Owner or Owners or agents of such Owner or Owners, then an easement appurtenant to each Dwelling Unit or Lot shall exist for the continuance of such encroachments on and to the Common Areas for so long as such encroachments shall naturally exist. In the event that any portion of the Common Areas shall encroach upon any Dwelling Unit or Lot, then an easement shall exist for the continuance of such encroachment of the Common Areas into any Dwelling Unit or Lot for so long as such encroachments shall naturally exist.

3.5 **Construction and Maintenance.** Declarant, for itself, its successors, nominees, and assigns shall have the right in its sole discretion, from time to time, to enter upon the Common Areas and any Dwelling Unit or Lot to perform all acts necessary, or convenient, for the purpose of clearing, building pad preparation, or completing construction of any Dwelling Unit or Lot, of the Common Areas, or of any facilities serving the Development, and for repair, replacement

and maintenance purposes where the Association fails to do so.

3.6 Easements and Cross-Easements. There are hereby created easements in favor of the Association, Owners, their immediate families, guests and invitees, for ingress, egress and utilities, including but not limited to those necessary to provide power, electricity, telephone, sewer, water, lighting facilities, cable television, irrigation, drainage, stormwater management, television, and cable television transmission facilities, electronic, and other facilities in connection therewith, maintenance of any surface water bodies not maintained by the Town of Centreville as set forth, described and defined on the Plat or as otherwise in existence from time to time. Declarant, for itself, its successors, nominees, and assigns, and the Association reserve the right to impose upon the Common Areas and elsewhere in the Development, henceforth and from time to time, such easements and cross-easements for any of the foregoing purposes as they deem to be in the best interest of, and necessary and proper for this Development.

3.7 Reservation of Easements by the Association. Easements are reserved in favor of the Association, its agents and employees, successors and assigns, to enter upon the Dwelling Unit or Lots for the purpose of conducting inspections and carrying out the responsibilities of the Association as set forth herein and as may be authorized, from time to time, by the Association.

3.8 Easements of Record. It is recognized that the Development may be subject to restrictions, reservations, and easements which have been placed of record prior to the formation and filing hereof. Any existing restrictions, reservations, and easements of record (including, but not limited to, certain easements for ingress and egress across, upon and through the Development) continue at all times to be subject to said easements, provided, however, that this paragraph shall not be deemed to reimpose the same.

4. Ownership.

4.1 Type of Ownership. Ownership of each Dwelling Unit or Lot may be in fee simple, or any other estate in real property recognized by law, subject to the Town of Centreville zoning ordinances and regulations, this Declaration and any exhibits and/or amendments thereto. Further, the Development shall continue at all times to be subject to restrictions and easements as set forth herein above; provided, however, that this paragraph shall not be deemed to re-impose the same.

4.2 Association Membership and Voting. The Declarant and the Owners of record of Dwelling Units or Lots shall hold membership in the Association. In any meeting of Owners, the Owners other than Declarant ("Class A Owners") shall be entitled to cast one (1) vote for each Dwelling Unit so owned or permitted to be built on any Lot or parcel, as provided in the Declaration, provided that if a Dwelling Unit is owned by more than one (1) person, his or her right to vote shall be established on the roster of Owners kept by the Secretary of the Association. Until Turnover, Declarant ("Class B Owner") shall be entitled to three (3) votes for each Lot or Dwelling Unit Owned by it.

If a Dwelling Unit is owned by more than one person, the person entitled to cast the vote for the Dwelling Unit shall be designated by a certificate signed by all of the record owners of the Dwelling Unit and filed with the Secretary of Association. If a Dwelling Unit is owned by a

corporation, the person entitled to cast the vote for the corporation shall be designated by a certificate signed by the president or vice president, and attested by the secretary or assistant secretary of the corporation, and filed with the Secretary of the Association. Such certificates shall be valid until revoked, or until superseded by a subsequent certificate, or until a change in the ownership of the Dwelling Unit concerned takes place, as provided by the Bylaws. A certificate designating the person entitled to cast the vote may be revoked by any owner thereof. If such a certificate is not on file, the vote of such Owners shall not be considered in determining the requirement for a quorum or for any other purpose.

4.3 Owner Rights. The Owner of a Dwelling Unit or Lot is entitled to the exclusive possession of his or her Dwelling Unit or Lot. He or she shall be entitled to use the Common Areas in accordance with purposes for which they are intended, and the rules and regulations promulgated from time to time by the Association, but no such use shall hinder or encroach upon the lawful rights of the Owners of other Dwelling Units or Lots.

5. Common Expense and Common Surplus.

5.1 Common Expenses are to be borne equally by each Owner and shall be a proportionate share of the total expenses and costs of the Association. Each Owner shall be responsible for an equal share of the Common Expenses of the Association based on the number of Dwelling Units or Lots owned.

5.2 Any Common Surplus of the Association shall be owned by each Dwelling Unit Owner or Lot Owner in the same proportion as his or her percentage liability for Common Expenses, but no Owner shall have the right to have such surplus distributed to him or her.

6. Maintenance Responsibilities.

6.1 Maintenance by the Association. The Association shall maintain, repair and replace, at the Association's expense:

6.1.1 Landscaping. The Association shall maintain and care for all landscaping areas within the Common Areas only. Further, the Association shall maintain and care for landscaping areas bordering the Development up to the pavement of any public road contiguous to or within the Development, including any entrance feature into the Development. The Association in its sole discretion shall determine the need for replacement and/or improvement of landscaping, shrubbery and trees.

6.1.2 Private Roadways. The Association shall maintain and repair, throughout the Common Areas, any private roadways, parking areas, walkways, paths, signage, street furniture and street lights placed thereon.

6.1.3 Stormwater Management The Association shall be responsible for maintenance and operations of the surface water, drainage, and stormwater management systems to which the Association or Declarant is legally required to perform, whether pursuant to previously recorded agreements, Plat dedications, agreements with governmental entities, or otherwise.

6.1.4 Entrance Feature. A portion of the Development may be landscaped

as entrance features for the Development. Declarant hereby creates and grants to the Association an easement with respect to the entrance feature, to maintain the landscaping and to enter upon and across the entrance feature for such maintenance and landscaping purposes.

6.1.5 Other Services. The Association shall maintain, repair, replace, and protect the Common Areas of the Development and provide such other services and functions as the Board of Directors may, in its sole discretion, determine from time to time.

6.1.6 Alteration and Improvement. The Association may alter or improve the Common Areas of the Development in its sole discretion.

6.2 Maintenance by the Owners. The responsibility of the Owners shall be as follows: (I) to keep and maintain his or her Dwelling Unit or Lot, its equipment and appurtenances in good order, condition and repair; and (ii) to perform promptly all maintenance, replacement. and repair work, whether structural or nonstructural, ordinary or extraordinary, so as to keep his or her Dwelling Unit or Lot in a good state of repair, and in conformity with the aesthetic standards required from time to time by the Association.

6.2.1 The maintenance of the outside elements, including exterior walls of each Dwelling Unit or Lot, is the responsibility of the Owner, including but not limited to repainting, repair, repaving, the maintenance and replacement of exterior appurtenances, accessories, and decorative features, such as awnings, shutters, decks, and walkways within the Lot and the maintenance of all landscaping, shrubbery, trees and lawns within the Lot. The Association shall require all exterior maintenance to be accomplished in a manner such that the character of the Development is maintained. The color, quality and design of all paint, mailboxes and materials shall be approved by the Architectural Review Committee of the Association (provided for in paragraph 12 below), which shall attempt to establish uniformity and maintain the aesthetic quality of the Development.

6.2.2 In the event the Owner fails to maintain the Dwelling Unit or Lot or appurtenances thereof as required above, the Association, Declarant, or any other Owner shall have the right to proceed to any appropriate court to seek compliance with the foregoing provisions; or the Association shall have the right to assess the Owner and the Dwelling Unit or Lot for the necessary sums to put the Dwelling Unit or Lot in good condition. After such assessment, the Association shall have the right to have its employees or agents enter the Dwelling Unit or Lot and do the necessary work to enforce compliance with the above provisions. Further, in the event an Owner violates any provision of this paragraph, the Declarant and/or the Association shall have the right to take any and all such steps as may be necessary to remedy such violation, including, but not limited to, entry of the subject Dwelling Unit or Lot with or without the consent of the Owner, and the repair and maintenance of any item requiring same, all at the expense of the Owner. No alteration or destruction of any structure on a Lot shall be undertaken by the Association without prior judicial action unless the condition requiring such action constitutes an emergency threatening the health or safety of other Owners.

6.2.3 Each Dwelling Unit or Lot situated within the Development shall be served with both water and sewer utilities by a public utility company having jurisdiction therein. It shall be the responsibility of the Owner to maintain and keep in good repair that portion of the utility lines located within the Owner's Dwelling Unit or Lot. It shall also be each Owner's

responsibility to maintain any portions of the non-potable water irrigation or water sprinkler system existing within the Lot. If the Owner fails to maintain in good repair the utility lines and irrigation or water sprinkler system pursuant to the provisions of this paragraph, then the Association may, after due written notice to the Owner, repair and/or maintain same and specially assess the Owner for the reasonable cost of same.

6.3 Exterior Walls. Each Owner shall be responsible for the normal maintenance, repair, replacement, cleaning, recoating, and repainting of exterior walls. In the event any owner fails or neglects to provide such maintenance, the terms of Paragraph 6.2.2 shall be operative and such maintenance, repairs, replacements, and easement is hereby granted by each Owner to the Association to permit the Association, and its authorized representatives, the right of ingress and egress in, through, and upon each Owner's Dwelling Unit or Lot for purposes of performing such repairs, maintenance, etc. in a workmanlike manner. All such entries shall be at a reasonable and convenient time for the Owner, except in the event of an emergency, in which event such entries may be made when necessary.

6.4 Roofs. Each Owner shall be responsible for the maintenance, repair, replacement., cleaning and recoating of his or her own Dwelling Unit's roof. In the event an Owner fails to do so, the provisions of Paragraph 6.2.2 shall apply.

6.5 Limitations. No Owner shall in any way maintain, modify, or improve any areas for which the Association has the responsibility for maintenance without the prior written consent of the Association. Further, no Owner shall materially modify or change the appearance of any portion of the exterior of the Dwelling Unit without the prior written approval of the Association. The obligation of the Owner to maintain, repair and replace shall be performed so as to maintain his Dwelling Unit or Lot in the same manner and to replace items as needed with the same or similar materials and of like, size, color, and quality as the original.

6.6 Cost of Maintenance. The cost of maintaining those areas which are the responsibility of the Association shall be paid for by the Association, acting for and on behalf of all Owners. Owners, by virtue of the responsibility for Assessments as elsewhere herein provided, are hereby liable pro-rata for the cost of maintenance, except that in the event the need for maintenance, repair or replacement is caused through the willful or negligent act of an Owner, his family, guests or invitees, the cost of such maintenance, repairs or replacement shall be the responsibility of said Owner and may be added to or become a part of the assessment to which the Owner is subject. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of a Dwelling Unit or Lot or its appurtenances or of the Common Areas.

6.7 Repair and Reconstruction following Casualty. Each Owner, with the concurrence of the Owner's Institutional Mortgagee, if any, and the Board or Architectural Review Committee, shall reconstruct or repair the Owner's Dwelling Unit in the event such Dwelling Unit is destroyed or damaged, in whole or in part, by fire or such other casualty for which insurance is required to be maintained hereunder. Such repair or reconstruction shall be performed in a good and workmanlike manner in conformance with plans and specifications approved by the board of Directors or Architectural Review Committee. In the event an Owner fails to commence reconstruction or the repair of the Owner's Dwelling Unit in accordance with the terms of this Paragraph, and within one hundred and twenty (120) days from the date of the Casualty, the Board may take such action as may be appropriate to compel compliance with this Paragraph. The

provisions of Paragraph 6.2.2 shall also apply.

7. **Assessment**. The making and collecting of Assessments against the Owner for Common Expenses shall be the obligation of the Board pursuant to the ByLaws and subject to the following provisions:

7.1 **Share of Common Expenses**. Each Owner shall be liable for a proportionate share of the Common Expenses and shall share in the Common Surplus, such shares being equal. An Owner, regardless of how title is acquired, including and without limitation, a purchaser at a judicial sale, shall be liable for all Assessments coming due while he or she is the Owner. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the latter for his share of Common Expenses up to the time of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor.

7.2 **Specific Dwelling Unit or Lot Use Assessment.** The Association by and through the Board may from time to time make a Specific Dwelling Unit or Lot Use Assessment to a single Dwelling Unit or Lot, and without respect to the other Dwelling Units or Lots within the Development, when it appears in the discretion of the Board that the costs of insurance, maintenance, repair, replacement and/or protection of such Dwelling Unit or Lot is in excess of that generally required of other Dwelling Units or Lots within the Development or when such costs, attributable to a Dwelling Unit or Lot and the obligation of such Owner, are paid by the Association as a consequence of such Owner's failure to pay therefor.

7.3 **Non-waiver**. The liability for Assessments may not be avoided by waiver of the use or of any Common Areas by the abandonment of the Dwelling Unit or Lot for which Assessment is made.

7.4 **Interest, Application of Payment.** Assessments shall be made annually and installments on such Assessments shall be paid monthly, quarterly or periodically as deemed appropriate by the Board, in advance on or before fifteen (15) days after the date when due; all sums not paid on or before fifteen (15) days after the date when due shall bear interest at the lower of twelve (12) percent per annum and the highest rate allowed by the laws of the State of Maryland, from the date when due until paid. All payments upon account shall be first applied to interest and then to the Assessment payment first due. In addition to the payment of interest on any such delinquent Assessment, the Board may, in its sole discretion, charge and collect administrative and other fees and charges in connection with its enforcement activities, including costs and reasonable attorney's fees.

7.4.1 **Amount of Assessment**. The amount of the Assessments shall be set annually by the Declarant and its successors or assigns. The assessment for the initial year shall not exceed $720.00 per Lot . Thereafter, the annual assessment may be increased by not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the Membership.

7.4.2 **Commencement of Assessment.** Assessments for each Lot shall commence upon the transfer of title to any person, corporation, or entity other than the Declarant and its successors or assigns.

7.5 Lien for Assessments. The Association shall have a lien on each Dwelling Unit or Lot for any unpaid Assessments, together with interest thereon, against the Owner, with a lien on all real property, improvements and tangible personal property located upon or within the Dwelling Unit or Lot, and such lien shall be superior to all others except that such lien shall be subordinate to the lien for real property taxes, and such lien upon any tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorneys fees incurred by the Association incident to the collection of such Assessments or the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payment on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien shall be payable by the Owner and secured by such lien. The Association's lien shall also include those sums advanced on behalf of each Owner in payment of his or her obligation for use charges and operation costs likewise referred to as Common Expenses, and the administrative and other fees and charges referred to above in Paragraph 7.4. Such lien shall be effective from and after the time of recording in the public records of Queen Anne's County, Maryland, of a claim of lien. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of the lien.

7.6 Collection and Foreclosure. The Board may take such action as they deem necessary to collect Assessments of the Association by personal action, or by enforcing and foreclosing the lien, and may settle and compromise same, if in the best interest of the Association. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the Owner shall be required to pay a reasonable rental and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the same from the Owner and/or occupant, if any.

8. Compliance and Default. Each Owner shall be governed by and shall comply with the terms of this Declaration, the Articles and ByLaws of the Association, rules and regulations adopted pursuant thereto, all as they may be amended from time to time. Failure of Owners to comply therewith shall entitle the Association to the following relief in addition to the remedies provided elsewhere herein.

8.1 Costs and Attorney's Fees. In any proceeding arising because of an alleged failure of an Owner to comply with the terms of the Declaration, the Articles and ByLaws, and any rules and regulations adopted pursuant thereto, all as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys fees as may be awarded by the court, at all trial and appellate levels.

8.2 No Waiver of Rights. The failure of the Association to enforce a covenant, restriction or other provision of this Declaration or any of the exhibits attached hereto, shall not constitute a waiver of the right to do so thereafter.

9. Association. In order to provide for the efficient and effective administration of the Development by the Owners, the Association has been organized as a non-profit corporation under the laws of the State of Maryland, and it shall administer the operation and management of the Development and undertake and perform all actions and duties incident thereto in accordance with the terms, provisions, and conditions of this Declaration and in accordance with the terms of the Articles, its Bylaws, and the rules and regulations promulgated by the Association from time to time.

9.1 Limitation upon Liability of Association. Notwithstanding the duty of the Association to maintain or repair portions of the Development, the Association shall not be liable to Owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the Development to be maintained and repaired by the Association, or caused by the elements or other Owners or persons.

9.2 Restraint upon Assignment of Shares and Assets. The share of each Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Dwelling Unit or Lot.

9.3 Approval or Disapproval of Matters. Whenever the decision of an Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed in accordance with the Bylaws.

9.4 Restrictions on Association. Notwithstanding anything to the contrary contained herein, unless and until the Institutional Mortgagees holding at least three-quarters (3/4) of the first mortgages as to each Dwelling Unit or Lot encumbered by a mortgage have approved in writing, the Association may not:

9.4.1 Abandon, partition, subdivide, encumber, sell, or transfer the Common Areas;

9.4.2 Materially change the method of determining Assessments;

9.4.3 Materially change the scheme of regulations or enforcement regarding architectural design, or exterior appearance, or maintenance of units, common areas, walls, roofs, fences or driveways, or upkeep of lawns and plantings;

9.4.4 Fail to maintain fire and extended coverage on the Development's Common Areas facilities at one hundred percent (100%) of the replacement cost;

9.4.5 Use hazard insurance proceeds for losses to the Development's Common Areas for other than repair, replacement, or reconstruction; and,

9.4.6 Amend this Declaration, the Articles or the Bylaws in any other way deemed "material" under the then existing guidelines promulgated by FNMA or FHLMC.

10. Mortgages and Liens.

10.1 Mortgage. Any Owner may mortgage his Dwelling Unit or Lot without the approval of the Association.

10.2 Notice of Lien or Suit.

10.2.1 An Owner shall give notice to the Association of every lien upon his Dwelling Unit or Lot other than for permitted mortgages, taxes and special Assessments within five (5) days after the attaching of the lien.

10.2.2 An Owner shall give notice to the Association of every suit or other proceeding which may affect the title to his Dwelling Unit or Lot, such notice to be given within five (5) days after the Owner receives knowledge thereof.

10.2.3 Failure to comply with this Paragraph 10 will not affect the validity of any judicial sale.

11. Use Restrictions.

11.1 Dwelling Units or Lots are restricted to residential use. Nothing herein contained shall prevent ownership of Dwelling Units or Lots by a corporation or other business entity, or trustee; provided, however, that the intended use by such Owner or occupant shall be consistent with this Declaration.

11.2 Owners must comply with all local ordinances and zoning regulations regarding commercial activity, trade or business maintained upon any Dwelling Unit or Lot. An Owner must receive approval from the Board to conduct any such commercial activity, trade or business maintained upon any Dwelling Unit or Lot which is permitted under local ordinances and zoning regulations. An Owner may not maintain any commercial signs on a Lot or Dwelling Unit or Common Areas.

11.3 No fence shall be erected, maintained or permitted upon a dwelling Unit or Lot or any portion of the Development, unless approved by the Architectural Review Committee.

11.4 Except for the Declarant's acts and activities in the Development, no sod, topsoil, trees or shrubbery shall be removed from the Development or any Lot, and no change in the condition of the soil or the level of the land of the Development or any Lot shall be made which results in any permanent change in the flow or drainage of surface water of or within the Development, without the prior written consent of the Board.

11.5 Reasonable rules and regulations concerning the use of the Development properties may be made and amended from time to time by the Association in the manner provided by the Articles and Bylaws. Copies of such rules and regulations and amendments shall be furnished by the Association to all Owners and residents of the Development upon request.

11.6 No sign of any kind (including "for sale" or "for rent" signs) shall be displayed to the public view from any Dwelling Unit or Lot, or any portion of the Development, without Architectural Review Committee approval as to size and design. Signs used by Declarant to advertise the Development during construction and/or sales period are hereby expressly permitted.

11.7 Vehicles may only be parked in designated parking areas. Under no circumstances shall unsightly or damaged vehicles (as determined by the Board in its sole discretion) be permitted in the Development, either for storage, parking or repair work. Only automobiles, vans constructed as private passenger vehicles with side windows and permanent rear seats, and other vehicles manufactured and used as private passenger vehicles shall be in the Development for overnight parking. All such vehicles must be fully operational with four (4) properly installed tires. Motorcycles, motor scooters, mopeds and the like are specifically subject to approval by the

Association (which approval may be withdrawn at any time) and if permitted, must be suitably muffled. At the sole discretion of the Board, specific parking areas may be designated within the Development for the parking of commercial vehicles owned by Owners.

11.8 The overnight parking of vehicles of any kind upon the Common Areas is prohibited, except in designated parking areas.

11.9 The parking and storage of commercial trailers, boats, boat trailers, campers or trailers is prohibited without the prior written consent of the Association, and if permitted, must be parked in areas designated by the Board.

11.10 Only Common domestic pets are permitted in the Development. Pit Bull dogs, Rottweilers, Dobermans, or other similar breeds or mixed breeds which may, in the sole discretion of the Board, have the potential for vicious or dangerous behavior are prohibited. Such pets shall be the responsibility of their Owners and shall not disturb other Owners in any way. No pet may be kept, bred or maintained for any commercial purpose whatsoever or become a nuisance or annoyance to other Owners. Owners must pick up all solid wastes of their pets in the Common Areas and dispose of such wastes appropriately. All pets (including cats) must be leashed or carried by hand at all times when outside the Dwelling Unit or Lot. Without limiting the generality of other provisions of this Declaration, violations of this paragraph shall entitle the Association to all of its rights and remedies, including without limitation the right to fine Owners and/or to require any pet to be permanently removed from the Development upon three (3) days written notice.

11.11 No tents and no temporary or accessory building or structure shall be erected without the prior written consent of the Architectural Review Committee.

11.12 Portions of Lots not improved by a building, walks, pool, decks, or driveways shall be maintained as a landscaped area.

11.13 No nuisances shall be allowed within the Development nor any use or practice which is the source of annoyances to residents or which interfere with the peaceful possession and proper use of the Development by its residents. All parts of the Development shall be kept in a clean and sanitary condition and rubbish, refuse or garbage shall not be allowed to accumulate or any fire hazard allowed to exist.

11.14 No immoral or unlawful use shall be made of the Development or any part thereof; and all laws, zoning ordinances and resolutions and regulations of all governmental bodies having jurisdiction thereof shall be observed.

11.15 All garbage and trash containers must be neatly maintained. No oil or gas tanks are permitted.

11.16 No platform, dockhouse, tennis court, playhouse or structure of a similar kind or nature (including basketball backboards) shall be constructed on any part of the Lot located in front of the front line of any Dwelling constructed on a Lot. Any such structure must have the approval of the Architectural Review Committee and must be properly maintained.

11.17 Nothing in this Declaration shall be deemed to prohibit the installation of

energy devices based on renewable resources, such as solar collector panels, provided that such devices shall be installed only in accordance with the reasonable standards adopted from time to time by the Association or the Architectural Review Committee. Such standards shall be reasonably calculated to maintain the aesthetic integrity of the Development without making the cost of the devices prohibitive.

11.18 The Association shall have the right to adopt rules and regulations governing the rental or leasing of dwellings within the Development, including, without limitation, establishing minimum length for the terms of rentals or leases and limits upon the frequency of rentals or leases.

11.19 Except as reserved to the Declarant, no Dwelling Unit or Lot may be divided or subdivided into a smaller unit nor any portion thereof sold or otherwise transferred without first amending this Declaration to show the changes in the Dwelling Units or Lots to be affected thereby.

11.20 Provided, however, that until the Declarant has completed all of the contemplated improvements and closed the sales of all the Dwelling Unit or Lots, neither the Dwelling Unit Owners or Lot Owners nor the Association shall interfere with the completion of all contemplated improvements and the sale of all Dwelling Units or Lots, and the Declarant may make such use of the unsold Dwelling Units, Lots and/or Common Areas as may facilitate such completion and/or sale, including but not limited to maintaining an office.

12. Architectural Review Committee

12.1 Except for construction or development from time to time undertaken by, for or under contract with the Declarant, and except for any improvements to any Lot or to the Common Areas 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 improvements or structures shall be commenced, directed, placed, moved, altered or maintained upon the Property, nor shall any exterior addition to or change (including any change of color) or other alteration thereupon be made until the complete plans and specifications showing the location, nature, shape, height, material, color, type of construction and any other proposed form of change (including, without limitation, any other information specified by the Architectural Review Committee) shall have been submitted to and approved in writing as to safety, harmony of external design, color and location in relation to surrounding structures and topography and conformity with the design concept for the Community by the Architectural Review Committee.

12.2 Subject to the same limitations as hereinabove provided for, it shall be prohibited to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, shades, screens, awnings, patio covers, fences, wall, mail boxes, newspaper delivery boxes, slabs, sidewalks, curbs, gutters, patios, balconies, porches, driveways, or to make any change or otherwise alter (including any alteration in color) in any manner whatsoever the exterior of any improvements constructed upon any Lot or upon any of the Common Areas, or to remove or alter any windows or exterior doors of any Dwelling, until the complete plans and specifications, showing the location, nature, shape, height, material color, type of construction and any other proposed form of change (including, without limitation, any other information specified by the Architectural Review Committee) shall have been submitted to and approved in writing as to safety, harmony of external design, color and location in relation to surrounding structures and topography and conformity with the design concept for the Community by the Architectural Review Committee.

12.3 Initial Members. The Architectural Review Committee shall be composed of three (3) persons and the following persons are designated as the initial Members:

(i) Ronald E. Vanculin - Member #1

(ii) Kathy L. Bozek - Member #2

(iii) Michael J. Bozek - Member #3

12.3.1 Unless the initial Members of the Architectural Review Committee have resigned, their respective terms of office shall be as follows:

(i) The term of Member #1 shall expire on December 31, 2005.

(ii) The term of Member #2 shall expire on December 31, 2006.

(iii) The term of Member #3 shall expire on December 31, 2007.

12.3.2 Upon the expiration of each of the aforesaid terms of office, the Board of Directors, by a majority vote, shall appoint the new Members of the Architectural Review Committee and such Members shall serve a three (3) year term of office.

12.4 Voting. The affirmative vote of a majority of the Members of the Architectural Review Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Paragraph.

12.5 Resignation. Any Member of the Architectural Review Committee may, at any time, resign from the Architectural Review Committee upon written notice to the Board of Directors. Vacancies on the Architectural Review Committee, however caused, shall be filled by a majority vote of the Board of Directors within thirty (30) days of the creation of the vacancy. Any new Member elected to the Architectural Review Committee to fill a vacancy shall serve the unexpired term of the Member vacated. Members of the Architectural Review Committee may serve successive terms.

12.6 Approvals. Upon approval by the Architectural Review Committee of any plans and specifications submitted pursuant to the provisions of this Paragraph, a copy of plans and specifications, as approved, shall be deposited among the permanent records of the Architectural Review Committee and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. In the event the Architectural Review Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Paragraph within sixty (60) days after such plans and specifications(and all other materials and information required by the Architectural Review Committee) have been submitted to it in writing, then approval will not be required and this Paragraph will be deemed to have been fully complied with.

12.7 Limitations. Construction or alterations in accordance with plans and specifications approved by the Architectural Review Committee pursuant to the provisions of this

Paragraph shall be commenced within six (6) months following the date upon which the same are approved by the Architectural Review Committee, and shall be substantially completed within twelve (12) months following the date of commencement, or within such other period as the Architectural Review 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 Architectural Review Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Paragraph shall again be required. There shall be no deviation from the plans and specifications approved by the Architectural Review Committee without the prior consent in writing of the Architectural Review Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the Architectural Review 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.

12.8 Certificate of Compliance. Upon the completion of any construction or alterations or other improvements or structures in accordance with plans and specifications approved by the Architectural Review Committee in accordance with the provisions of this Paragraph, the Architectural Review Committee shall, at the request of the Owners 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 Architectural Review Committee and constructed or installed in full compliance with the provisions of this Paragraph and with such other provisions and requirements of the declaration as may be applicable.

12.9 Rules and Regulations. The Architectural Review Committee may from time to time adopt and promulgate such rules and regulations regarding the form and contents of plans and specifications to be submitted for approval and may publish and record such statements of policy, standards, guidelines and establish such criteria relative to architectural styles or details, landscaping, fences, colors, setbacks, materials or other matters relative to architectural control and the protection of the environment, 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 Paragraph or any other provision or requirement of this Declaration. The Architectural Review Committee may charge and collect a reasonable fee for the examination of any plans and specifications submitted for approval pursuant to the provisions of this Paragraph. The decisions of the Architectural Review Committee shall be final except that any Member who is aggrieved by any action or forbearance form action by the Architectural Review Committee (or by any policy, standards or guidelines established by the Architectural Review Committee) may appeal the decision of the Architectural Review Committee to the Board of Directors and, upon the request of such Member, shall be entitled to a hearing before the Board of Directors.

12.10 The Architectural Review Committee shall not be held or deemed liable for any construction defects, latent or patent, that may result subsequent to the completion of improvements based upon plans and specifications submitted to and approved by it as it performs its duties hereunder.

13. Lot Improvement and Landscape Control. Any Owner who, subsequent to the purchase and transfer of the Dwelling Unit or Lot from the Declarant, is desirous of improving the Dwelling Unit or Lot by construction or landscaping shall do so only after obtaining the written consent from the Architectural Review Committee as to the desired change; provided, however, that this restriction shall not apply to the Declarant during such time as the Declarant is constructing or

improving the Dwelling Units or Lots of the Development.

14. Taxes and Insurance.

14.1 Association Insurance. The insurance which shall be carried by the Association shall be governed by the following provisions:

14.1.1 All insurance policies shall be purchased by the Association for the benefit of the Association and the Owners.

14.1.2 Premiums for insurance policies purchased by the Association shall be paid by the Association.

14.1.3 All buildings and improvements, including any entrance feature, upon the Common Areas and all personal property of the Association included in the Common Area, are to be insured in an amount equal to the maximum insurable replacement value, as determined annually by the Board. Such coverage shall provide protection against: (a) Loss or damage by fire and other hazards covered by a standard coverage endorsement, and flood disaster insurance, if the Development is within a flood control area and does not fall within any governmental exemptions; and (b) Such other risks as from time to time shall be customarily covered with respect to buildings, if any, similar in construction, location and use, including, but not limited to, vandalism and malicious mischief.

14.1.4 In such amounts and with such coverage as shall be required by the Board with cross liability endorsements to cover liability of the Owners as a group or to an Owner.

14.1.5 The Association shall maintain workers compensation insurance as shall be required by applicable law.

14.1.6 Such other insurance as the Board, in its discretion, may determine from time to time to be in the best interest of the Association and the Owners, including directors' liability insurance and fidelity bonding, or other insurance that an Institutional Mortgagee may reasonably require, so long as it is the owner of a mortgage on any Dwelling Unit or Lot.

14.2 Unit Owners' Taxes. All real estate and personal property taxes assessed against a Dwelling Unit or Lot shall be the responsibility of that Owner.

14.3 Association Taxes and Insurance. The Association shall be responsible for real property and personal property taxes assessed against Common Areas and personal property owned by and/or the responsibility of the Association. Further, the Association shall be responsible for the cost of all insurance deemed necessary from time to time by the Association to afford protection against loss. Such responsibility for taxes and insurance shall be considered Common Expenses of the Association.

14.4 Unit Owner's Insurance. Each Owner shall be responsible for the purchase of homeowner's insurance (fire and casualty) insuring the Dwelling Unit or Lot at not less than the full replacement value. Each Owner shall furnish to the Association evidence of insurance in compliance with this paragraph within ten (10) days prior to any expiration thereof.

15. Terms of Covenants and Restrictions.

15.1 Duration. All of the foregoing covenants, conditions, reservations, and restrictions shall continue and remain in full force and effect at all times as against the Owner, regardless of how the Owner acquired title, until the fiftieth (50th) yearly anniversary date of the recordation of this Declaration, on which date these, covenants, conditions, reservations, and restrictions shall terminate and end, and thereafter be of no further legal or equitable effect on the lands of the Development or any Owner thereof; provided, however, that these covenants, conditions, reservations, and restrictions shall be automatically extended for a period of ten (10) years, and thereafter in successive ten (10) year periods unless on or before the end of initial term or any extension term, the Owners of a majority of the Dwelling Units or Lots in the Development shall by written instrument duly record and declare a termination of same.

15.2 Enforcement. The Association or any owner shall have the right to enforce by any proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens, fines and administrative and other charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

16. Amendments. Except as otherwise provided herein this Declaration may be amended from time to time, only upon the vote of not less than two thirds (2/3rds) percent of the votes held by the Owners and subject to approval of institutional Mortgagees of two thirds (2/3rds) percent of the mortgages encumbering Dwelling Units or Lots; provided, however, that until the Declarant has completed all of the contemplated improvements and closed the sale of all Dwelling Units or Lots within the Development, no amendments to this Declaration which affect Declarant's completion of the Development shall be effective, unless joined in by the Declarant. It is further provided that in order to be effective any amendment to this Declaration must be recorded in the Public Records of Queen Anne's County, Maryland.

16.1 Declarant's Right to Amend. Notwithstanding anything herein to the contrary, the Declarant reserves the right to alter and amend this Declaration, as it deems necessary and/or appropriate for the protection and enhancement of the Development or if such amendment is requested by an Institutional Mortgagee as a requirement for such Mortgagee to make a mortgage loan on a Dwelling Unit or Lot and does not materially and adversely affect the rights of existing Owners, and the Declarant shall not require the joinder of any Owners or mortgagees (except as otherwise specifically provided herein) prior to Turnover.

16.2 Reservation by Declarant. Declarant reserves the right to grade, change the grade or, or regrade any street, road or land shown on any recorded plat relating to the land contained in said subdivision; and said Declarant shall have the further right, before sale, to change the size of, and to locate or relocate any of the Lots shown on any recorded plat of the subdivision. Nothing herein shall be construed as prohibiting Declarant, before sale, from further subdivision, resubdivision, or lot line adjustment as to any of the Lots contained in Property provided appropriate

governmental approval is obtained, whether before or after the sale of the Lots.

16.2.1 Declarant's Reservation to Historical Building. The Declarant hereby reserves a non-exclusive easement and right-of-way in, through, over and across the Common Areas and Open Space for the purpose of the maintaining, removing improving, dedicating, or relocating a historical building located on the Property. Any and all instruments of conveyancing made by the Declarant to the Association with respect to any of the Common Areas and Open Space shall be conclusively deemed to incorporate this reservation, whether or not specifically set forth in such instruments. At the request in writing of the Declarant, the Association shall from time to time execute, acknowledge and deliver to the Declarant such further assurances of this reservation as may be necessary. The right of Declarant to exercise this reservation shall expire and automatically become null and void as of January 1, 2010.

17. Declarant's Rights Prior to Turnover.

17.1 Limitations on Right to Act. Notwithstanding anything to the contrary contained herein, prior to Turnover, Declarant shall have full authority to act in the best interest of the Development, in Declarant's sole discretion, without the consent or approval of any Owners, respecting any and all matters affecting the Development and the Association, subject only to the following:

17.1.1 Rights of Institutional Mortgagees specifically set forth herein.

17.1.2 Easements of record prior to the date of filing of this Declaration.

17.1.3 Rules and regulations of governmental entities having jurisdiction.

17.1.4 Paragraph 9.4 of this Declaration.

17.2 Transfer of Association Control. Turnover shall take place at a meeting of Owners in accordance with the Bylaws.

18. Office. For so long as Declarant owns any Lots and/or Dwelling Units within the Development, the Declarant shall have the right to transact any business including, but not limited to, the right to maintain an office and model Dwelling Units or Lots, have signs, employees on the Common Areas, use the Common Areas for construction arid sales purposes, display Dwelling Units or Lots and grant and reserve easements as may be necessary for such purposes. Sales offices, signs, and all sales and promotional items shall remain the property of Declarant. These rights are assignable by Declarant, in whole or in part, which assignment shall be in writing and recorded among the Public Records of Queen Anne's County, Maryland.

19. Severability. The invalidation in whole or in part of any of these covenants, conditions, reservations, and restrictions or any section, subsection, sentence, clause, phrase, word or other provision of this Declaration shall not affect the validity of the remaining portions which shall remain in full force and effect. In the event any court shall hereafter determine that any provision, as originally drafted herein, violates the rule against perpetuities, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum

period allowed under such rules of law.

20. Rights of Mortgagees. The holders of first mortgages on any Dwelling Unit or any mortgagee holding a mortgage encumbering all or any part of the Development subject to this Declaration shall have the following rights in addition to any other rights granted to them herein or elsewhere.

20.1 Payment of Taxes on Common Area. The Association shall pay all taxes, Assessments, levies, liabilities, obligations, and encumbrances of every nature on said Common Areas, and if the same is not promptly paid, any first mortgagee, its successors or assigns, may at any time pay the same without waiving or affecting the option to foreclose or any right hereunder, and every payment so made shall bear interest from the date thereof at the highest rate then permitted by law and shall be due and payable forthwith on demand.

20.2 Payment of Insurance Premiums. The Association shall keep and maintain such insurance on the Common Areas as shall be required by the Bylaws of the Association from time to time. In the event such premiums are not be promptly paid, any first mortgagee, its successors or assigns, may at any time pay the same or obtain alternative coverage without waiving or affecting the option to foreclose or any right hereunder; and every payment so made shall bear interest from the date thereof at the highest rate then permitted by law, and shall be due and payable forthwith on demand.

20.3 Notice of Defaults. Any such first mortgagee shall have the right, upon written request, to require that the Association notify it of any default not cured within sixty (60) days thereof of any of its obligations herein.

20.4 Copy of Financial Statement. Any first mortgagee shall be entitled, upon written request, to receive a copy of the Association's financial statement for the immediately preceding fiscal year.

21. Subordination by Declarant's Lender. The Centreville National Bank of Maryland (the "Bank") is the holder of a Mortgage/Deed of Trust on the Property, dated July 27, 2000 and recorded among the Land Records of Queen Anne's County, Maryland, in Liber S.M. 746, folio 55. (the "Mortgage"). The Bank joins in the execution of this Declaration for the sole purpose of subordinating its Mortgage to the legal operation and effect of this Declaration.

IN WITNESS WHEREOF, the undersigned has set their hand and seal on the date and year first written above.

WITNESS:

MICHAEL J. BOZEK, INC., a Maryland corporation

By: _____ (SEAL)
Michael J. Bozek, President

AGREED AND CONSENTED TO BY BANK:

WITNESS:

THE CENTERVILLE NATIONAL BANK OF MARYLAND

By: _____ (SEAL)
William E. Stoops, Vice-President

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, TO WIT:

I HEREBY CERTIFY, that on this 9th day of February, 2004, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Michael J. Bozek, President of the Michael J. Bozek, Inc., and that he as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and Notarial Seal.

_____
Notary Public
My Commission Expires: April 3, 2007

BROOKE NICOLE WALTERS • QUEEN ANNE'S CO. MD • NOTARY PUBLIC

STATE OF MARYLAND, COUNTY OF QUEEN ANNE'S, TO WIT:

I HEREBY CERTIFY, that on this 15th day of January, 2004, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared William E. Stoops, Vice President of The Centreville National Bank of Maryland., and that he as such Vice President, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and Notarial Seal.

Notary Public
My Commission Expires:

My Commission Expires May 1, 2006

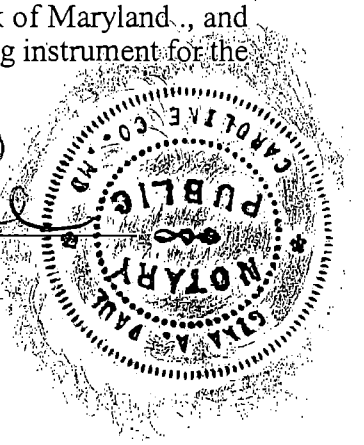

Exhibit A - Legal Description

All that land described, shown and designated as Lots 1 through 14, including "Community Open Space" and "Private Road", consisting of 1.005 acres, more or less, as shown on a plat entitled "FINAL SUBDIVISION PLAN OF THE LANDS OF MICHAEL J. BOZEK, INC., IN THE TOWN OF CENTREVILLE, THIRD ELECTION DISTRICT, QUEEN ANNE'S COUNTY, MARYLAND", containing 3 pages, prepared by McCrone, Inc, dated October, 2002 and recorded among the Land Records of Queen Anne's County, Maryland at Plat Liber S.M. 34, folios 24 A-C.

LIBER 1232 FOLIO372-

ARTICLES OF INCORPORATION

OF

RIDGEVIEW AT CENTREVILLE HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of Title 5, Subtitle 2 of the Corporations and Associations Article of the Annotated Code of Maryland, the undersigned, a resident of Maryland, who is at least eighteen years of age, has this day formed a nonstock corporation, not for profit, and does hereby certify:

ARTICLE I

The name of the Corporation is RIDGEVIEW AT CENTREVILLE HOMEOWNERS ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II

The principal office of the Association is located at 358 Pennsylvania Avenue, P.O. Box 250, Centreville, Maryland 21617.

ARTICLE III

Michael J. Bozek, whose address is 358 Pennsylvania Avenue, P.O. Box 250, Centreville, Maryland 21617, is hereby appointed the resident agent of the Association.

ARTICLE IV

DEFINITIONS

The terms "Assessment," "Articles," "Association," "Board," "Bylaws," "Common Areas," " Common Expenses," Common Surplus," "Declarant," "Declaration," "Development," "Dwelling Unit," "Institutional Mortgagee," "Lot," "Operation," "Owner," "Person," "Plat," "Review Committee," and "Turnover" as used in these Articles of Incorporation shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for Ridgeview at Centreville Homeowners Association, Inc. dated April 5, 2004 and recorded or intended to be recorded among the Land Records of Queen Anne's County (the "Declaration").

Exhibit B

ARTICLE V

PURPOSES AND POWERS OF THE ASSOCIATION

The Association shall not operate for pecuniary gain or profit, shall not issue capital stock, and no part of the net earnings of the Association shall inure to the benefit of any Member or individual (except that reasonable compensation may be paid for services rendered), and the specific purposes for which it is formed are to provide for: (i) the use, improvement, maintenance, operation and repair of the Common Areas/Open Space including any improvements and amenities located thereon; (ii) the establishment of rules and regulations for the use of the Common Areas/Open Space including any improvements and amenities located thereon; (iii) the distribution among the Owners of the costs of the use, improvement, maintenance, operation and repair of the Common Areas/Open Space including any improvements and amenities located thereon; (iv) the promotion of the health, safety, pleasure, recreation, and welfare of the Residents; (v) the imposition and enforcement of architectural controls for the Improvements to be placed or constructed on the lots in Ridgeview at Centreville Homeowners Association, Inc., including any additions, reconstructions and/or replacements thereto, and the imposition and enforcement of land use controls relating to the use of the Lots and Common Areas/Open Space. In furtherance of these purposes, the Association, (by action of its Directors unless otherwise noted in these Articles of Incorporation or in the Declaration) shall have full power to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration as the same may be amended from time to time as therein provided, the Declaration being incorporated herein by reference as if set forth at length;

(b) fix, levy, collect, and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the affairs of the Association, including all licenses, taxes, or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association, subject, however, to the requirements of the Declaration;

(d) borrow money and, with the assent of two-thirds (2/3) of the votes of the Members of the Association, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell, or transfer all or any part of the Common Area or Open Space to any public agency, authority, or utility subject, however, to the requirements of the Declaration and

to such conditions as may be agreed to by the Members; and

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional property and open space, provided that, except as otherwise provided in the Declaration, any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the votes of the Members of the Association; and

(g) have and to exercise any and all powers, rights and privileges which a nonstock corporation organized under the Corporation Law of the State of Maryland by law may now or hereafter have or exercise.

ARTICLE VI

MEMBERS

Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

ARTICLE VII

VOTING RIGHTS

The Association shall have one class of voting Membership:

Members shall be all Owners and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members; however, for purposes of a quorum they shall be treated as a single Member. The votes for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot than would be permitted if the Lot were owned by a single person. The Declarant shall be entitled to three (3) votes for every Lot it owns.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be Members of the Association. The number of Directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

1. Michael J. Bozek

2. Kathy L. Bozek

3. Ronald E. Vanculin

These Directors, (herein called "Charter Directors") shall serve until the first annual meeting of the Members at which their successors are elected. In the event of death or resignation of a Charter Director during his or her term of office, the remaining Charter Directors shall elect a successor Charter Director to fill the unexpired term of such Charter Director.

ARTICLE IX

DIRECTOR AND OFFICER LIABILITY

No Director or Officer of the Association shall be liable to the Association or to its Members for money damages except (1) to the extent that it is proved that such Director or Officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (2) to the extent that a judgment or other final adjudication adverse to such director or officer is entered in a proceeding based on a finding in the proceeding that such director's or officer's action, or failure to act, was (a) the result of active and deliberate dishonesty, or (b) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding.

ARTICLE X

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the holders of not less than two-thirds (2/3) of the votes of the Members of the Association. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that acceptance of such a dedication is refused, the assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to such similar purposes.

ARTICLE XI

DURATION

The Association shall exist perpetually.

ARTICLE XII

AMENDMENTS

Amendment of these Articles shall require the assent of the holders of two-thirds (2/3) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken.

ARTICLE XIII

FHA/VA APPROVAL

As long as Declarant, Michael J. Bozek, Inc., controls the voting rights of the Association, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties; mergers and consolidations; mortgaging of common areas; dissolution and amendments of these Articles.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Maryland, the undersigned, Michael J. Bozek, whose address is 358 Pennsylvania Avenue, P.O. Box 250, Centreville, Maryland 21617, being at least eighteen years of age, has executed these Articles of Incorporation this 23 day of March, 2004, for the purpose of incorporating this Association.

MICHAEL J. BOZEK

S:\Clients\Bozek, Inc\02-Ridgeview Twnhs\ARTINC.wpd

LIBER 1232 FOLIO 377

BYLAWS

OF

RIDGEVIEW AT CENTREVILLE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Ridgeview at Centreville Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at P.O. Box 250, 358 Pennsylvania Avenue, Centerville, Queen Anne's County, Maryland 21617, but meetings of Members and directors may be held at such places within the State of Maryland, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The terms "Assessment,""Architectual Review Committee," "Articles," "Association," "Board," "Bylaws," "Common Areas," " Common Expenses," Common Surplus," "Declarant," "Declaration," "Development," "Dwelling Unit," "Institutional Mortgagee," "Lot," "Operation," "Owner," "Person," "Plat," and "Turnover" as used in these Articles of Incorporation shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for Ridgeview at Centreville Homeowners Association, Inc. dated APRIL 5TH, 2004 and recorded among the Land Records of Queen Anne's County on in Liber S.M. 34, folio 24A-C (the "Declaration").

ARTICLE III

MEMBERSHIP

Section 1. Membership. Each person or entity who is a record owner of a fee simple interest in any lot, including contract sellers, shall be a Member of the Association. The above is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association. Ownership of the lot shall be the sole qualification for membership.

Section 2. Suspension of Membership. During any period in which a Member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use of the recreational facilities of the Member may be suspended by the Board of Directors until the assessment has been paid. These rights of a Member may also be suspended, after notice and hearing, for a period not to exceed ninety (90) days, for violations of any rules and regulations established by the Board of Directors governing the use of the Common Areas and

facilities.

ARTICLE IV

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within the State of Maryland selected by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Members of the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than fifteen (15) nor more than sixty (60) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to cast one-tenth (1/10) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

ARTICLE IV

BOARD OF DIRECTORS SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who shall be Members of the Association.

Section 2. Term of Office. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of

the Members at which their successors are elected. The terms of each director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal. Any director, other than a Charter Director, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal, pursuant to these Bylaws, of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination of Directors for election to the Board of Directors shall be made by the Members of the Association from the floor at the annual meeting.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At the election the Members of the Association or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Open Space and Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed ninety (90) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

(d) employ a manager, independent contractors, or other employees or contractors as they deem necessary, and to prescribe their duties.

(e) Declare the office of a member of the Board of Directors to be vacant in the event the member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the membership, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Members of the Association.

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) Fix the amount of the annual assessment against each Lot not later than January 31st of each year;

(2) send written notice of each annual assessment to every Lot Owner subject thereto not later than February 15th of each year, and of each special assessment, at least forty-five (45) days in advance of its due date; and

(3) foreclose the lien against a Lot if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates; (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the Open Space and Common Areas to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or

without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Not more than two offices may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds, and other written instruments.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

ARTICLE IX

DIRECTOR AND OFFICER LIABILITY

No Director of Officer shall be liable to the Association or to its Members for money damages except (1) to the extent that it is proved that such Director or Officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (2) to the extent that a judgment or other final adjudication adverse to such Director or Officer is entered in a proceeding based on a finding in the proceeding that such Director's or Officer's action, or failure to act, was (a) the result of active and deliberate dishonesty, or (b) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding.

ARTICLE X

COMMITTEES

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

Section 1. Creation of the lien and personal obligation of assessments. In accordance with the Declaration, each Member is deemed to covenant and agree to pay to the Association: (1) monthly assessments or charges and (2) special assessments. The monthly and special assessment(s), together with interest and costs of collection, as provided below, shall be a charge on the land and shall be a continuing lien upon the property against which each Assessment is made. Each Assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of the property at the time when the Assessment fell due.

Section 2. Purpose of assessments. The Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the properties; and in particular for the improvement and maintenance of the properties, services and facilities devoted to this purpose; and related to the use and enjoyment of the Common Areas, Private Road, and of the homes situated upon the Property.

Section 3. Basis of monthly assessments. The Board of Directors shall fix the amount of monthly assessments, and may raise or lower the monthly assessments as deemed necessary in their discretion.

Section 4. Special assessments. In addition to the monthly assessments authorized above, the association may levy in any calendar year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas and Private Road, including the necessary fixtures and personal property related to the Common Areas, provided that the assessment shall have the assent of two-thirds (2/3rds) of the votes of the Members who are voting in person or by proxy at a meeting called for this purpose, and written notice of which shall be sent to all Members not less than thirty (30) days in advance of the meeting setting out the purpose of the meeting.

Section 5. Uniform rate. Both monthly and special assessments must be fixed at a uniform rate for all Lots.

Section 6. Date of commencement of monthly assessments. The monthly assessments provided for herein shall be assessed on all lots on the first day of each month.

Section 7. Effect of nonpayment of assessment. If an Assessment is not paid on the date when due, then the Assessment shall become delinquent and shall, together with interest and cost of collection as provided below, become a continuing lien on the property which shall bind the property in the hands of the then Owner, his or her heirs, devises, personal representatives and assigns. The personal obligation of the then Owner to pay the Assessment, however, shall remain his or her personal obligation for the statutory period.

If the Assessment is not pa id within fifteen (15) days after the due date: (1) the Assessment shall bear interest from the date of delinquency at the lower rate of twelve (12) percent per annum, or the highest legal rate; (2) and the Association may bring an action at law against the Owner personally obligated to pay the Assessment, or to foreclose the lien against the property and there shall be added to the amount of the Assessment the costs of preparing and filing the complaint in the action plus reasonable attorney's fees. In the event a judgment is obtained, the judgment shall include interest on the Assessment as provided above and a reasonable attorney's fees, together with the costs of the action.

Section 8. Exempt property. The following property subject to the Declaration shall be exempt from the assessments charges and liens created here: (a) all properties to the extent of any

easement or other interest in the property dedicated to and accepted by the local public authority and devoted to public use; and (b) all Common Areas, including the Private Road.

ARTICLE XII

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken, except that the Federal Housing Administration shall have the right to veto amendments as long as Declarant, Michael J. Bozek, Inc., controls the voting rights of the Association,

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, we, being all of the Directors of Ridgeview at Centreville Homeowners Association, Inc., have hereunto set our hands this 5TH day of APRIL, 2004.

Michael J. Bozek

Kathy L. Bozek

Ronald E. Vanculin

LIBER 1232 FOLIO 386

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of Ridgeview at Centreville Homeowners Association, Inc., a Maryland corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 5TH day of APRIL, 2004.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 5TH day of APRIL, 2004.

Kathy L. Bozek, Secretary

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RIDGEVIEW AT CENTREVILLE
HOMEOWNERS' ASSOCIATION
ESTIMATED OPERATING BUDGET
For 12-Month Period
Beginning 1/1/04 and Ending 12/31/04

ESTIMATED INCOME

Assessments[1]	$ 4,320.00
Total Estimated Income	**$ 4,320.00**

ESTIMATED EXPENSES

COMMON EXPENSES	ASSOCIATION	
Administrative Expenses	**Annual**	**Monthly**
Property Management[2]	$ 2,400	$ 200
Legal Fees	$ 480	$ 40
Accounting Fees	$ 600	$ 50
Insurance	$ 960	$ 80
Other administrative	$ 360	$ 30
Operating Expenses		
Landscape maintenance[3]	$ 2,220	$ 185
Utilities	$ 360	$ 30
Entrance maintenance[4]	$ 1,800	$ 150
Parking lot	$ 300	$ 25
Other repairs/maintenance	$ 600	$ 50

---

[1]The estimated income from Annual Assessments assumes half the monthly installments of the Annual Assessment projected to be collected during the first 12 month budget period. 72 monthly installments x $60/month = $4,320.00

[2]The estimated annual charge for Property Management to be billed by Michael J. Bozek, Inc. on a monthly basis is based upon 10% of the total estimated expenses, and will be adjusted at year end based on actual expenses incurred. At the election of Homeowner's Association upon turnover of Development by Developer, the Property Management charge may cease or be provided by another vendor.

[3]Assumes mowing, edging or weeding (30 cuts per year at $ 75 /cut).

[4]Reflects estimated cost of providing maintenance to landscaped area around entrance to Ridgeview at Centreville, including but not limited to mowing, edging, shearing of shrubs/hedges, pruning, planting, watering and fertilization.

Other Fees	**$**
Total Est. Common Expenses	**$ 10,080**
Surplus/(Deficit)[5]	**$ (6,480)**

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[5]Any Surplus to be turned over to Homeowners Association at time Developer relinquishes control. Any Deficit will be paid by Developer until such time as Covenants provide for turnover of Development to Homeowners Association.

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QUEEN ANNE'S COUNTY

Depository Information Required by the Maryland Homeowners Association Act

HOMEOWNERS ASSOCIATION DEPOSITORY INFORMATION

1. (a) The name, principal address and telephone number of the Declarant are:

Joseph Downey
Old Point Builders, Inc.
208 Ashley Drive
Centreville, Maryland 21617
Tel. (410) 820-1010

RECORDING FEE 50.00
TOTAL 50.00
Reg# QA01 Rcpt # 81260
SM JGG Blk # 1302
Apr 17, 2000 04:20 PM

Queenstown Village Community Association
P.O. Box 283
Queenstown, Maryland 21658
Tel. (410) 827-7140

On March 16, 2000, Declarant assigned its rights and obligations under the Amended and Restated Declaration of Covenants and Restrictions for Queenstown Village, to the **Queenstown Village Community Association.*

(b) If the Declarant is a corporation or partnership, list the names and addresses of the principal officers of the corporation, or the general partners of the partnership (as the case may be):

Queenstown Village Community Association
Board of Directors: John C. Lewis
William H. Thrush, Sr.
George Pfaller

2. The name of the Homeowners Association is: **Queenstown Village Community Association, Inc.**. If incorporated, the Homeowners Association was incorporated in the State of **Maryland**. The name of the Maryland resident agent for the Homeowners Association is: **John C. Lewis.**

3. The Development is located at: **Del Rhode Avenue and Main Street, Queenstown, MD**. The Development consists of **35** lots. The minimum number of lots which may be contained within the Development are **35**. The maximum number of lots which may be contained within the Development are **35**.

4. The Declarant owns the following property which is contiguous to the Development and is to be dedicated to public use: **N/A**

5. State whether the Development is, or will be, within, or a part of, another development: **No.** If the answer is yes, give a general description of that other development: **N/A**.

6. State whether the Declarant has reserved the right to annex additional property to the Development: **No.** If the answer is yes, give a description of the size and location of the additional property and the approximate number of lots currently planned to be contained in the Development, as well as any time limits within which the Declarant may annex such property: **N/A**.

7. Attach a copy of the Bylaws and Rules of the Development. If the Development is, or will be, within, or a part of, another development, also attach a copy of the Bylaws and Rules of the other development. The obligations set forth in the Bylaws and Rules of the Development (and, if the Development is, or will be, within, or a part of, another development, the obligations set forth in the Bylaws and Rules of the other development) will become the obligations of, and will be enforceable against, the owner of a lot in the Development. State whether these obligations are also intended to become the obligations of, and enforceable against, the tenants of any owner of a lot in the Development: **Yes.**

8. (a) The Homeowners Association is now, or is expected to be, the owner of the common area described in the Declaration. In addition, the Homeowners Association is now, or is expected to be, the owner of the following property: **N/A**.

(b) The Homeowners Association leases now, or is expected to be the lessee of, the following property: **N/A**.

(c) The following property is not now owned or leased by the Homeowners Association, nor is the Homeowners Association expected to own or lease the following property, but it is maintained by the Homeowners Association: **Common Area**.

9. Information regarding the zoning and other land use requirements affecting the Development is available at the Office of Planning and Zoning for **Queen Anne's County**, Maryland, whose address is: **107 N. Liberty Street, Centreville, Maryland 21617**.

10. (a) If mandatory Homeowners Association fees or assessments are not now being levied, state when they will first be levied against owners of lots: **Assessments are now being levied against owners of lots.**

(b) Provide a description of the procedure for increasing or decreasing such fees or assessments: **As set forth in Declaration and By-Laws**.

(c) Provide a description of how fees or assessments and delinquent charges will be collected: **Fees and assessments will be collected on an annual basis.**

(d) State whether unpaid fees or assessments are personal obligations of owners of lots: **Yes.**

(e) State whether unpaid fees or assessments bear interest: **Yes.** If they do, state the rate of interest: **1% per month (12% per annum)**.

(f) State whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act (§14-201, *et seq.* of the Real Property Article of the Annotated Code of Maryland): **Yes.**

(g) State whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and describe any other consequences for the non-payment of fees or assessments: **Yes.**

11. The following is a description of special rights or exemptions reserved by, or for, the Declarant: **On March 16, 2000, Declarant assigned its rights and obligations under the Amended and Restated Declaration of Covenants and Restrictions for Queenstown Village, to the* ***Queenstown Village Community Association***.

12. Provide the name, address, and telephone number of the management agent of the Homeowners Association (or other officer or agent authorized by the Homeowners Association to provide members of the public the information regarding the Homeowners Association, or state that no such agent (or officer) is presently so authorized: **No such agent is presently so authorized**.

13. Attachments (check if attached)

Bylaws: ✔.

Assignment: ✔.

Bylaws and Regulations of any other development of which the Development is or will be a part: **N/A.**

SAVE THIS SHEET!

Romancoke on the Bay Improvement Association

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QUEEN ANNE'S COUNTY

RULES AND REGULATIONS
for Community Center, Beach, Pier, Boat Ramp & Parking Area

Due to the population growth in Romancoke, it is necessary to establish a set of rules which apply to the use of the community center, beach, pier, boat ramp and ROB parking area (as amended by the ROB Board of Directors 1 May 96). These facilities are for the use and enjoyment of all Association members whose dues are paid and current.

1. Only members whose dues are current will be allowed to use the beach, pier and boat ramp. All others will be subject to arrest and prosecution for trespass. Guests are permitted, when accompanied by a paid member.
2. Any member or guest violating ROB rules and regulations, or interfering with the use of said facilities by other paid members, will be restricted from said facilities.
3. All vehicles on ROB property must display a current ROB membership decal, except when attending public function or private party. All unauthorized vehicles are subject to tow at owner's expense.
4. The beach and pier area will be CLOSED to everyone from sunset to sunrise (the only exceptions are ROB-authorized events).
5. Members must ensure that their children and/or guests abide by all Association rules and regulations. Each ROB member will be held responsible for the actions of their children/guests.
6. It is the duty and responsibility of every member to keep Association property clear of trash, bottles, etc.
7. When there is an ROB event at the community center, the beach and pier area will be closed to anyone not attending the event (with the exception of the boat ramp).
8. No pets are allowed on the beach, unless they are on a leash, under control of the owner. It is the pet owner's responsibility to clean up after their pet.
9. Anyone causing damage (i.e., holes in beach property or turnaround area created by vehicles, destruction to pier due to mishandling of boats or jet skis, etc.) will be held responsible for the expense of repairing such damage.
10. No bike riding on the pier.
11. No motorized vehicles on beach or open grounds (except for lawnmowers).
12. Jet skis must be launched from the boat ramp ONLY - not from the beach area. A "no wake" low speed must be maintained until 100 feet from the end of the pier. Jet ski operators must abide by the MD Dept. of Natural Resources rules for operation of a jet ski, and their ROB dues must be current. To report jet ski violations, call: **1-800-628-9944.**

APPLICATION FOR VEHICLE DECALS:

Current members may request a vehicle decal (limit 2 per household) by mail to: ROB Improvement Assoc., 229 Allegany Rd, Stevensville MD 21666 (or by calling 643-3772). There is **no charge** for decals. Questionable decal requests may require a vehicle registration to verify residence.

BOAT RAMP AND TRAILER PARKING AREA:

1. Only vehicles with boat trailers are permitted to park in the boat ramp parking area. All other vehicles must park in the front parking lot. All vehicles parked in either lot must display a current ROB vehicle decal, or be subject to tow at owner's expense.
2. Community Center rentals do not include use of the boat ramp parking area. It is for **boat trailer parking** only.
3. The boat ramp access gate must be locked after entering or leaving the area. Failure to do so may result in loss of key privileges for use of the boat ramp area.
4. Duplication of gate keys is prohibited. Persons with keys not registered by the Association may be charged with trespass, and the key confiscated.
5. Lost keys must be reported to a member of the Board of Directors, with a deposit fee for replacement of lost keys.
6. If the lock is changed, gate keys can be exchanged for no deposit fee. If you have no key to exchange, a deposit fee will be required for a key, if your dues are current.
7. Upon sale of your property, keys must be returned to the Association, and your deposit fee will be refunded. Keys will be issued to new owners upon verification of residence, and if their dues are current.

APPLICATION FOR BOAT RAMP GATE KEYS:

Current members may obtain a key (limit 2 per household) for a deposit fee. Mail requests to: ROB Improvement Assoc., 229 Allegany Rd., Stevensville MD 21666. Upon verification of current membership, you will be contacted with the fee amount. Keys are numbered and registered in members' names - but remain the property of ROB.

Approved by the ROB Board of Directors: 1 May 96

Shirley Smethouse
Secretary

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QUEEN ANNE'S COUNTY

ROMANCOKE ON THE BAY IMPROVEMENT ASSOCIATION INC.

CONSTITUTION AND BY-LAWS

(w/ amendments to date)

March 19,1995

ARTICLE I

This organization shall be know as "ROMANCOKE ON THE BAY IMPROVEMENT ASSOCIATION, INC."

ARTICLE II

The object of this organization shall be to promote such social, recreational and community activities and interest as may be conducted, sponsored and encouraged by the membership of said association and for the administration and enforcement of reservations, restrictions, understandings and agreements and to generally encourage good fellowship.

ARTICLE III

SECTION I - General Membership

As a member one must own property in Romancoke On The Bay, Stevensville, Queen Anne's County, Maryland, and comply with the Covenants and By-Laws of the Association. Each property owner, in good standing, will have two votes per household. All property owners in Romancoke on the Bay, Stevensville, Queen Anne's County, Maryland are required to be members in the Romancoke on the Bay Improvement Association as per section 14 of the Covenants.

SECTION II - DUES

(a) Each member shall pay an initiation fee of $5.00, and annual dues of $50.00. The $5.00 initiation fee must accompany the application for membership. The annual dues for the first year membership shall be payable in advance immediately upon the acceptance of the application for membership and shall cover a period of one calendar year from the 16th of September to the 15th of September. Such fees shall be prorated.

(b) Any member whose dues remain unpaid thirty (30) days after due date shall be considered delinquent. Thereupon, there shall be mailed to such member a bill covering the unpaid dues.

SECTION III - RESIGNATIONS

Resignation from membership shall be made in writing to the Board of Directors, but shall not relieve any member from liability for any dues accrued and unpaid at the time when such resignation is filed. Resignations are only effective due to the sale of property.

SECTION IV - FORFEITURE OF PROPERTY RIGHTS

Any member whose membership in the Association is in arrears, shall forfeit thereby all interest in any and all funds, property rights, and interest belonging to this Association.

ARTICLE IV - MEETINGS

SECTION I - ANNUAL MEETINGS

The annual meeting of the Association shall be held in Romancoke On The Bay on the third or fourth Sunday in September. The purpose of the annual meeting shall be to elect Officers and/or Board of Directors and for the transaction of general business.

SECTION II - SPECIAL MEETINGS

Special meetings of members may be called at any time by the President or by a majority of the Board of Directors, either by vote or writing. The notice shall state the purpose of the meeting.

SECTION III - NOTICE OF MEETINGS

Not less than ten (10) days written or printed notice shall be given of every annual and special meeting and the purpose stated therein.

(a) A member in good standing may vote on any election of officers and board of directors, as outlined in the notice of the meeting. An absentee ballot will be provided upon request to a member in good standing, and must be received by the association before the time of the meeting.

SECTION IV - QUORUM

A quorum shall consist of a majority of the members present and voting.

SECTION V - ORDER OF BUSINESS

At all meeting of members, the order of business shall be as far as applicable to and practicable, as follows:

1. Reading of the minutes of the previous meeting
2. Reports of the Officers
3. Reports of standing committees
4. Reports of special committees
5. At any annual meeting, election of Directors and Officers
6. Unfinished business
7. New business
8. Good and Welfare
9. Adjournment

RECORDING FEE 10.00
TOTAL 10.00
Mar 13, 1996 02:38 PM

The order of business may be altered or suspended at any meeting by a majority vote of the members present. The usual parliamentary rules as laid down by "Robert's Rules of Order" shall govern all debates.

ARTICLE V - BOARD OF DIRECTORS

SECTION I - ELECTION AND POWERS

The business and property of the Association, except as otherwise provided by statute or by Charter, or by these By-Laws, shall be conducted and managed by its Board of directors which shall consist of the President, Vice-President, Secretary, and Treasurer and at least seven (7) elected members. The seven (7) elected members will be elected on a staggered basis, four (4) one year and three (3) the next. The seven (7) elected members shall hold office for a term of two years from their election and thereafter until their successor is elected and qualified or until his death, resignation or removal.

SECTION II - QUORUM

A majority of the Board of Directors present at any meeting shall constitute a quorum. At least seven (7) members of the Board must be present for the transaction of business at every meeting by the Board of Directors.

SECTION III - REMOVAL

At any meeting of the Directors call for the purpose, any Director may, by a vote of two-thirds (2/3) entitled to vote, be removed from office with any just cause, and another to be elected by the General Membership in place of the person removed, to serve the remainder of his term.

SECTION IV - VACANCIES

If any Director shall die or resign, he shall be replaced by a majority vote of

the Board of Directors to hold office until the next General meeting, at which time the general membership shall hold an election to confirm the appointment or elect another director. This Director shall then complete the unexpired term.

SECTION V - COMPENSATION

Directors, as such, shall not receive any compensation for the services, nor any expenses. Nothing in this section shall be construed to preclude a Director from serving the Association in any other capacity and receiving compensation therefore.

ARTICLE VI - OFFICERS

SECTION I - EXECUTIVE OFFICERS

The Executive Officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer. Each such officer shall be a member of the Board of Directors and shall hold office for a term of two (2) years and thereafter until his successor is elected and qualified or until his death, resignation or removal. The President and Secretary shall be elected in the years ending in an even number and the Vice-President and Treasurer shall be elected in the years ending in an odd number.

SECTION I-A

A person running for executive office of the corporation must qualify as a paid member in good standing for a period not less than one year immediately prior to the election.

SECTION II - PRESIDENT

The president shall be a director of the Association and shall preside at all meetings. In the absence of the President, the Vice-President shall preside. The President shall have general management and direction of the business of the Association, and all powers ordinarily exercised by the president of an association. He shall, when required, appoint a Sergeant at Arms.

SECTION III - VICE-PRESIDENT

The Vice-President shall assume responsibilities for any duties assigned to him by the President. In the absence of the President, the Vice-President shall assume the duties and powers of the President. If for any reason a President is unable to complete his term of office, the Vice-President will automatically succeed him and a new Vice-President shall be elected by the General Membership. In the event a Vice-President becomes President in this manner, he shall be entitled to succeed himself/herself for a full term.

SECTION IV - SECRETARY

The Secretary shall keep the minutes of the meetings of the members and of the Board of directors in books provided for the purpose. He shall see that all notices are duly given in accordance with the provisions of the By-Laws or required by law. He shall be the custodian of the records and of the corporate seal or seals of the Association. He shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized, and when so affixed may attest the same and such other duties as, from time to time, may be assigned to him by the Board of Directors or by the President.

SECTION V - TREASURER

The Treasurer shall have charge of and be responsible for all funds, security, receipts and disbursements of the Association. He shall deposit, or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks, trust companies or other depositories as shall, from time to time, be selected by the Board of Directors. He shall render to the President and to the Board of Directors, whenever requested, an account of the financial condition of the Association, and other duties as may be assigned to him by the Board of Directors or by the President. The Treasurer's books shall be open for inspection by any member at all reasonable times. The Treasurer is to be bonded. The cost of the bond is to be defrayed by the Association, in an amount to be determined by the Board of Directors.

SECTION V-A

The treasurer shall report the condition of the association at the annual and semi-annual meeting each year using the fiscal periods of Sept 01 to Feb. 28 of each fiscal period and the period of March 01 to August 31 of the fiscal year.

SECTION VI - ASSISTANT OFFICERS

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant shall hold office for such period and shall have such authorization and perform such duties as the Board of Directors may prescribe.

SECTION VII - HOLDING OFFICE

No member shall hold more than one elective office in any given year. Husband and wife members may not hold office or serve on the Board of Directors during the same period.

ARTICLE VII - COMMITTEES

The President may create such committees as he deems advisable and define their duties.

ARTICLE VIII - SUNDRY PROVISIONS

SECTION I -NEGOTIABLE INSTRUMENTS, ECT.

(a) All checks, drafts/or orders for the payment of money notes and other evidence of indebtedness issued in the name of the Association, shall be signed by such officer or officers as may be designated from time to time by resolution of the Board of Directors.

(b) All checks to pay Association debts shall be signed by the Treasurer and one other executive officer.

ARTICLE IX - AMENDMENTS

The Constitution and By-Laws may be repealed or amended at any meeting by a two-thirds (2/3) vote of those General members present , providing notice shall be given to all members at the time notices of the meeting are sent out. Suggestions, articles, sections, ect. shall be embodied in the notice.

CORPORATE SEAL ROMANCOKE ON THE BAY IMPROVEMENT ASSOCIATION

Cheryl Smith

BY CHERYL SMITH, SECRETARY

ROMANCOKE
ON THE BAY

IMPROVEMENT ASSOCIATION, INC.
Stevensville, Queen Anne's County, Md. 21666

APPLICATION FOR NEW MEMBERSHIP

DATE_____

NAME_____

LOT & BLOCK NO._____

ADDRESS_____

CITY_____STATE_____ZIP CODE_____

tele. No._____

MISC 0#
RECD FEE 50.00
CHECK/MO 50.00
#150220 C001 R00 T10:17
12/23/88

ARTICLE III

Section I - General Membership

To qualify as a member one must own property in Romancoke On The Bay, Stevensville, Queen Anne's County, Maryland, and comply with the By-Laws of the Association. Each property owner, who is a member, will have two votes per household regardless of the amount of property involved.

Section II - Dues

(a) Each member shall pay an initiation fee of $5.00, and annual dues of $25.00. The annual dues for the first year membership shall be payable in advance and shall cover a period of one calendar year from the first of October to the thirtieth of September.

(b) Any member whose dues remain unpaid thirty (30) days after due date shall be considered delinquent. Thereupon, there shall be mailed to such member a bill covering the unpaid dues. If the dues remain unpaid for a period of thirty (30) days thereafter, the delinquent may be dropped from membership.

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QUEEN ANNE'S COUNTY

ATTENTION

PROPERTY OWNERS

It has come to our attention that a misconception has surfaced concerning the community Beach area at Romancoke on the Bay.

The Beach area is privately owned by Romancoke on the Bay Community Association. To use facilities you must join the Association. There is a mandatory $25.00 yearly fee plus $5.00 initiation for the first year, in addition to the $10.00 yearly Road Maintenance fee.

Property Owners do not have automatic use of the beach area.

" COVENANTS "

ROMANCOKE ON THE BAY
COPY AUGUST 7, 1985

LIBER 43 PAGE 62
RECEIVED FOR RECORD OCTOBER 1st, 1958

THIS DEED OF RESTRICTIONS, MADE THIS 18th DAY OF SEPTEMBER 1958, BY CHESTER BEACH, INC., A MARYLAND CORPORATION, HEREINAFTER CALLED THE DEVELOPER, PARTY OF THE FIRST PART: THE AMERICAN NATIONAL BUILDING AND LOAN ASSOCIATION OF BALTIMORE CITY, A BODY CORPORATE OF THE STATE OF MARYLAND, PARTY OF THE SECOND PART: AND CLARENCE M. PLITT, OF THE CITY OF BALTIMORE, STATE OF MARYLAND, PARTY OF THE THIRD PART.

WHEREAS, CHESTER BEACH, INC. ACQUIRED TITLE TO A FARM OR TRACT OF LAND KNOWN AS THE "COCKEY FARM" FROM ROBERT F. PODLICH, BY DEED DATED THE 8th DAY OF SEPTEMBER, 1952, AND RECORDED AMONG THE LAND RECORDS OF QUEEN ANNE'S COUNTY IN LIBER T.S.P. NO.6 FOLIO 329, WHICH FARM IS SITUATE, LYING AND BEING IN THE FOURTH ELECTION DISTRICT OF QUEEN ANNE'S COUNTY, STATE OF MARYLAND, ON THE WATERS OF EASTERN BAY, AND CONTAINED 177.82 ACRES, MORE OR LESS, ACCORDING TO A SURVEY BY J. B. METCALFE, REGISTERED SURVEYOR, DATED DECEMBER, 1949; AND

WHEREAS, THE SAID CHESTER BEACH, INC. DID SUBDIVIDE A CERTAIN PORTION OF THE "COCKEY FARM", KNOWN AS "ROMANCOKE ON THE BAY", AS SHOWN ON A PLAT THEREOF BY WILLIAM D. PURDOM, REGISTERED SURVEYOR, DATED THE 15th DAY OF AUGUST, 1952, AND RECORDED AMONG THE LAND RECORDS OF QUEEN ANNE'S COUNTY IN LIBER T.S.P. NO. 6 FOLIO 330; AND

WHEREAS, BY DEED AND AGREEMENT BETWEEN CHESTER BEACH, INC., ET AL. TO ROBERT F. PODLICH, DATED THE 8th DAY OF SEPTEMBER, 1952, AND RECORDED AMONG THE LAND RECORDS AFORESAID IN LIBER T.S.P. NO. 6, FOLIO 323, CERTAIN CONDITIONS, COVENANTS AND RESTRICTIONS WERE IMPOSED UPON THE LAND THEREIN PARTICULARLY DESCRIBED, BEING A PART OF THE "COCKEY FARM" AND KNOWN AS "ROMANCOKE ON THE BAY", WHICH CONDITIONS, COVENANTS AND RESTRICTIONS WERE SUBSEQUENTLY AMENDED BY TWO DEEDS AND AGREEMENTS

BETWEEN SAID PARTIES. [1] DATED THE 29th DAY OF OCTOBER, 1952, AND RECORDED AMONG THE LAND RECORDS OF QUEEN ANNE'S COUNTY IN LIBER T.S.P. NO. 7, FOLIO 330, AND [2] DATED THE 3rd DAY OF JUNE, 1954, AND RECORDED AMONG THE LAND RECORDS OF QUEEN ANNE'S COUNTY IN LIBER T.S.P. NO. 16, FOLIO 278; AND

WHEREAS, CHESTER BEACH, INC. HAS SUBSEQUENTLY SUBDIVIDED ADDITIONAL PORTIONS OF THE "COCKEY FARM", AS SHOWN ON A PLAT ENTITLED "ROMANCOKE ON THE BAY, SECOND SECTION", BY JAMES H. LUDLOW ASSOCIATES, REGISTERED SURVEYORS, DATED MAY, 1958, WHICH PLAT IS RECORDED AMONG THE LAND RECORDS AFORESAID IN LIBER T.S.P. NO. 41, FOLIO 386; AND

WHEREAS, SAID LANDS SUBDIVIDED AS FORESAID AND KNOWN AS "ROMANCOKE ON THE BAY, SECOND SECTION", ARE SUBJECT TO A MORTAGE FROM CHESTER BEACH, INC. TO THE AMERICAN NATIONAL BUILDING AND LOAN ASSOCIATION OF BALTIMORE CITY, PARTY OF THE SECOND PART, DATED THE 15th DAY OF APRIL, 1957, AND RECORDED AMONG THE LAND RECORDS AFORESAID IN LIBER T.S.P. NO. 34, FOLIO 148; AND

WHEREAS, SAID LANDS SUBDIVIDED AS FORESAID AND KNOWN AS "ROMANCOKE ON THE BAY, SECOND SECTION", ARE FURTHER SUBJECT TO TWO MORTAGES TO CLARENCE M. PLITT, PARTY OF THE THIRD PART, AS FOLLOWS: [1] DATED THE 19th DAY OF JUNE, 1957, AND RECORDED AMONG THE LAND RECORDS AFORESAID IN LIBER T.S.P. NO. 35, FOLIO 438; AND

WHEREAS, CHESTER BEACH, INC. AS DEVELOPER, DESIRES TO IMPOSE UPON THE LANDS KNOWN AS "ROMANCOKE ON THE BAY, SECOND SECTION", AS FORESAID CERTAIN CONDITIONS, COVENANTS AND RESTRICTIONS, AND THE PARTIES OF THE SECOND AND THIRD PARTS WERETO HAVE AGREE TO EXECUTE THIS DEED OF RESTRICTIONS FOR THE PURPOSE OF ASSENTING THERETO.

NOW, THEREFORE, THIS DEED OF RESTRICTIONS WITNESSETH, THAT IN CONSIDERATION OF THE PREMISES, THE PARTIES HERETO, AND EACH OF THEM, FOR THEMSELVES, AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES,

ADMINISTRATORS, SUCCESSORS AND ASSIGNS, DO HERBY COVENANT AND AGREE WITH EACH OTHER AND WITH ONE ANOTHER, THAT FROM HENCE FORTH THE FOLLOWING CONDITIONS, COVENANTS AND RESTRICTIONS SHALL BE, AND ARE HEREBY, IMPOSED AND PLACED UPON THE LANDS KNOWN AS "ROMANCOKE ON THE BAY, SECOND SECTION", AS FOLLOWS, TO WIT:

1. ALL LOTS IN "ROMANCOKE ON THE BAY, SECOND SECTION" SHALL BE FOR RESIDENTIAL USE ONLY AND NOT FOR PURPOSES OF ANY TRADE OR BUSINESS WHATSOEVER. STRUCTURES ERECTED ON ANY ONE LOT SHALL CONSIST OF THE MAIN DWELLING OR RESIDENCE FOR THE OCCUPANCY OF ONE FAMILY ONLY, TOGETHER WITH A PRIVATE GARAGE AND OTHER STRUCTURES APPURTENANT TO THE MAIN RESIDENCE, OR TO BE USED IN CONNECTION THEREWITH, AND ON NO LOT SHALL THERE BE MORE THAN ONE MAIN DWELLING OR ANY STRUCTURE APPURTENANT THERETO. THE MAIN DWELLING OR RESIDENCE ON ANY LOT SHALL HAVE A SET BACK FROM THE FRONT LINE OF SAID LOT OF AT LEAST THIRTY-FIVE [35] FEET, AND SHALL HAVE A SET BACK FROM THE DIVIDING LINES OF SAID LOT OF AT LEAST TEN [10] FEET, AND SHALL HAVE A SET BACK FROM THE REAR BOUNDARY LINE OF THE LOT OF AT LEAST TEN [10] FEET.

2. NO RESIDENCE, DWELLING, GARAGE, OR OTHER STRUCTURE APPURTENANT TO THE RESIDENCE, SHALL BE ERECTED OR BUILT ON SAID LAND, NOR SHALL ANY ADDITION TO OR CHANGE OR ALTERATION THEREIN BE MADE, NOR SHALL ANY WELL OR SEPTIC TANK BE INSTALLED THEREIN, UNTIL THE PLANS AND SPECIFICATIONS FOR ANY SUCH STRUCTURE, OR ANY ADDITION OR ALTERATION, OR FOR ANY WELL OR SEPTIC TANK, AS WELL AS THE LOCATION OF ANY SUCH STRUCTURE OR ANY ADDITION OR ALTERATION, OR ANY SEPTIC TANK OR WELL TO BE INSTALLED IN SAID LAND, ARE SUBMITTED TO AND APPROVED IN WRITING, BY CHESTER BEACH, INC., HEREIN CALLED THE DEVELOPER, OR ITS SUCCESSORS IN THE OWNERSHIP OR DEVELOPMENT OF THE ENTIRE TRACT, OR ITS DULY AUTHORIZED AGENTS. THE DEVELOPER, AND ITS SUCCESSORS AND DULY QUALIFIED AGENTS, SHALL ALSO HAVE THE ABSOLUTE RIGHT TO DESIGNATE IN WRITING, THE AREA, ON EACH OR ANY LOT CONTAINED WITHIN THE DEVELOPMENT, WITHIN WHICH THE RESIDENCE, OR ANY CHANGE OR ALTERATION THEREIN, OR ANY ADDITION THERETO, OR ANY WELL OR SEPTIC TANK, SHALL BE ERECTED, CONSTRUCTED OR INSTALLED, INCLUDING THE ABSOLUTE RIGHT, PRIOR TO THE ERECTION OF THE RESIDENCE, TO ESTABLISH IN WRITING TO BE DULY RECORDED, NEW SET BACK LINES WHICH SHALL APPLY TO THE LOT OR LOTS ON WHICH THE SAID RESIDENCE

IS TO BE ERECTED. IN THE ABSENCE OF RECORDED EVIDENCE OF A CHANGE OR CHANGES IN THE SET BACK DISTANCES APPLICABLE TO ANY LOT OR LOTS IN THE DEVELOPMENT, IT SHALL BE CONCLUSIVELY PRESUMED, AFTER A RESIDENCE HAS BEEN ERECTED UPON A LOT OR LOTS WITHIN SAID DEVELOPMENT, THAT SAID RESIDENCE WAS PERMITTED TO BE ERECTED IN ACCORDANCE WITH THE GENERAL PROVISIONS, CONTAINED HEREIN, RELATING TO SET BACK DISTANCES. WRITTEN PERMISSION MUST BE OBTAINED FROM THE DEVELOPER, OR ITS SUCCESSORS OR ITS AGENTS, TO CONSTRUCT OR MAINTAIN FENCES, WALLS, HEDGES, BUILDINGS, PIERS, BOATHOUSES, BULKHEADS, BATH HOUSES AND OUT-BUILDINGS.

3.ALL DETACHED GARAGES AND OTHER OUTBUILDINGS OF ANY KIND WHAT SOEVER SHALL BE IN THE REAR OF THE DWELLING, BUT SHALL NOT BE WITHIN TEN [10] FEET OF THE REAR BOUNDARY OF THE LOT NOR WITHIN TEN [10] FEET OF THE DIVIDING LINES OF SAID LOT.

4. NO TREES SHALL BE CUT AND NO EXCAVATIONS SHALL BE MADE ON THE PREMISES EXCEPT FOR THE PURPOSE OF BUILDING THEREON AND AT THE TIME WHEN THE BUILDING OPERATIONS ARE COMMENCED AND NO EARTH OR SAND SHALL BE REMOVED FROM SAID PREMISES EXCEPT AS A PART OF SUCH EXCAVATIONS.

5. FREE AND OPEN SPACES SHALL BE LEFT ON BOTH SIDES AND TO THE FRONT AND TO THE REAR OF EVERY BUILDING, STRUCTURE, DWELLING OR

PART THEREOF, ERECT ON THE SAID LOT, WHICH FREE AND OPEN SPACES SHALL EXTEND THE FULL LENGTH OF ALL LOTS AND SHALL BE NOT LESS THAN TEN [10] FEET IN WIDTH FROM THE DIVIDING LINES FROM THE FRONT AND THE REAR OF SAID LOTS.

6. NO PRIVY OF ANY KIND SHALL BE ALLOWED ON SAID PROPERTY, BUT EACH HOUSE SHALL HAVE INSIDE TOILETS WITH ADEQUATE WATER SUPPLY AND SEPTIC TANK INSTALLATION FOR DISPOSAL OF SEWAGE APPROVED BY THE MARYLAND STATE BOARD OF HEALTH.

7. NO NOXIOUS OR OFFENSIVE TRADE SHALL BE CARRIED ON UPON ANY LOT NOR SHALL ANYTHING BE DONE OR KEPT THEREON WHICH MAY BE OR BECOME ANNOYANCE OR NUISANCE TO THE NEIGHBORS.

8. NO TRAILER, BASEMENT, TENT, SHACK, GARAGE, BARN OR OTHER OUTBUILDING ERECTED ON THE TRACT SHALL AT ANY TIME BE USED AS A RESIDENCE, TEMPORARILY OR PERMANENTLY, NOR SHALL ANY RESIDENCE OF A TEMPORARY CHARACTER BE PERMITTED.

9. IN ORDER TO PRESERVE OR IMPROVE THE VIEWS OF LAND AND WATER, HILLS AND VALLEYS, OBTAINABLE ON AND FROM VARIOUS LOTS SHOWN ON THE SAID PLAT, AND TO PROMOTE THE FREE MOVEMENT OF BREEZES AND PREVENT THE HARBORING PLACES FOR FLIES, MOSQUITOS AND OTHER INSECTS, THE DEVELOPER RESERVES THE RIGHT TO TRIM ANY TREES OR SHRUBBERY NOW OR HEREAFTER STANDING IN SAID TRACT WHICH MAY IN ITS OPINION, DESTROY OR INTERFERE WITH SUCH VIEWS OR THE FREE MOVEMENT OF BREEZES, OR FURNISH HARBORING PLACES FOR FLIES, MOSQUITOS OR OTHER INSECTS.

10. THE LAND HEREBY CONVEYED SHALL, IN RESPECT TO THAT PART OF IT WHICH LIES IN THE BED OF THE ROAD OR ROADS HARBORING THE PROPERTY, BE SUBJECT TO AN EASEMENT IN FAVOR OF THE OWNERS AND OCCUPANTS OF LOTS AND HOUSES BORDERING OTHER PARTS OF THE SAID ROAD OR ROADS IN RESPECT TO THE FREE AND COMMON USE OF THE SAID ROAD OR ROADS, BOTH FOR THE PURPOSE OF PASSAGE TO AND FROM AND FOR THE LAYING OR ERECTING OF WATER PIPES, GAS PIPES, ELECTRIC POLES OR OTHER PUBLIC UTILITIES TO BE USED IN COMMON BY THE OWNERS AND/OR OCCUPANTS OF THE ENTIRE TRACT, AND FURTHER, THAT THE OWNERS OR OWNER OF ANY LOT WILL JOIN IN A PETITION TO THE PROPER GOVERNMENTAL AUTHORITIES, THAT THIS ROAD OR ROADS BORDERING THE PROPERTY BE TAKEN OVER BY THE COUNTY AS PUBLIC ROADS UNDER A PROPER DEED OR DEDICATION TO BE SIGNED BY SUCH OWNER OR OWNERS AT SUCH TIME WHEN TWO-THIRDS OF THE OWNERS OF THE LOTS ALONG SUCH ROAD OR ROADS SHALL DEMAND.

11. THE DEVELOPER HEREBY RESERVES THE RIGHT IN ITS ABSOLUTE DISCRETION AT ANY TIME TO ANNUL, CHANGE OR MODIFY ANY OF THE

RESTRICTIONS, CONDITIONS, COVENANTS, AGREEMENTS OR PROVISIONS CONTAINED HEREIN, AS TO ANY PART OF SAID TRACT THEN OWNED BY THE DEVELOPER, AND WITH THE CONSENT OF THE OWNER AS TO ANY OTHER LAND INCLUDED INSAID TRACT: AND TO GRADE, CHANGE THE GRADE OF, OR REGRADE ANY STREET, ROAD OR LANE SHOWN ON SAID PLAT, AND SHALL HAVE THE FURTHER RIGHT BEFORE A SALE TO CHANGE THE SIZE OF, LOCATE OR RELOCATE ANY OF THE LOTS SHOWN ON THE SAID PLAT.

12. EASEMENTS AND RIGHTS OF WAY ARE HEREBY EXPRESSLY RESERVED IN AND OVER THE STRIPS OF GROUND FIVE FEET IN WIDTH ALONG THE REAR LINE OF THE LOTS FOR THE PURPOSE OF ERECTING, CONSTRUCTING AND MAINTAINING WIRES AND THE ACCESSARY OR PROPER ATTACHMENTS IN CONNECTING THEREWITH FOR THE TRANSMISSION OF ELECTRICITY AND FOR TELEPHONES AND OTHER PUBLIC UTILITIES OR FUNCTIONS, AND THE DEVELOPER, ITS SUCCESSORS, ASSIGNS, OR NOMINEES SHALL HAVE THE RIGHT TO ENTER UPON SAID RESERVED STRIPS OF LAND FOR ANY OF THE PURPOSES FOR WHICH SAID EASEMENTS AND RIGHTS ARE RESERVED AS ABOVE SET FORTH.

13. THE PROVISIONS HEREIN CONTAINED SHALL RUN WITH AND BIND

THE LAND AND SHALL INSURE TO THE BENEFIT OF AND BE ENFORCEABLE BY THE DEVELOPER, OR THE OWNER OF ANY LAND INCLUDED IN SAID TRACT, THEIR RESPECTIVE PERSONAL REPRESENTATIVES, HEIRS, SUCCESSORS, AND ASSIGNS, AND FAILURE BY THE DEVELOPER OR ANY LAND OWNER TO ENFORCE ANY RESTRICTION, CONDITION, COVENANT OR AGREEMENT HEREIN CONTAINED SHALL IN NO EVENT BE DEEMED A WAIVER OF THE RIGHT TO DO SO THEREAFTER TO ONE OCCURRING PRIOR OR SUBSEQUENT THERETO; AND THE DECLARED INVALIDITY OF ANY ONE OR MORE OF THE PROVISIONS HEREIN SHALL NOT AFFECT THE VALIDITY OF THE OTHERS.

14. ANY OR ALL OF THE RIGHTS AND POWER, TITLES, EASEMENTS AND ESTATES RESERVED OR GIVEN TO THE DEVELOPER IN THIS AGREEMENT MAY BE ASSIGNED TO ANY ONE OR MORE CORPORATIONS OR ASSOCIATIONS THAT WILL AGREE TO ASSUME SAID RIGHTS, POWERS, DUTIES AND OBLIGATIONS AND CARRY

OUT AND PERFORM THE SAME. ANY SUCH ASSIGNMENT OR TRANSFER SHALL BE MADE BY APPROPRIATE INSTRUMENT IN WRITING IN WHICH THE ASSIGNEE OR TRANSFEREE SHALL JOIN FOR THE PURPOSE OF EVIDENCING ITS ACCEPTANCE OF SUCH RIGHTS AND POWER; AND SUCH ASSIGNEE OR TRANSFEREE SHALL THEREUPON HAVE THE SAME RIGHTS AND POWERS AND BE SUBJECT TO THE SAME OBLIGATIONS AND DUTIES AS ARE HEREIN GIVEN TO AND ASSUMED BY THE DEVELOPER, THE DEVELOPER THEREUPON BEING RELEASED THEREFROM.

15. THE PURCHASER, OR SUCCESSOR IN POSSESSION, COVENANTS TO PAY TO CHESTER BEACH, INC., ITS SUCCESSORS OR ASSIGNS, ON MARCH 1st OF EACH YEAR THE SUM OF TEN DOLLARS [10.00] FOR EACH AND EVERY LOT PURCHASED, TO BE USED FOR CONSTRUCTION, MAINTENANCE AND REPAIRS OF STREETS IN THE SUBDIVISION. AT SUCH TIME AS CHESTER BEACH,INC., ITS SUCCESSORS OR ASSIGNS SHALL FORM AN ASSOCIATION OF THE PURCHASERS AND OWNERS OF THE LOTS IN THIS SUBDIVISION FOR THE PURPOSE OF ADMINISTERING THE ROADS FUNDS EACH PURCHASER OR OWNER EXPRESSLY AGREES TO JOIN AND MAINTAIN MEMBERSHIP IN SUCH ASSOCIATION AND TO ACCEPT AND ABIDE IN ALL RULES AND REGULATIONS FOR THE CONDUCT OF SUCH ASSOCIATION WHEN FORMED.

16. IT IS SPECIFICALLY AGREED BY CHESTER BEACH, INC., AS DEVELOPER, THAT IT WILL NOT EXERCIZE ANY OF THE RIGHTS RESERVED BY IT IN ITEM II OF THIS INSTRUMENT, WITH REGARD TO ANY PORTION OF THE SAID TRACT OF LAND, ON WHICH THE AMERICAN NATIONAL BUILDING AND LOAN ASSOCIATION OF BALTIMORE CITY HOLDS A MOTRAGE, WITHOUT FIRST OBTAINING WRITTEN APPROVAL FROM THE SAID THE AMERICAN NATIONAL BUILDING AND LOAN ASSOCIATION OF BALTIMORE.

WITNESS the hand and seal of Chester Beach, Inc., a body corporate, by David M. Nichols, its President, and its corporate seal hereto affixed, both duly attested.

WITNESS the hand and seal of The American National Building and Loan Association of Baltimore City, a body corporate, by Urban J.B. Link, its President, and its corporate seal hereto affixed, both duly attested.

WITNESS the hand and seal of Clarence M. Plitt.

WITNESS:

CHESTER BEACH, INC.

By: David M. Nichols
President

ATTEST:

(Place corporate seal here)

Secretary

THE AMERICAN NATIONAL BUILDING AND LOAN ASSOCIATION OF BALTIMORE CITY

By: Urban J.B. Link
President

ATTEST:

(Place corporate seal here)

(SEAL)
Clarence M. Plitt

STATE OF MARYLAND,
City, to wit:
~~CITY/COUNTY~~ OF Baltimore,

I HEREBY CERTIFY, that on this 18th day of September, 1958, before me, the subscriber, a Notary Public of the State and City/County aforesaid, personally appeared DAVID M. NICHOLS, President of Chester Beach, Inc., a Maryland Corporation, and he did acknowledge the aforegoing Deed of Restrictions to be the act and Deed of said body corporate.

WITNESS my hand and Notarial Seal.

Rose L. Kirkman
NOTARY PUBLIC

STATE OF MARYLAND,
to wit:
~~CITY~~/COUNTY OF Baltimore,

I HEREBY CERTIFY, that on this 18th day of September 1958, before me, the subscriber, a Notary Public of the State and City/County aforesaid, personally appeared Urban J. B. Link, President of The American National Building and Loan Association of Baltimore City, a body corporate of the State of Maryland, and he did acknowledge the aforegoing Deed of Restrictions to be the act and Deed of said body corporate.

WITNESS my hand and Notarial Seal.

Howard I. Sage Jr.
NOTARY PUBLIC

STATE OF MARYLAND,
to wit:
CITY/ ~~COUNTY~~ OF Baltimore,

I HEREBY CERTIFY, that on this 18th day of September, 1958, before me, the subscriber, a Notary Public of the State and City/County aforesaid, personally appeared CLARENCE M. PLITT, and he acknowledged the aforegoing Deed of Restrictions to be his act.

WITNESS my hand and Notarial Seal.

Rose L. Kirkman
NOTARY PUBLIC

Assignment is recorded in Liber T.S.P. No. 72, folio 79, a Land Record Book for Queen Anne's County.

Assignment is recorded in Liber C.W.C. No. 31, folio 627, a Land Record Book for Queen Anne's County.

CONSTITUTION AND BY-LAWS

October 5, 1975

ARTICLE I

This organization shall be known as "ROMANCOKE ON THE BAY IMPROVEMENT ASSOCIATION, INC.".

ARTICLE II

The object of this organization shall be to promote such social, recreational and community activities and interest as may be conducted, sponsored and encouraged by the membership of said association and for the administration and enforcement of reservations, restrictions, understandings and agreements and to generally encourage good fellowship.

ARTICLE III

Section I - General Membership

To qualify as a member one must own property in Romancoke On The Bay, Stevensville, Queen Anne's County, Maryland, and comply with the By-Laws of the Association. Each property owner, who is a member, will have two votes per household regardless of the amount of property involved.

Section II - Dues

(a) Each member shall pay an initiation fee of $5.00, and annual dues of $25.00. The $5.00 initiation fee must accompany the application for membership. The annual dues for the first year membership shall be payable in advance immediately upon the acceptance of the application for membership and shall cover a period of one calendar year from the first of October to the thirtieth of September.

(b) Any member whose dues remain unpaid thirty (30) days after due date shall be considered delinquent. Thereupon, there shall be mailed to such member a bill covering the unpaid dues. If the dues remain unpaid for a period of thirty (30) days thereafter, the delinquent may be dropped from membership.

Section III - Resignations

Resignations from membership shall be made in writing to the Board of Directors, but shall not relieve any member from liability for any dues accrued and unpaid at the time when such resignation is filed.

Section IV - Forfeiture of Property Rights

Any member whose membership in the Association shall have terminated by resignation or other cause and also any property owners who do not join the Association, shall forfeit thereby all interest in any and all funds, property, rights and interest belonging to this Association.

ARTICLE IV - Meetings

Section I - Annual Meetings

The annual meeting of the Association shall be held in Roman-coke On The Bay on the third or fourth Sunday in September. The purpose of the annual meeting shall be to elect Officers and Board of Directors and for the transaction of general business.

Section II - Special Meetings

Special meetings of members may be called at any time by the President or by a majority of the Board of Directors, either by vote or writing. The notice shall state the purpose of meeting.

Section III - Notice of Meetings

Not less than ten (10) days written or printed notice shall be given of every annual meeting and special meeting and the purpose stated therein.

Section IV - Quorum

A quorum shall consist of a majority of the members present and voting.

Section V - Order of Business.

At all meetings of members, the order of business shall be as far as applicable to and practicable, as follows:

1. Reading of the minutes of the previous meeting
2. Reports of Officers
3. Reports of standing committees
4. Reports of special committees
5. At any Annual Meeting, election of Directors and Officers
6. Unfinished business
7. New business
8. Good and Welfare
9. Adjournment

Section V - Order of Business (cont'd)

The order of business may be altered or suspended at any meeting by a majority vote of the members present. The usual parliamentary rules as laid down by "Robert's Rules of Order" shall govern all debates.

ARTICLE V - Board of Directors

Section I - Election and Powers

The business and property of the Association, except as otherwise provided by statute or by Charter, or by these By-Laws, shall be conducted and managed by its Board of Directors which shall consist of the President, Vice-President, Secretary and Treasurer and at least seven (7) elected members.

Section II - Quorum

A majority of the Board of Directors present at any meeting shall constitute a quorum. At least eleven (11) members of the Board must be present for the transaction of business at every meeting by the Board of Directors.

Section III - Removal

At any meeting of the Directors called for the purpose, any Director may, by a vote of two-thirds (2/3) entitled to vote, be removed from office with any just cause, and another to be elected by the General Membership in the place of the person so removed, to serve for the remainder of his term.

Section IV - Vacancies

If any Director shall die or resign, he shall be replaced by majority vote of the Board of Directors to hold office for the unexpired portion of the term of the Director whose place shall so become vacant.

Section V - Compensation

Directors, as such, shall not receive any compensation for their services, nor any expenses. Nothing in this section shall be construed to preclude a Director from serving the Association in any other capacity and receiving compensation therefor.

ARTICLE VI - Officers

Section I - Executive Officers

The Executive Officers of the Association shall be a President, a Vice-President, a Secretary, a Treasurer and/or Secretary/Treasurer. Each such officer shall be a member of the Board of Directors and shall hold office for a term of two years and thereafter until his successor is elected and qualified or until his death, resignation or removal.

Section II - President

The President shall be a director of the Association and shall preside at all meetings. In the absence of the President, the Vice-President shall preside. The President shall have general management and direction of the business of the Association, and all powers ordinarily exercised by the President of an Association. He shall, when required, appoint a Sergeant at Arms.

Section III - Vice-President

The Vice-President shall assume responsibilities for any duties assigned to him by the President. In the absence of the President, the Vice-President shall assume the duties and powers of the President. If for any reason a President is unable to complete his term of office, the Vice-President will automatically succeed him and a new Vice-President shall be elected by the General Membership. In the event a Vice-President becomes President in this manner, he shall be entitled to succeed himself for a full term.

Section IV - Secretary

The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in books provided for the purpose. He shall see that all notices and duly given in accordance with the provisions of the By-Laws or as required by law. He shall be the custodian of the records and of the corporate seal or seals of the Association. He shall see that the corporate seal is affixed at all documents, the execution of which on behalf of the Association under its seal is duly authorized, and when so affixed may attest the same and such other duties as, from time to time, may be assigned to him by the Board of Directors or by the President.

Section V - Treasurer

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Association. He shall deposit, or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks, trust companies or other depositories as shall, from time to time, be selected by the Board of Directors. He shall render to the President and to the Board of Directors, whenever requested, an account of the financial condition of the Association.

Section V - Treasurer (cont'd)

and such other duties as may be assigned to him by the Board of Directors or by the President. The Treasurer's books shall be open for inspection by any member at all reasonable times. The Treasurer is to be bonded. The cost of such bond to be defrayed by the Association, in an amount to be determined by the Board of Directors.

Section VI - Assistant Officers

The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant shall hold office for such period and shall have such authority and perform such duties as the Board of Directors may prescribe.

Section VII - Holding Office

No member shall hold more than one elective office in any given year. Husband and wife members may not hold office or serve on the Board of Directors during the same period.

ARTICLE VII - Committees

Section I

The President may create such committees as he deems advisable and define their duties.

ARTICLE VIII - Sundry Provisions

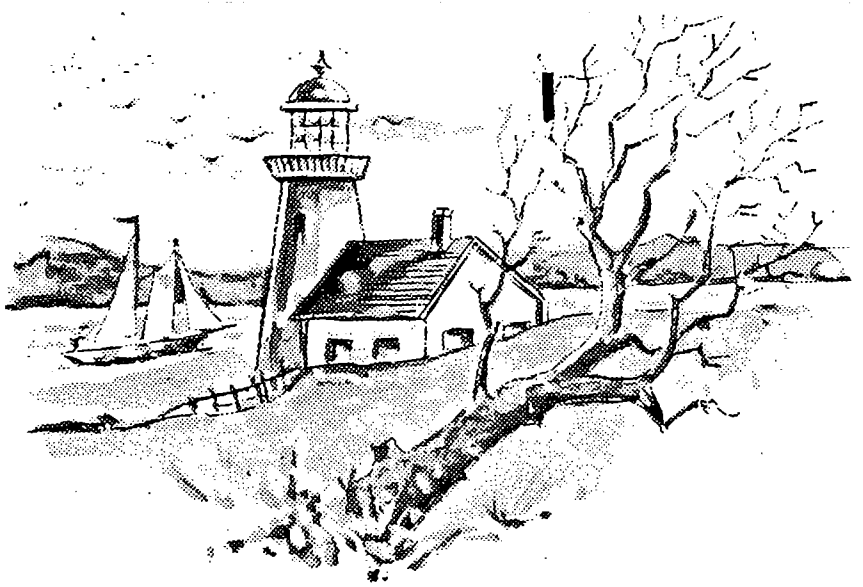
Section I - Negotiable Instruments, etc.

(a) All checks, drafts, or orders for the payment of money notes and other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers as may be designated from time to time by resolution of the Board of Directors.

(b) All checks to pay Association debts shall be signed by the Treasurer and one other executive officer.

ARTICLE IX - Amendments

The Constitution and By-Laws may be repealed or amended at any meeting by a two-thirds (2/3) vote of those General Members present, providing notice shall be given to all members at the time notices of the meeting are sent out. Suggestions, articles, sections, etc. shall be embodied in the notice.



ROMANCOKE
ON THE BAY

IMPROVEMENT ASSOCIATION, INC.
Stevensville, Queen Anne's County, Md. 21666

Names(s) and address(es) of applicant(s)

_____

_____

Place of proposed construction: Lot(s) No._____ Block No._____
Deed reference: Liber_____ folio (page)_____
Name(s) of owner(s) as shown on deed:

_____

If name is different than applicant(s), additional information, as specified in Paragraph 2 of the General Requirements, must be submitted with this Application.

Conditions

The above Applicant(s) hereby certify and agree that:

1. This Application includes not only this page, but also the plans and specifications and the plot plans submitted herewith, as well as any additional information required above.

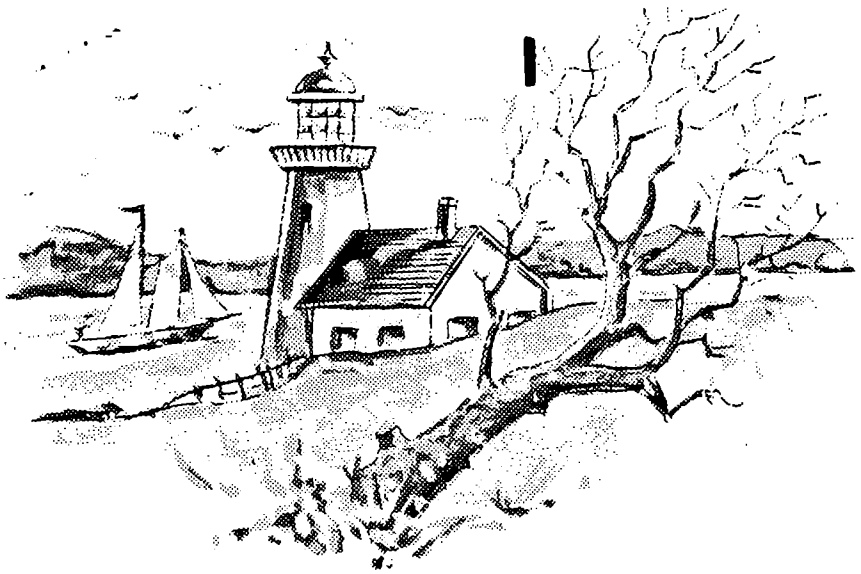
2. The Applicant(s) has received a copy of the Requirements for Approval for construction in Romancoke which are to be considered as a part of this Application.

3. In the process of hauling material to the building site, all damages to Romancoke Association maintained roads from heavy equipment, is the responsibility of the Contractors and the home owner. All trucks and heavy equipment are to enter Romancoke by using Penny Lane, Allegany and Claiborne. These roads are maintained by Queen Anne's County.

4. No construction will begin until formal written approval has been received from Romancoke Improvement Association, Inc.

5. The proposed building or structure is to be erected for the sole use and occupancy of the applicant(s) as a residence and is not being built and will not be used as a sample or speculative home.

6. The exterior of the residence structure, as shown on the accompanying plans and specifications, will be completed within six (6) months of the date when construction is begun.

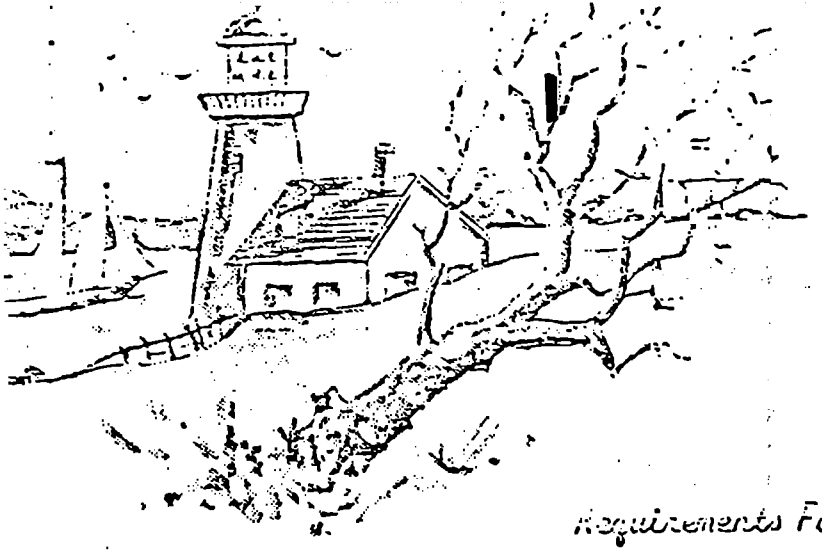


ROMANCOKE
ON THE BAY

IMPROVEMENT ASSOCIATION, INC.
Stevensville, Queen Anne's County, Md. 21666

7. The building site will at all times be kept free of excessive trash and debris.

8. If at any time the representations contained in this Application (including any accompanying documents) are shown to be incorrect or untrue, the building approval given by Romancoke Improvement Association will be void as of the date when it was given.



ROMANCOKE
ON THE BAY

IMPROVEMENT ASSOCIATION, INC.
Stevensville, Queen Anne's County, Md. 21666

Requirements For Approval
For
Construction In Romancoke

1. When Required. No residence, dwelling, garage, or other structure appurtenant to the residence, shall be erected or built upon any lot in Romancoke, nor shall any addition to or change or alteration therin be made until the plans and specifications for such structure or alteration, and the location thereof, is submitted and approved. Approval must also be obtained to construct fences, walls, bulkheads and the like.

   No construction is to be started before approval of plans. Please allow a minimum of ten (10) days to two (2) weeks for action to be taken by the Association.

2. Who may submit. Plans and specifications must be submitted by the person (s) holding title to the property as shown by the Land Records of Queen Anne's County or by a contract purchaser who files with the Association, a bona fide contract for the purchase of the property, subject to no contingencies except payment of the purchase price and merchantability of title.

3. What must be submitted. The following must be submitted to the Association:
   a. A written application in a form approved by the Association, containing conditions of approval;
   b. One copy of percolation test approval by the Queen Anne's County Health Department or other authorized Health Agency;
   c. All mainterance fees for the Lots involved in the proposed construction through the current fiscal year;
   d. Two (2) complete sets of plans and specifications in the form required by paragraph 4 hereof;
   e. Two (2) plot plans or ground plats showing location of the construction proposed for the property; the distance from side, front and rear boundaries; and the location and distance from the residence of any well, septic tank

4. Form of plans. Plans and specifications must be drawn to scale in a clearly understandable and professional manner. They must show the outside elevations of the proposed construction as they will appear when work is completed including:

a. The front elevation, rear elevation, left and right elevations, and the direction in which they face, indicating which elevation of the house faces the road or water, if the residence is so located.

b. Details of the exterior, such as: windows, doors, shutters, window boxes, porches, carports, chimneys and the like, and the placement on the completed structure;

c. Type of construction (such as: brick, frame, clap board, asbestos shingles, etc.) and the type of roof, windows, doors, chimneys, foundations, etc.

5. Size of structure. Any residence must have at least twelve hundred (1200) square feet of actual living space. "Actual living space" means the gross floor area of all finished and usable floor and portions thereof, other than floors of a basement, cellar, porch, breezeway, patio, attached garage, carport, or the like.

6. Setbacks. Buildings shall be set back from front, side and rear lot lines as follows:

a. Front: 65 feet from the front lot line:

b. Side: 10 feet form either side; However the two side yard widths must total 30 feet.

c. Rear: 40 feet from rear lot line.

7. External Appearance. The type, construction, external appearance and locat of dwellings shall be so varied as to both avoid the general appearance of a "Levittown," and blend in with the general character of other dwellings in Romancoke. Therefore, no residence, dwelling house, garage or other structure appurtenant to the residence (hereinafter collectively referred to as the "residence") shall be substantially similar in exterior design or appearance to any other residence (then constructed and/or then under construction and/o the plans for which have therefore been approved for construction by the Association) located on a lot which is within 500 feet of the lot or lots on which a proposed residence is then being submitted for consideration in accor dance with these Requirements. In determining whether or not a residence is "substantially similar" to another residence, the following factors shall be considered: (a) the exterior materials used, (b) the exterior colors used,

(c) the relative location of the exterior windows and doors, (d) the location of the exterior porches, carports and other appurtenances to the residence,

4. Basis of approval. No consideration will be given to any application until all of these requirements have been met and the person(s) referred to in Paragraph 2 have signed a written application in a form prescribed by the Association and agreed to all conditions contained therin.

9. Variance. Where by reason of the exceptional unusual shape, etc. or other extraordinary situation, the literal enforcement of these requirements would make it exceptionally difficult to construct a dwelling or residence on any lot and would cause unwarranted hardship and injustice to the owner of that lot, the Association may authorize such variance from the terms of these requirements as will not be contrary to the interests of the residents Of Romancoke and will relieve such hardship. No variance will be authorized unless the Association finds beyond reasonable doubt that: (a) there are exceptional or extraordinary circumstances or special conditions applying to the lot or proposed structure in question that do not generally apply to other lots or structures in Romancoke; (b) such variance is necessary for the preservation and enjoyment of substantial property rights possessed by lot owners in Romancoke and particularly in the vicinity of the lot(s) involved in the variance; (c) the authorization of such variance will not be of substantial detriment to adjacent lots in Romancoke and will not be contrary to the purpose of these requirements or the interest of lot owners in Romancoke. In authorizing a variance, the Association shall attach such conditions regarding the character, location and other features of the proposed structure as it may deem necessary in the interest of the furtherance of the purposes of these requirements and in the interest of the lot owners in Romancoke. No variance authorized by the Association shall qualify any adjacent property for special treatment on for a variance.

10. Completion. The exterior of any building or structure approved by the Association must be completed within six (6) months from date of approval.

11. Restrictions. Consideration will be given to applications and plans on the basis of both these Requirements and the covenants, restrictions, reservations, dedications, conditions, agreements, and understandings applicable to all lots in Romancoke by virtue of a deed and agreement dated Sept. 12, 1958 and recorded in Liber T.S.P. 43 folio 62 of the land records of Queen Anne's County. Approval will not be given to any applications or plans which are not in conformity with both these Requirements and the provisions of that deed and agreement.

S.P.

12. Amendment or repeal. The Association reserves the right to amend, supplement, repeal or otherwise change these Requirements at any time, without notice to any person, and for any reason.

Approved by board of directors
March- 5 - 1978

Received for Record - Oct. 1, 1958 #41159 Liber 43 Folio 62

RESTRICTIONS AND CONDITIONS

1. All lots in Romancoke on the bay shall be for residential use only and not for purposes of any trade or business whatsoever. Structures erected on any one lot shall consist of the main dwelling or residence for the occupancy of one family only, together with a private garage and other structures appurtenant to the main residence or to be used in connection therewith and on no lot shall there be more than one main dwelling and on no lot shall more than one family occupy the main dwelling or any structure appurtenant thereto. The main dwelling or residence on any lot shall have a setback from the front line of said lot of at least 65 feet and shall have a setback from the dividing lines of said lot at least ten (10) feet and shall have a setback from the rear boundary of the lot at least ten (10) feet.

1-A. No purchaser of any of the lots now owned by THE SELLER in said development shall have any right, as such purchaser, to construct, maintain or use water fowl or duck blinds in or upon the waters adjacent to the said development; it being specifically understood that THE SELLER, and its successors, licensees and assigns shall have full and exclusive rights to construct, maintain and use water fowl or duck blinds in said waters.

2. No residence, dwelling, garage or other structure appurtenant to the residence shall be erected or built on said land, nor shall any addition to or change or alteration therein be made, until the plans and specifications for such structure or alterations and location thereof are submitted to and approved by THE SELLER, or its successors in the ownership or development of the entire tract, or its duly authorized agents. Written permission must be obtained from the SELLER to construct or maintain fences, walls, hedges, buildings, piers, boathouses, bulkheads, bathhouses, and outbuildings.

3. All detached garages and other outbuildings of any kind whatsoever shall be in the rear of the dwelling but shall not be within ten (10) feet of the rear boundary of the lot nor within ten (10) feet of the dividing lines of said lot.

4. No trees shall be cut and no excavations shall be made on the premises except for the purpose of building thereon and at the time when the building operations are commenced and no earth or sand shall be removed from said premises except as a part of such excavations.

5. Free and open spaces shall be left on both sides and to the front and to the rear of every building, structure, dwelling, or part thereof, erected on the said lot, which free and open spaces shall extend the full length of all lots and shall be not less than ten (10) feet in width from the dividing lines from the front and from the rear of said lots.

6. No privy of any kind shall be allowed on said property, but each house shall have inside toilets with adequate water supply and septic tank installation for disposal of sewage approved by the Maryland State Board of Health.

7. No noxious or offensive trade shall be carried on upon any lot nor shall anything be done or kept thereon which may be or become any annoyance or nuisance to the neighborhood.

8. No trailer, basement, tent, shack, garage, barn or other building erected on the tract shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.

9. In order to preserve or improve the views of land and water, hills and valleys, obtainable on and from the various lots shown on the said Plat, and to promote the free movement of breezes and prevent the harboring places for flies, mosquitos and other insects, the SELLER reserves the right to trim any trees or shrubbery now or hereafter standing in said tract which may, in its opinion, destroy or interfere with such views or the free movement of breezes, or furnish harboring places for flies, mosquitos or other insects.

10. The land hereby conveyed shall, in respect to that part of it which lies in the bed of the road or roads harboring the property, be subject to an easement in favor of the owners and occupants of lots and houses bordering other parts of the said road or roads in respect to the free and common use of the said road or roads, both for the purpose of passage to and from and for the laying or erecting of water pipes, gas pipes, electric poles or other public utilities to be used in common by the owners and/or occupants of the entire tract, and further, that the owners or owner of any lot will join in a petition to the proper governmental authorities, that this road or roads bordering the property be taken over by the County as public roads under a proper deed or dedication to be signed by such owner or owners at such time when two-thirds of the owners of the lots along such road or roads shall demand.

11. The SELLER hereby reserves the right in its absolute discretion at any time to annul, waive, change or modify any of the restrictions, conditions, covenants, agreements or provisions contained herein, as to any part of said tract then owned by the SELLER, and with the consent of the owner as to any other land included in said tract; and to grade, change the grade of, or regrade any street, road or lane shown on said plat, and shall have the further right before a sale to change the size of, locate or relocate any of the lots shown on the said plat.

12. Easements and rights of way are hereby expressly reserved in and over the strips of ground five feet in width along the rear line of the lots for the purpose of erecting, constructing and maintaining wires and the necessary or proper attachments in connection therewith for the transmission of electricity and for telephones and other public utilities or functions, and the SELLERS, its successors, assigns, or nominees shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth.

13. The provisions herein contained shall run with and bind the land and shall inure to the benefit of and be enforceable by the SELLER, or the owner of any land included in said tract, their respective personal representatives, heirs, successors, and assigns, and failure by the SELLER or any land owner to enforce any restriction, condition, covenant or agreement herein contained shall in no event be deemed a waiver of the right to do so thereafter to one occurring prior or subsequent thereto; and the declared invalidity of any one or more of the provisions herein shall not affect the validity of the others.

14. Any or all of the rights and powers, titles, easements and estates reserved or given to the SELLER in this agreement may be assigned to any one or more corporations or associations that will agree to assume said rights, powers, duties and obligations and carry out and perform the same. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purposes of evidencing its acceptance of such rights and powers; and such assignee or transferee shall thereupon have the same rights and powers and be subject to the same obligations and duties as are herein given to and assumed by the SELLER, the SELLER thereupon being released therefrom.

15. The Purchaser, or successor in possession, covenants to pay to THE SELLER, its successors or assigns, on March 1st of each year the sum of Ten Dollars ($10.00) for each and every lot purchased, to be used for construction, maintenance and repair of streets in the subdivision. At such time as [illegible], its successors or assigns shall form an association of the purchasers and owners of the lots in this subdivision for the purpose of administering the road funds each purchaser or owner expressly agrees to join and maintain membership in such association and to accept and abide in all rules and regulations for the conduct of such Association when formed.

BY-LAWS

ROMANCOKE ON THE BAY ROADS CORPORATION

(AS AMENDED MARCH 21, 1999)

RECEIVED
CLERK, CIRCUIT COURT
99 MAY 17 PM 1:51
QUEEN ANNE'S COUNTY

MARYLAND CORPORATE I.D. # D 1061712 229 ALLEGANY RD STEVENSVILLE MD 21666 FEDERAL I.D. NUMBER 52-1766453

I. MEMBERSHIP

A. QUALIFICATION: As required by Section 15 of the Covenants, all lot owners of Romancoke On The Bay must maintain membership in this Corporation. A qualified member is a current lot owner in Romancoke On The Bay, Stevensville Md. whose name is recorded on the deed at the Queen Anne's County Land Records, and whose road maintenance fees are paid and current. Members must abide by these bylaws.

B. VOTING RIGHTS: For the purpose of Special and General Meetings, each household shall have no more than (2) two votes, provided there are two qualified members, regardless of the number of lots owned in Romancoke On The Bay.

C. DUES: Payment of the charges pursuant to the restrictive covenants applicable to the subdivision shall constitute the dues.

II. MEETINGS:

A. ANNUAL MEETING: An annual meeting of the members shall be held within the boundaries of Romancoke on the Bay on the third or fourth Sunday in March at the hour of 1:00 P.M., for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

B. SPECIAL MEETINGS: Special meetings of the members may be called by the President, the Board of Directors, or not less than 25% of directors having voting rights, at Romancoke (or a place designated by the Board of Directors or as the case may be). If no designation is made, the place of meeting shall be the principal office of the corporation in the State of Maryland, but if all of the members shall meet at any time and place, either within or without the State of Maryland, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

C. NOTICE OF MEETINGS: Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered either personally or by mail, to each member entitled to vote at such meeting, not less than 10 nor more than 30 days before the date of such meeting, by the direction of the President, or the secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by the bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the land assessment records of Queen Anne's County, with postage thereon prepaid.

D. INFORMAL ACTION BY MEMBERS: Any action required by law to be taken at a meeting of the members, or any action that may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the members entitled to vote with respect to the subject matter thereof.

E. QUORUM: Members holding a majority of the votes that may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meetings of members, a majority of the members present may adjourn the meeting from time to time without further notice.

F. A member in good standing may vote on any election of Officers and Board of Directors as outlined in the Notice Of Meetings. An absentee ballot will be provided upon request to a member in good standing, and must be received by the Road Corporation before the time of the meeting

RECORDING FEE 10.00
TOTAL 10.00
Rcpt # 68769

III. FINANCIAL

A. The fiscal year begins March 01 and ends the last day of February. The Treasurer of Romancoke On The Bay Road Corporation will provide a financial accounting of the Corporation to cover the fiscal year. In any year a semi-annual meeting is held in the month of September, the treasurer will provide an accounting of the finances for the period of March 01, through August 31.

B. A budget will be prepared each year to be presented to the general membership at the scheduled March Annual Meeting of the Corporation.

C. Each private road in the community will have its own account, and road fees received from lot owners of said road will be deposited in that road's account to be used for repair, maintenance and construction as stated in Section 15 of the Covenants of Romancoke On The Bay.

D. The lot fees collected from property owners on County maintained roads will be first used to cover all General budgeted items to cover, but not limited to, the cost of Annual Meetings, bank service charges, office expenses and supplies, mailing costs, legal fees, snow removal, miscellaneous expense and other items voted on by the General Membership or decided upon by the Board of Directors.

E. Funds in excess of the amounts needed to cover the general budgeted expenses shall be pro-rated and credited to the private road budget accounts and become part thereof at the end of each fiscal year.

F. General budgeted items will be reimbursed each fiscal year to the amount agreed on by the general membership of the March Annual Meeting. Excess funds will then be credited to each private road budget account on a per lot base.

IV. BOARD OF DIRECTORS:

A. GENERAL POWERS: The affairs of the corporation shall be managed by its Board of Directors.

B. NUMBER, TENURE, AND QUALIFICATIONS:

The number of directors shall be 9, four of which will be the executive officers of the Romancoke on the Bay Roads Corporation and five who shall be directors of the Romancoke on the Bay Roads Corporation. Each executive officer and director will serve for a period of 2 years. On years ending in an even number, a President and Secretary will be elected with 3 additional members of the board. On years ending in an odd number, a Vice-President and Treasurer will be elected with 2 additional members of the board of Directors.

C. NOTICE: Notice of any special meetings of the Board of Directors shall be given at least five (5) working days previously thereto by written notice delivered personally or sent by mail or telegram to each director at his address as shown by the land assessment records of Queen Anne's County. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at the meeting need not be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

D. VACANCIES: Any vacancies occurring in the Board Of Directors, that Director shall be replaced by a vote of the majority of the Board of Directors, to hold office for the unexpired portion of the term of his predecessor in that office.

E. No member shall hold more than one elective office in any given year. Husband and wife members may not hold office or serve on the Board of Directors during the same period.

V. OFFICERS

A. EXECUTIVE OFFICERS: The executive officers of the corporation, shall be a President, A vice-President, a Secretary and a Treasurer, and such other officers as the members from time to time consider necessary for the proper conduct of the business of the Corporation.

B. PRESIDENT: The President shall be the chief executive officer of the Corporation. He shall, when present, preside at all meetings of the stockholders. He shall have general management and direction of the business of the Corporation. He shall have authority to sign and execute in the name of the Corporation all authorized deeds, mortgages, bonds, contracts or other instruments.

C. VICE-PRESIDENT: In the absence of the President, the Vice-President shall perform all the duties of the President and when so acting, shall have the powers of the President. The Vice-President shall (if provided by resolution of the members) have authority to sign and execute in the name of the Corporation all authorized deeds, mortgages, bonds, contracts or other instruments, and shall also have such additional powers and duties as may be assigned to him by the members.

D. SECRETARY: The Secretary shall keep the minutes of the meetings of the members in books provided for that purpose, see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; and, in general, perform all duties ordinarily incident to the office of a secretary of a corporation, and such other duties as, from time to time, may be assigned by the members, or by the President.

E. TREASURER: The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Corporation; deposit, or cause to be deposited, in the name of the Corporation, all moneys or other valuable effects in such banks, trust companies, or other depositories as shall, from time to time, be selected by the members; render to the President and to the members, whenever requested, an account of the financial condition of the Corporation; and, in general, perform all duties ordinarily incident to the office of a treasurer of a corporation, and such other duties as may be assigned by the members, or by the President.

F. REMOVAL: The Board of Directors shall have the authority to remove any Director, with just cause, if it is determined by a hearing before the Board of Directors that the best interest of the Corporation will be served by that action. At least 10 days prior to a scheduled hearing, written notice must be mailed to the Director, listing the charges being brought against him/her. No removal shall take place until the Director being charged has had the opportunity to appear before the Board of Directors for a hearing. In the event a Director fails to attend (3) three consecutive meetings such Director can be removed after written notice. The removal of any Director requires a majority vote of the Board of Directors, such vote, for or against, shall be conclusive.

VI. MISCELLANEOUS PROVISIONS

A. CORPORATE SEAL: It shall not be necessary for the Corporation to have a corporate seal. If the Corporation is required to place its corporate seal to a document, it is sufficient to meet the requirements of any lay, rule, or regulation relating to a corporate seal to place the word "(SEAL)" adjacent to the signature of the authorized officer of the Corporation.

Susan Cope March 21, 1999

SUSAN COPE, SECRETARY ROMANCOKE ON THE BAY ROAD CORPORATION BY MY HAND AND SEAL DATED THE 21st DAY OF MARCH 1999

RECEIVED
CLERK, CIRCUIT COURT
1988 DEC 30 PM 2:43
QUEEN ANNE'S COUNTY

RECD FEE 50.00
SUBTOTAL 50.00
CHECK/MO 50.00
#152670 C001 R00 T14:4
12/30/88

Homeowners Association Act
For
Sayer's Forest

1. The Name, Address and Telephone Number of Declarant is:

   Robert R. Price, Jr., Nancy B. Price, Robert R. Price, III D/B/A Sayer's Forest
   103 Lawyers Row
   Centreville, Maryland 21617
   (301) 758-1660

2. Sayer's Forest is a general partnership. The general partners are:
   1) Robert R. Price, Jr.
   2) Nancy B. Price
   3) Robert R. Price, III

3. Sayer's Forest consists of 10 residential parcels of land situtated on the Wye River, Fifth Election District, Queen Anne's County, Maryland, as designated on a plat recorded in M.W.M. No. 224, folio 767 and in Plat Book M.W.M. No. 7, folio 3.

4. A copy of the Declaration of Restrictions for Sayer's Forest recorded September 26, 1988, in Liber M.W.M. No. 261, folio 265 of the Land Records of Queen Anne's County is attached hereto as Exhibit A.

5. Restrictions provide in Article 17 that Developer may assign them to a homeowner's association for the enforcement of the covenants. The homeowner's association consists of the lot owners and they by majority vote may establish dues and assessments.

6. This is no common area owned by the Declarant or association and there is no budget.

7. Violations of the restrictive covenants can be enforced by abatement or injunctive relief.

8. Declarant's approval of any improvements is required prior to construction on any lot in Sayer's Forest.

9. Lot No. 10 of Sayer's Forest is excluded from the restrictive covenants.

10. The current zoning is NC-1.

11. There are no judgments on suits pending against Declarant.

LAW OFFICES
ROBERT R. PRICE, JR.
ATTORNEY AT LAW
CENTREVILLE, MARYLAND
758-1660

LIBER 261 FOLIO 265

DOCUMENT NO. 132358

DECLARATION OF RESTRICTIONS

SAYER'S FOREST

QUEEN ANNE'S COUNTY

WHEREAS, Robert R. Price, Jr., Nancy B. Price, and Robert R. Price, III, are the owners of a tract or parcel of land located in the Fifth Election District of Queen Anne's County, Maryland, and shown on a plat entitled "Sayer's Forest", prepared by Watson and Son, Surveyors and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 224, folio 767 and in Plat Book M.W.M. No. 7, folio 3, and

WHEREAS, the Owners have formulated and intend to place in effect, a general plan or scheme for the orderly, efficient, and harmonious utilization of Lots No. 1 thru 9 in the aforesaid plat as a waterfront residential community, and

WHEREAS, the success of such a plan or scheme depends upon said lots being made subject to the several covenants, agreements, easements, restrictions, conditions, and charges for such period or periods of time as may be hereinafter specified,

NOW, THEREFORE, THIS INSTRUMENT WITNESSETH, that Robert R. Price, Jr., Nancy B. Price and Robert R. Price, III, as Owners do hereby create, declare, establish and impose the following covenants, agreements, easements, restrictions and conditions to run with and bind Lot No. 1 thru 9 of "Sayer's Forest", to wit:

WHENEVER used in these Declaration of Restrictions the following definition shall apply, unless a contrary intention is clearly evident from the context:

A. The word "person" as hereinafter used, shall include individuals, co-partners, associations and corporations; the singular shall include the plural; and the masculine shall include the feminine and the neuter.

B. The word "Developers" as hereinafter used shall mean Robert R. Price, Jr., Nancy B. Price and Robert R. Price, III, or an assignee they shall specifically designate by instrument recorded among the Land Records of Queen Anne's County.

C. The words "Sayer's Forest" shall mean Lots No. 1 thru 9 on a plat titled "Sayer's Forest" prepared by Watson and Son, dated October, 1984; Lot No. 10 on said plat is specifically exempted from this Declaration of Restrictions.

D. The word "owner" or "owners" as hereinafter used, shall mean the persons having from time to time, the publicly recorded title to any lot in "Sayer's Forest".

E. The word "parcel" shall include the word lot.

LAW OFFICES
ROBERT R. PRICE, JR.
ATTORNEY AT LAW
CENTREVILLE, MARYLAND
758-1660

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CLERK, CIRCUIT COURT
1986 SEP 26 AM 10: 46
QUEEN ANNE'S COUNTY

MISC 0#
RECD FEE 32.00
POSTAGE .50
SUBTOTAL 32.50

1. No owner of any lot in "Sayer's Forest" shall acquire, by reason of his ownership of said parcel, any right to erect duck, goose or waterfowl pits or blinds thereon, or to hunt or shoot on, over and/or adjacent to said lot.

2. No building, dock, hedge, fence, wall, sign, bulkhead, jetty, seawall, swimming pool, or any other structure of any kind or nature whatsoever, or any addition or accessory thereto, shall be commenced, erected, or maintained, nor shall any addition to, change or alteration (including change of color of any exterior part) thereof be made until written or printed plans and specifications (showing the nature, kind, shape, heights, materials, floor plans, color scheme and location of the improvement with respect to plat plan, topography and ground elevation) shall have been submitted to, and approved in writing by, the Developers and copies of all building plans, specifications, alterations, plans, plat plans, etc., as above required permanently lodged with the Developers.

The Developers shall have the right to refuse to approve any building plan and/or grading plat, or material contemplated to be used in the proposed building or improvement, either external or internal, which, in its sole and uncontrolled opinion, is not considered suitable or desirable, whether for aesthetic or other reasons; and shall have the right to consider the suitability of the proposed dwelling, structure or other improvements, and the materials of which the same is to be built, erected or constructed, to the proposed site, the harmony thereof with the surroundings, and the effect thereof on the outlook from adjacent or neighboring properties.

The Developers shall further have the right to establish such minimum standards of landscaping and planting of trees and shrubs as it may deem appropriate for any improvements erected in Sayer's Forest, and require a landscape plan to be submitted as part of a building or grading plan.

In the event approval or disapproval is not made within 45 days of submission, approval shall be deemed to have been completed.

Any approval given hereunder shall become null and void unless construction of the approved structure is commenced within six (6) months of the date of such approval.

3. The floor area of any dwelling house erected upon any parcel, exclusive of basement and attached porches and garages, shall be not less than two thousand five hundred (2,500) square feet for a one story dwelling, nor less than three thousand (3,000) square feet for a one and one-half story dwelling, nor less than three thousand five hundred (3,500) square feet for a two story dwelling. No dwelling, garage, porch, or guest house shall be more than thirty-six (36) feet in elevation from ground level, provided, however, that the Developers reserves the right from time to time to amend or modify such requirements if, in its sole discretion, it deems it best so to do.

4. All detached garages and other appurtenant structures of any kind whatsoever, specifically including, but not being limited to, clotheslines, fuel tanks, garbage cans, incinerators and wood and/or compost piles, shall be located not less than

LAW OFFICES
OBERT R. PRICE, JR
ATTORNEY AT LAW
ENTREVILLE, MARYLAND
758-1660

one hundred (100) feet from the shore line, and not less than thirty (30) feet from side parcel lines, and all such structures, with the sole exception of buildings, shall be concealed from view from the water and from adjacent parcels, roads or streets by walls, screens and/or screen plantings, as the owner shall elect.

The Developers shall, in all cases, have the right to determine the location of the front, side and/or rear lines of any parcel and the amount of set back from said lines necessary to conform to the requirements hereof, and the determination, judgment and decision of the Developers thereon shall be final in all respects.

5. No excavation shall be made on the premises, except for the purpose of building thereon at the time when the building operations are commenced, and no earth or sand shall be removed from said premises except as a part of such operations. Any dwelling, outbuilding, or other structure, commenced as herein provided shall be completed within twelve (12) months of the date the same is commenced, unless the time for completion shall be extended by the Developers in the exercise of its discretion.

6. No boathouse shall be constructed on any parcel, or in the waters in front of any parcel.

7. No noxious or offensive trade shall be carried on upon any parcel, nor shall anything be done or kept thereon which may be or become an annoyance or nuisance to the neighbors. All parcels shall be used for residential purposes only, and not for purposes of any profession, trade or business whatsoever. Structures erected on any one parcel shall consist of a main dwelling or residence for the occupancy of one family only, together with a private garage, guest house, and other structures appurtenant to the main residence, or to be used in connection therewith. On no parcel shall there be more than one family and their servants occupying the main dwelling, or any structure appurtenant thereto.

8. No basement, tent, shack, garage, barn, outbuilding, mobile home, recreational vehicle, or vehicle of any type or boat shall be erected, parked, located or maintained on any parcel for use as a residence, either temporarily or permanently.

No trailer, habitable motor vehicle, camper, bus, construction equipment, farm equipment, truck over 1/4 ton capacity or similar machinery or equipment of any kind or character (except for such equipment and machinery as may be reasonable and customary in connection with the maintenance of any lot) sahll be kept, parked or stored upon any lot or parcel unless within a completely enclosed building.

No junk vehicles, unlicensed or inoperable vehicles shall be kept, parked or stored upon any lot or parcel.

No motor vehicle or other equipment of any kind or nature shall be regularly parked upon any of the roadways serving the parcels.

No signs of any type, including "for sale" realty signs can be erected on any premises, except a small identification sign as to the owner. Except a "for sale" sign for new construction approved by the developer.

A construction trailer may be located on the site during original construction.

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ATTORNEY AT LAW
CENTREVILLE, MARYLAND
758-1660

No boats, either on or off trailers, over 20 foot in length shall be stored or parked on any lot or parcel except in enclosed buildings.

No boat shall be stored on slings, lifts, davits or other methods out of the water unless approved by the Developers.

No dock or boat ramp shall be located or erected within fifty (50) feet of the boundary line of any abutting lot.

Boats under 20 feet in length may be dry stored on land provided they are shielded from sight of the adjoining parcels and roadway by evergreen shrubbery approved by the Developers.

Piers or docks shall be only for the use of the lot owners and their transient guests.

No satellite T.V. dishes, aerial or antenna equipment shall be located on any lot without the written approval of the Developers.

9. No animals, livesotck, poultry, or other fowl of any kind shall be raised, bred or kept on any parcel, provided, however, that no more than a total of three (3) dogs, cats and other household pets may be raised, bred or kept, provided that they are not raised, bred or kept for any commercial purpose.

10. No lot in "Sayer's Forest" shall be subdivided or less than the entirety thereof conveyed or transferred by the Owners.

11. In order to preserve or improve the views, to promote the free movement of air and to prevent the harboring of flies, mosquitoes and other insects, the Developers reserve the right to require the owner of any parcel, upon thirty (30) days written notice, mailed to the owner at his address as shown in the tax assessment records of Queen Anne's County, to trim any trees or shrubbery, to cut and remove any tall grasses and weeds, and/or to remove any trash and litter standing on any part of such parcel which may , in the opionion of the Developers, destroy or interfere with such views or the free movement of air and/or which may furnish harboring places for flies, mosquitoes or other insects, and the Developers may trim, cut and remove such trees, shrubbery, grasses, weeds, trash and litter at the expense of the owner in the event said owner shall fail to do so within thirty (30) days of the mailing of said notice.

12. Easements and rights of way are hereby expressly reserved upon, in and over strips of land five (5) feet in width along all interior parcel lines and strips of land ten (10) feet in width along the outer edges of all roads and streets in Bennett's Point for the purpose of erecting, constructing, inspecting and maintaining poles, wires and conduits, and the necessary or proper attachments in connection therewith, for the transmission of electricity and for telephone and other public utilities or services, and for public sanitary sewers and storm water drainage; and the Developers, and/or its nominees, shall have the right to enter upon said reserved strips of land for any of the purposes for which said easements and rights are reserved as above set forth. The Developers shall have the right to remove, prune, or trim any tree or shrub interfering with the construction or maintenance of electric or telephone lines or other utility services.

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13. All of the covenants and restrictions contained herein shall be in perpetuity, but on and after thirty (30) years from the date hereof, a majority of the then owners of the leasehold or fee simple interest (but not reversionary of mortgagee interests) of the parcels subject hereto may at any time amend, cancel, annul or abrogate, in whole or in part, said restrictive covenants and conditions by proper instruments duly executed and properly recorded among the Land Records of Queen Anne's County.

14. If any provisions of the covenants and restrictions herein contained, or the application of any such provisions to any person or circumstances, shall be held invalid, the remainder of these covenants and restrictions, or the application of the provisions thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

15. The provisions herein contained shall run with and bind the land and shall inure to the benefit of, and be enforceable by, the Developers or the owner of the leasehold or fee simple interest (but not reversionary or mortgagee interest) of any parcel or other area, their respective legal representatives, heirs, successors, and assigns; and failure by the Developers of any land owner to enforce any restriction, condition, covenant or agreement herein contained shall not in any event be deemed a waiver of the right to do so.

Violation of any covenant, condition or restriction herein shall give the Developers, in addition to all other remedies, (a) the right to enter upon the land upon, or as to which, such violation exists and summarily to abate and remove, at the expense of the owner thereof, such violation, and neither the Developers, nor any of its agents, officers, or employees, shall thereby be deemed guilty of any manner of trespass for such entry, abatement or removal, or be liable for any damages resulting therefrom, and (b) the right to apply for injunctive relief, the owner being deemed to have agreed that any such breach cannot be compensated adequately by recovery of damages. All such rights shall be continuing in character, and shall not be deemed to be terminated, exhausted or abridged by the multiple exercise thereof.

16. The Developers hereby expressly reserve the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions and covenants contained hereby by an appropriate written instrument, so long as such changes do not substantially affect the rights of any owner of any parcel. Where any owner's rights are so substantially affected, before any such change can become operative, all affected owners must indicate their consent to an approval of such annulment, waiver, modification or change, by joining in an appropriate agreement to be duly executed and recorded among the Land Records of Queen Anne's County.

17. Any or all of the rights, titles, easements, and estates given to or reserved by the Developers in this instrument may be assigned, in whole or in part, to one or more corporations, persons, or associations, and likewise all of the powers (including discretionary power(s), duties and obligations given to, assumed by, or imposed upon the Developers by this instrument

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may be assigned and transferred to one or more corporations agreeing to assume, exercise, carry out and perform the same. The Corporation may, at any time deemed advisable by it, cause any or all of said rights, titles, easements, and estates to be conveyed to an association to be formed by the several property owners in Sayer's Forest. Each person, by the acceptance of a deed to, or by entering into possession of, property in Sayer's Forest, agrees to become a member of such an association and to pay such reasonable dues and assessments as may be levied from time to time by a majority vote of the association, provided that only owners and lessees of property in Sayer's Forest shall be eligible for membership in said association. Any such assignment or transfer shall be made by an appropriate written agreement in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance and assumption of such powers, duties and obligations; and such assignee or transferee shall thereupon have the same powers and be subject to the same duties and obligations as are herein given to, assumed by, or imposed upon the Developers, the Developers thereupon being released therefrom.

18. All the lots are located within the Critical Area as defined by Section 8-18 of the National Resource Article of the Maryland Code. All lot owners agree to comply with reasonable standards to protect the natural animal and plant habitat on these lots. All shore erosion work shall be in compliance with the Critical Area criteria.

WITNESS the hands and seals of the Devlopers this 19th day of May, 1985.

WITNESS:

Nancy J. Collier — Robert R. Price, Jr. (SEAL)

Nancy J. Collier — Nancy B. Price (SEAL)

Nancy J. — Robert R. Price, III (SEAL)

STATE OF MARYLAND)
)
QUEEN ANNE'S COUNTY)

TO WIT:

I HEREBY CERTIFY, that on this 19th day of May, 1985, before me, the Subscriber, a Notary Public of the State and County aforesaid, personally appeared Robert R. Price, Jr., Nancy B. Price, and Robert R. Price, III and they acknowledged the aforegoing Declaration of Restrictions to be their act.

WITNESS my hand and Notarial Seal.

Nancy J. Collier
Notary Public
My Commission Expires: 7/1/86

Argyll Development Corp by
Robert Campbell, Pres.

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ROBERT R. PRICE, JR.
ATTORNEY AT LAW
CENTREVILLE, MARYLAND
758-1660

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BYLAWS
OF
THE SHORES OF BLOODY POINT
HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Name and Location. The name of the corporation is The Shores of Bloody Point Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located in Queen Anne's County, Maryland, as determined by the Board of Directors, but the meetings of members and directors may be held at such places as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. The terms "Association", "Declarant", "Lot", "Lot Owner" and "Plat" as used in these Articles of Incorporation shall have the meanings set forth in the Bloody Point Farm Declaration of Covenants, Conditions and Restrictions dated April 6, 1992, and recorded among the Land Records of Queen Anne's County in Liber 0391, at folio 916 (the "Declaration").

Section 2. "Member" means those persons and entities entitled to membership in the Association as provided in the Declaration and Articles of Incorporation of the Association.

RECORDING FEE 30.00
TOTAL 30.00
Rec# 04801 Rcpt # 63631
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Feb 02, 1999 08:28 am

ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association. The time and place thereof shall be set by the Board of Directors named in the Articles of Incorporation. Each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter at a date, time and places set by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days

but not more than sixty (60) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address on the books of the Association. Each Member shall supply his or her address to the Association for the purpose of receiving notice of meetings of the Members. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence of at least thirteen (13) of the Members (representing ownership of thirteen (13) of the nineteen (19) Lots), in person or by proxy, at the meeting of Members shall constitute a quorum for any action except as otherwise required in the Articles of Incorporation, the Declaration, or these Bylaws. Except as otherwise required in the Articles of Incorporation, the Declaration or these Bylaws, every decision made by a simple majority of all of the Members (representing ownership of ten (10) of the nineteen (19) Lots) of the Association at a duly held meeting at which a quorum of the Membership is present shall be regarded as the act of the Members. If, however, such a quorum shall not be present or represented at any meeting, the Members in attendance and entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable, shall be valid only for the meeting for which it is given, and shall automatically cease upon conveyance by the Member of his or her Lot.

ARTICLE IV
BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors consisting of not less than three (3) directors, nor more than six (6), who need not be Members of the Association.

Section 2. Term of Office. The terms of office of the "Charter Directors" (as defined in defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members at which their successors are elected. The terms of each director, other than a Charter Director, shall be for one (1) year or until his or her successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal; Vacancies. After the first annual meeting of the Association, any director may be removed from the Board of Directors, with or without cause, by a majority vote of the

Members of the Association. In the event of death, resignation or removal of a director, his or her successor shall be selected by the remaining directors on the Board of Directors (whether or not they constitute a quorum) and shall serve for the unexpired term of his or her predecessor.

Section 4. Compensation. No remuneration shall be paid to any director who is also a Lot Owner for services performed for the Association unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors before the services are undertaken.

Section 5. Action Taken Without a Meeting. To the greatest extent permitted by law, the directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall be appointed by the Board of Directors and shall consist of a Chairman, who may be a Member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors of the Association prior to each annual meeting of the Members, to serve until the close of the annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or nonmembers.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and Articles of Incorporation of the Association. The eligible persons receiving the largest number of votes shall be elected.

ARTICLE VI
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually, and otherwise as needed, at such place and hour as may be fixed from time to time by resolution of the Board of Directors, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors. Each director of the Board of Directors shall be entitled to cast one (1) vote on each issue being decided by the Board of Directors.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS: LIABILITY AND INDEMNIFICATION

Section 1. Powers. The Board of Directors shall have the power to:

(a) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by law or other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(b) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent without sufficient cause from three (3) consecutive regular meetings of the Board of Directors;

(c) levy fines against Members for violations of any covenants or use restrictions contained in the Declaration or for any rule adopted pursuant thereto, after notice and a hearing before the Board of Directors, if one is requested by the Member in writing within 10 days of receiving notice;

(d) employ a manager, an independent contractor, and such other employees as they deem necessary, and to prescribe their duties and other terms and conditions of employment;

(e) in the event the Association acquires any real property which will be designated as "Common Areas" for the use of the Members of the Association, the Board of Directors shall have the power to adopt and publish rules and regulations governing the use of any such Common Areas, including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish reasonable penalties, including fines, for the infraction thereof; and

(f) suspend the voting rights and the right of a Member to use the Common Areas during any period in which such Member shall be in default in the payment of any assessment, fine or other charge levied by the Association, or for infraction of

published rules and regulations. Such rights may only be suspended after notice and a hearing before the Board of Directors, if one is requested in writing by the Member within ten (10) days of receiving notice, and for a period not to exceed sixty (60) days, or for such period of time as the Member remains in default or in violation of the rules.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(i) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(ii) send written notice of each annual assessment to every Lot Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(iii) foreclose the lien against any Lot for which assessments are delinquent and/or bring an action at law against the Lot Owner personally obligated to pay the same;

(d) issue or to cause an appropriate officer to issue, upon demand by any Lot Owner liable for assessment or any first mortgagee, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board of Directors for the issuance of these certificates; if a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate comprehensive public liability and flood, fire and extended coverage insurance on insurable land and improvements owned or hereinafter acquired by the Association and cause to be written at the expense of the Association an officers and directors liability insurance policy;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause any Common Areas now owned or hereinafter acquired to be maintained.

Section 3. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and director of the Association against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding, including the settlement of any such suit or proceeding, if approved by the then Board of Directors, to which he may be made a party by reason of being or having been an officer or director of the Association, whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors of the Association shall be liable to the Association and the Members for any willful misconduct or bad faith, but shall not be liable for mistakes of judgment or otherwise if made in good faith. The officers and directors of the Association shall not have any personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Association, or former officer or director of the Association, may be entitled.

Section 4. Common or Interested Directors.

(a) The directors shall exercise their powers and duties in good faith and with a view to the interests of the Association.

(b) No contract or other transaction between the Association and one (1) or more of its directors, or between the Association and any corporation, firm or association, in which one (1) or more of the directors are directors or officers, or are pecuniarily or otherwise interested, is either void or voidable because such director or directors are present at the meeting of the Board of Directors, or any committee thereof, which authorizes or approves the contract or other transaction, or because his, her or their votes are counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

(i) The fact of the common directorate, office or interest is disclosed or known to the Board of Directors, or a majority thereof, or noted in the Minutes, and the Board of Directors authorizes, approves or ratifies such contract or other transaction in good faith by a vote sufficient for the purpose; or

(ii) The fact of the common directorate, office or interest is disclosed or known to the Members, or a majority thereof, and they approve or ratify the contract or other transaction in good faith by a vote sufficient for the purpose; or

(iii) The contract or other transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

(c) Common or interested directors may be counted in determining the presence of a quorum at any meeting of the Board of Directors, or any committee thereof, which authorizes, approves or ratifies any contract or other transaction, and may vote thereat to authorize any contract or other transaction with like force and effect as if he or she were not such director or officer of such other corporation or not so interested.

ARTICLE VIII
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by majority vote of the Board of Directors. The officer appointed to fill such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices

except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall be the chief executive officer of the Association and a Member of the Board of Directors. He or she shall preside at all meetings of the Association and the Board of Directors. He or she shall have all of the general powers and duties which are usually vested in the office of President of a corporation including but not limited to the power to appoint committees from among the Members, or other persons whom he or she feels are qualified, from time to time, as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

(b) Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to do so on an interim basis. The Vice President shall also perform such other duties as shall, from time to time, be imposed upon him or her by the Board of Directors.

(c) Secretary. The Secretary shall cause the minutes of all meetings of the Board of Directors and the Association to be kept; he shall have charge of such other books and papers as the Board of Directors may direct; and he shall, in general, perform or cause to be performed all the duties incident to the office of Secretary including counting the votes at meetings of the Association. In the Secretary's absence, the President shall designate some other person to count or cause the counting of such votes, and to assume the other duties of the Secretary.

(d) Treasurer. The Treasurer shall have responsibility for Association funds and securities, and shall be responsible for causing full and accurate accounts of all receipts and disbursements to be kept in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects, in the name and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors. The Board of Directors may delegate any or all of these duties to a Management Agent or banking institution.

ARTICLE IX
COMMITTEES

The Board of Directors shall appoint the Architectural Review Committee and a Nominating Committee. In addition, the Board of

Directors may appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE X
BOOKS AND RECORDS

The books, records and papers of the Association shall be maintained at the principal office of the Association or such other place designated by the Board of Directors from time to time. Any Member or his or her agent may inspect during reasonable business hours any of the following documents: the Declaration, the Bylaws, the Articles of Incorporation, the Minutes of the proceedings of the Members and Board of Directors, and annual statements of affairs.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent If any assessment is not paid within thirty (30) days after its due date, the assessment shall bear interest from the date of delinquency at the maximum rate permitted by law, as well as a late charge, and the Association may bring an action at law against the Lot Owner or his or her Lot, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessments. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his or her Lot.

ARTICLE XII
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the holders of sixty-six and two-thirds percent (66-2/3%) of the votes of the Members of the Association. The Members may be present in person or proxy, at the meeting at which the vote is taken.

Section 2. In the case of any conflict between the Articles of Incorporation of the Association and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIII
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of The Shores of Blood Point Homeowners Association, Inc. have hereunto set our hands this 31 day of OCTOBER, 1998.

WITNESS:

BOARD OF DIRECTORS:

_____ (SEAL)
Charles Stone

WITNESS:

_____ (SEAL)
George White

WITNESS:

_____ (SEAL)
Thomas Thierry

Certification

I, the undersigned, do hereby certify: (1) I am the duly elected and acting Secretary of The Shores of Bloody Point Homeowners Association, Inc., a Maryland corporation, and (2) that the foregoing By-Laws constitute the original By-Laws of said Association as duly adopted at a meeting of the Board of Directors thereof, held on the 31 day of OCTOBER, 1998,. In witness whereof, I have hereunto subscribed my name the 31 day of OCTOBER, 1998.

_____ (SEAL)
M. THOMAS DIFFENDAL Secretary

(WHB)SHORES OF BLOODY POINT-BYLAWS-2ND(kmlrev9/28/98)

The Shores of Bloody Point
'1999 Homeowners Association Budget

Income			
	19 Lots @	300.00	**5,700.00**
Expenses			
Insurance		650.00	
Bad Debt		300.00	
Legal		300.00	
Accounting/Office Expense		500.00	
Landscaping		1500.00	
Reserves		2450.00	
Total Expenses		5700.00	**5,700.00**
Profit/Loss			**0**

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TRANSFER AND ASSIGNMENT OF DECLARANT'S RIGHTS

THIS TRANSFER AND ASSIGNMENT OF DECLARANT'S RIGHTS (this "Agreement") is made and entered into this 31 of OCTOBER, 1998, by and between BLOODY POINT SHORES PARTNERSHIP, a Maryland general partnership (hereinafter referred to as the "Transferor") and THE SHORES OF BLOODY POINT HOMEOWNERS ASSOCIATION, INC., a Maryland corporation (hereinafter referred to as the "Transferee").

R E C I T A L S

A. On or about April 7, 1992, the Transferor caused to be recorded among the Land Records of Queen Anne's County, Maryland, in Liber 0391, folio 916, the Bloody Point Farm Declaration of Covenants, Conditions and Restrictions (the "Declaration") dated April 6, 1992.

B. The Declaration provided in Article VII, "Association", Section 1, "Transfer of Declarant's Rights", that: "Within 90 days of the sale of the last lot by the Declarant, its successors and assigns, agree to transfer the rights and responsibilities conferred upon the Declarant by the virtue of this Declaration of Covenants, Conditions and Restrictions unto a homeowners association and the Association provides that each lot shall have an equal vote and that any action of the Association shall be governed by a majority vote of the lots owners."

C. The Transferee was formed by the filing of Articles of Incorporation at the Maryland State Department of Assessments and Taxation on OCTOBER 31, 1998, as a non-stock corporation pursuant to the Corporations and Associations Article of the Annotated Code of Maryland, Subtitle 2, Non-Stock Corporations, Sections 5-201, et seq.

NOW, THEREFORE, in consideration of the mutual premises and obligations of the parties set forth herein and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, agree as follows:

1. **Recitals.** The hereinabove stated recitals are true and correct, are made a substantive part of this Agreement and are incorporated herein by reference.

2. **Transfer.** The Bloody Point Shores Partnership, Transferor, hereby transfers and assigns to The Shores of Bloody Point Homeowners Association, Inc., Transferee, all of its rights

and responsibilities conferred upon the Transferor by virtue of the Declaration as recorded among the Land Records of Queen Anne's County in Liber 0391, folio 916, and the Transferee, for itself, its successors and assigns, hereby accepts said transfer and the rights and responsibilities conferred by virtue of the Declaration.

3. **Liabilities.** Transferor acknowledges that Transferee is hereby accepting the transfer and assignment of said rights and responsibilities conferred in the Declaration free and clear of any and all liabilities and/or obligations of the Transferor prior to the date of transfer. The Transferor hereby agrees to save and hold harmless the Transferee from any such liabilities and/or obligations. Further, the parties hereto agree that the sole purpose of this transfer and assignment is to vest in the Transferee with the rights and responsibilities conferred upon the Transferor in the Declaration from this day forward.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the date first above written.

TRANSFEROR:

WITNESS:

BLOODY POINT SHORES PARTNERSHIP

By: _____ (SEAL)
H.A. Higham, General Partner

TRANSFEREE:

WITNESS:

THE SHORES OF BLOODY POINT HOMEOWNERS ASSOCIATION, INC.

By: _____ (SEAL)
Charles Stone, Director

WITNESS:

By: _____ (SEAL)
George White, Director

WITNESS:

By: _____ (SEAL)
Thomas Thierry, Director

IMP FD SURE $ 2.00
RECORDING FEE 20.00
TOTAL 22.00
Rec# 04481 Rcpt # 60867
SM RCB Blk # 283
Nov 04, 1998 02:08 PM

(WHB)SHORES OF BLOODY POINT-TRANSFER-1ST(kmlrev9/28/98)

STATE OF MARYLAND, Queen Anne COUNTY, to wit:

I HEREBY CERTIFY, that on this 31 day of October, 1998, before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared H.A. HIGHAM, who acknowledged himself to be the General Partner of Bloody Point Shores Partnership, and that he, being authorized to do so, in my presence, signed and sealed the foregoing instrument and acknowledged that he executed the same for the purposes herein contained.

WITNESS my hand and notarial seal, the day and year last above written.

Notary Public

My Commission Expires: 9.1.2001

STATE OF MARYLAND, Queen Anne COUNTY, to wit:

I HEREBY CERTIFY, that on this 31 day of October, 1998, before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared CHARLES STONE, who acknowledged himself to be a Director of The Shores of Bloody Point Homeowners Association, Inc., and that he, being authorized to do so, in my presence, signed and sealed the foregoing instrument and acknowledged that he executed the same for the purposes herein contained.

WITNESS my hand and notarial seal, the day and year last above written.

Notary Public

My Commission Expires: 9.1.2001

STATE OF MARYLAND, Queen Anne COUNTY, to wit:

I HEREBY CERTIFY, that on this 31 day of October, 1998, before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared GEORGE WHITE, who acknowledged himself to be a Director of The Shores of Bloody Point Homeowners Association, Inc., and that he, being authorized to do so, in my presence, signed and sealed the

foregoing instrument and acknowledged that he executed the same for the purposes herein contained.

WITNESS my hand and notarial seal, the day and year last above written.

Notary Public

My Commission Expires: 9.1.2001

STATE OF MARYLAND, Queen Anne COUNTY, to wit:

I HEREBY CERTIFY, that on this 31 day of October, 1998, before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared THOMAS G. THIERRY, who acknowledged himself to be a Director of The Shores of Bloody Point Homeowners Association, Inc., and that he, being authorized to do so, in my presence, signed and sealed the foregoing instrument and acknowledged that he executed the same for the purposes herein contained.

WITNESS my hand and notarial seal, the day and year last above written.

Notary Public

My Commission Expires: 9.1.2001

(WHB)SHORES OF BLOODY POINT-TRANSFER-1ST(kmlrev9/28/98)

STATE DEPARTMENT OF ASSESSMENTS
AND TAXATION

APPROVED FOR RECORD
11-10-98 at 10:00 A. .M.

ARTICLES OF INCORPORATION
OF
THE SHORES OF BLOODY POINT HOMEOWNERS ASSOCIATION, INC.

'98 NOV 10 AM 10 00

ASSESS. & TAX.

Article I. **Incorporator.** I, the subscriber, Thomas G. Thierry, whose post office address is 255 Lighthouse View Drive, Stevensville, Maryland 21666, being at least eighteen (18) years of age, do under and by virtue of the general laws of the State of Maryland and amendments thereto authorizing the formation of corporations, form a nonprofit corporation for the promotion and conduct of the purposes and objects hereinafter stated, by the execution and filing of these Articles.

Article II. **Name.** The name of the corporation is THE SHORES OF BLOODY POINT HOMEOWNERS ASSOCIATION, INC., (hereinafter called the "Association").

Article III. **Corporate Address and Resident Agent.** The address of the principal office of the Association in Maryland is 255 Lighthouse View Drive, Stevensville, Maryland 21666. The name and address of the Resident Agent of said Association is Thomas G. Thierry, 255 Lighthouse View Drive, Stevensville, Maryland 21666 Said Resident Agent is a citizen of Maryland and actually resides therein.

Article IV. **Definitions.** The terms "Association", "Lot" and "Lot Owner", as used in these Articles of Incorporation, shall have the meanings set forth in the Bloody Point Farm Declaration of Covenants, Conditions and Restrictions dated April 6, 1992, and recorded among the Land Records of Queen Anne's County in Liber 0391, at folio 916 (the "Declaration").

Article V. **Purpose and Powers of the Association.** The Association shall not operate for pecuniary gain or profit, shall not issue capital stock, and no part of the net earnings of the Association shall inure to the benefit of any member or individual (except that reasonable compensation may be paid for services rendered). The specific purposes for which it is formed are to provide for: (i) the promotion of the health, safety, pleasure, recreation and welfare of the residents of the Lots within the subdivision; (ii) the use, improvement, maintenance, operation and repair of any common areas hereinafter acquired by the

83148119

Association, including any improvements and amenities located thereon; (iii) the establishment of rules and regulations for the use of said common areas, including any improvements and amenities located thereon; and (iv) the distribution among the Lot Owners of the property of the costs of the use, improvement, maintenance and repair of said common areas, including any improvements and amenities located thereon. In furtherance of these purposes, the Association, (by action of its directors unless otherwise noted in these Articles of Incorporation or in the Declaration) shall have full power to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, and as the same may be amended from time to time as therein provided, the Declaration being incorporated herein by reference as if set forth herein;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith, including all office expenses, licenses, taxes or governmental charges levied or imposed against the property or other assets of the Association and all other expenses incident to the conduct of the business of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, subject, however, to the requirements of the Declaration;

(d) borrow money, and with the assent of two-thirds (2/3) of the votes of the members of the Association, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debt incurred;

(e) dedicate, sell or transfer all or any part of any common areas hereinafter acquired to any public agency, authority, or utility subject, however, to the requirements of the Declaration and to such conditions as may be agreed to by the

members. Unless otherwise specified in the Declaration, no such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of the members agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the members, unless the Declaration or By-Laws provides otherwise; and

(g) have and to exercise any and all powers, rights and privileges which a non-stock, non-profit corporation organized under the laws of the State of Maryland by law may now or hereafter have or exercise and the enumeration of the foregoing powers shall not be deemed to exclude any power rights or privileges so granted or conferred.

The foregoing powers and purposes shall, except when otherwise expressed, be in no way limited or restricted by reference to or inference from the terms of any other clause of this or any other article of these Articles of Incorporation or any amendment thereto, and shall each be regarded as independent.

Article VI. **Membership.** Every Lot Owner shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Article VII. **Voting Rights.**
All Lot Owners shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. However, the vote for such Lot shall be exercised as the Lot Owners among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Article VIII. **Board of Directors.** The affairs of this Association shall be managed by a Board of from three (3) to six (6) Directors, who need to be members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to

act in the capacity of directors until the first annual meeting of members or until their successors are elected and qualified are:

Charles Stone
212 Lighthouse View Drive
Stevensville, MD 21666

George White
221 Lighthouse View Drive
Stevensville, MD 21666

Thomas Thierry
255 Lighthouse View Drive
Stevensville, MD 21666

These directors (hereinafter the "Charter Directors") shall serve until the first annual meeting of the members at which their successors are elected. In the event of death or resignation of a Charter Director during his term of office, the remaining Charter Directors shall elect a successor Charter Director to fill the unexpired term of such Charter Director.

Article IX. **By-Laws.** The initial Board of Directors of the Association will have the right to establish By-Laws for the governing of the affairs of the Association.

Article X. **Dissolution.** The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the members.

Article XI. **Disposition of Assets Upon Dissolution.** Upon dissolution of the Association, other than incident to a merger, the assets, both real and personal, of the Association shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable to the same as those to which they were required to be devoted by the Association. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. No such disposition of Association properties shall be effective to divest or diminish any right or title of any member vested in him under the recorded covenants and deeds applicable to the properties unless made in accordance with the provisions of such covenants and deeds.

Article XII. **Duration.** The Association shall exist perpetually.

Article XIII. **Amendments.** Amendment of these Articles shall require the assent of sixty-six and two-thirds percent (66-2/3%) of the members of the Association. The members may be present in person or by proxy at the meeting at which the vote is taken.

Article XIV. **Indemnification.** Except as otherwise provided in the Declaration, no member of the Association shall have any personal liability or responsibility for any debt or other obligation of the Association.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Maryland, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 31 day of OCTOBER, 1998.

WITNESS:

THE SHORES OF BLOODY POINT
HOMEOWNER'S ASSOCIATION

By: Thomas G. Thierry

STATE OF MARYLAND, ~~ANNE ARUNDEL~~ QUEEN ANNE COUNTY, to wit:

I HEREBY CERTIFY, that on this 31 day of OCTOBER, 1998, before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared THOMAS G. THIERRY, who acknowledged the foregoing Articles of Incorporation to be his act and deed.

WITNESS my hand and notarial seal, the day and year last above written.

Notary Public

My Commission Expires: 9.1.2001

(WHB)SHORES OF BLOODY POINT-AOI-2ND(kmlrev9/28/98)

I HEREBY CONSENT TO ACT AS RESIDENT AGENT IN MARYLAND FOR THE ENTITY NAMED IN THE ATTACHED INSTRUMENT.

SIGNATURE

THOMAS G. THIERRY PRESIDENT

PRINT NAME

THE SHORES OF BLOODY POINT HOMEOWNERS ASSOCIATION, INC.

State of Maryland

DEPARTMENT OF ASSESSMENTS AND TAXATION

Charter Division

P.P.

PARRIS N. GLENDENING
Governor

RONALD W. WINEHOLT
Director

PAUL B. ANDERSON
Administrator

DOCUMENT CODE 02 BUSINESS CODE 04 COUNTY 24

_____ _____ P.A. _____ Religious _____ Close _____ Stock ✓ Nonstock

Merging (Transferor) _____

Surviving (Transferee) _____

CODE	AMOUNT	FEE REMITTED
10	_____	Expedited Fee
61	20	Rec. Fee (Arts. of Inc.)
20	20	Organ. & Capitalization
62	_____	Rec. Fee (Amendment)
63	_____	Rec. Fee (Merger, Consol.)
64	_____	Rec. Fee (Transfer)
66	_____	Rec. Fee (Revival)
65	_____	Rec. Fee (Dissolution)
75	_____	Special Fee
73	_____	Certificate of Conveyance
		_____
		_____
		_____
21	_____	Recordation Tax
22	_____	State Transfer Tax
23	_____	Local Transfer Tax
70	_____	Change of P.O., R.A. or R.A.A.
31	_____	_____ Corp. Good Standing
600		Returns
52	_____	Foreign Qualification
NA	_____	Foreign Registration
51	_____	Foreign Name Registration
53	_____	Foreign Resolution
54	_____	For. Supplemental Cert.
56	_____	Penalty
50		Cert. of Qual. or Reg.
83	_____	Cert. Limited Partnership
84	_____	Amendment to Limited Partnership
85	_____	Termination of Limited Partnership
80	_____	For. Limited Partnership
91	_____	Amend/Cancellation, For. Limited Part.
87		Limited Part. Good Standing
67	_____	Cert. Limited Liability Partnership
68	_____	LLP Amendment - Domestic
69	_____	Foreign Limited Liability Partnership
74		LLP Amendment - Foreign
99	_____	Art. of Organization (LLC)
98	_____	LLC Amend, Diss, Continuation
97	_____	LLC Cancellation.
96	_____	Registration Foreign LLC
94	_____	Foreign LLC Supplemental
92		LLC Good Standing (short)
13	_____	_____ Certified Copy _____
__	_____	Other _____

(New Name) _____

_____ Change of Name
_____ Change of Principal Office
_____ Change of Resident Agent
_____ Change of Resident Agent Address
_____ Resignation of Resident Agent
_____ Designation of Resident Agent and Resident Agent's Address
_____ Change of Business Code
_____
_____ Adoption of Assumed Name
_____ Other Change(s) _____

CODE _____

ATTENTION: _____

MAIL TO ADDRESS: Chesapeake Counting and Sales, Inc.
255 Lighthouse View Dr.
Stevensville Md
21666

TOTAL FEES 40 _____ Credit Card ✓ Check _____ Cash

_____ Documents on _____ Checks

APPROVED BY: _____

NOTE:
I.D. NO# D5136551
ACKN. NO. - 097C3129295
THE SHORES OF BLOODY POINT HOMEOWNERS ASSOCIATION, INC.

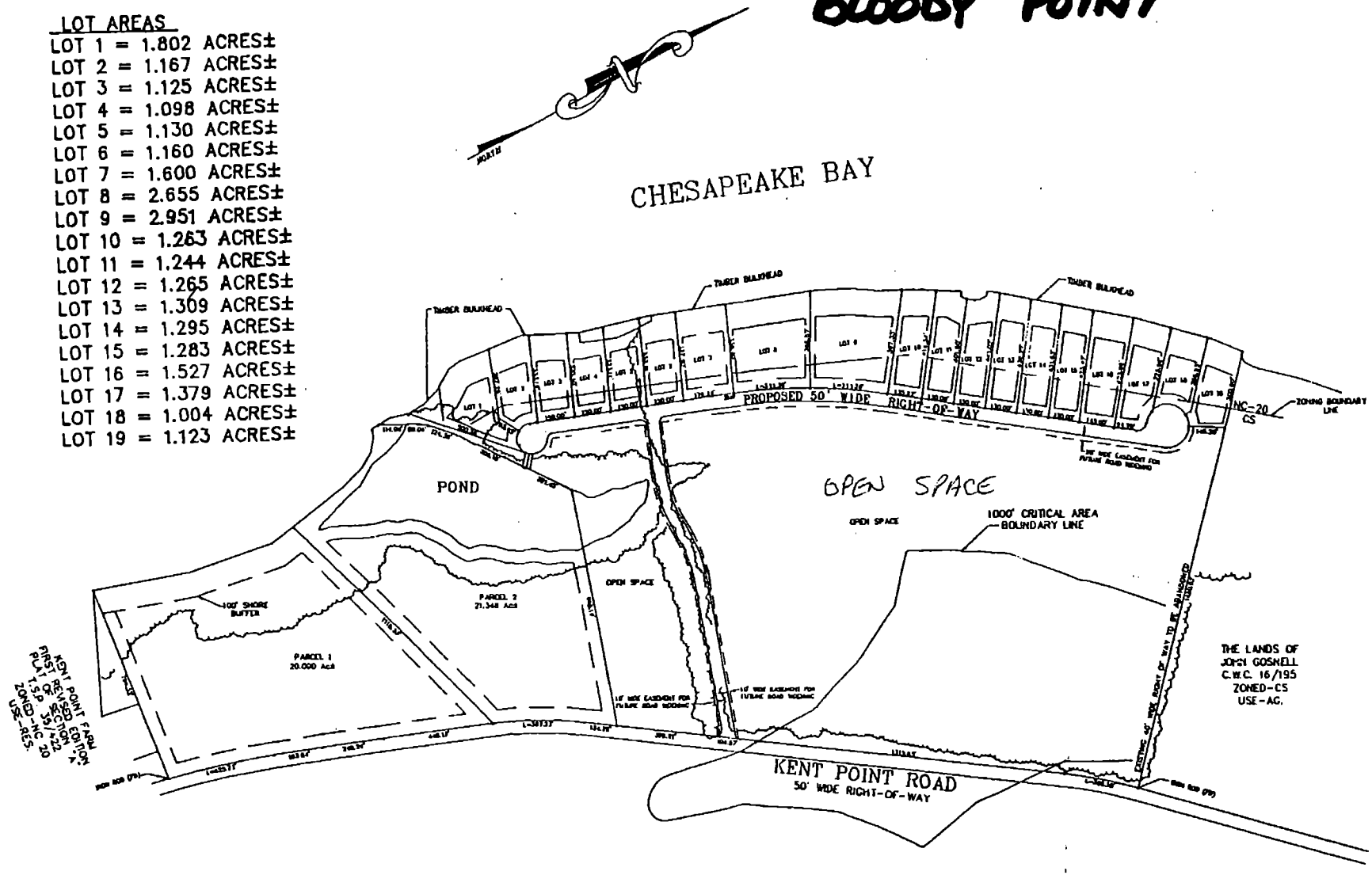
Room 801 - 301 West Preston Stree
Phone:(410) 767-1350 - Fax: (410) 333-7097 - TTY

11/10/98 AT 10:00 A.M.

THE SHORES OF BLOODY POINT

LOT AREAS

LOT 1 = 1.802 ACRES±
LOT 2 = 1.167 ACRES±
LOT 3 = 1.125 ACRES±
LOT 4 = 1.098 ACRES±
LOT 5 = 1.130 ACRES±
LOT 6 = 1.160 ACRES±
LOT 7 = 1.600 ACRES±
LOT 8 = 2.655 ACRES±
LOT 9 = 2.951 ACRES±
LOT 10 = 1.263 ACRES±
LOT 11 = 1.244 ACRES±
LOT 12 = 1.265 ACRES±
LOT 13 = 1.309 ACRES±
LOT 14 = 1.295 ACRES±
LOT 15 = 1.283 ACRES±
LOT 16 = 1.527 ACRES±
LOT 17 = 1.379 ACRES±
LOT 18 = 1.004 ACRES±
LOT 19 = 1.123 ACRES±



GRAPHIC SCALE

1" = 600'

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
PHILADELPHIA PA 19255

DATE OF THIS NOTICE: 12-17-1998
NUMBER OF THIS NOTICE: CP 575 G
EMPLOYER IDENTIFICATION NUMBER: 52-2134578
FORM: SS-4 (TELE-TIN)
2877727931 B

FOR ASSISTANCE CALL US AT:
410-962-2590 LOCAL BALTIMORE
1-800-829-1040 OTHER MD/DC

OR WRITE TO THE ADDRESS
SHOWN AT THE TOP LEFT.

IF YOU WRITE, ATTACH THE
STUB OF THIS NOTICE.

SHORES OF BLOODY POINT HOMEOWNERS
ASSOCIATION INC
PO BOX 415
STEVENSVILLE MD 21666

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER (EIN)

Thank you for your Tele-TIN phone call. We assigned you employer identification number (EIN) 52-2134578. This EIN will identify your business account, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

Use your complete name and EIN shown above on all federal tax forms, payments, and related correspondence. If you use any variation in your name or EIN, it may cause a delay in processing, incorrect information in your account, or cause you to be assigned more than one EIN.

If you're required to deposit for employment taxes (Forms 941, 943, 940, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), we will send an initial supply of Federal Tax Deposit (FTD) coupon books within five to six weeks. You can use the enclosed coupons if you need to make a deposit before you receive your supply.

Based on the information shown on your Form SS-4, you must file the following forms(s) by the date we show.

Form 1120H 03/15/1999

If the due date has passed please complete the form and send it to us by 01-04-1999. If we don't receive the form by that date additional penalties and interest will be charged. If you weren't in business or didn't hire employees for the tax period shown, please file the form showing that you have no liability.

If you need help in determining what your tax year is, you can get Publication 538, Accounting Periods and Methods, at your local IRS office.

If you have any questions about the forms shown or the date they are due, you may call us at 1-800-829-1040 or write to us at the address shown above.

(IRS USE ONLY) 575G 522134578 12-17-1998 SHOR B 2877727931 SS-4 (TELE-TIN)

If you haven't already completed Form SS-4, Application for Employer Identification Number, we need you to do it now so your account record will be complete. You can get Form SS-4 at your local IRS office or by calling 1-800-TAX-FORM (1-800-829-3676). After you complete the Form SS-4, sign and date it and write your new EIN, 52-2134578, in the upper right hand corner. Please return it to us with bottom part of this notice by 01-04-1999. We've enclosed an envelope for your convenience.

Thank you for your cooperation.

Keep this part for your records. CP 575 G (Rev. 7-97)

Return this part with any correspondence so we may identify your account. Please correct any errors in your name or address.

CP 575 G

2877727931

Your Telephone Number ( ) -

Best Time to Call

DATE OF THIS NOTICE: 12-17-1998
EMPLOYER IDENTIFICATION NUMBER: 52-2134578
FORM: SS-4 (TELE-TIN)

INTERNAL REVENUE SERVICE
PHILADELPHIA PA 19255

SHORES OF BLOODY POINT HOMEOWNERS ASSOCIATION INC
PO BOX 415
STEVENSVILLE MD 21666

MARYLAND
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION
301 W. PRESTON ST., BALTIMORE, MARYLAND 21201 / PHONE (410) 767-1340

THIS IS NOT A BILL

NOTE : NEW PHONE NUMBER (410) 767-1340

THE ARTICLES OF INCORPORATION
OF
THE SHORES OF BLOODY POINT HOMEOWNERS ASSOCIATION, INC.

YOUR ACCOUNT NUMBER WITH THIS OFFICE IS
D5136551

ACKNOWLEDGEMENT NUMBER
397C3129295

HAVE BEEN RECEIVED AND APPROVED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION THIS 10TH DAY OF NOVEMBER, 1998, AT 10:00 A.M. AND WILL BE RECORDED.

FEE PAID	AMOUNT
RECORDING FEE	20.00
ORGANIZATION AND CAPITALIZATION FEE	20.00
TOTAL→	40.00

IF COPIES OR CERTIFICATES WERE ORDERED THEY WILL BE FORTHCOMING

December 22, 1998

Mr. H. A. Higham
Bloody Point Shores Partnership
5513 Vine Street
Alexandria, Virginia 22310

Re: Letter of Intent Regarding Purchase
of ±60.014 acres in 4th Election District of
Queen Anne's County, Maryland
Purchaser : The Shores of Bloody Point
Homeowners Association, Inc.
Seller : Bloody Point Shores Partnership

Dear Mr. Higham:

Set forth below is an outline of the proposed terms and conditions of the purchase of all of that property designated as open space containing ±60.014 acres as more particularly described on a Plat of Bloody Point Farm, a subdivision in the Fourth Election District, prepared by Rauch, Walls and Lane, Inc., being recorded among the Plat Records of Queen Anne's County in Liber MWM 17, folio 74A (the "Property"):

1. Purchaser: The Shores of Bloody Point Homeowners Association, Inc., a Maryland corporation with a principal office located at 255 Lighthouse View Drive, Stevensville, MD 21666.

2. Purchase Price: $50,000.00 ($50,000 FIFTY) [redacted] be paid, in cash, certified check or wire transfer funds, at settlement.

3. Feasibility Period: Purchaser shall have a period of NINE (9) days from the date of execution of an Agreement to Sell and Purchase by all parties to determine the feasibility of completing the purchase of the Property (the "Feasibility Period"). During the Feasibility Period, the Purchaser shall have the right to enter the Property to conduct such tests and studies as the Purchaser deems necessary to determine if the Property can be utilized for the Purchaser's intended use. If the Purchaser determines that the Property can be so utilized, the Purchaser will notify the Seller, in writing, within five (5) days after the expiration of the Feasibility Period, of Purchaser's intention to complete the purchase. If the Purchaser determines that the Property can not be so utilized and does not notify the Seller as specified above, the Agreement to Sell and Purchase will automatically be terminated and neither the Purchaser nor the Seller will have any further obligations under the Agreement to Sell and Purchase.

4. Settlement: Settlement shall take place ONE (1) [redacted] after the expiration of the Feasibility Period.

5. Transfer Taxes, Assessments, Etc.: All state and county transfer taxes and county documentary stamps are to be equally split by Purchaser and Seller. All real estate taxes and all other public or governmental charges or assessments against the Property which are or may be payable on an annual basis are to be adjusted and apportioned as of the date of settlement and are to be assumed and paid thereafter by Purchaser. Agricultural transfer taxes, if any, shall be paid by Seller.

6. Existing Studies and Permits: The Seller agrees, at the time of the execution of this letter of intent, to provide to the Purchaser any environmental impact study, [redacted] all other tests and studies relating to the Property which are in the Seller's possession at no cost to the Purchaser.

If the general terms and conditions as set forth above are acceptable to you, please sign and date the enclosed copy of this non-binding letter of intent and return it to me on or before January 15, 1999. Upon receipt of a signed copy of this letter from you, we will request that our attorney promptly prepare a draft Agreement to Sell and Purchase for the Property in accordance with this letter of intent for your review and comments. This letter is not intended to be a binding contract and, until the Agreement to Sell and Purchase referenced above has been fully executed, the parties hereto shall not be bound.

Sincerely,

PURCHASER:

THE SHORES OF BLOODY POINT HOMEOWNERS ASSOCIATION, INC.

By: _____
Thomas G. Thierry, President

Subject to the execution of the final Agreement to Sell and Purchase, I approve the general terms and conditions of the above proposal.

SELLER:

BLOODY POINT SHORES PARTNERSHIP

By: _____
H. A. Higham, General Partner

Date: 12/22/98

December 22, 1998

Mr. H. A. Higham
Bloody Point Shores Partnership
5513 Vine Street
Alexandria, Virginia 22310

Re: Letter of Intent Regarding Purchase
of ±60.014 acres in 4th Election District of
Queen Anne's County, Maryland
Purchaser : The Shores of Bloody Point
Homeowners Association, Inc.
Seller : Bloody Point Shores Partnership

Dear Mr. Higham:

Set forth below is an outline of the proposed terms and conditions of the purchase of all of that property designated as open space containing ±60.014 acres as more particularly described on a Plat of Bloody Point Farm, a subdivision in the Fourth Election District, prepared by Rauch, Walls and Lane, Inc., being recorded among the Plat Records of Queen Anne's County in Liber MWM 17, folio 74A (the "Property"):

1. Purchaser: The Shores of Bloody Point Homeowners Association, Inc., a Maryland corporation with a principal office located at 255 Lighthouse View Drive, Stevensville, MD 21666.

2. Purchase Price: Eighteen Thousand Dollars ($18,000.00) to be paid, in cash, certified check or wire transfer funds, at settlement.

3. Feasibility Period: Purchaser shall have a period of sixty (60) days from the date of execution of an Agreement to Sell and Purchase by all parties to determine the feasibility of completing the purchase of the Property (the "Feasibility Period"). During the Feasibility Period, the Purchaser shall have the right to enter the Property to conduct such tests and studies as the Purchaser deems necessary to determine if the Property can be utilized for the Purchaser's intended use. If the Purchaser determines that the Property can be so utilized, the Purchaser will notify the Seller, in writing, within five (5) days after the expiration of the Feasibility Period, of Purchaser's intention to complete the purchase. If the Purchaser determines that the Property can not be so utilized and does not notify the Seller as specified above, the Agreement to Sell and Purchase will automatically be terminated and neither the Purchaser nor the Seller will have any further obligations under the Agreement to Sell and Purchase.

4. Settlement: Settlement shall take place forty-five (45) days after the expiration of the Feasibility Period.

5. Transfer Taxes, Assessments, Etc.: All state and county transfer taxes and county documentary stamps are to be equally split by Purchaser and Seller. All real estate taxes and all other public or governmental charges or assessments against the Property which are or may be payable on an annual basis are to be adjusted and apportioned as of the date of settlement and are to be assumed and paid thereafter by Purchaser. Agricultural transfer taxes, if any, shall be paid by Seller.

6. Existing Studies and Permits: The Seller agrees, at the time of the execution of this letter of intent, to provide to the Purchaser any environmental impact study, boundary survey, drainage study, topographical site plans and any and all other tests and studies relating to the Property which are in the Seller's possession at no cost to the Purchaser.

If the general terms and conditions as set forth above are acceptable to you, please sign and date the enclosed copy of this non-binding letter of intent and return it to me on or before January 15, 1999. Upon receipt of a signed copy of this letter from you, we will request that our attorney promptly prepare a draft Agreement to Sell and Purchase for the Property in accordance with this letter of intent for your review and comments. This letter is not intended to be a binding contract and, until the Agreement to Sell and Purchase referenced above has been fully executed, the parties hereto shall not be bound.

Sincerely,

PURCHASER:

THE SHORES OF BLOODY POINT HOMEOWNERS ASSOCIATION, INC.

By: _____
Thomas G. Thierry, President

Subject to the execution of the final Agreement to Sell and Purchase, I approve the general terms and conditions of the above proposal.

SELLER:

BLOODY POINT SHORES PARTNERSHIP

By: _____
H. A. Higham, General Partner

Date: _____

BLOODY POINT SHORES PARTNERSHIP
5513 VINE STREET
ALEXANDRIA, VA 22310
703 971-5200

VIA FACSIMILE
1 410-643-2873

December 7, 1998

Shores of Bloody Point
Homeowners Association, Inc.
c/o Michael Diffendal

CONDITIONS OF OPEN SPACE

SALES PRICE: $50,000.00

TERMS:
NOTES: (2)

1. H.A. Higham and Jane L. Higham, Joint Tenants
   6208 Higham Drive
   Alexandria, VA 22310

2. John M. Gass, Jr.
   6433 General Greenway
   Alexandria, VA 223

Each in the amount of $25,000.00@ 7% amortized for 20 years payable in full in five (5) years with no prepayment penalty.

Secured by Deed of Trust recorded on open space.

All costs of notes and trusts are to be paid by purchaser.

Interest and principal paid at above addresses annually.

All prior terms and conditions remain as previously stated.

Sincerely,

H. A. Higham

FAX & Mail
4106430421

BLOODY POINT SHORES PARTNERSHIP
5513 VINE STREET
ALEXANDRIA, VA 22310
703 971-5200

December 1, 1998

Shores of Bloody Point
Homeowners Association, Inc.
c/o Michael Diffendal
249 Lighthouse View Drive
Stevensville, Maryland 21666

Gentlemen:

The Bloody Point Shores Partnership offer the open space containing approximately 60.014 acres with the following terms and conditions

1. **Sales Price:** **$50,000.00**
2. **Settlement by 12/31/98**
3. **Terms: CASH**
   Will accept 90-day non-interest bearing note payable to H. A. Higham and John Gass-Trustees signed by directors of the HOA with appropriate authorization from the association.
4. **Taxes prorate at settlement.**
5. **Land sale "as is" free of all encumbrances and liens.**
6. **Seller to provide and execute good and merchantable special warranty deed.**
7. **All costs of settlement will be split 50/50 between buyer and seller-excluding title insurance paid by purchaser.**
8. **Settlement attorney selected by buyer.**
9. **This offer expires midnight 12-31-98.**

Sincerely,

H. A. Higham
Trustee

DEPARTMENT OF PLANNING AND ZONING
QUEEN ANNE'S COUNTY
107 N. LIBERTY STREET
CENTREVILLE, MARYLAND 21617

410-758-4088 Permits
410-758-3972 Fax
410-758-1255 Planning
410-758-2905 Fax

Memorandum

Date: December 14, 1998

To: Christopher Drummond, Esq.

From: Steven Kaii-Ziegler

Re: Open Space Covenants for The Shores of Bloody Point Subdivision

Attached is a letter from M. Thomas Diffendal dated December 10, 1998 outlining a discrepancy in the open space covenants presented to the Board of Appeals in a variance application and covenants approved and recorded with the subdivision. Mr. Diffendal is a property owner in the subdivision and is working on behalf of the Bloody Point Home Owners Association.

The discrepancy revolves around the change and analysis of open space covenants which were ultimately approved. The file also appears to indicate there were some conversations among the County's attorneys and developers attorney revolving around the covenants. The files are not definitive as to the final decisions made. I am therefore requesting your review of the file.

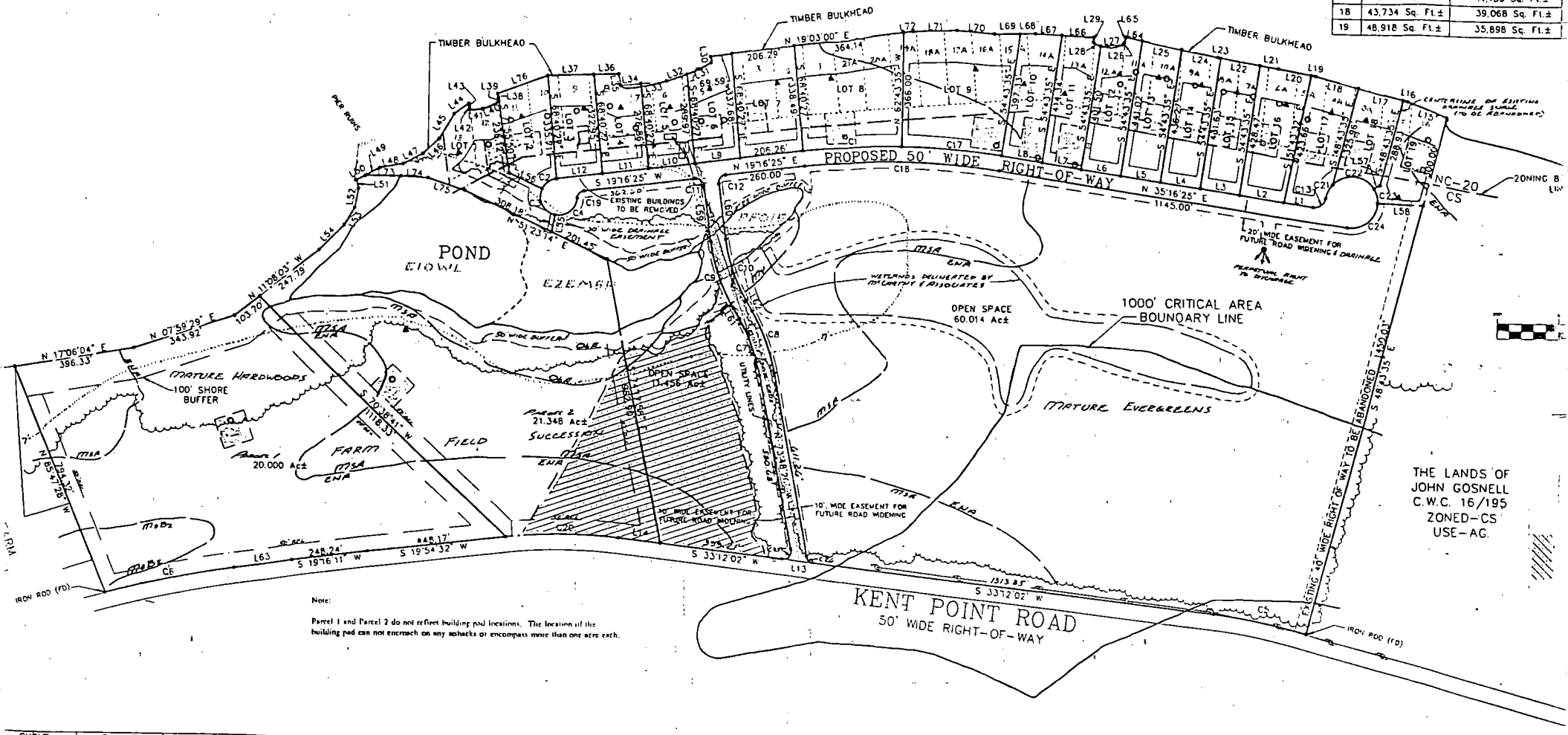
Mr. Diffendal is requesting an answer by December 18, 1998 as the Homeowners association must make a decision on purchasing the property prior to December 31, 1998. I have informed Mr. Diffendal that it is very unlikely we can accommodate his proposed deadline due to the research necessary to reconstruct events which happened 8-9 years ago.

cc: Mike Diffendal

CHESAPEAKE [illegible]

MAP SCALE: 1" = 1 MILE

11	54,185 Sq. Ft.±	33,934 Sq. Ft.±
12	55,103 Sq. Ft.±	34,870 Sq. Ft.±
13	57,020 Sq. Ft.±	37,295 Sq. Ft.±
14	56,410 Sq. Ft.±	36,925 Sq. Ft.±
15	55,887 Sq. Ft.±	36,726 Sq. Ft.±
16	66,516 Sq. Ft.±	45,032 Sq. Ft.±
17	60,069 Sq. Ft.±	41,133 Sq. Ft.±
18	43,734 Sq. Ft.±	39,068 Sq. Ft.±
19	48,918 Sq. Ft.±	35,898 Sq. Ft.±



Note:

Parcel 1 and Parcel 2 do not reflect building pad locations. The location of the building pad can not encroach on any setbacks or encompass more than one acre each.

CURVE	RADIUS	LENGTH	CHORD	BEARING
C1	2337.50'	326.38'	326.11'	S 23°16'25" W
C2	60.00'	60.15'	57.67'	S 09°26'52" E
C3	60.00'	108.66'	94.41'	N 89°57'03" E
C4	60.00'	103.29'	91.00'	N 11°14'45" W
C5	1979.44'	305.38'	305.08'	S 37°37'13" W
C6	3942.19'	425.71'	425.50'	S 15°14'18" W
C7	566.11'	198.92'	197.90'	N 83°52'19" W
C8	616.11'	216.49'	215.38'	N 83°52'19" W
C9	572.36'	231.88'	230.29'	S 82°19'57" E
C10	522.36'	211.62'	210.18'	S 82°19'57" E
C11	25.00'	39.27'	35.36'	S 64°16'25" W
C12	25.00'	39.27'	35.36'	S 25°43'35" E
C13	35.00'	54.98'	49.50'	N 09°43'35" W
C17	2337.50'	326.38'	326.11'	S 31°16'25" W
C18	2287.50'	638.79'	636.72'	S 27°16'25" W
C19	25.00'	34.83'	32.08'	S 20°38'39" E
C20	1583.01'	367.23'	366.41'	S 26°33'17" W
C21	85.00'	50.66'	49.92'	S 37°39'03" E

LINE	DIRECTION	DISTANCE
L1	N 35°16'25" E	94.78'
L2	N 35°16'25" E	145.00'
L3	N 35°16'25" E	130.00'
L4	N 35°16'25" E	130.00'
L5	N 35°16'25" E	130.00'
L6	N 35°16'25" E	130.00'
L7	N 35°16'25" E	130.00'
L8	N 35°16'25" E	135.22'
L9	N 19°16'25" E	150.00'
L10	N 19°16'25" E	149.97'
L11	N 19°16'25" E	150.03'
L12	N 19°16'25" E	150.00'
L13	N 33°12'02" E	104.57'
L14	N 33°12'02" E	134.25'
L15	N 48°15'50" E	135.02'
L16	N 41°41'20" E	16.00'
L17	N 41°43'11" E	150.00'

LINE	DIRECTION	DISTANCE
L26	N 30°32'06" W	11.33'
L27	N 21°00'18" E	74.65'
L28	N 53°26'36" E	25.58'
L29	S 58°35'06" E	15.19'
L30	N 70°41'07" W	20.17'
L31	N 00°55'30" E	86.50'
L32	N 06°57'46" E	69.49'
L33	N 20°27'33" E	82.56'
L34	S 21°21'25" W	67.24'
L35	S 71°07'40" E	36.72'
L36	N 24°06'48" E	81.22'
L37	N 24°08'48" E	150.09'
L38	N 73°05'04" W	15.67'
L39	N 71°55'50" W	9.12'
L40	N 00°46'20" W	55.94'
L41	N 24°31'41" E	42.53'
L42	S 70°14'06" E	10.56'

LINE	DIRECTION	DISTANCE
L51	N 76°51'12" W	28.11'
L52	N 52°58'04" W	64.07'
L53	N 33°26'59" W	66.19'
L54	N 19°04'51" W	116.23'
L55	S 51°55'46" E	56.79'
L56	S 51°49'52" W	117.97'
L57	N 04°04'26" W	21.79'
L58	N 29°08'57" E	145.20'
L59	N 70°43'35" W	184.47'
L60	N 70°43'35" W	184.47'
L61	S 86°03'42" W	38.95'
L62	S 86°03'42" W	38.95'
L63	S 18°19'55" W	193.64'
L64	N 37°22'05" E	52.10'
L65	N 50°26'27" W	12.73'
L66	N 29°39'25" E	105.18'
L67	N 29°39'25" E	85.86'

Each NC and CS cluster lot will consist

There are no slopes 15% or greater.
No more than 20% or each lot can be provided for in Section 6001 of the Code

The Shores of Bloody Point Homeowners Association

PO Box 415
Stevensville, Maryland 21666-0415

December 1, 1998

Mr. & Mrs. Thomas Thierry
255 Lighthouse View Drive
Stevensville, Maryland

Re: Initial Seed Funds

Dear Tom & Cindy:

Pursuant to a letter from Andy Higham dated August 4, 1998 to all of the lot owners at The Shores of Bloody Point, Mr. Higham indicated that eight of the homeowners were not required, in error, to remit the initial seed funds to the HOA in the amount of Three Hundred Dollars. The remaining eleven lot owners have paid into the fund at the settlement of their respective lots. Accordingly, at this time we need to fully fund the association with all of the lot owners contributing to this fund. Would you please be so kind as to remit the amount requested as follows:

Payable to:

The Shores of Bloody Point Homeowners Association
PO Box 415
Stevensville, Maryland 21666

Should you have any questions, please feel free to telephone me at (410) 643-1898. I would like to thank you in advance for your anticipated cooperation.

Sincerely,

M. Thomas Diffendal
Secretary/Treasurer

DISCLOSURE STATEMENT
FOR
SOUTHWIND LOT OWNERS ASSOCIATION, INC.

This Disclosure Statement is filed by the Southwind Lot Owners Association, Inc. (hereinafter the Association) to fulfill the requirements of Section 11B-112 of The Maryland Homeowners Association Act. The following is intended to provide interested parties with important information about the Association.

DECLARANT & VENDOR

The Declarant for the Association was the person who subjected the lots and common areas within the Association to the Declaration of Covenants, Conditions and Restrictions. The Declarant of the Association was Southwind Eastern Bay Limited Partnership, a Maryland limited partnership.

The principal address and telephone number of the Declarant are:

Suite 204
The Gatehouse at North Park
Cockeysville, Maryland 21030
301-667-8700.

MISC 0#
RECD FEE 50.00
CHECK/MO 50.00
#148400 C001 R00 T10:06
12/19/88

The Vendor for the Association is the entity which sold lots in the Association to members of the public. The Vendor for the Association was also Southwind Eastern Bay Limited Partnership, a Maryland limited partnership. All lots within the Association have been sold by the Vendor, and the Association is now fully controlled by its members.

The name and address of the general partner of the Vendor is:

RECEIVED
CLERK. CIRCUIT COURT
1988 DEC 19 AM 10 09
QUEEN ANNE'S COUNTY

Arundel Lumber Company, Inc.
Suite 204
The Gatehouse at North Park
Cockeysville, Maryland 21030
301-667-8700

DESCRIPTION OF ASSOCIATION

The Association was created on June 12, 1986 by the filing of a Declaration of Covenants, Conditions, and Restrictions (hereinafter "the Declaration") for Southwind on Eastern Bay among the land records of Queen Anne's County, Maryland. The Association is located on approximately 273 acres of land in Queen Anne's County, Maryland consisting of 97 residential lots and common areas which include four open space parcels, tennis courts, a clubhouse, a boat and camper storage lot, and a nature walk.

Southwind Lot Owners Association Inc., is an incorporated homeowners association under the laws of Maryland. The Maryland Resident Agent for the Association is Russell R. Reno, Jr. The address of the Resident Agent is 1800 Mercantile Bank & Trust Building, 12 Hopkins Plaza, Baltimore, Maryland 21201.

The Declarant did not reserve the right in the Declaration to expand the Association, however, the Declarant reserved the right in the Declaration to annex additional property to the Association provided the land owners agree and the annexation is approved by a two-thirds vote of the Association. Neither the Vendor nor the Declarant own any land contiguous to the Association which can be dedicated to public use. The Association will not be part of a larger development.

BYLAWS & RULES

A copy of the Association's Articles of Incorporation, Bylaws and Design Review Guidelines, which govern the development of private lots and homes in the Association, are attached hereto as Exhibits A, B and C respectively. As a homeowner, you are obligated to comply with these documents. The Association may enforce these documents against you and your tenants at your expense.

DECLARANT RIGHTS AND EXEMPTIONS

The Declarant reserved the following special rights or exemptions for itself in the Declaration:

1. Rights to conclude all necessary development, construction and marketing activities including improvements to the open space, storm drain easements, landscaping easement and access easements, the right to install utility lines and directional and marketing signs, and the right to install revetment, roads, underground utilities and drainage, and to maintain construction trailers and material storage facilities (Article IX);

2. The Declarant will effectively control the affairs of the Association for a limited time by virtue of a provision in the Declaration which gives the Declarant three votes for each lot it owns compared to one vote for each lot owned by regular members (Article IV);

3. Exclusive use of the permanent sign and landscaping easements (Article VII, Section 1);

4. The right to resubdivide any portion of the Association in accordance with Queen Anne's County regulations (Article IX);

5. The right to lease homes in excess of six month periods (Article XI);

6. The right to enforce the provisions of the Declaration (Article XII, Section 1);

7. The right to veto amendments by the Association to the following Articles of the Declaration: Article II, Section 2; Articles IV, VI, IX; Article X, Section 1; Article XI, Sections 2, 10, 12, 13 and 16; and Article XII (Article XII, Section 3);

8. The right to amend the Declaration if required by the Veterans Administration, Federal Housing Administration, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Government National Mortgage Association, and Queen Anne's County, Maryland or their successors and assignees (Article XII, Section 3).

PROPERTY TO BE OWNED OR LEASED AND MAINTAINED BY THE ASSOCIATION

The Association owns the following property:

1. That "Open Space 20.3 AC +/-" designated on the subdivision plat, recorded among the land records of Queen Anne's County, Maryland in Plat Book MWM No. 8, page 2 entitled "Southwind Subdivision Section Two"; and

2. That "Open Space 15.0 AC +/-" designated on the subdivision plat entitled "Southwind Subdivision Section One," which plat is recorded among the Land Records of Queen Anne's County, Maryland in Plat Book MWM No. 8, page 3; and

3. That "Open Space 3.4 AC +/-" designated on the subdivision plat entitled "Southwind Subdivision Section Two," which plat is recorded among the Land Records of Queen Anne's County, Maryland in Plat Book MWM No. 8, page 2; and

4. That "Open Space 1.6 AC +/-" designated on the Subdivision plat entitled "Southwind Subdivision Section Two," which plat is recorded among the Land Records of Queen Anne's County, Maryland in Plat Book MWM No. 8, page 2.

The Association will maintain these properties at the common expense of the members, along with the clubhouse, tennis courts, and other recreational amenities.

ASSESSMENTS FOR COMMON EXPENSES

The expenses for maintaining the common areas and other common expenses such as insurance, administrative costs, attorneys and accountants fees, reserves and the like will be met through regular monthly assessments against the members, as provided in the Declaration. Each homeowner's obligation to pay these monthly assessments becomes effective upon taking title to your home. The amount of each homeowner's monthly assessment obligation is determined by the Board of Directors when it adopts the annual budget for the Association. Homeowners must contribute their proportionate share of this budget by April 1st of each year. The amount of the assessment obligation may be increased or decreased annually when the Board adopts a new budget for each fiscal year but may not be increased by more than 10% per year unless approved by a 2/3 vote of each class of members. The Board is also empowered to levy mandatory special assessments in accordance with Article V, Section 4 of the Declaration to meet the cost of capital improvements and unforseen expenditures - provided 2/3 of the members approve the special assessment. Both regular and special assessments will be collected by the Association's management company. The assessments should be mailed to COMANCO, Inc., P.O. Box 3637, Crofton, Maryland 21114.

Unpaid assessments and fees are the personal obligation of each homeowner, and may be enforced by the Association in accordance with Article V, of the Declaration and the Maryland Contract Lien Act which permits the imposition of a lien upon your property for unpaid assessments, late fees, attorneys fees and interest. The Declaration for the Association permits the Association to add the following charge to unpaid assessments: interest at the rate of 12 percent per annum until paid, and reasonable attorneys fees incurred in connection with collecting the unpaid assessments.

In addition to these penalties, those who do not pay their assessments may be prohibited from voting on Association matters, including the election of members to the Board of Directors, and may be prohibited from using the open space and recreational amenities until their assessments are paid.

ZONING AND LAND USE REQUIREMENTS

Information regarding the zoning and land use restrictions which apply to the Association and your home is available for inspection at the following offices:

Department of Planning and Zoning
Queen Anne's County, Maryland
County Office Building
208 N. Commerce Street
Centreville, Maryland 21617
301-758-1255

Members should also carefully review Articles X and XI of the Declaration and the Design Guidelines which provide for use restrictions and detailed requirements for proposed contruction changes and maintenance requirements by the homeowners, all of which are enforceable by the Association through the Design Review Board, after approval by the Board of Directors.

MANAGEMENT AGENT

The management agent for the Association is authorized to provide information regarding the Association to members of the public in response to written inquiries only. If you have questions, please direct them in writing to:

COMANCO, Inc.
P.O. Box 3637
Crofton, Maryland 21114
Attention: M.J. Kirsch.

Southwind Lot Owners, Association, Inc.

BY: Eric S. Schrank
Eric Schrank, President

State of Maryland)
County of Baltimore)

Sworn and subscribed by me this 8th day of December, 1988.

My commission expires:
7/1/90

Dolores B. Casson
NOTARY PUBLIC

DOLORES B. CASSON NOTARY PUBLIC BALTIMORE COUNTY, MD.

RETURN TO: THOMAS C. KIMMEL, ESQUIRE
541 POPLAR STREET
CAMBRIDGE, MARYLAND 21613

EXHIBIT A

RRR/sMc 07311-75074 06/09/86 2062U

ARTICLES OF INCORPORATION

OF

SOUTHWIND LOT OWNERS ASSOCIATION, INC.

In compliance with the requirements of Title 5, Subtitle 2 of the Corporations and Associations Article of the Annotated Code of Maryland, the undersigned, a resident of Maryland, who is of full age, has this day, formed a non-stock corporation, not for profit, and does hereby certify:

ARTICLE I

NAME

The name of the Corporation is SOUTHWIND LOT OWNERS ASSOCIATION, INC., hereinafter called the "Association."

ARTICLE II

PRINCIPAL OFFICE

The principal office of the Association is located at Suite 204, The Gatehouse at North Park, Cockeysville, Maryland 21030.

ARTICLE III

RESIDENT AGENT

Russell R. Reno, Jr., whose address is 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Maryland 21201, is hereby appointed the resident agent of the Association.

reach

ARTICLE IV

DEFINITIONS

The terms "Association," "Lot," "Lot Owner," "Declarant," "Residents," "Open Space," "Improvements," "Permanent Sign and Landscaping Easements," "Access Easement," and "Storm Drain Easements," as used in these Articles of Incorporation shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for Southwind dated _____, 1986, and recorded among the Land Records of Queen Anne's County in Liber ____, at folio ___ (the "Declaration").

ARTICLE V

PURPOSES AND POWERS OF THE ASSOCIATION

The Association shall not operate for pecuniary gain or profit, shall not issue capital stock, and no part of the net earnings of the Association shall inure to the benefit of any member or individual (except that reasonable compensation may be paid for services rendered). The specific purposes for which it is formed are to provide for; (i) the use, improvement, maintenance, operation and repair of the Open Space located in Southwind, (ii) the improvement, maintenance, operation and repair of the Permanent Sign and Landscaping Easements and of the Access Easement, (iii) the maintenance, operation and repair of the Storm Drain Easements (to the

extent such obligations are not assumed by Queen Anne's County, Maryland), (iv) the establishment of rules and regulations for the use of the Open Space and the Access Easement, (v) the distribution among the Lot Owners of the costs of the use, improvement, maintenance, operation and repair of the Open Space, of the costs of improvement, maintenance, operation and repair of the Permanent Sign and Landscape Easements and of the Access Easement, and of the costs of the maintenance, operation and repair of the Storm Drain Easements (not otherwise borne by Queen Anne's County, Maryland), (vi) the imposition and enforcement of reasonable use and architectural controls with respect to the Lots and for any Improvements erected on the Lots for any additions, reconstructions and/or replacements thereof, and (vii) the promotion of the health, safety, pleasure, recreation and welfare of the Residents of Southwind. In furtherance of these purposes, the Association (by action of its Directors unless otherwise noted in these Articles of Incorporation or in the Declaration) shall have full power to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration as the same may be amended from time to time as therein provided (including, without limiting the generality of the foregoing, the power and

privilege to create the Design Review Board more particularly referred to therein and delegate to the Design Review Board the authority to promulgate design, construction and maintenance standards and approve the plans and specifications for Improvements and administer and enforce the Architectural and Use restrictions relating to the Lots), said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the affairs of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association subject, however, to the requirements of the Declaration;

(d) borrow money and, with the assent of two-thirds (2/3rds) of the votes of the members of the Association, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrower or debts incurred;

(e) dedicate, sell or transfer all or any part of the Open Space to any public agency, authority, or utility subject, however, to the requirements of the Declaration and to such conditions as may be agreed to by the members;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional property and open space, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3rds) of the votes of the members;

(g) have and to exercise any and all powers, rights and privileges which a non-stock corporation organized under the Corporation Law of the State of Maryland by law may now or hereafter have or exercise.

ARTICLE VI

MEMBERSHIP

Every Owner of a Lot shall be a member of the Association. Declarant shall be a member of the Association so long as Declarant is a Lot Owner. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

ARTICLE VII

CLASSES OF MEMBERS

The Association shall have two classes of voting membership:

Class A: Class A members shall be all Lot Owners with the exception of the Declarant and shall be entitled to one

vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The votes for such Lot shall be exercised as they determine, but in no event shall more votes be cast with respect to any Lot than would be permitted if the Lot were owned by a single person.

Class B: The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are: Jeffrey L. Forman, Suite 204, The Gatehouse at North Park, Cockeysville, Maryland 21030, Mitchell Posner, Suite 204, The Gatehouse at North Park, Cockeysville, Maryland 21030, and Eric S. Schrank, Suite 204, The Gatehouse at North Park, Cockeysville, Maryland 21030. The aforesaid Directors (herein called "Charter Directors") shall serve until the first annual meeting of the members at which their successors are elected. In the event of death or resignation of a Charter Director during his term of office, the remaining Charter Directors shall elect a successor Charter Director to fill the unexpired term of such Charter Director.

ARTICLE IX

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the holders of not less than two-thirds (2/3rds) of the votes of the members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE X

PERPETUAL EXISTENCE

The Association shall exist perpetually.

ARTICLE XI

AMENDMENT

Amendment of these Articles shall require the assent of the holders of two-thirds (2/3rds) of the votes of the members present in person or by proxy at the meeting at which the vote is taken. Anything set forth above in this ARTICLE XI to the contrary notwithstanding, Declarant shall have the absolute unilateral right, power and authority to modify, revise, amend

or change any of the terms or provisions of these Articles of Incorporation all as from time to time amended or supplemented. This unilateral right, power and authority of Declarant may be exercised if, and only if, (i) either the Veterans Administration ("VA"), the Federal Housing Administration ("FHA"), the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal National Mortgage Association ("Fannie Mae") or the Government National Mortgage Association ("Ginnie Mae"), or any successor agencies or entities thereto or any agencies or entities providing similar programs shall require such action as a condition precedent to the approval by such agency or entity of Southwind or any part thereof or any Lots thereon for approved mortgage financing purposes under applicable VA, FHA, Freddie Mac, Fannie Mae or Ginnie Mae or similar programs, or (ii) Queen Anne's County, Maryland shall require such action. Should the VA or FHA or any successor agencies thereto approve Southwind or any part thereof or any Lot therein for approved mortgage financing purposes, any amendments to these Articles made during any period of time when there are Class B members of the Association shall also require the consent of the agency giving such approval.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Maryland, the undersigned, Russell R. Reno, Jr., whose post office address is 1800

Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Maryland 21201, being at least eighteen years of age, has executed these Articles of Incorporation this 12TH day of JUNE, 1986, for the purpose of incorporating this Association.

Russell R. Reno, Jr.

STATE OF MARYLAND, ~~CITY~~ COUNTY OF BALTIMORE, to wit:

I HEREBY CERTIFY, that on this 12TH day of JUNE, 1986, before me, the subscriber, a Notary Public of the State of Maryland, in and for the ~~City~~ COUNTY of Baltimore, personally appeared RUSSELL R. RENO, JR., and acknowledged the foregoing Articles of Incorporation to be his act.

AS WITNESS, my hand and Notarial Seal.

DOLORES B. CASSON NOTARY PUBLIC BALTIMORE COUNTY, MD.

Dolores B. Casson
NOTARY PUBLIC
My Commission expires: 7/1/86

EXHIBIT B

RRR/sMc 07311-75074 06/09/86 2073U

BY-LAWS
OF
SOUTHWIND LOT OWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is SOUTHWIND LOT OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be located at Suite 204, The Gatehouse at North Park, Cockeysville, Maryland 21030, but meetings of members and directors may be held at such places within Baltimore City, Baltimore County or Queen Anne's County, Maryland, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. The terms "Association," "Lot," "Lot Owner," "Declarant," "Open Space," "Improvements," "Permanent Sign and Landscaping Easements," "Access Easement," and "Storm Drain Easements," as used in these By-Laws shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions for Southwind dated _____, 1986, and recorded among the Land Records of Queen Anne's County in Liber ____, folio ___.

Section 2. "Member" shall mean and refer to those persons or entities entitled to membership in the Association as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within Baltimore City, Baltimore County, Anne Arundel County or Queen Anne's County selected by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are (i) entitled to vote one-fourth (1/4th) of all of the votes of the Class A Membership, or (ii) entitled to vote one-fourth (1/4th) of all of the votes of the Class B Membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than fifteen (15) nor more than sixty (60) days before

such meeting to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting. In the case of a special meeting or an annual meeting where action is proposed which requires the assent of the holders of two-thirds (2/3rds) of the votes of the Association or two-thirds (2/3rds) of the votes of each Class of Members of the Association, the notice shall state the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of the Members or proxies entitled to cast one-tenth (1/10th) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE V

BOARD OF DIRECTORS
SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who need not be Members of the Association.

Section 2. Term of Office. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the annual meeting of the Members at which their successors are elected. The terms of each director other than a Charter Director shall be for one (1) year or until his successor is elected, whichever shall be the longer period. Each director, other than a Charter Director, shall be elected at the annual meeting.

Section 3. Removal. Any director, other than a Charter Director, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal, pursuant to these By-Laws, of a Director, other than a Charter Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor. In the event of death, or resignation of a Charter Director during his term of office, the remaining Charter Directors shall elect a successor Charter Director to fill the unexpired term of such Charter Director.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination of Directors, other than Charter Directors, for election to the Board of Directors shall be made by a Nominating Committee. Nomination may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more other persons. The Nominating Committee shall be appointed by the President of the Association at least sixty (60) days prior to each annual meeting of the Members, to serve until the close of such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members of non-Members.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At such election the Member or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Open Space and the Access Easement, and its facilities thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights, and the right of use of the Open Space and the Access Easement, of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration;

(d) employ a manager, an independent contractor, or such other employees or contractors as they deem necessary, and to prescribe their duties.

(e) create the Design Review Board more particularly referred to in the Declaration and delegate to the Design Review Board the authority to promulgate design, construction and maintenance standards and approve the plans and specifications for Improvements, and administer and enforce the architectural and use restrictions relating to the Lots.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by holders of one-fourth (1/4th) of the votes of the Class A Members or by the holders of one-fourth (1/4th) of the votes of the Class B Members;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) send written notice of each annual assessment to every Lot Owner subject thereto not later than February 15th of each year (or such later date as may be specified in the Declaration with respect to the first annual assessment), and of each special assessment at least forty-five (45) days in advance of its due date;

(2) foreclose the lien against any Lot for which assessments are not paid within thirty (30) days after the due date thereof or bring an action at law against the Lot Owner personally obligated to pay the same; and

(3) bring an action at law

against the Declarant to enforce the payment of the Declarant's share of such costs.

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. A properly executed certificate as to the status of assessments on a Lot is binding upon the Association and shall be conclusive evidence of such payment or nonpayment, as the case may be.

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be Members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of

Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. Not more than two offices may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Members and of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an

annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX

COMMITTEES

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the Lot against which the assessment is made. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate of twelve percent (12%) per annum, and the Association may bring an action at law

against the Lot Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Open Space or Access Easement, or by abandonment of his Lot.

ARTICLE XII

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3rds) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these By-Laws, the Declaration shall control.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

IN WITNESS WHEREOF, we, being all of the Directors of Southwind Homeowners Association, Inc., have hereunto set our hands this 12TH day of JUNE, 1986.

Jeffrey L. Forman

Jeffrey L. Forman

Mitchell Posner

Mitchell Posner

Eric S. Schrank

Eric S. Schrank

C E R T I F I C A T I O N

I, the undersigned, do hereby certify:

THAT, I am the duly elected and acting secretary of the Southwind Lot Owners Association, Inc., a Maryland corporation, and

THAT, the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 12TH day of JUNE, 1986.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 12TH day of JUNE, 1986.

Jeffrey L. Forman, Secretary

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I. INTRODUCTION

The development team of Southwind is dedicated to creating a unique and environmentally sensitive waterfront community. The architectural design and construction philosophy of Southwind is that buildings and other site improvements should be unobtrusive in form and color in order to complement their natural setting. No particular period, style, geographic influence or traditional approach is specifically endorsed or encouraged. The primary objective is to create a total community that is homogeneous in feeling in a park-like setting and free from discordant architecture.

This philosophy suggests that each building be treated not as an individual creation or architectural entity arbitrarily placed on its site, but rather as a carefully planned addition to the natural setting which embraces its site and becomes one with it. Consequently, architectural solutions should extend beyond the building walls to include the entire site, varying in design to complement and enhance their natural surroundings. Colors and textures of exterior building materials should be compatible with the light reflecting properties of the natural elements such as water, sky and natural grasses and other vegetation.

This philosophy is challenged by the fact that there are, and will be divergent and often contradictory goals involved. That is to say, how does mankind build close to the waters of the Bay, yet still protect it from harmful effects of household living? How do Lot Owners express their personal lifestyle and design preference, yet have that expression fit in with other personal expressions? How do designers create ambiance and privacy yet still exploit the magnificent views from individual sites without impacting their neighbors' sites? How are controls established that will protect and enhance not only land and Bay, but each Owner's investment -- now as well as in the future?

To help meet this challenge, the development team has devoted a great deal of time and effort preparing these Design Review Guidelines (Guidelines) and to execute a land plan that carefully examines each Lot individually, and in context with neighboring Lots. The intent is to inform the Lot Owner of the opportunities, constraints and requirements involved in the design, construction and maintenance of their home at Southwind. The goal is to stimulate sound and creative individual architecture and site planning that will complement the existing natural features of each home site while creating a harmonious community of lasting value that is compatible with the environment.

To implement procedures that will insure the achievement of this goal, a Design Review Board (DRB) and a Design Review and Approval Process have been established. The Board of Directors of Southwind Lot Owners Association, Inc. has been granted the authority to appoint a Design Review Board (DRB) by the Declaration of Covenants, Conditions and Restrictions for Southwind. The Design Review Board is empowered by Article X of the Declaration of Covenants, Conditions and Restrictions for Southwind to review plans and specifications for all proposed Improvements (as defined below) on any Lot in Southwind or any proposed addition, change or alteration to or movement of any existing Improvements. The Declaration also empowers the Design Review Board to publish these Guidelines detailing design standards, maintenance and alteration standards, construction activity standards, and the design review and approval process and forms. All proposed Improvements must be processed through this system and receive final approval before any construction begins. In order to facilitate the design review and approval process, it is highly recommended that professional architects and landscape architects familiar with these Guidelines be consulted before submitting plans to the DRB. The relationship of the Design Review Board is to the Lot Owner. However, the Lot Owner may appoint an Authorized Agent, if written notice is given to the DRB.

Wherever used in these Design Review Guidelines, the term "Improvements" shall have the same meaning as in the Declaration, i.e., all construction or improvements of any kind including, but not limited to, any landscaping, grading, building, sign, fence, wall, garage, greenhouse, shed, bath house, awning, deck, gazebo, swimming pool, tennis court, playhouse, storage facility, maintenance shed, dog house, utility line or system, jetty, bulkhead, revetment, pier, dock, boat ramp, driveway, walk way, drain, exterior lighting, flag pole, mailbox, clothesline, satellite dish, antenna or structure of any kind. "Improvements" include all items of personal property which are visible from Public Streets, Lots, Open Space or the waters surrounding Southwind. "Site Improvements" shall mean all Improvements on a Lot other than the residence.

Design standards related to architectural, site improvement and landscaping features are set forth for initial Improvements, as well as standards relating to subsequent alterations or additions to and maintenance of Lots and Improvements. Standards have also been promulgated with respect to construction activity in order to insure that established residences will not be negatively impacted by construction elsewhere in Southwind.

These Design Review Guidelines have been published in order to aid Lot Owners and their consultants to plan Improvements and process plans for approval expeditiously. They highlight the major aspects of the subject and are not meant to be all inclusive. The Design Review Board retains the right to modify the Guidelines or to add to them from time to time, to grant exceptions or to enforce more stringent standards, all as it deems appropriate. Whether addressed in the Guidelines or not, the Design Review Board reserves the right to accept or reject the design, construction activity or maintenance of any Improvement, in its sole discretion.

The development team welcomes you in joining in this opportunity to create a truly outstanding waterfront community.

II. DESIGN STANDARDS

A. Architecture:

The primary design objective is that the community be compatible and harmonious with its natural surroundings. The land is open and the water views long and dramatic. Man-made architecture and forms should not compete with this natural environment, but should blend in to form a harmonious community. To achieve this continuity of community as much emphasis should be placed on siting, massing and visual harmony with its surroundings as on the architecture itself. The house and site should appear as a natural extension of the surrounding environment.

No particular architectural style, period, geographical influence or traditional approach is required at Southwind and individual expression is encouraged as long as the massing, shape, detailing, materials and colors are compatible to the visual harmony and continuity of the community.

Notwithstanding the above, "A" frames, cabins, typical tract homes and designs that evoke vacation or resort housing will not be allowed.

Certain elements of the buildings can provide a common tie that will promote this visual continuity and these elements in particular will be reviewed closely by the Design Review Board. Some of these elements are:

1. Foundations: Exposed foundations are to be kept to a minimum and should be appropriate to the architecture of the house. Exposed piling or pole foundations are not permitted. Concrete block or poured concrete walls shall be parged and painted to match the siding or brick colors. If site conditions call for large areas of exposed foundation, it is required that the house siding be continued to grade. Finished first floor elevations should be a maximum of three feet above the finished grade at the front of the house.

2. Exterior Walls: Generally, natural materials -- indigenous to the architecture of the Eastern Shore -- are preferred. Wood boards, siding or shingles are recommended. All wood is to be painted or stained in an approved color. Wood that is not painted or stained and left to weather naturally, is not allowed. Brick is

allowed as an exterior material with the following conditions:

- Brick must be painted in one of the approved colors. If unpainted brick is used, the color of the brick must be compatible with the approved colors, in the sole discretion of the DRB.

- Brick is allowed as an accessory material (i.e., chimneys, retaining walls, etc.) if it is painted in one of the approved colors. If unpainted brick is used, the color of the brick must be compatible with the approved colors, in the sole discretion of the DRB.

- Brick sizes shall be in scale to the structure. No "jumbo" brick is allowed.

Stucco, "Dryvit", "Sto" or other similar materials are allowed if they are colored in one of the approved colors.

Native stone is allowed as a building or trim material in earth-tone colors as approved by the DRB.

Imitation sidings -- that is, fabricated materials intended to look like another material, as well as aluminum, vinyl, plywood or composition board are not allowed. This does not preclude future materials that might be produced, but such materials must be approved by the Design Review Board.

3. Wall Openings: Windows and doors, greenhouse elements used as large "windows", louvres and vents must be compatible to the architectural style or period of the house. Wood or vinyl wrapped wood, anodized or baked enamel or aluminium are all acceptable if in appropriate colors that are the same or compatible to the exterior finish material. Fixed glass used to

provide "picture windows" or passive solar heating must be carefully integrated into the overall design. Tinted glass in such panels is acceptable in colors that relate to other finish materials, but reflective glass is prohibited.

4. Roofs: Roofing -- its shape, massing, material and color -- is a critical element in any attempt to visually tie together various architectural styles. Therefore, a minimum roof pitch on the dominant portion of the roof of 6 in 12 (6 inch rise in 12 inch run) is required. Overhangs, where appropriate, can help the total design effect and are encouraged. Vent pipes piercing the roof should be placed away from the street side and must be painted to match the roof color. If gutters and downspouts are employed to carry off roof rain water, they must be "painted out" to match in color the element to which they are attached (fascia, siding or trim guard). Skylights, solar panels, dormers and roof "cut outs" are elements that can affect the roofing appearance in drastic ways and will be reviewed by the DRB on an individual basis.

   Several roof types are acceptable:

- Wood shakes or wood shingles: Wood shakes and wood shingles are the preferred type of roof for use in Southwind. These roofs can be left to weather naturally.

- Heavy weight composition shingles: Heavy weight composition shingles can be used if they have a random cut textured effect. The color of these shingles must be compatible with the exterior of the house. The DRB will approve both the color and appearance of composition shingle samples submitted by Lot Owners.

- Slate roofs: Slate roofs are acceptable for use in Southwind.

5. Chimneys: Both the massing and materials are important in chimney design, and both must be compatible with the design of the house. If metal flues for heating or fireplaces are used, they must be encased in appropriate housings. Where metal is exposed at the chimney cap, it must be painted to blend with the chimeny housing or the roofing.

Brick chimneys must be painted in one of the approved colors or unpainted brick must fall within the approved color range.

6. Exterior Colors: As with roofing, exterior colors offer another medium to tie together various architectural styles. Accordingly, a range of natural colors has been pre-selected for use in Southwind (Approved Colors). The range of colors is broad enough to offer variety, yet all are compatible with one another. Samples of the Approved Colors are available upon request of the DRB. The use of an accent color for trim and special areas such as a front door is acceptable if the accent color is harmonious with the overall pre-selected palette. The final decision on accent colors submitted by a Lot Owner shall be made by the DRB.

7. Outbuildings and Structures: Construction outside of the house itself can add or detract from the total design impression considerably. It is imperative to anticipate the need for such structures so that they may be planned for in the initial design stages. Construction of garages, sheds, gazebos, decks, trellises, greenhouses, pools, patios, docks, etc. must be carefully integrated with the building architecture and the landscape design. They must also be carefully planned in relationship to adjoining properties in order not to create a negative impact on them. Accessory structures should be contained within the building envelope as shown on the Site Design Plan.

8. Television and Other Antennas: All antennas, other than satellite dishes (See Site Improvements) must be placed so that they are not visible. Antennas installed in attic spaces are permitted.

9. Housing Appurtenances: All housing appurtenances such as air conditioning compressors, oil tanks, propane gas tanks and trash can storage areas, shall not be in the front of the house and must be adequately screened from the road and from the neighbors' view.

10. Solar Heating Panels: Solar heating panels are allowed if they fit into the architecture of the house. No free-standing roof panels not integral with the design of the roof will be allowed where visible from the public street.

11. House Sizes: The minimum size of any house must be as follows: Square footage shall include heated space (not including garages or basements):

One-story Houses:	1,800 sq. ft.
One-and-one-half and Two-story Houses:	2,000 sq. ft.
Two-and-one-half-story Houses:	2,200 sq. ft.

No houses over two-and-one-half stories are allowed. For purposes of this section, a half story is defined as a loft space or other living area that is located in the attic space of the house.

12. Garages: A 400 sq. ft., two-car garage is a required minimum. Garages must have doors. Whenever possible, garage doors should not face the street. Additional off-street parking spaces as required to accommodate guest parking should be located along the driveway and be screened by landscaping, earth berms, or fencing from neighboring properties and the street.

13. Special Elevation Requirements: Queen Anne's County requires that the level of the earth within 5' of the house must be a minimum of 5' above sea level. There is a further requirement by Queen Anne's County that any habitable space in the house be at least 7' above sea level. Flood insurance requirements also stipulate that the lowest floor elevation be 7' above sea level. The calculation of how to determine the lowest floor should be determined by an architect or engineer. It is recommended that both an architect and insurance agent be consulted during the initial stages of planning. It is further recommended that an elevation of 8' above sea level be used for the lowest floor elevation to compensate for field conditions.

B. Site Improvements

1. Site Design Plans: Site Design Plans have been prepared for each Lot to assist the Lot Owner in planning the site. Following are explanations of some of the items on this Plan:

a. Building Envelopes: The relationship of the house to the street and neighboring sites is of primary importance when locating each house to maximize privacy and views of the water. To achieve the best views from each Lot; to provide a varied visual composition along the street; and to utilize the existing trees and topography to the greatest advantage; landscape architects have walked each Lot and defined a "building envelope" for each home site. Consideration was given as to how each house location would effect the views from adjacent Lots and streets, solar orientation, required setbacks, septic field location and well sites, and other existing site considerations. These building envelopes were created larger than most house designs will require. Houses, outbuildings and other appurtenant structures must be sited within the building envelopes. By staying within the building envelopes, prime water views from each site and from the public streets will be preserved. On certain larger Lots and on Lots where views of the water will not be obscured, the DRB can grant exceptions for building outside of the envelopes. The DRB also has the right to relocate building envelopes as it deems appropriate.

b. Setbacks: In determining the building envelope, the following setback criteria was used. Houses must be set back from the street right-of-way a minimum of 35' or 75' as shown on each Lot's Site Design Plan and on the Record Plats. Side yards have a required minimum setback of 20' and the rear yard minimum requirement is 50' on non-waterfront Lots and 100' from mean high water on all waterfront Lots with revetment, and 100' from the top of existing bank on all waterfront Lots without revetment. On Lots with revetment, the 100' setback and consequently the building envelope, might require some minor adjustments after the completion of the installation of revetment. This is because the installation of revetment requires

some minor filling and cutting of shoreline as part of the approved installation procedure.

c. Septic Drainage Area: A 10,000 sq. ft. septic drainage area as required by Queen Anne's County Health Department, is shown on the Site Design Plan for future sewer drain fields. These areas cannot be moved without the approval of the Queen Anne's County Health Department. No stucture or paving (including driveways) can be constructed over this area.

d. Suggested Well Site: The Water Appropriation and Use Permit for Southwind states that all wells must be drilled to the Magothy Aquifer (below 550'). Wells dug in the Magothy Aquifer must be a minimum of 50' from all septic drainage areas (including adjoining properties), 30' from housing foundations, 10' from property lines and 15' from road right-of-ways. Suggested well sites have been shown on the Site Design Plan and depending on the final house location, these can be changed.

e. Other: Other self explanatory information has been placed on the Site Design Plan to assist in planning the site. Adherence to such information is required by the Design Review Board. Acreage shown on Site Design Plan has been rounded to nearest tenth acre.

2. House Orientation: The public side (front) of the house should be oriented toward the street and the private side (rear) of the house should be oriented toward the water, or the rear yard on inland Lots. The orientation of the homes can and should reflect the best views and maximize the southeast to southwest orientation for outdoor living areas. However, the public side or "front door" should not be greater than 45 degrees off parallel to the street and should consider the privacy and orientation of adjacent houses which have been constructed or have approved plans.

3. Driveways: Driveways should be located to minimize disruption of the natural landscape and interference with natural site drainage. Pairs of driveways located close to the common property line of adjacent Lots are encouraged to create consolidated areas of undisturbed landscape and minimize repetitive patterns of driveways along the street. Drives should be curved and graded so as to reduce their visibility from the street.

Circle drives are discouraged because they reduce the grassy lawn areas, especially circle drives with two access points onto the road.

All driveways must be surfaced either with "tar and chip" similar to the surface on the adjacent public streets or with a gravel of similar color and texture. Other surfaces, such as oyster shell are prohibited. Where culverts are required to cross the defined swales, pressure treated wood timbers must be placed to transition the grades at the ends of the pipe in accordance with the detail in the Design Appendix. Adequate turning radii should be provided on the driveways. Reflective posts defining entrances or limits of surfacing will not be permitted.

4. Pools, Tennis Courts, Decks and Other Amenities: Swimming pools, patios, wood decks, and other outdoor amenities should be located on the private side (rear) of the home. Outbuildings or fenced areas for storage or pool equipment are not allowed beyond the building envelope. Pool houses and gazebos are not allowed outside the building envelope except on certain larger Lots and in areas where these structures do not interfere

with views of the water. Such exceptions will be granted at the discretion of the DRB. Above-ground pools are prohibited.

Individual tennis courts are not appropriate on the water view side of homes where the fencing would interfere with others' views. However, individual courts or other lawn games may be permitted in large front yards where views would not be restricted. If provided, these courts should be carefully integrated into the natural grades of the site and bermed and landscaped to minimize their visual impact.

5. Lawn Ornaments: Lawn ornaments, painted rocks and sheils along driveways, etc. are not allowed where visible from public areas.

6. Existing Vegetation: No major trees (over 4" diameter at a point 4' above grade) may be removed from the site without the approval of the DRB.

7. Fencing: Fencing is generally one of three types, property line, part of the house, or screening:

   a. Property line fences are restricted to the rear yard only, starting at the rear of the house. Property line fences, or fences meant to delineate specific areas, should be either split rail natural wood fences or horizontal board fences. Horizontal board fences should typically have a three or four board configuration, be no higher than 48", and be painted or stained in an approved color. Split rail fences shall be no higher than 48" and do not have to be painted or stained. If property line fences serve also to contain pets or small children, black square or rectangular mesh wire may be stapled to the property owner's side.

   b. Fences that are part of the house will be considered as architectural elements thereof. As part of the house, these fences should be in a material and color compatible with the exterior of the house itself.

c. Screening fences which are separate from the house should blend into the surroundings. No chain link or stockade fencing is permitted, except that black chain link fencing can be used for tennis courts.

8. Exterior Lighting: It is required that every house install the standard driveway lamp and pole within 10' of where the driveway intersects the front property line. (See Design Appendix for carriage light detail.) Flood lighting attached to the house itself is prohibited. If outside lighting is desired, exterior recessed fixtures may be used in soffits to achieve a subtle light level on the residence. If outdoor illumination is desired for security and evening use of the grounds, such lighting should be placed away from the house and located in such a manner as not to intrude on neighboring properties. Such lighting should have a concealed light source and be integrated with planting. The use of high pressure sodium lamps or other lamps that are not white in color, are prohibited.

9. Mailboxes and House Identification: Mailboxes and house identification shall be as described in the Design Appendix. Placement of the resident's name on the mailbox is optional. Separate newspaper boxes are not permitted.

10. Satellite Dishes: Satellite dishes are allowed if the following conditions are strictly followed (See Design Appendix):

a. The dish must be black mesh and no greater than 10' in diameter.

b. The dish must be located within the building envelope as shown on the Site Design Plan. Other locations will be approved if it can be demonstrated that such other location does not interfere with views from adjacent properties.

c. Fencing and planting are required to screen the dish.

d. No roof-top or elevated installations are allowed.

11. Piers, Docks, Boat Ramps: Piers, docks and boat ramps must receive the approval of the Board of Directors of Southwind Lot Owners Association, Inc. as well as the Design Review Board. If permission is granted, same must be built to all governmental regulations and standards and must be maintained in good condition. Research should be done for each site to be sure that wind and water conditions are compatible with the intended use of the pier or dock. Shared piers or docks will be encouraged. Boat houses or other shoreline structures that will block views are not permitted.

12. Revetment: Shoreline protection must conform in specifications and in appearance to the approved stone rip-rap revetment for Southwind (See Design Appendix). Vegetative shoreline protection solutions are also acceptable.

C. Landscaping

1. General Character: One of the most significant characteristics of Southwind on Eastern Bay is the long view of the water to each side of the peninsula. The landscaping of each home should enhance, focus, and beautify the existing views.

Careful use of plant material, in coordination with the siting of the homes, will retain the open, natural appearance of the property and preserve the magnificent long views of the water. Care should be taken in placing trees and shrubs so that neighbors' views are not obstructed.

Formalized landscaping and gardens should be confined to the areas close to the houses or adjacent to pools, patios, decks and other private areas in the rear yards.

Low-branching pines and other evergreens should not be used between houses in order to preserve views of the water from the road and inland home sites. In addition, these plants should not be used where they would block the view of the water from other adjacent home sites.

All plant material, including shade trees, evergreen trees, shrubs, and ground covers should be clustered in natural groupings rather than sprinkled around the site. Clustering of plant material provides greater contrast between grassed, open areas and landscaped zones, and between sunny and shaded areas. Natural groupings of plants echo the character of the site's undisturbed vegetation, and heighten the impact of flowering trees and shrubs.

2. Plant Materials: The following is a list of recommended plants which includes species that are native to the site, naturalized in the area, or compatible in form and overall appearance with Southwind's natural vegetation; and are adapted to the growing conditions of the area. In selecting plants, consideration must be given to specific site conditions (drainage, orientation, exposure, etc.) as well as to the purpose and intended effect of the planting.

Canopy Trees - specimen or grove:

Acer rubrum - Red Maple *
Fraxinus species - Ash
Liquidambar styraciflua - Sweet gum *
Quercus species - Oak *
Sophora japonica - Pagoda tree
Taxodium distichum - Bald cypress *
Tilia species - Lindens

Canopy Trees - grove only:

Liriodendron tulipifera - Tulip tree *
Nyssa sylvatica - Black gum *
Pinus taeda - Loblolly pine *

Intermediate focus - evergreen trees and flowering trees:

Amelanchier canadensis - Shadbush (groves only) *
Cercis canadensis - Redbud (groves only) *
Cornus florida - Dogwood *
Ilex opaca - American holly *
Lagerstroemia indica - Crape myrtle
Magnolia species - Evergreen and deciduous magnolias
Pinus nigra - Austrian pine
Pinus strobus - White pine
Pinus thunbergiana - Black pine
Prunus serotina - Black cherry (groves only) *
Tsuga canadensis - Hemlock (check local conditions)

Shrubs and Ground Covers:

Abelia
Azalea species
Berberis species - Barberry
Cotoneaster species
Ilex species - Hollies and Japanese hollies
Juniperus species - Junipers
Myrica pensylvanica - Bayberry *
Nandina domestica - Nandina
Pieris japonica - Japanese andomeda
Prunus laurocerasus - Cherry laurel
Rhododendron species
Taxus species - Yew
Viburnum species

Hedera helix - Ivy
Hemerocallis - Day lily *
Liriope muscari - Lilyturf

Pachysandra terminalis - Pachysandra
Vinca minor - Vinca
Ornamental grasses

* Native to or naturalized in the Eastern Bay area.

3. Minimum quantities and sizes of plant material: For each Lot at Southwind, a minimum of 16 canopy (shade) trees shall be installed. Substitution of two flowering trees or two evergreen trees for each shade tree will be permitted for up to six of the required canopy trees.

Minimum tree sizes at installation are:

	Height	Caliper
Shade trees	14' - 16'	2½" - 3"
Flowering trees	8' - 10'	1½" - 2"
Evergreen trees	6' - 8'	

4. Earth Berming: Considerable landscape interest may be obtained with earth berming -- a relatively simple and inexpensive process. Berms may be utilized to focus views or to provide privacy as well as to aid in screening such things as driveways or parking areas. A berm must flow gracefully and be an extension of the adjoining land and plant material, not an element unto itself. Slopes on berms shall not exceed 3:1.

5. Lawn Areas: Since a large portion of the property is expected to ultimately be covered with grass, uniform maintenance and species of grass is critical to the continuity of the community. Improved selections of Kentucky 31 such as "Falcon" Fescue or "Hound dog" Fescue are the approved grasses for Southwind.

D. Alterations and Additions

All alterations and additions to initial Improvements at Southwind shall conform in design to the relevant guidelines in this Section II.

III. THE DESIGN REVIEW AND APPROVAL PROCESS

A. Explanation of the Process:

The Design Review Board (DRB) is authorized to establish a design review and approval process to enable it to consider applications for approval of plans and specifications for all Improvements proposed on Lots in Southwind. Whenever a Lot Owner proposes initial Improvements or additions, changes or alterations to or movement of any existing Improvements, such Lot Owner must follow this process and obtain the final approval of the Design Review Board.

No Site work, material deliveries,construction or any other activity may begin without first obtaining written final approval from the Design Review Board. All normal procedures and permits required by Queen Anne's County must be followed and obtained as well.

Submittals to the DRB may be made at any time and must be accompanied by the appropriate Design Review Board Form completed in full. A design review fee of $400 is required to be paid at the time of submission of preliminary plans for initial Improvements. A fee of $150 is required to be paid at the time of submission of plans for additions, changes or alterations to or movement of any existing Improvements. All requirements must be completed or the DRB will not review a submittal. The DRB has the absolute right to accept or reject any submittal.

The design review and approval process consists of the following steps:

1. Review and approval of preliminary plans.
2. Review and approval of final plans.
3. Construction Application and posting of Performance Deposit.
4. Issuance of Certificate of Compliance and return of Performance Deposit.

B. Preliminary Design Review and Approval

Preliminary Plans together with a Preliminary Design Review Form should be submitted to the DRB by the Lot Owner in duplicate for review. This should be done as early as the Lot Owner and architect are able to identify design objectives in enough detail to allow submission of tentative drawings that reflect the general form, spatial relations, materials, articulation and circulation patterns. Schematic sketches, dimensioned drawings, models and perspectives are most appropriate for preliminary submittals. Regardless of what form of presentation is used, all preliminary submissions must, at a minimum, contain the following:

1. Preliminary Design Review Form: The Preliminary Design Review Form (See Design Review Board Forms) must be completed in duplicate by the Lot Owner or the Authorized Agent of the Lot Owner. The completed forms must be signed and dated by the Lot Owner or the Authorized Agent. A check or money order for $400 to cover the Design Review Fee must be submitted with the Preliminary Design Review Form.

2. Dimensioned Site Plan: A site plan drawn no smaller than 1 inch = 50 feet scale must show the outline of the house and appurtenances to the house and contain dimensions demonstrating conformity with the prescribed building envelope and all required easements and setbacks. Driveways, walks, patios, decks, pools, tennis courts, revetment and docks must be located along with the water well, septic drainage area, service yard, HVAC units and electric meter. The location and species of all existing major trees (over 4" diameter at a point 4' above grade) and the location of other significant vegetation on the Lot must be shown with an indication of what is proposed for removal. Existing and proposed grading should be shown on the plan. Where there are buildings on adjoining Lots, the outline of those buildings and major Improvements must be clearly shown on the site plan.

3. Schematic Landscape Plan: A plan no less than 1 inch = 50 feet scale must show the location of the house, driveway and walks with proposed landscaping concepts as intended to help integrate the building with its environment.

4. Floor Plans and Roof Plans: Floor plans no less than 1/8 inch = 1 foot scale must be presented for all levels of the proposed building. A roof plan must also be included. A statement of the size of the house in square feet (heated habitable space, not including garages or basements) must be included.

5. Elevations: Drawings must be presented at no less than 1/8 inch = 1 foot scale, showing all exterior sides of the proposed structure.

6. Color Samples: Proposed colors of all exterior materials, selected from the Approved Colors, may be submitted if known.

If the preliminary plans are approved by the DRB, the DRB will so advise the Lot Owner. If the preliminary plans are not approved, the DRB will suggest changes in the plans to be incorporated and resubmitted. If the preliminary plans are substantially changed, either by request of the DRB or desire of the Lot Owner, they must be resubmitted and receive Preliminary Design Approval before proceeding for Final Design Approval. A Preliminary Approval is valid for 12 months from date of approval.

EXHIBIT C

DESIGN REVIEW GUIDELINES

FOR

SOUTHWIND ON EASTERN BAY

JUNE, 1986

Review and approval by the Design Review Board (DRB) is for the purpose of establishing compliance with the Declaration of Covenants, Conditions and Restrictions for Southwind on Eastern Bay. The DRB's approval in no way should be construed as review for adequacy of design, good engineering or architectural practice or compliance with any building codes, ordinances, laws, rules or regulations. Approval by the DRB does not relieve Owner of any requirement to obtain governmental permits or permission whatsoever. Where these Guidelines conflict with governmental requirements, the more stringent requirements shall prevail.

The Berkshire Corporation
General Manager
Suite 204, The Gatehouse
at North Park
Cockeysville, MD 21030
(301) 667-8700

6. Elevations: Elevation drawings at no less than 1/8 inch = 1 foot scale shall accurately represent the view of all sides of the house. Floor elevations must be delineated and existing and proposed grade levels must be shown. All exterior materials must be labeled as to color.

7. Building Sections: Drawn at no less than 1/8 inch = 1 foot scale, building sections must be provided for clarification of the relationship of floors to proposed grade.

8. Construction Details: Detail drawings at a scale sufficient to convey intent shall be provided for exterior trim; windows and exterior doors; exterior walls, fences or screens; rails; decks and screen porches; patio walls and any other special treatments or features.

9. Specifications: A full set of specifications for all exterior materials, including landscaping, must be submitted defining the quality of all work and materials. These specifications may be placed on drawings where appropriate.

~~10~~. A complete description of any part of the Improvements not fully presented or described elsewhere in the submission. Note: The Design Review Board has the right to demolish or correct any non-approved Improvements at the expense of the Lot Owner.

Upon receipt of all required documents, including a Final Design Review Form, the Design Review Board shall complete its review of the project. If the Board fails to grant Final Design Approval of a submission, it may suggest items to be corrected or re-submitted. When the DRB grants Final Design Approval, the Final Design Review Form will be signed by the Board and two sets of working drawings will be stamped as approved. The signed Final Design Review Form together with one set of stamped drawings (one set will be kept by the DRB) will be sent to the Lot Owner. Construction must commence within 12 months or the project must be re-submitted for approval.

D. Construction Application and Posting of Performance Deposit

Prior to the commencement of construction, the delivery of materials, or any other work on the Lot, a Construction Application, Deposit and Agreement Form (See Design Review Board Forms) must be executed by the Lot Owner and the DRB. This form, which is to be submitted by the Lot Owner, will be signed by the DRB after the following requirements have been met:

1. Satisfactory completion of the Design Review and Approval Process;

2. The positng of a Performance Deposit of $1,500 with the Design Review Board. (This deposit will be returned when the Certificate of Compliance is issued.)

Once a Construction Application, Deposit and Agreement Form has been approved and signed by the DRB, construction can begin.

E. Review of Plans for Alterations and Additions

As stated in the Declaration of Covenants, Conditions and Restrictions for Southwind, the DRB also must approve all proposed additions, changes or alterations to or movement of existing Improvements (together called Alterations and Additions in these Guidelines) including, but not limited to, such things as changes in exterior colors and finishes; room additions or extensions; new decks, patios or porches; recreational facilities such as pools and tennis courts; installation of revetment for shoreline erosion control; private piers and docks; landscaping materials and location. Repainting or staining in the original color does not require review. Replacement of dead plant material with the same species does not require review. Approvals must be granted before work begins. When submitting for review of proposed Alterations and Additions, presentations must be in duplicate and include, at a minimum:

1. Letter of Intent: The Lot Owner should inform the Board as to the intent and purpose of the proposed Alteration or Addition in a letter and complete an Alterations and Additions Review Form. (See Design Review Board Forms.) The Alterations and Additions Review Form must be completed in duplicate by the Lot Owner or Authorized Agent. The Lot Owner must identify and describe the nature of the Alterations or Additions proposed. The Alterations and Additions Review Form must be accompanied by a check for $150 to cover the Alterations and Additions Review Fee.

2. Site Plan: A plan no less than 1 inch = 50 feet scale with dimensions of the property must be submitted showing the location of existing Improvements, the proposed Alteration and Addition and the Improvements on adjoining Lots.

3. Color Selections: Colors should be shown on the drawings or submitted in sample form where appropriate. Colors are most important when applying for approval of an Alteration or Addition because of the necessity of matching existing conditions.

4. Drawings: Sufficient plans and elevations shall be submitted in duplicate to adequately define and explain the Alteration or Addition.

5. A complete description of any part of the Alteration or Addition not fully presented or described elsewhere in the submission. Note: The Design Review Board has the right to demolish or correct any non-approved Alteration or Addition at the expense of the Lot Owner.

After reviewing the submission, the DRB will either grant final approval as evidenced by its signing of the Alterations and Additions Review Form or suggest changes. An approved Alterations and Additions Review Form is valid for 12 months from the date of issuance.

After approval of the Alterations and Additions Review Form, a Construction Application, Deposit and Agreement Form should be submitted by the Lot Owner. Included should be the Performance Deposit of $500. Construction shall not begin until this Form has been signed by the DRB and returned to the Lot Owner.

F. Issuance of Certificate of Compliance

Upon completion of all Improvements, the Lot Owner may request that a Certificate of Compliance (See Design Review Board Forms) be issued. This Certificate is to be signed by the Lot Owner or his Authorized Agent. Following a satisfactory final walk-through inspection of the completed work by the DRB representative, the Certificate of Compliance will be signed by the DRB. This will verify that the Improvements have been completed in accordance with the plans and specifications approved by the DRB. If the walk-through is not satisfactory, comments concerning same will be given to the Lot Owner by the DRB and the Certificate of Compliance will not be signed by the DRB until all corrective action has taken place. Upon satisfactory completion of all work and issuance of a Certificate of Compliance, the remaining balance of the Performance Deposit will be returned to the Lot Owner.

IV. CONSTRUCTION ACTIVITY STANDARDS

A. Prior to Commencement of Construction

If the Lot Owner desires to erect a sign on the construction site, it must be constructed and erected as specified by these Guidelines. (See Design Appendix.) No other signs shall be placed on the job site. The job site sign must be erected no closer than 25' to the edge of the street. Building permits may be posted on the rear of the sign. At no time shall a sign or permit be nailed to any tree. No additional signs shall be displayed on construction sites. No signs are to be erected before a Final Design Approval Form is signed by the Design Review Board.

In summary, the following steps must be completed before construction may begin:

1. Complete Design Review and Approval steps outlined in Section III.

2. Obtain Queen Anne's County Building Permit and others if required.

3. Submit to the DRB (along with the appropriate deposit) and receive back from the DRB an approved Construction Application, Deposit and Agreement Form.

Before construction begins, the builder should also confirm the location of all utilities and protect same from any damages.

B. Requirements During Construction

During the course of construction, the Lot Owner will be responsible for observance of the following construction activity standards of Southwind:

1. All trees and areas of significant vegetation to be preserved shall be surrounded with protective fencing placed beyond the tree's root zone. Vehicles, construction materials, and other activity shall be kept outside of these fenced areas.

2. Building sites shall be maintained in a clean and neat condition; scrap materials shall be picked up on a daily basis.

3. A small trash container is to be provided by the Lot Owner for the use of depositing used food containers and other small trash.

4. A large trash container is to be provided by the Lot Owner for scrap material, building debris and other bulk trash items. The overflow or spillage around these containers is to be picked up daily. If a trash collection hauling service is used in lieu of trash container service, provision for a temporary trash storage bin must be made on the site. Pick up of the stored trash must be made at least once a week.

5. Care should be taken when loading trucks hauling trash so as not to have it spill over while in transit. Owners shall be held responsible for trash and debris falling from vehicles servicing the construction site.

6. All construction materials must be kept within the property lines maintaining a neat street right-of-way. The storage of materials should be in an inconspicuous area of the site and should be neat and orderly. The use of adjoining properties for access or storage of materials is prohibited. Temporary storage structures, approved by the DRB, may be used to store materials. Storage structures may not be used as living quarters.

7. Temporary utilities should be installed in a neat manner. The temporary power pole must be installed plumb and may not be used for the placement of signs.

8. Each construction site is required to have a job toilet for the use of workers. It must be placed at least 25' from the street in an inconspicuous location with the door facing away from the street.

9. No burning of trash or other fires of any kind is permitted.

10. The Lot Owner will insure that roads within Southwind are kept clean on a daily basis. All mud or debris resulting from the construction operations must be cleaned up daily. Appropriate sediment control measures should be employed so that dirt and silt do not accumulate on the road, the road right-of-way, or adjoining properties.

11. Construction workers are permitted only on the construction site. They are not permitted to trespass on other Lots or property in Southwind. Construction workers are not allowed to fish or hunt on Southwind property or loiter in Southwind during or after completion of the workday.

12. Workmen are not allowed to ride about or use Southwind community property. Loud cars and speeding are not permitted. All construction vehicles must be parked on the construction site. Workers are required to wear shirts and shoes when not on the job site. Loud music from radios and harrassment of Lot Owners or guests will not be permitted.

13. The Owner of the Lot under construction shall bear full responsibility for the repair of any damage to the roads, the road rights-of-way, community Open Spaces, adjoining Lots or any other private property in Southwind caused by workmen involved with the construction of the Lot Owner's Lot.

The construction of all Improvements must be completed within six months of the start of construction with exceptions requiring special DRB Approval. Landscaping must be installed in the appropriate season as soon as possible after the completion of construction.

The above standards are designed to protect the enjoyment of Southwind for its Lot Owners and their residents and guests. These standards are to be used as guidelines and are not intended to restrict, penalize or impede construction firms who adhere to them while performing their jobs. Repeated violation of these standards can result in the retraction of the Construction Application, Deposit and Agreement Form for the specific project until corrective action has been taken by the Lot Owner.

Lot Owners should make certain that all contractors working on the construction site have received written notice of the requirements set forth in this Section IV. B. and, before permitting any contractor to perform any work on the Lot, require such contractor to agree in writing to observe these requirements.

C. Enforcement During Construction

All construction in Southwind will be under observation by the Design Review Board to be sure that the Improvements are being constructed as approved and that the construction site is being maintained as required. The DRB has the right, based on Article X of the Declaration of Covenants, Conditions and Restrictions for Southwind, to "enter upon such Owner's Lot to maintain the construction, to cause construction to be completed promptly and in a good and workmanlike manner..."

Any design changes proposed during construction must receive approval by the DRB prior to implementation. The DRB discourages the request of major changes during construction. Any changes or mistakes implemented without DRB approval may be corrected by the DRB. The expenditures of the DRB in making such correction will be deducted from the Lot Owner's deposit and/or become an addition to the assessment to which the Lot is subject.

In addition, the DRB is empowered to issue a Stop Work Order if construction work which has not been approved or is not in compliance with approvals is taking place. Work cannot commence after the issuance of a Stop Work Order until a letter is received from the DRB stating that work can proceed. This letter will detail corrective action, if appropriate.

A final inspection shall be conducted by the DRB after the completion of the Improvements. This final inspection is required for the issuance of a Certificate of Compliance.

D. After Construction is Complete

When the construction of the Improvements has been completed, the Lot Owner must satisfy several requirements before applying for the Final Inspection and Certificate of Compliance. The Improvements must be completed in full conformance with the plans previously approved by the DRB. Any unauthorized changes must be corrected before Final Inspection will be undertaken and the Certificate of Compliance will be issued.

Upon completion of the Improvements, all debris must be removed from the site. The job site sign and the temporary power pole must be removed. At this time, the Lot Owner should notify the DRB that the Lot is ready for the Final Inspection. Upon approval, a Certificate of Compliance Form will be issued by the DRB.

As a checklist, the following items must be completed prior to Final Inspection:

1. Complete Improvements

2. Remove debris

3. Remove temporary facilities, utilities, sign

4. Notify DRB for Final Inspection

V. MAINTENANCE AND GUIDELINES

A. General Purpose

The primary purpose of the Guidelines is to promote the creation of a community which is aesthetically pleasing and functionally convenient for all residents and visitors. These standards, governing unimproved Lots, improved Lots and Lots with Improvements in process, require every Lot in the community to be maintained in a manner conforming with the quality and dignity of the Southwind community.

Every Lot Owner is responsible for maintaining his/her Lot to these standards. Each Lot Owner must prevent the development of any unclean, unsightly, or unkempt conditions with respect to his/her Lot.

The DRB shall be the final authority in defining acceptable levels of maintenance and in arbitrating maintenance disputes. Periodic inspections will be conducted to assure compliance with maintenance standards.

If no remedial action is taken after adequate notice of non-compliance is given, the DRB shall have the authority to remedy maintenance problems at the Lot Owner's expense. Any expenses incurred by the DRB will be the responsibility of the Lot Owner and will be added to the assessment of the subject Lot.

B. Architecture

Each Lot Owner is responsible for maintenance, repair, and replacement of all structures on the Lot in a neat and safe condition, including but not limited to, roofs, gutters, downspouts, foundations, windows, doors, chimneys, and other exterior building surfaces.

C. Site Improvements

Any site improvements such as fences, walks, drives, lighting, piers, revetments, pools, tennis courts, decks, mailboxes, satellite dishes, etc. must be maintained in neat, clean, safe and operable condition. They may not be allowed to deteriorate due to lack of use or over use.

D. Landscaping

Each Lot Owner is expected to keep the grass, shrubs, trees, and flowers on his/her Lot, as well as any grass or shrubs within the public right-of-way between the Lot and the paved portion of the public street, mowed and pruned, whether or not a dwelling has been erected on the Lot. In formal landscaped areas, shrubs, beds, and floral areas must be maintained. In natural areas, weed growth must be controlled.

Each Lot Owner is required, within one year of purchase of his/her Lot, to turn over the existing ground cover and plan a lawn with the recommended seed type. Regular cutting of the Lot, both before and after planting of the lawn area, is the responsibility of each Lot Owner.

E. Storage or Vehicles and Boats

The storage of trailers, boats, boat trailers, commercial vehicles, R.V. vehicles and campers in yards or driveways is prohibited. They are required to be stored out of sight in garages or in approved storage areas.

F. Waterfront Areas

Waterfront property should be kept free and clear of debris. Where revetment has been installed to control erosion, it must be maintained in a clean, orderly and functional manner. Any piers or docks must be kept in safe and usable condition. All pilings and boardwalk should be kept plumb and even, any rotting, deteriorating, or otherwise damaged materials, should be replaced.

VI. DESIGN REVIEW BOARD FORMS

VII. DESIGN APPENDIX

Preliminary Design Review - LOT#___ SECTION___

GENERAL INFORMATION

OWNER _____

ADDRESS _____

_____

TELEPHONE _____

CONTRACTOR _____

ADDRESS _____

_____

TELEPHONE _____

ARCHITECT _____

ADDRESS _____

_____

TELEPHONE _____

LANDSCAPE ARCHITECT _____

ADDRESS _____

_____

TELEPHONE _____

EXTERIOR MATERIALS

DESCRIPTION	COLOR
WALLS _____	_____
TRIM _____	_____
FOUNDATION _____	_____
ROOFING _____	_____
OTHER _____	_____
OTHER _____	_____

OWNER'S SIGNATURE _____ DATE _____

CHECK LIST

___DIMENSIONED SITE PLAN
___SCHEMATIC LANDSCAPE PLAN
___COLOR SAMPLES
___FLOOR PLANS & ROOF PLANS
___ELEVATIONS
___DESIGN REVIEW FEE ($400)

BOARD COMMENTS

APPROVED | DISAPPROVED

SQUARE FOOTAGES

LIVING AREA _____

GARAGE _____

PRELIMINARY APPROVAL

_____

SIGNATURE OF DRB MEMBER DATE

SOUTHWIND ON EASTERN BAY
DESIGN REVIEW BOARD
C/O THE BERKSHIRE CORPORATION
SUITE 204
THE GATEHOUSE AT NORTH PARK
COCKEYSVILLE, MARYLAND 21030
301/[illegible]7-8700

Southwind
ON EASTERN BAY

Final Design Review

LOT#___SECTION___

GENERAL INFORMATION

OWNER _____

ADDRESS _____

_____

TELEPHONE _____

CONTRACTOR _____

ADDRESS _____

_____

TELEPHONE _____

ARCHITECT _____

ADDRESS _____

_____

TELEPHONE _____

LANDSCAPE ARCHITECT _____

ADDRESS _____

_____

TELEPHONE _____

EXTERIOR MATERIALS

DESCRIPTION	COLOR
WALLS _____	_____
TRIM _____	_____
FOUNDATION _____	_____
ROOFING _____	_____
OTHER _____	_____
OTHER _____	_____

OWNER'S SIGNATURE _____ DATE _____

CHECK LIST

___DIMENSIONED SITE PLAN
___LANDSCAPE PLAN
___COLOR SAMPLES
___FLOOR PLANS, ELEVATIONS, SECTIONS
___CONSTRUCTION DETAILS
___SPECIFICATIONS

BOARD COMMENTS

APPROVED | DISAPPROVED

SQUARE FOOTAGES

LIVING AREA _____

GARAGE _____

_____
SIGNATURE OF DRB MEMBER DATE

SOUTHWIND ON EASTERN BAY
DESIGN REVIEW BOARD
C/O THE BERKSHIRE CORPORATION
SUITE 204
THE GATEHOUSE AT NORTH PARK
COCKEYSVILLE, MARYLAND 21030
301/667-8700

Southwind
ON EASTERN BAY

Alterations & Additions

LOT #___SECTION____

GENERAL INFORMATION

OWNER _____

ADDRESS _____

_____

TELEPHONE _____

CONTRACTOR _____

ADDRESS _____

_____

TELEPHONE _____

ARCHITECT _____

ADDRESS _____

_____

TELEPHONE _____

LANDSCAPE ARCHITECT _____

ADDRESS _____

_____

TELEPHONE _____

DESCRIPTION OF PROPOSED ALTERATIONS OR ADDITIONS

CHANGES TO EXTERIOR COLORS: EXISTING _____ PROPOSED _____

ADDITION (DESCRIBE) _____

CHANGES TO SITE (DESCRIBE) _____

LANDSCAPING CHANGES OR ADDTIONS (DESCRIBE) _____

OTHER (DESCRIBE) _____

OTHER (DESCRIBE) _____

CHECK LIST (FOR DRB USE)

___LETTER OF INTENT
___SITE PLAN
___LANDSCAPE PLAN
___COLOR SELECTIONS
___DRAWINGS
___DESIGN REVIEW FEE ($150)

BOARD COMMENTS

APPROVED | DISAPPROVED

SQUARE FOOTAGES

LIVING AREA _____
GARAGE _____

APPROVAL

_____
SIGNATURE OF DRB MEMBER DATE

SOUTHWIND ON EASTERN BAY
DESIGN REVIEW BOARD
C/O THE BERKSHIRE CORPORATION
SUITE 204
THE GATEHOUSE AT NORTH PARK
COCKEYSVILLE, MARYLAND 21030
301/667-8700

Southwind
ON EASTERN BAY

Construction Application, Deposit and Agreement

LOT #____SECTION____

AGREEMENT

I,_____, OWNER OF THE CONSTRUCTION PROJECT DESCRIBED BELOW, ACKNOWLEDGE AND AGREE THAT THE DEPOSIT DESCRIBED BELOW IS BEING HELD BY THE SOUTHWIND DESIGN REVIEW BOARD, IN ORDER TO INSURE THAT THE IMPROVEMENTS WILL BE CONSTRUCTED IN ACCORDANCE WITH PLANS AND SPECIFICATIONS WHICH HAVE BEEN APPROVED BY THE DESIGN REVIEW BOARD. I FURTHER ACKNOWLEDGE AND AGREE THAT:

1. I HAVE RECEIVED AN APPROVED FINAL REVIEW FORM OR ALTERATIONS AND ADDITIONS REVIEW FORM FROM THE DESIGN REVIEW BOARD.
2. I HAVE READ AND UNDERSTAND THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS APPLICABLE TO THE PROPERTY AND THE DESIGN REVIEW GUIDELINES AND WILL FOLLOW AND OBEY THE SAID DECLARATION AND GUIDELINES.
3. I AM RESPONSIBLE FOR COMPLETING THE PROJECT AS DESCRIBED BY THE DRAWINGS AND SPECIFICATIONS APPROVED BY THE DESIGN REVIEW BOARD. ANY PROPOSED CHANGES WILL BE SUBMITTED TO THE DESIGN REVIEW BOARD FOR APPROVAL PRIOR TO IMPLEMENTATION.
4. I WILL MAINTAIN A CLEAN CONSTRUCTION SITE AT ALL TIMES AND INSTALL A JOB SIGN, COMMERCIAL DUMPSTER AND JOB TOILET IN CONFORMANCE WITH DESIGN REVIEW BOARD GUIDELINES.
5. I AM RESPONSIBLE FOR THE CONDUCT OF ALL WORKERS PERFORMING SERVICES ON THIS PROJECT WHILE THEY ARE IN THE SOUTHWIND COMMUNITY.
6. I WILL NOTIFY THE OFFICE OF THE DESIGN REVIEW BOARD FOR THE FINAL INSPECTION.
7. THE DEPOSIT WILL BE HELD IN A NON-INTEREST BEARING ACCOUNT. I UNDERSTAND THAT IT SHALL BE RETURNED AFTER COMPLETION OF THE FINAL INSPECTION.
8. ANY EXPENDITURES OF THE DESIGN REVIEW BOARD FOR THE CORRECTION OF WORK NOT APPROVED BY THE DESIGN REVIEW BOARD OR TO MAINTAIN THE APPEARANCE OF THE CONSTRUCTION SITE MAY BE DEDUCTED FROM THE DEPOSIT. IF THE DEPOSIT IS NOT SUFFICIENT TO COVER SUCH EXPENDITURES, I UNDERSTAND THAT I AM RESPONSIBLE FOR THE PAYMENT OF THE DIFFERENCE.

THIS APPLICATION, DEPOSIT AND AGREEMENT MADE THIS_____DAY OF_____, 19____

BY_____
(LOT OWNER'S SIGNATURE)

OWNER_____
(PLEASE TYPE OR PRINT)

ADDRESS_____

_____

TELEPHONE_____

PROJECT DESCRIPTION :_____

_____

CONSTRUCTION DEPOSIT (CHECK ONE)
NEW CONSTRUCTION_____
($1,500.00 DEPOSIT)

ALTERATIONS/ADDITIONS_____
($500.00 DEPOSIT)

DATE_____

AMOUNT_____

CHECK #_____

APPLICATION APPROVED THIS _____DAY OF_____, 19____

BY_____
(DRB SIGNATURE)

RETURN OF DEPOSIT

DATE_____CHECK #_____ AMOUNT _____

SOUTHWIND ON EASTERN BAY
DESIGN REVIEW BOARD
C/O THE BERKSHIRE CORPORATION
SUITE 204
THE GATEHOUSE AT NORTH PARK
COCKEYSVILLE, MARYLAND 21030
301/667-8700

Southwind
ON EASTERN BAY

Certificate of Compliance

LOT #___SECTION___

SOUTHWIND ON EASTERN BAY

THE UNDERSIGNED CERTIFY TO THE SOUTHWIND DESIGN REVIEW BOARD THAT THE IMPROVEMENTS SITUATED AT:

_____

(LOT NUMBER, SECTION AND STREET NAME)

IN SOUTHWIND ON EASTERN BAY HAVE BEEN COMPLETED IN ACCORDANCE WITH THE FINAL PLANS AND SPECIFICATIONS HERETOFORE APPROVED BY THE SOUTHWIND DESIGN REVIEW BOARD ON _____, 19___; THAT THE OWNER AND/OR HIS AUTHORIZED AGENT EXECUTING THIS CERTIFICATE HAS CONDUCTED A FINAL INSPECTION OF THE IMPROVEMENTS TOGETHER WITH A MEMBER OF THE DESIGN REVIEW BOARD; AND THAT THE IMPROVEMENTS MEET THE GUIDELINES, CRITERIA AND REQUIREMENTS SET FORTH BY THE DESIGN REVIEW BOARD IN ITS APPROVAL OF THE PLANS AND SPECIFICATIONS.

TYPE OF IMPROVEMENT_____

WITNESS THE HAND AND SEAL OF THE UNDERSIGNED THIS _____DAY OF _____, 19____.

OWNER_____

THE ABOVE NOTED IMPROVEMENTS HAVE BEEN ACCEPTED BY THE SOUTHWIND ON EASTERN BAY DESIGN REVIEW BOARD THIS _____DAY OF_____,19 ___. THIS ACCEPTANCE IS ONLY FOR THE PURPOSE OF ESTABLISHING COMPLIANCE WITH THE ARCHITECTURAL CONTROL PORTIONS OF THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SOUTHWIND ON EASTERN BAY WITH RESPECT TO THE ABOVE NOTED IMPROVEMENTS. THIS ACCEPTANCE SHOULD IN NO WAY BE CONSTRUED AS A REVIEW OR CERTIFICATION OF THE ADEQUACY OF DESIGN, ENGINEERING OR ARCHITECTURAL PRACTICES WITH RESPECT TO THE NOTED IMPROVEMENTS OR THEIR COMPLIANCE WITH ANY BUILDING CODES, ORDINANCES, LAWS, RULES OR REGULATIONS.

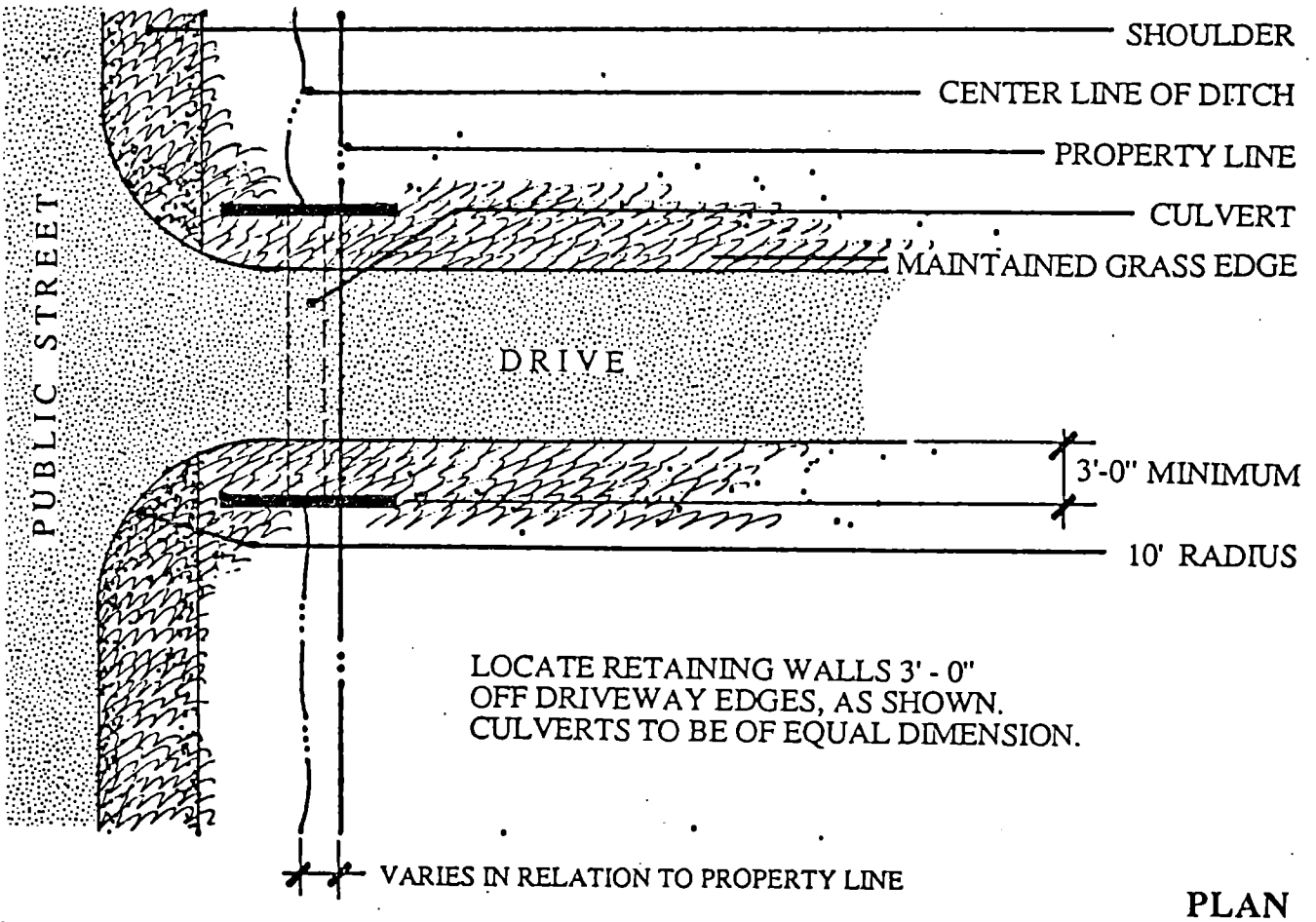
BY_____

FOR THE SOUTHWIND ON EASTERN BAY DESIGN REVIEW BOARD

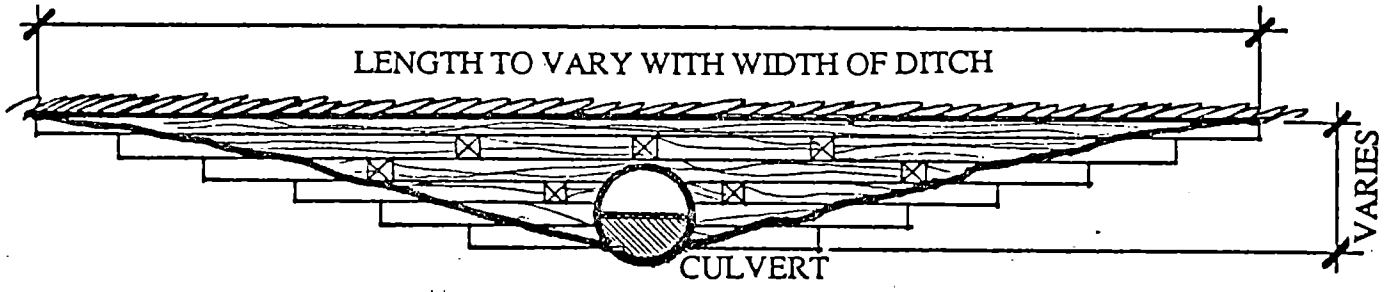
SOUTHWIND ON EASTERN BAY
DESIGN REVIEW BOARD
C/O THE BERKSHIRE CORPORATION
SUITE 204
THE GATEHOUSE AT NORTH PARK
COCKEYSVILLE, MARYLAND 21030
301/667-8700

Southwind
ON EASTERN BAY

Standard Culvert Detail



PLAN



- HEIGHT OF TIMBER WALL TO VARY WITH DEPTH OF DITCH
- DEADMEN AS REQUIRED

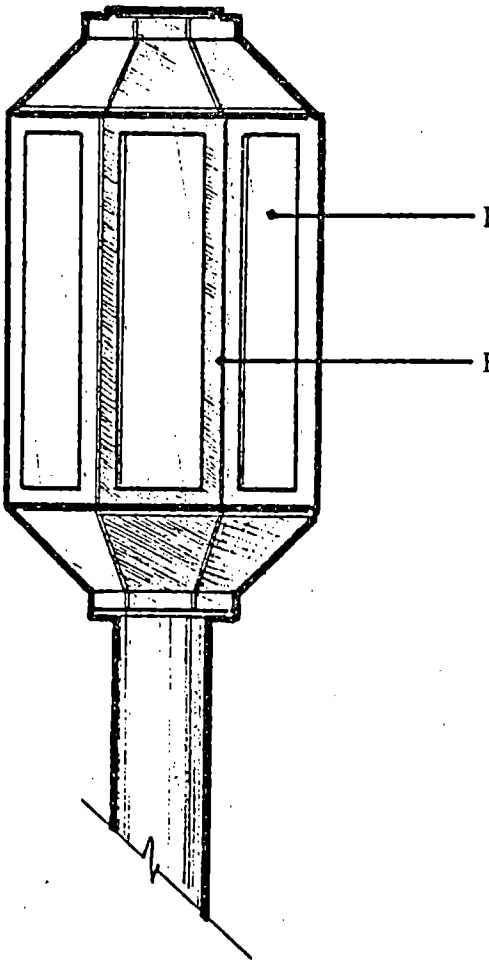
ELEVATION

SPECIFICATIONS AND NOTES:

1. DRIVEWAY MATERIALS ARE AS SPECIFIED IN THE DESIGN REVIEW BOARD GUIDELINES.
2. TIMBERS TO BE 6" x 8" PRESSURE TREATED TO CCA .75 PCF SOUTHERN YELLOW PINE NO. ONE.
3. DEADMEN TO BE 6" x 8" x 6' - 0" WHERE INDICATED, 8' - 0" ON CENTER.
4. TIMBER TO BE LEFT NATURAL , NO PAINT OR STAIN.

Southwind
ON EASTERN BAY

Carriage Light

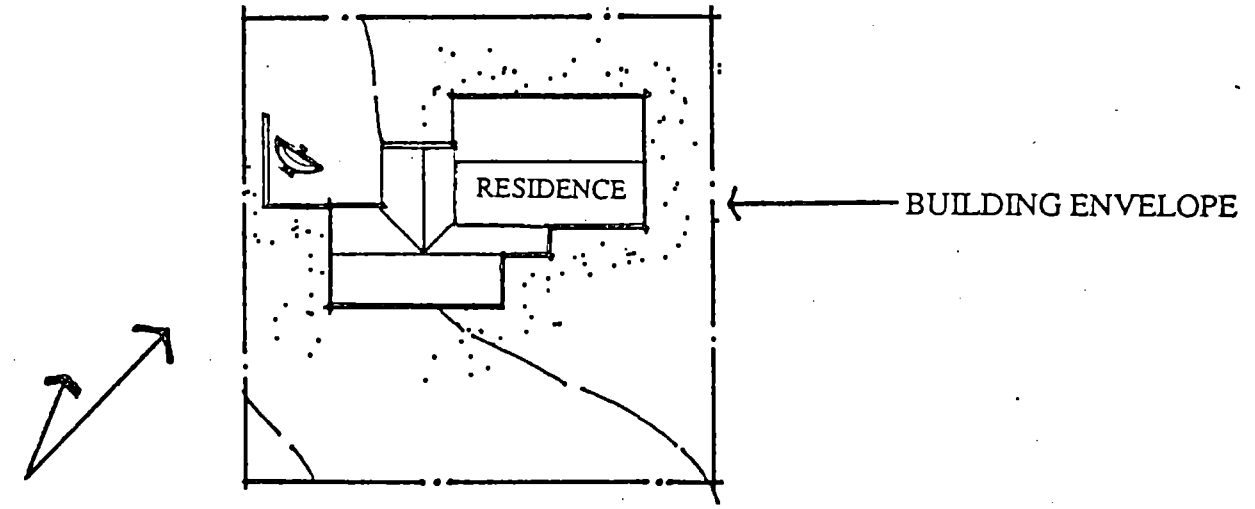


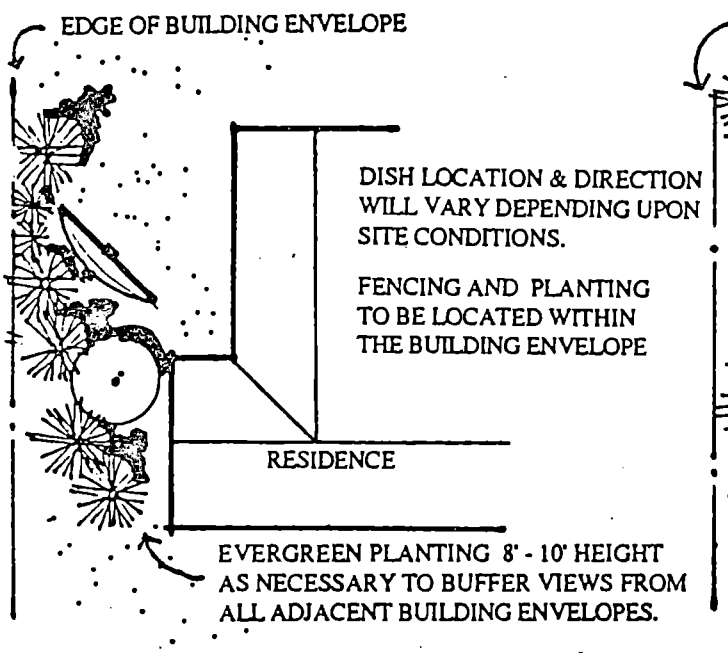
SPECIFICATIONS AND NOTES:

1. HADCO L-4602-A-Y FIXTURE
2. 100 WATT CLEAR LUMINAIRE
3. SHATTER-RESISTANT NON-YELLOWING ACRYLIC PANELS
4. BOTTOM OF FIXTURE SHOULD BE 6' - 0" ABOVE GRADE, LOCATED WITHIN 10' OF THE INTERSECTION OF THE DRIVEWAY AND FRONT PROPERTY LINE.

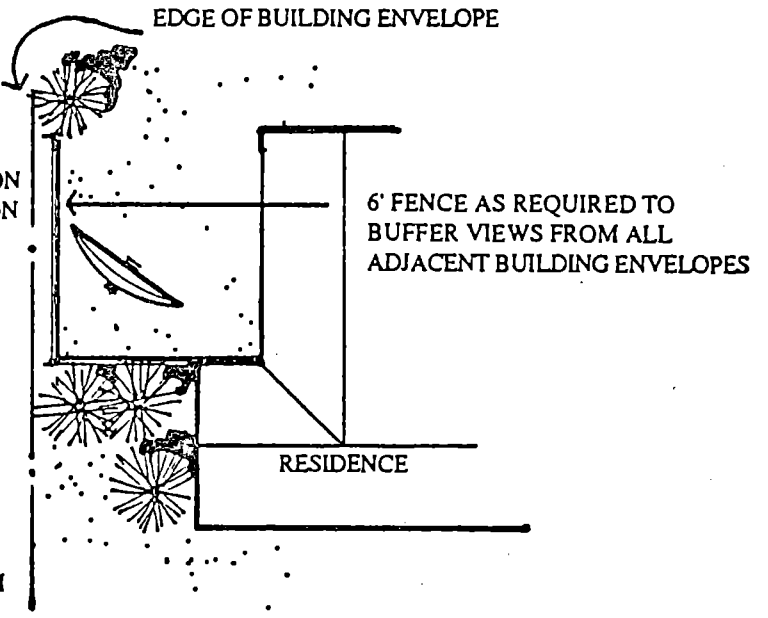
Southwind
ON EASTERN BAY

Satellite Dish Location (Example)





PLANTING ALTERNATIVE



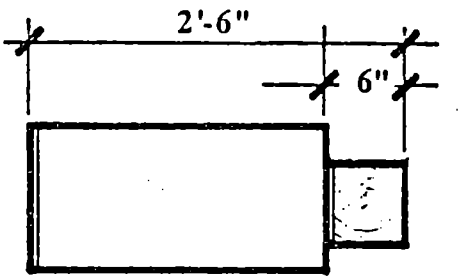
FENCING ALTERNATIVE

SPECIFICATIONS AND NOTES:

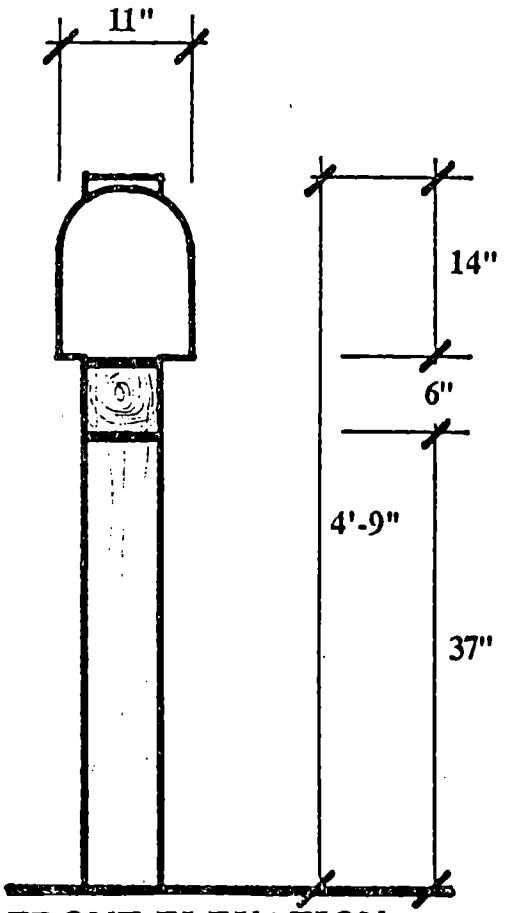
1. DISH AND SCREENING TO BE LOCATED WITHIN BUILDING ENVELOPE.
2. DISH MUST BE SCREENED SO AS NOT TO INTERFERE WITH VIEWS FROM ADJACENT PROPERTIES.
3. SCREENING SHALL BE A NATURAL EVERGREEN PLANTING BUFFER; OR A WOOD FENCE INCORPORATED INTO THE ARCHITECTURE OF THE HOUSE WITH A MAXIMUM HEIGHT OF 6' - 0".

Southwind
ON EASTERN BAY

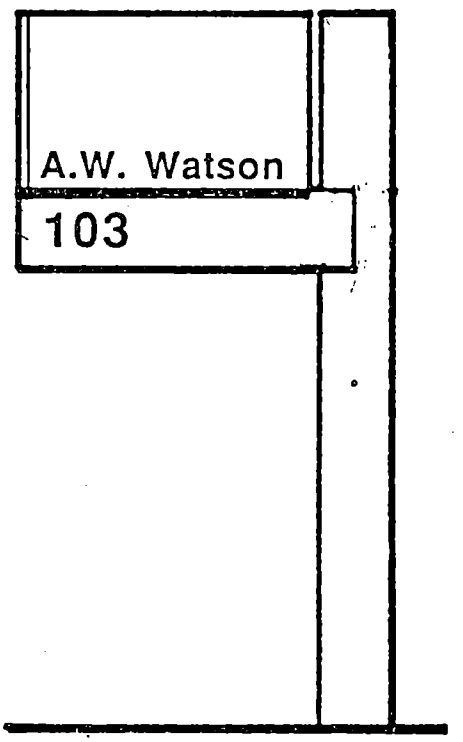
Standard Mailbox and Graphics



PLAN VIEW
SCALE: 3/4" = 1'-0"



FRONT ELEVATION

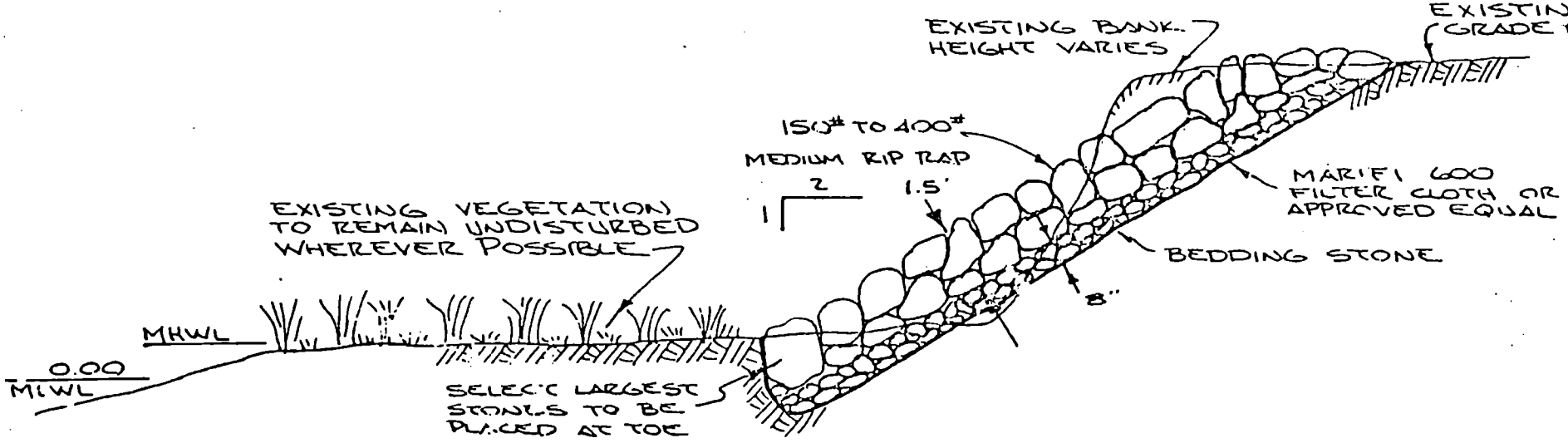


SIDE ELEVATION

SPECIFICATIONS AND NOTES:

1. THIS MAILBOX IS INTENDED FOR USE AT ALL RESIDENCES. ITS PURPOSE IS TO GIVE VISITORS A CONSISTANT DEVICE FOR LOCATING NAMES AND ADDRESSES AND, OF COURSE, A MOUNTING DEVICE FOR THE MAILBOX.
2. ALL WOOD IS TO BE IS 6" X 6" PRESSURE TREATED YELLOW PINE TO CCA .75 PCF SOUTHERN YELLOW PINE, NUMBER 1 WITH AN OVERALL LENGTH OF 7'-0". THE MAILBOX IS A STANDARD RURAL SIZE.
3. THE GRAPHICS ON THE POST AND ARM SHOULD BE HAND ROUTED. THE GRAPHICS FOR THE MAILBOX ARE APPLIED WITH 2" WHITE SCOTCHLITE LETTERS (HELVETICA MEDIUM). RESIDENCE NAME AND NUMBER SHOULD APPREAR ON BOTH SIDES.
4. THE POST AND ARM SHOULD BE STAINED WITH MOORWOOD SOLID COLOR EXTERIOR STAIN: CUSTOM RANGE, (NATURES RUSTIC SHADES: SEASCAPES) CAPE MAY GRAY C49. THE MAILBOX IS PAINTED BLACK.

Southwind
ON EASTERN BAY



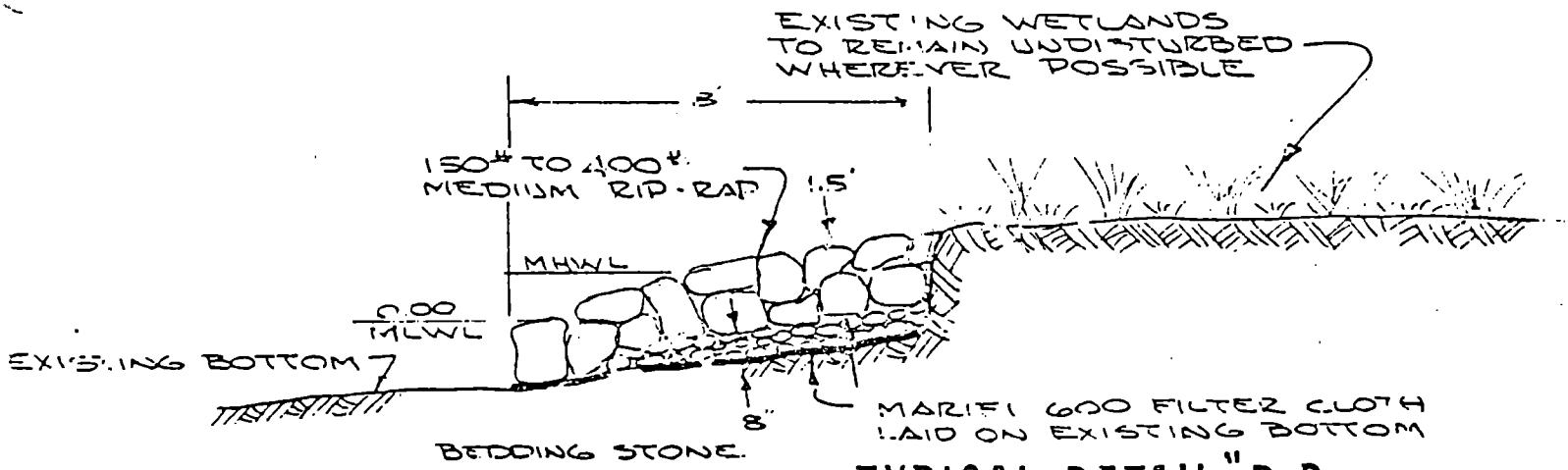
TYPICAL DETAIL "C-C"

SCALE 1" = 4'-0"

LOW BANK PROTECTION (DISCRETIONARY)

See Construction Sequence shown on Standard Revetment Detail for "D-D" Revetment

STANDARD REVETMENT DETAIL



TYPICAL DETAIL "D-D

SCALE 1" = 4'-0"

MARSH PROTECTION (DISCRETIONARY)

CONSTRUCTION SEQUENCE

GENERAL NOTES

(1) ALL TRASH DEBRIS ETC. SHALL BE REMOVED FROM THE CONSTRUCTION AREA..

(2) SALVAGE AND STOCK PILE ALL TOP SOIL PRIOR TO ANY EXCAVATION. (PERIMETER CONTROL REQUIRED)

(3) EXCAVATION SHALL BE STABILIZED WITHIN 7 DAYS.

(4) EXCESS SPOIL SHALL BE DISPOSED OF ON SITE AS DIRECTED BY THE OWNER AND STABILIZED ACCORDING TO SCS AND WRA STANDARDS.

(5) GRADE BANK TO UNIFORM MINIMUM SLOPE

(6) INSTALL WOVEN FILTER CLOTH ACCORDING TO MANUFACTURERS SPECIFICATIONS.

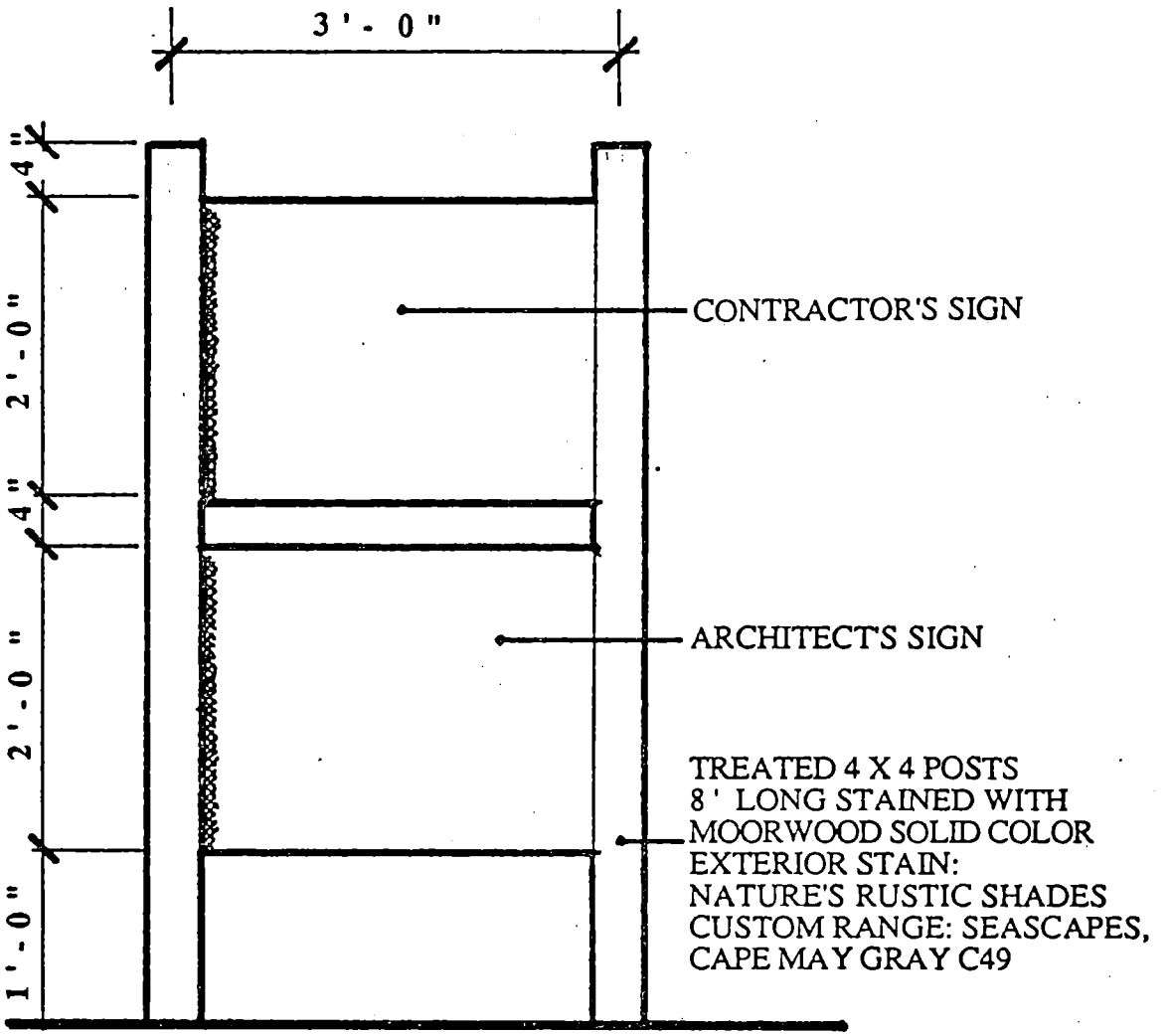
(7) INSTALL 8" OF BEDDING STONE.

(8) INSTALL ARMOR STONE TO A UNIFORM GRADE CHINKING WITH SMALLER STONE TO FILL VOIDS.

(9) GRADE DISTURBED AREA BEHIND STONE AND STABILIZE. (PERMINENT STABILIZATION REQ WITHIN 7 DAYS.

(10) CARE SHOULD BE TAKEN TO PRESERVE ANY TREES OR FRINGE MARSH WHEREVER POSSIBLE.

Residential Construction Job Site Sign



NOTES:

1. BOTH SIGNS SHALL BE LAGGED TO POSTS FROM REAR
2. PERMITS SHALL BE POSTED ON REAR OF CONTRACTOR'S SIGN

Southwind
ON EASTERN BAY

THOMAS CHARLES KIMMEL
ATTORNEY AT LAW
541 POPLAR STREET
CAMBRIDGE, MARYLAND 21613
301-228-7204

December 15, 1988

The Honorable Marguerite W. Mankin
Clerk of The Circuit Court
Queen Anne's County
Centreville, Maryland 21617

Dear Mrs. Mankin:

Enclosed is a Disclosure Statement for Southwind Lot Owners Association, Inc. Please record this among the land records of Queen Anne's County pursuant to the requirements of the Maryland Homeowners Association Act. A check for the filing fee of $50.00 is also enclosed.

Please let me know if anything else is needed. Thank you for your help.

Sincerely,

Thomas C. Kimmel

Thomas Charles Kimmel

cc: Mr. Eric Schrank, President

DISCLOSURES BY

SPORTSMAN'S HALL COMMUNITY ASSOCIATION, INC.

UNDER THE MARYLAND HOMEOWNERS ASSOCIATION ACT,

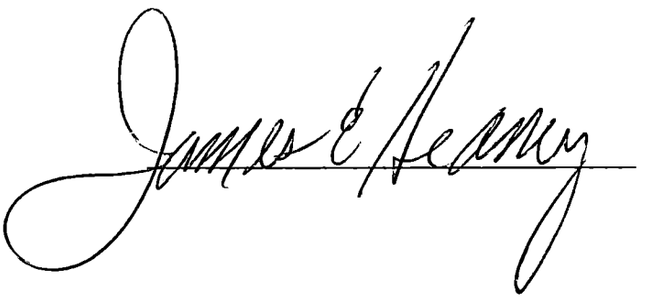
TITLE 11B OF THE REAL PROPERTY ARTICLE

OF THE ANNOTATED CODE OF MARYLAND

RECEIVED
CLERK, CIRCUIT COURT
1988 DEC 29 AM 11:50
QUEEN ANNE'S COUNTY

[illegible] PM
[illegible] 50.00
[illegible] 50.00
[illegible] 50.00
[illegible] C001 506 T11:47
[illegible]

James E. Heaney, President



I. The Name and Address of the Declarant is:
Sportsman's Hall Community Association, Inc.
Queenstown, Maryland 21658

II. The declarant is a body corporate of the State of Maryland.

III. The names and addresses of the principal officers of the Corporation are as follows:

President	James E. Heaney Rt. 1 Box 225E Queenstown, Maryland 21658
Vice President	Timothy Gately Rt. 1 Box 225 Queenstown, Maryland 21658
Treasurer	Albert F. Beacham Rt. 1 Box 226C Queenstown, Maryland 21658
Secretary	Elaine D. Seaman Rt. 1 Box 227E Queenstown, Maryland 21658

IV. Sportsman's Hall is located in the Fifth Election District of Queen Anne's County, Maryland, on Sportsman's Hall Road. There is a total of 30 lots in the development.

V. Copies of the Articles of Incorporation are attached hereto as Exhibit No. 1.

VI. Copies of the Recorded Covenants and Restrictions are attached hereto as Exhibit No. 2. Such restrictive Covenants and Restrictions are enforceable against an owner of a lot within the development and also against the tenants of any owner, if applicable.

VII. Copies of the By-Laws of the Association are attached hereto as Exhibit No. s and the obligations therein are enforceable against a lot owner and such owner's tenants, if applicable.

VIII. The Association owns numerous parcels of ground within said subdivision, as follows:

1. Deed from Wye River Enterprises, Inc., dated April 22, 1982, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 105 folio 459, being Exhibit No. 4.

IX. A copy of the estimated Annual Budget for calendar year 1989 is attached hereto as Exhibit No. 5.

X. Mandatory annual fees charged to lot owners are as follows:

(a) Improved Lot Assessment $120 billed annually, South Avenue
(b) Unimproved Lot Assessment $50 billed annually, South Avenue
(c) Improved Lot Assessment $100 billed annually for Woods Road
(d) Unimproved Lot Assessment $40 billed annually for Woods Road

XI. All lots within the development have been conveyed by the original developer and the schedule of fees aforesaid is now being charged to lot owners.

XII. Fees and/or assessments may be increased or decreased by action of the Sportsman's Hall lot owners.

XIII. Fees and/or assessments are billed annually and are a personal obligation of lot owners.

XIV. Unpaid fees and/or assessments bear interest at the rate of ten percent (10%) per year.

XV. Unpaid fees and/or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act. At the time of the filing of a lien, the Association imposes a fee of $50 which includes the cost of recording of the lien. In the event that proceedings are instituted against a lot owner under the Maryland Contract Lien Act, attorneys' fees will also be imposed to cover the cost of such collection.

XVII. As of the date of this statement, there are no known unsatisfied judgments or pending law suits against the Association.

EXHIBIT NO 1

SPORTSMAN'S HALL BEACH CLUB, INC.

ARTICLES OF AMENDMENT

SPORTSMAN'S HALL BEACH CLUB, INC., a Maryland corporation (the "Corporation"), hereby certifies to the Maryland State Department of Assessments and Taxation:

FIRST: That the Articles of Incorporation of the Corporation are hereby amended by striking in its entirety ARTICLE SECOND and inserting in lieu thereof the following new ARTICLE SECOND:

> SECOND: The name of the corporation (which is hereafter called the "Corporation") is:
>
> SPORTSMAN'S HALL COMMUNITY ASSOCIATION, INC.

SECOND: That the amendment of the Articles of Incorporation as set forth above was deemed advisable and duly approved at a duly called and convened meeting of the Board of Directors of the Corporation held on January 11, 1987, in accordance with the Maryland General Corporation Law and the same was directed to be submitted to the members of the Corporation for consideration.

THIRD: That the members of the Corporation, at a duly called and convened meeting of the members of the Corporation, held on February 7, 1987, adopted said amendment to the Articles of Incorporation as set forth above in accordance with the Maryland General Corporation Law.

IN WITNESS WHEREOF, the Corporation has caused these presents to be signed in its name and on its behalf by its

President and its corporate seal to be hereunder affixed and attested to by its Secretary on this 5th day of March, 1987, and its President acknowledges that these Articles of Amendment are the act and deed of the Corporation and, under penalties of perjury, that the matters and facts set forth herein with respect to authorization and approval are true in all material respects to the best of his knowledge, information and belief.

ATTEST:

By: M. Carolyn Maul
Title: Secretary
M. Carolyn Maul
(SEAL)

By: Richard J. Johns
Title: President
Richard J. Johns, M.D.

[To be adopted by a majority of the Directors]

RESOLVED: That the Articles of Incorporation of the Association be amended by striking in its entirety present Article SECOND and inserting in lieu thereof the following new Article SECOND:

SECOND: The name of the Corporation (hereafter the "Corporation") is:

SPORTSMAN'S HALL COMMUNITY ASSOCIATION, INC.

RESOLVED: That upon due approval by the Members of the Association, the proper officers of the Association be and the same hereby are directed, authorized and empowered to execute, acknowledge, seal, deliver and file Articles of Amendment effecting the above action with the Maryland State Department of Assessments and Taxation and to take any and all other action deemed necessary and proper in connection therewith.

RESOLVED: That the amendment to the Articles of Incorporation of the Association adopted above be submitted for approval to all of the members of the Association entitled to vote thereon.

[To be adopted by 2/3 of the members]

RESOLVED: That the Articles of Incorporation of the Association be amended by striking in its entirety present Article SECOND and inserting in lieu thereof the following new Article SECOND:

SECOND: The name of the Corporation (hereafter the "Corporation") is:

SPORTSMAN'S HALL COMMUNITY ASSOCIATION, INC.

RESOLVED: That the proper officers of the Association be and the same hereby are directed, authorized and empowered to execute, acknowledge, seal, deliver and file Articles of Amendment effecting the above action with the Maryland State Department of Assessments and Taxation and to take any and all other action deemed necessary and proper in connection therewith.

DOCUMENT NO. 129138

RECEIVED
CLERK, CIRCUIT COURT
1986 MAY 14 PM 3:19
QUEEN ANNE'S COUNTY

EXHIBIT No 2

SPORTSMAN'S HALL DEVELOPMENT

AMENDED AND RESTATED

RESTRICTIONS, EASEMENTS AND COVENANTS

Dated as of: May 1, 1986

MISC 0#
RECD FEE 196.00
POSTAGE .50
SUBTOTAL 196.50

RECITALS

WHEREAS, by an instrument entitled "Sportsman's Hall Development Restrictions, Easements and Covenants" recorded on July 30, 1959 among the Land Records of Queen Anne's County, Maryland in Liber T.S.P. No. 49, folio 324, et seq. (the "Original Restrictions"), certain restrictions, easements and covenants were imposed upon property located within the subdivision known as "SPORTSMAN'S HALL DEVELOPMENT", as the same is hereinafter defined; and

WHEREAS, the Original Restrictions were to run for a period of twenty-five (25) years from the date of recording, and for successive periods of ten (10) years unless an instrument changing the Original Restrictions in whole or in part was signed by a majority of the then owners of lots in Sportsman's Hall Development, and recorded among the Land Records of Queen Anne's County; and

WHEREAS, a majority of the current owners of lots in Sportsman's Hall Development desire to amend the Original Restrictions and restate them in their entirety, as amended, and, by their execution of this instrument, do hereby amend and restate the restrictions and covenants applicable to the subdivision known as "Sportsman's Hall Development" as follows, it being the intention of the undersigned owners that these restrictions, easements and covenants shall supersede the Original Restrictions:

SECTION ONE - DEFINITIONS. Whenever used in the covenants, agreements, easements, restrictions, conditions and charges hereinafter set forth the following definitions shall apply, unless a contrary intention is clearly evident from the context:

a. The word "Corporation," as hereinafter used, shall mean Sportsman's Hall Beach Club, Inc. (now known or to be known as Sportsman's Hall Community Association, Inc.), or its successors and assigns.

b. The words "front lot line," as hereinafter used, shall mean that line of any lot bordering upon a street or roadway.

c. The words "inland lot," as hereinafter used, shall mean all those lots in Sportsman's Hall Development not bordering on the waters of the Wye River, or any cove, inlet or tributary thereof.

d. The word "lot," as hereinafter used, shall mean any parcel of land located within the subdivision which is intended for use as a site for a single family dwelling, and shall include all those lots numbered 1 through 30 on the Plat of Sportsman's Hall Development, and that parcel known as the "Helwig Lots."

e. The word "owner," as hereinafter used, shall mean the person (including contract sellers) having, from time to time, the publicly recorded title to any lot within Sportsman's Hall Development. If more than one person holds the record title to any lot, all of them shall be deemed to be a single member of the Corporation by virtue of their ownership of the lot. The word "owner" shall not mean any contract purchaser, nor shall it include any mortgagee or other person holding an interest in a lot as security for the performance of an obligation.

f. The word "person," as hereinafter used, shall include individuals, partnerships, associations and corporations; the singular shall include the plural and the masculine shall include the feminine and the neuter.

g. The words "Plat of Sportsman's Hall Development," as hereinafter used, shall mean that plat entitled "Map Showing Survey of A Subdivision Called 'Sportsman's Hall' For Diversified Projects, Inc., 5th Election District, Queen Anne's County, Maryland," by Shew and Bartlett, registered engineers, dated April 27, 1959, and recorded among the Land Records of Queen Anne's County, in Liber T.S.P. No. 49, folio 323, as amended by that plat entitled "Revised Plat of a Survey of 'Sportsman's Hall', 5th Election District, Queen Anne's County, Maryland," by Shew & Bartlett, registered engineers, dated May 1, 1975 and recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 105, Folio 459, or any amendment or revision thereof which may hereafter be recorded among said Land Records.

h. The words "Sportsman's Hall Development," as hereinafter used, shall mean all of the land shown on the Plat of Sportsman's Hall Development.

i. The words "street," "road," or "roadway," as hereinafter used, shall mean all those streets or roads as shown on the Plat of Sportsman's Hall Development, and all other interior roads, including, but not limited to, South Ave. and Woods Road.

j. The words "waterfront lot," as hereinafter used, shall mean all those lots in Sportsman's Hall Development bordering on the waters of the Wye River, or any cove, inlet or tributary thereof.

SECTION TWO - LAND USE AND BUILDING TYPE. All lots in Sportsman's Hall Development shall be for residential use only, and not for purposes of any profession, trade or business whatsoever. No building shall be erected, altered, placed, or permitted

to remain on any lot or group of lots reduced to one lot, other than one detached single-family dwelling, not to exceed two stories in height. The occupancy of any dwelling by more than one family is prohibited, and there shall not be built, constructed or erected on the lands contained in the Sportsman's Hall Development an apartment house or any house designed or altered for occupancy for more than one family. This prohibition is to include the renting of rooms or letting of rooms for any purposes whatsoever. No dock, pier, wharf or other facility shall be constructed on any water-front lot for commercial uses and purposes.

No owner of any lot shall grant, convey, sell, lease, or in any manner transfer less than the entire area of a lot (except pursuant to lawfully instituted condemnation proceedings), unless the Corporation shall have given its prior written consent to such transfer.

SECTION THREE - ARCHITECTURAL CONTROL. No dwelling, fence, wall, dock, pier, bulkhead or other structure shall be erected, placed or altered on any lot or group of lots reduced to one lot, until the construction plans, specifications and a plan showing the location of the structure have been approved by the Architectural and Maintenance Control Committee as to quality of workmanship and materials, harmony of external design with existing structures and as to location with respect to topography and finish grade elevation. Approval shall be as hereinafter provided in the section entitled "Architectural and Maintenance Control Committee."

SECTION FOUR - STANDARDS FOR MAINTENANCE OF IMPROVED AND UNIMPROVED PROPERTY.

a. General - The purpose of this section is to define standards regarding maintenance of lots and structures in order to ensure that individual property upkeep is in accordance with generally acceptable standards and other property within Sportsman's Hall. Property will be maintained in order to present an attractive appearance from the street, water, sides and rear vantage points. The authority to interpret and ensure compliance with these standards will be vested in the Architectural and Maintenance Control Committee.

b. Unimproved Lots - Unimproved lots will be cleared of brush and undergrowth in treed areas and bush hogged or mowed in open areas in order to ensure appearance in keeping with a developed community rather than raw land. Waterfront lots will be cleared of any fallen brush or trees at the water line.

c. Improved Lots - Improved lots and improvements will be maintained so at to present an overall attractive appearance of the community. Lawns will be mowed, and ground cover and shrubbery will be cut or trimmed to maintain an attractive appearance. Improvements will be kept in repair and exterior finishes will be

maintained by painting, staining or cleaning as appropriate. Improvements will include dwellings, garages, fences, walls, docks, piers, bulkheads or other structures placed on any lot or group of lots reduced to one lot.

SECTION FIVE - ARCHITECTURAL AND MAINTENANCE CONTROL COMMITTEE.

a. Membership - The Architectural and Maintenance Control Committee (hereinafter the "Committee") shall be composed of three members of the Corporation elected in accordance with the by-laws. A majority of the Committee may designate a representative to act for it. In the event of death or resignation of any member of the Committee, the remaining members shall have full authority to designate a successor. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. At any time the then record owners of a majority of the lots shall have the power through a duly recorded written instrument to change the membership of the Committee.

b. Procedure - The Committee's approval or disapproval as provided by these covenants shall be in writing, and delivered by certified mail. In the event the Committee or its designed representative fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, approval shall not be required and the related covenants shall be deemed to be fully complied with. Approval given hereunder shall become null and void unless construction is begun within six months from the date of such approval and completed within twelve months from the date of commencement of construction.

SECTION SIX - DWELLING SIZE. The ground floor area of the main structure on any waterfront lot, exclusive of open porches, garages, and terraces, shall not be less than 1,500 square feet for a one-story dwelling nor less than 1,000 square feet for a dwelling of more than one-story provided that the second story is not less than 500 square feet. The ground floor area of the main structure on any inland lot, exclusive of open porches, garages, and terraces, shall not be less than 1,400 square feet for a one-story dwelling nor less than 900 square feet for a dwelling of more than one-story provided that the second story is not less than 500 square feet. No dwelling, garage, porch, or other structure shall be more than thirty-six (36) feet high in elevation from finished grade at the foundation thereof.

SECTION SEVEN - BUILDING LOCATION. No building shall be located on any lot or group of lots reduced to one lot nearer to any line than the minimum building set back lines shown on the recorded Plat. In any event, no building shall be located on any lot or group of lots reduced to one lot nearer than 40 feet to the front lot line or nearer than 20 feet to any side or back lot line. For the purposes of this covenant, eaves, steps and open porches shall be considered as a part of a building. All

dwellings shall be constructed so as to face the front line of the lot or a group of lots reduced to one lot. The front line of lots bordering on the waters of any creek, inlet, pond or any navigable waters as well as all other lots in this development for the purposes of these restrictions and covenants, shall be that line of said lot or lots bordering on the street abutting said lot or lots. No dwelling erected or constructed on a lot bordering on said waters shall have a detached garage, boathouse or outbuilding and all such garages and carports shall be attached to and be appendant to the main dwelling house on said premises. On all inland lots detached garages or other outbuildings may be built, constructed or erected in the rear of the main dwelling house, but shall not be within 20 feet of the side or rear property line of said lot or group of lots reduced to one lot. All garage openings shall be so located that they will not be directly facing the street. Circular drives with proper landscaped screening could be used to advantage in concealing unsightly garage interiors. Inasmuch as the sides of dwellings will be seen from the other residences in Sportsman's Hall Development, it is important that they present a pleasing appearance from the rear and sides as well as from the front.

SECTION EIGHT - EASEMENTS. The Corporation reserves unto itself, and its successors and assigns, an easement and right-of-way over strips of five (5) feet in width adjacent to any streets or roads for the purpose of installing and maintaining utility and drainage facilities which may be necessary to furnish electricity, telephone, sewer and other public facilities to the owners of lots within Sportsman's Hall Development.

SECTION NINE - NUISANCES. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

SECTION TEN - TEMPORARY STRUCTURES. No structure of a temporary character, trailer, recreational vehicle, basement, tent, shack, garage, barn, or other outbuilding, shall be used on any lot at any time as a residence either temporarily or permanently.

SECTION ELEVEN - SIGNS. No sign of any kind shall be displayed to the public view on any lot, except one professional type sign of not more than one square foot for the purpose of displaying the owner's name or name of property. One sign of not more than five square feet may be used for the purpose of advertising the property for sale or may be used by a builder to advertise the property during the construction and sales period.

SECTION TWELVE - LIVESTOCK AND POULTRY. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except that dogs, cats or other household pets may be kept, provided that they are not allowed to run at large, and

further that they are not kept, bred or maintained for any commercial purposes.

SECTION THIRTEEN - GARBAGE AND REFUSE DISPOSAL. No lot shall be used or maintained as a dumping ground for rubbish, trash, garbage, and other waste. Rubbish, trash, garbage and other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposition of such material shall be kept in a clean and sanitary condition and shall be maintained, or operated in such a manner as not be become obnoxious or an annoyance to the neighborhood. Protective screening must be used to keep all such items from the public view.

SECTION FOURTEEN - TRUCKS. No trucks larger than three-quarter (3/4) ton capacity, nor any commercial vehicles, shall be parked or stored on any lot unless it is within a completely enclosed building.

SECTION FIFTEEN - STREETS AND ROADS. The Corporation reserves the right to dedicate to public use and the right to convey to any public authority or to any corporation having power to acquire the same for public use, any or all of its right, title, interest and estate in and to any street or road in the Development as now exists or as hereafter laid out, subject to the rights of the property owners in said Development.

The Corporation further reserves the right to the extent permitted by local authorities, to utilize the beds of said streets, roads, roadways, avenues, lanes and alleyways for the laying or erecting of water pipes, sewerage pipes, gas pipes, electric lines, or other public utilities above or below ground level, in such a manner as may be deemed necessary to adequately provide such facilities to the owners or occupiers of said tracts or parcels or any part thereof.

SECTION SIXTEEN - COMMUNITY PARK AREA. The land shown on the said Plat of Sportsman's Hall Development marked thereon as "Community Park Area" together with all those properties deeded to the Sportsman's Hall Beach Club, Inc. (now known or to be known as Sportsman's Hall Community Association, Inc.) by Wye River Enterprises, Inc., by deed dated April 22, 1982 and recorded among the Land Records of Queen Anne's County at Liber 104, folio 420, is hereby expressly and irrevocably reserved, dedicated to the use in common of the bona fide members of an association known as the "Sportsman's Hall Community Association, Inc.", duly incorporated under the laws of the State of Maryland, and formed by and composed of the owners and occupiers of those residential building lots which are contained within said "Sportsman's Hall Development", solely for the purpose of sun bathing, boating and other recreational activities as may be conducted, sponsored or prompted by the said association.

The Corporation expressly reserves the title and right to use and occupy roads, streets, park area, dock and pier facili-

ties, parking areas, as well as access to and use of the parking area and boat ramp as provided in the agreement dated July 14, 1979 by and between Wye River Enterprises, Inc. and Sportsman's Hall Beach Club, Inc., and recorded among the Land Records of Queen Anne's County at Liber 154, folio 75 (the "Settlement Agreement").

SECTION SEVENTEEN - FORMATION OF AN ASSOCIATION BY OWNERS. An association known as the "Sportsman's Hall Beach Club, Inc.", a body corporate, duly incorporated under the laws of the State of Maryland, for the promotion of such social, athletic, recreational and community activities and interests as may be conducted, sponsored and encouraged by the membership of the said association, and for the administration and enforcement of any or all of the reservations, restrictions, covenants, understandings and agreements herein contained and set forth was formed and is now known or shall be known as "Sportsman's Hall Community Association, Inc."

The Corporation is composed of the owners of the lots in the Sportsman's Hall Development as amended by the Settlement Agreement recorded among the Land Records of Queen Anne's County at Liber 154, folio 75. There will be one membership per lot, and one vote per membership.

The Corporation shall have the specific authority and power to levy and collect dues and assessments from lot owners. There will be one assessment per lot.

SECTION EIGHTEEN - DUES AND ANNUAL ASSESSMENTS.

a. Annual Assessments. The owner(s) of each lot in Sportsman's Hall Development shall pay to the Corporation, on May 1st of each year, dues and annual assessments of such sums of money as proposed by the Board of Directors and approved at the annual meeting of the Corporation by a majority of members.

b. Special Assessments. In addition to dues and annual assessments, the Corporation shall have the power, from time to time, to levy such special assessments as necessary provided such special assessments are approved by a majority of members.

c. Liability for Payment of Assessments. Any unpaid assessment together with interest at the rate of ten percent (10%) per annum accruing from thirty (30) days after the due date until payment is made, and the costs of collection thereof and reasonable attorney's fees, shall be a charge on and constitute a lien against the lot of such owner(s). The Corporation shall have the right to place said lien against the lot owner after a delinquent period of eighteen months. The Corporation shall have the further right to bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the lot for such assessment, and there shall be added to the amount of

such assessment the reasonable costs of preparing and filing the action, and in the event judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorney's fees together with the costs of the action.

d. Use of Dues and Assessments. The dues and assessments levied by the Corporation shall be used exclusively for promoting the recreation, health, safety and welfare of the residents of Sportsman's Hall Development, and in particular for the improvement, operation, maintenance and repair of the streets, roads, roadways, avenues, lanes, alleys, ways, storm drains, Community Park Area, easement areas, pier, boat ramp and parking areas in Sportsman's Hall Development, including, but not limited to, the payment of taxes and insurance thereon; for expenses incident to the Committee in the examination and review of building plans and specifications as herein provided; for the enforcement of these covenants, agreements, easements, restrictions, conditions and charges; and for any other purpose which, in the opinion of the Board of Directors of the Corporation, shall be for the general benefit and advantage of the owners, users and occupants of Sportsman's Hall Development, or any part thereof.

SECTION NINETEEN - AMENDMENT OF RESTRICTIONS. These restrictions, or any part thereof, may be altered, modified or amended by a written instrument executed by a two-thirds (2/3) majority of the then owners of the lots in Sportsman's Hall Development and recorded among the Land Records of Queen Anne's County, which amendment shall take effect upon the recordation thereof in said Land Records.

SECTION TWENTY - ARBITRATION. In the event of a violation (or alleged violation) or breach of any of the restrictions contained herein by any lot owner (or agent or lessee of any owner) the Board of Directors of the Corporation or the Committee shall issue in writing, a notice of such breach or violation, giving the lot owner twenty (20) days in which to request a hearing before the Board of Directors of the Corporation regarding said violation. The purpose of such hearing is to endeavor to arbitrate or amicably settle the alleged violation or breach in question. If the lot owner fails to request such a hearing within the time provided, or if a hearing fails to resolve the violation, nothing herein shall act as a bar to the commencement of any legal proceedings.

SECTION TWENTY-ONE - GENERAL PROVISIONS.

a. Term - These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of 10 years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said covenants in whole or in part.

b. Enforcement - Enforcement of these covenants, restrictions and easements shall be by proceedings either at law or in equity against any person or persons violating or attempting to violate any covenant. These proceedings may be an action either to restrain violation or enforce performance thereof, or to recover damages. In the event that a judgment or court order is obtained against such person or persons, the Corporation shall be entitled to the reasonable costs of preparing and filing the action together with reasonable attorneys' fees.

c. Severability - Invalidation of any of these covenants by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

AS WITNESS the hands and seals of a majority of the owners of lots in Sportsman's Hall Development, either in person or by his, her or their duly appointed attorney-in-fact pursuant to Special Powers of Attorney recorded among the Land Records of Queen Anne's County, Maryland immediately prior hereto.

[Signatures Commence on Next Page]

WITNESS:

OWNER OF LOT NO. 1:

Joanne D. Andrews

William T. Bogley (SEAL)
William T. Bogley

STATE OF Maryland)
) SS:
COUNTY OF Montgomery)

I HEREBY CERTIFY, that on this 18th day of April, 1986, before me, a Notary Public of the State aforesaid, personally appeared William T. Bogley, personally known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and made oath in due form of law that he executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Notary Public

NOTARY PUBLIC MONTGOMERY COUNTY, MD.

My Commission Expires: 7/1/86

[Signature Page 1 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 2:

_____ _____(SEAL)
George Donald Wagner

_____ _____(SEAL)
Jean Scott Wagner

STATE OF _____)
) SS:
COUNTY OF _____)

I HEREBY CERTIFY, that on this ____ day of _____, 19__, before me, a Notary Public of the State aforesaid, personally appeared _____ and _____, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires:_____

[Signature Page 2 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

Shirley M Slater

Shirley M Slater

OWNER OF LOT NO. 3:

Harry W. Barrick (SEAL)
Harry W. Barrick

Rebecca B. Barrick (SEAL)
Rebecca B. Barrick

STATE OF Maryland)
) SS:
COUNTY OF Montgomery)

I HEREBY CERTIFY, that on this 17th day of April, 1986, before me, a Notary Public of the State aforesaid, personally appeared Harry W. Barrick and Rebecca B. Barrick, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Omie F. Richey
Notary Public

My Commission Expires: July 1 1986

NOTARY PUBLIC

[Signature Page 3 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 4:

_____ _____ (SEAL)
Samuel H. Greenwood

_____ _____ (SEAL)
Janice L. Greenwood

STATE OF Maryland)
) SS:
COUNTY OF Queen Anne's)

I HEREBY CERTIFY, that on this 14th day of April, 1986, before me, a Notary Public of the State aforesaid, personally appeared Samuel H. Greenwood and Janice L. Greenwood, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

NOTARY PUBLIC Queen Anne's Co. MD YVONNE W. QUI

My Commission Expires: 7.1.86

[Signature Page 4 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 5:

_____ _____(SEAL)
Stephen F. Dalton

_____ _____(SEAL)
Jeanne L. Dalton

STATE OF _____)
) SS:
COUNTY OF _____)

I HEREBY CERTIFY, that on this ____ day of _____, 19__, before me, a Notary Public of the State aforesaid, personally appeared _____ and _____, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires:_____

[Signature Page 5 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 6:

_____

_____(SEAL)
Robert P. Maul

_____

_____(SEAL)
M. Carolyn Maul

STATE OF _____)
) SS:
COUNTY OF _____)

I HEREBY CERTIFY, that on this ____ day of _____, 19__, before me, a Notary Public of the State aforesaid, personally appeared _____ and _____, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires:_____

[Signature Page 6 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

Mary Lee Walters

Mary Lee Walters

OWNER OF LOT NO. 7:

Fielding H. Lewis (SEAL)
Fielding H. Lewis

Jacqueline F. Lewis (SEAL)
Jacqueline F. Lewis

STATE OF Maryland)
) SS:
COUNTY OF Queen Anne's

I HEREBY CERTIFY, that on this 14 day of April, 1986, before me, a Notary Public of the State aforesaid, personally appeared Fielding H. Lewis and Jacqueline F. Lewis, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Mrs. Mary Lee Walters
Notary Public

My Commission Expires: July 1986

MARY LEE WALTERS NOTARY PUBLIC

[Signature Page 7 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

_____

OWNER OF LOT NO. 8:

_____(SEAL)
Phyllis L. Johnson

STATE OF _____)
) SS:
COUNTY OF _____)

I HEREBY CERTIFY, that on this ____ day of _____, 19__, before me, a Notary Public of the State aforesaid, personally appeared _____, personally known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and made oath in due form of law that he executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires:_____

WITNESS:

Calvan V Walters

Calvan V Walters

OWNER OF LOT NO. 9:

John C. Dumler (SEAL)
John C. Dumler

Grace Dumler (SEAL)
Grace Dumler

STATE OF Maryland)
) SS:
COUNTY OF Queen Anne's)

I HEREBY CERTIFY, that on this 4 day of April, 19 86, before me, a Notary Public of the State aforesaid, personally appeared John C Dumler and Grace Dumler, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Mary Lou Walters
Notary Public

My Commission Expires: July 1, 1986

[Signature Page 9 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

Pamela E. Nichols

Pamela E. Nichols

OWNER OF LOTS NO. 10 AND 11:

Richard J. Johns (SEAL)
Richard J. Johns

Carol J. Johns (SEAL)
Carol J. Johns

STATE OF Maryland)
) SS:
COUNTY OF Baltimore)

I HEREBY CERTIFY, that on this 25th day of March, 1981, before me, a Notary Public of the State aforesaid, personally appeared Richard J. Johns and Carol J. Johns, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

William [illegible]
Notary Public

My Commission Expires: 7/1/86

[Signature Page 10 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 12:

_____

Albert F. Beacham (SEAL)

_____

Elise F. Beacham (SEAL)

STATE OF Virginia)
~~COUNTY~~ City OF Falls Church) SS:

I HEREBY CERTIFY, that on this 27th day of March, 19 86, before me, a Notary Public of the State aforesaid, personally appeared Albert F. and Elise F. Beacham and _____, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires: May 9, 1988

[Signature Page 11 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 13:

_____

_____(SEAL)
Richard LaBrie

_____

_____(SEAL)
Betty Lou LaBrie

STATE OF _____)
) SS:
COUNTY OF _____)

I HEREBY CERTIFY, that on this ____ day of _____, 19__, before me, a Notary Public of the State aforesaid, personally appeared _____ and _____, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires:_____

[Signature Page 12 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 14:

Willard W. Crabb (SEAL)

Margaret B. Crabb (SEAL)

STATE OF Maryland)
) SS:
COUNTY OF Anne Arundel)

I HEREBY CERTIFY, that on this 31st day of March, 1986, before me, a Notary Public of the State aforesaid, personally appeared Willard W. Crabb and Margaret B. Crabb, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Notary Public

My Commission Expires: MY COMMISSION EXPIRES JULY 1, 1986

[Signature Page 13 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 15:

_____ _____(SEAL)
David S. Lazarus

_____ _____(SEAL)
Nancy F. Lazarus

_____ _____(SEAL)
Robert B. Lazarus

STATE OF _____)
) SS:
COUNTY OF _____)

I HEREBY CERTIFY, that on this ____ day of _____, 19__, before me, a Notary Public of the State aforesaid, personally appeared _____, _____ and _____, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires:_____

[Signature Page 14 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 16:

Calvon V Walters

John C. Dumler (SEAL)
John C. Dumler

STATE OF Maryland)
) SS:
COUNTY OF Queen Anne's

I HEREBY CERTIFY, that on this 4 day of April, 1986, before me, a Notary Public of the State aforesaid, personally appeared John C Dumler, personally known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and made oath in due form of law that he executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

MRS. MARY LOU WALTERS NOTARY PUBLIC QUEEN ANNE CO., MD.

Mrs Mary Lou Walters
Notary Public

My Commission Expires: July 1 1986

[Signature Page 15 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 17:

John R. Dove, Jr. (SEAL)

Elizabeth J. Dove (SEAL)

STATE OF Maryland)
) SS:
COUNTY OF Queen Anne's)

I HEREBY CERTIFY, that on this 15 day of April, 1986, before me, a Notary Public of the State aforesaid, personally appeared John R. Dove and Elizabeth J. Dove, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Notary Public

My Commission Expires: 7/1/86

[Signature Page 16 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 18:

Louis F. Grill (SEAL)
Louis F. Grill

Ruth R. Grill (SEAL)
Ruth R. Grill

STATE OF Maryland)
) SS:
COUNTY OF Anne Arundel

I HEREBY CERTIFY, that on this 23rd day of April, 1986, before me, a Notary Public of the State aforesaid, personally appeared Louis F. Grill and Ruth R. Grill, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Kimberly A. Ploeger
Notary Public

My Commission Expires: 7-1-86

NOTARY PUBLIC
ANNE ARUNDEL COUNTY, MARYLAND

[Signature Page 17 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

_____

OWNER OF LOTS NO. 19 AND 20:

_____(SEAL)
Vincent C. Pitt

_____

_____(SEAL)
Bridgett J. Pitt

STATE OF _____)
) SS:
COUNTY OF _____)

I HEREBY CERTIFY, that on this ____ day of _____, 19__, before me, a Notary Public of the State aforesaid, personally appeared _____ and _____, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires:_____

[Signature Page 18 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOTS NO. 21 AND 26:

James E Heaney (SEAL)
James E. Heaney, Sr.

STATE OF MARYLAND)
) SS:
COUNTY OF CARROLL)

I HEREBY CERTIFY, that on this 9th day of April, 1986, before me, a Notary Public of the State aforesaid, personally appeared JAMES E. HEANEY, personally known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and made oath in due form of law that he executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

James H Coleman
Notary Public

JAMES H. COLEMAN
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires July 1, 1986

My Commission Expires:

[Signature Page 19 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 22:

_____

_____(SEAL)
C. Ronald Franks

STATE OF _____)
) SS:
COUNTY OF _____)

I HEREBY CERTIFY, that on this ____ day of _____, 19__, before me, a Notary Public of the State aforesaid, personally appeared _____, personally known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and made oath in due form of law that he executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires:_____

[Signature Page 20 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOTS NO. 23, 28, 29 AND 30:

Wendell E. Shawn Jr. (SEAL)
Wendell E. Shawn, Jr.

Betty R. Shawn (SEAL)
Betty R. Shawn

STATE OF VIRGINIA)
) SS:
COUNTY OF FAIRFAX)

I HEREBY CERTIFY, that on this 26th day of APRIL, 1986, before me, a Notary Public of the State aforesaid, personally appeared WENDELL E. SHAWN, JR. and BETTY R. SHAWN, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Phyllis J. Shearer
Notary Public

My Commission Expires: Dec 29, 1989

[Signature Page 21 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 24:

_____

Ralph O. Davis, Jr. (SEAL)
Ralph O. Davis, Jr.

_____

Gail Malle (SEAL)
Gail Malle

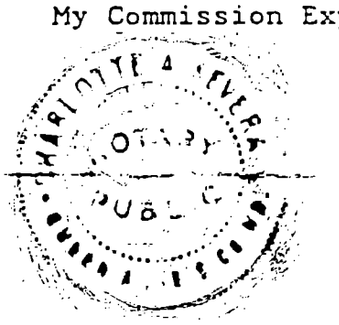
STATE OF Maryland)
) SS:
COUNTY OF Queen Annes)

I HEREBY CERTIFY, that on this 17th day of April, 1986, before me, a Notary Public of the State aforesaid, personally appeared Ralph O. Davis, Jr. and Gail Malle, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Charlotte A. Seera
Notary Public

My Commission Expires: July 1-1986



[Signature Page 22 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF LOT NO. 25:

_____

_____(SEAL)
Robert B. Greenwood

_____

_____(SEAL)
Patricia H. Greenwood

STATE OF _____)
) SS:
COUNTY OF _____)

I HEREBY CERTIFY, that on this ____ day of _____, 19__, before me, a Notary Public of the State aforesaid, personally appeared _____ and _____, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires:_____

WITNESS:

OWNER OF LOT NO. 27:

_____ _____(SEAL)
James E. Heaney, Sr.

_____ _____(SEAL)
James E. Heaney, Jr.

_____ _____(SEAL)
Patrick M. Heaney

STATE OF _____)
) SS:
COUNTY OF _____)

I HEREBY CERTIFY, that on this ____ day of _____, 19__, before me, a Notary Public of the State aforesaid, personally appeared _____, _____ and _____, personally known to me (or satisfactorily proven) to be the persons whose names are subscribed to the foregoing instrument, and made oath in due form of law that they executed the same in the capacities therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

_____
Notary Public

My Commission Expires:_____

[Signature Page 24 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

WITNESS:

OWNER OF "THE HELWIG LOTS":

(SEAL)

Frank S. Scarpa

STATE OF New Jersey)
) SS:
COUNTY OF Cumberland)

I HEREBY CERTIFY, that on this 26th day of April, 1990, before me, a Notary Public of the State aforesaid, personally appeared Frank S. Scarpa, personally known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and made oath in due form of law that he executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Notary Public

My Commission Expires: July 16, 1990

[Signature Page 25 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

ATTEST:

Pamela E. Nichols

OWNER OF "COMMUNITY PARK" PARCELS AND ROADWAYS:

Sportsman's Hall Beach Club, Inc.

By: Richard J Johns
Richard J. Johns,
President, Sportsman's Hall Beach Club, Inc.

STATE OF Maryland)
) SS:
COUNTY OF Baltimore)

I HEREBY CERTIFY, that on this 25th day of March, 1986, before me, the undersigned Notary Public of the State aforesaid, personally appeared Richard J. Johns, who acknowledged himself to be the President of Sportsman's Hall Beach Club, Inc., a Maryland corporation, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument as President and acknowledged that he executed the same for the purposes therein contained as the duly authorized President of said corporation by signing the same of the corporation by himself as such President.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

S. William Appel
Notary Public

My Commission Expires: 7/1/86

[Signature Page 26 of 26 to that certain Sportsman's Hall Development Amended and Restated Restrictions, Easements and Covenants]

EXHIBIT No 3

BYLAWS
OF
SPORTSMAN'S HALL COMMUNITY ASSOCIATION, INC.

Article I
NAME

The name of the organization shall be "Sportsman's Hall Community Association, Inc." It is a non-profit community organization.

Article II
MEMBERSHIP

The membership in the association shall be the owners of residential building lots numbers one (1) through thirty (30) as well as the "Helwig Lot" as shown on the "Revised Plat of a Survey of `Sportsman's Hall' dated May 1, 1975." Members in good standing shall have the right to attend all meetings of the Association, shall be given the required notice of each meeting, shall have the right to vote at each such meeting and shall have the right to hold office. Owners of record shall have all such rights, but are limited to one vote per lot.

Article III
MEMBERSHIP PRIVILEGES AND RESPONSIBILITIES

A member in good standing is one who meets the requirements of these Bylaws including being current in dues and assessments.

A member in good standing shall entitle members and their guest to the ordinary use of community facilities subject to Association rules.

All persons who use the Association facilities, do so at their own risk.

Article IV
MEMBERSHIP MEETINGS

Annual Meetings: An annual meeting of the membership shall be held in the month of October at Sportsman's Hall Development, Queenstown, Maryland, or any place designated by the president within a 25-mile radius. Notice of the time, place and purpose or purposes of the annual meeting shall be given to each member of the Association at least ten (10) days before the meeting by notice mailed or delivered to his or her address as it appears on the books of the Association.

Special Meetings: Special meetings of the membership, other than those regulated by law, may be called at any time by the president or vice-president or by two directors and must be called by the president or secretary upon the written request of one-third of the members of the Association. Notice of a special

meeting stating the time, place and purpose or purposes thereof shall be given to each member at least ten (10) days before the meeting by notice mailed to his or her address as it appears on the books of the Association.

Quorum: At any meeting of the membership of the Association, the presence of fifty-one (51%) percent of the membership in person or by proxy shall be necessary to constitute a quorum and the act of a majority of the membership present or represented by proxy at any meeting at which there is a quorum shall be the act of the full membership except as may be otherwise specifically provided by statute or these Bylaws.

Voting: At every meeting of members each member shall be entitled to vote in person, or by proxy duly appointed by instrument in writing making specific reference to the particular meeting. Each member shall be entitled to one vote per lot owned. The vote for officers and upon the demand of any member, the vote upon any question before the meeting, shall be by ballot. All elections and all questions shall be decided by a majority vote of the members present in person or by proxy.

Article V
DIRECTORS

The business and property of the Association shall be managed and controlled by its Board of Directors who are the elected officers of the Association and will hold office until the next annual meeting of the membership and until the election of their respective successors. The directors shall be members in good standing of the Association.

Any director may resign at any time by giving written notice of his resignation to the Board of Directors.

Any vacancy on the Board of Directors may be filled for the unexpired portion of the term by the directors then serving.

Regular meetings of the Board of Directors may be held without notice on such dates as may be designated by the Board of Directors.

Special meetings of the Board of Directors may be called by the president or vice president and must be called by either of them on the written request of any member of the Board. Notice of the time and place of special meetings shall be given a least three (3) days before the meeting.

A majority (3) of the Board of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business at every meeting of the Board of Directors and the act of this quorum (3) must be unanimous to constitute a decision.

The Board of Directors shall be limited in the expending or commitment of Association funds in accordance with the budget adopted by the membership at the annual meeting or specially called meeting.

The Board of Directors may freely make contracts, enter transactions or otherwise act for or on behalf of the Association within the limits of these Bylaws or that it be made and done in accordance with the prior direction of a majority of the membership voting at any regular or specially called meeting.

The minutes and records of the Board of Director meetings shall be available for review by any member of the Association. The Board of Directors from time to time shall inform the membership of its decisions and actions.

Article VI
OFFICERS

The officers of the Association shall be the president, 1st. vice president, 2nd. vice president, secretary and treasurer. Three of the officers must be year round residents of Sportsman's Hall Development. The officers shall be members in good standing.

The elected officers shall constitute the Board of Directors.

The officers shall be elected annually by the membership at the annual meeting. In case any office becomes vacant, the Board of Directors may elect an officer to fill such vacancy.

President: The president shall preside at all meetings of the membership and of the Board of Directors. He shall have general charge of the affairs of the Association and shall perform such other duties as may be assigend to him by the Board of Directors.

1st. Vice President: At the request of the president, or in the event of his absence or disability, the 1st. Vice President shall perform the duties and have the powers of the president.

2nd. Vice President: The 2nd. Vice President shall be responsible for the preparation of an annual budget and after review by the Board of Directors, it shall be submitted at the annual meeting to the membership for approval. He shall preside in the absence of the president and 1st. Vice President.

Secretary: The secretary shall have charge of such books, documents and papers as the Board of Directors may determine and shall have the custody of the corporate seal. He shall attend and keep the minutes of all the meetings of the Association and the Board of Directors. He shall keep a record of the names and post office addresses of members. When so authorized by the Board of Directors, he may affix and attest the corporate seal on contracts, agreements and other instruments. He shall perform

all duties incident to the office of secretary, including but not limited to giving required notices of meetings to the membership and directors, subject to the control of the Board of Directors. He shall prepare and distribute copies of the recorded minutes of Association meetings to the membership.

Treasurer: The treasurer shall have the custody of all funds, property and securities of the Association, subject to regulations imposed by the Board of Directors. He shall keep accurate account of moneys and obligations received and paid or incurred by him in the books of the Association, and shall exhibit such books at all reasonable times to any director or member on application. He shall perform all duties incident to the office of treasurer, subject to the control of the Board of Directors, and shall prepare an annual financial statement for the Association and furnish a copy to each member at the annual meeting.

Article VII
COMMITTEES

The president or the Board may from time to time appoint committees and specify their duties. The president shall appoint the chairman of each committee subject to the approval of the Board of Directors. Each committee chairman shall designate his own committee which shall include at least two other members of the Association. The president shall be ex-officio member of each committee. All committees which may desire to take public action, must first submit their plans to the Board of Directors for approval.

Article VIII
SEAL

The seal of the Corporation shall be circular in form, with the name of the Corporation and the word "Maryland" around the border and the year of incorporation in the center.

Article IX
FISCAL YEAR

The fiscal year of the Association shall begin on November 1st.

Article X
CHECKS AND DRAFTS

All checks, drafts or orders for the payment of money shall be signed by the Treasurer or the President.

Article XI
DUES AND ASSESSMENTS

Dues shall be assessed and paid annually on the thirty (30) lots and the lot known as the Constance (Helwig) property (See Article

Article XI
DUES AND ASSESSMENTS

Dues shall be assessed and paid annually on the thirty (30) lots and the lot known as the Constance (Helwig) property (See Article II of these Bylaws).

Dues and assessments may be levied only at a meeting of the Association by a majority vote of all the membership in person or by proxy, provided that the proposed action is inserted in the notice of such meeting.

Article XII
COMPENSATION

No director or officer shall be paid any salary, fee, commission or other emolument for services to the Association in any respect as such director or officer. Being a director, officer or member, however, shall not prevent a person performing normal professional or business services for the Association being paid normal compensation for such services, nor shall any director, officer or member be prohibited from recovering expenses advanced on behalf of the Association.

Article XIII
AMENDMENTS

These Bylaws may be altered, amended or replaced at any meeting of the Association by a majority vote of all the membership in person or by proxy, provided that the proposed action is inserted in the notice of such meeting.

Article XIV
PARLIAMENTARY AUTHORITY

Robert's Rules of Order, Revised, shall be parliamentary authority for this Association and shall govern in all cases not provided for by these Bylaws.

These Bylaws were adopted (as amended) by unanimous vote of the quorum present at the Annual Meeting of the Association on October 4, 1986.

Rec'd for Ed Severn 4/28/82 EXHIBIT No 4

THIS DEED, made this 22 day of APRIL 1982, by and between WYE RIVER ENTERPRISES, INC., a Maryland Corporation, party of the first part; and SPORTSMAN'S HALL BEACH CLUB, INC., a Maryland corporation, party of the second part;

WHEREAS, in settlement of certain disputes involving Lots Nos. 1 through 30 inclusive, of the subdivision known as "Sportsman's Hall", between the parties hereto set forth in the proceedings in the Circuit Court for Queen Anne's County in Equity, being Chancery No. 5869, a certain agreement by and between the parties of the first and second parts was made, executed, delivered, dated July 14, 1979, and recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 154, folio 74 wherein it was provided that the aforesaid Lots 1 through 30, inclusive, be considered one entity, and among other terms provided that title to the hereinafter mentioned lands be conveyed unto the party of the second part;

NOW, THEREFORE, THIS DEED WITNESSETH: that the considerations set forth in said Agreement and mutual non-monetary advantages accruing to the parties hereto, and without monetary consideration hereby passing, the party of the first part, WYE RIVER ENTERPRISES, INC., does hereby grant and convey unto the said party of the second part, SPORTSMAN'S HALL BEACH CLUB, INC., its successors and assigns, in fee simple, the following described lands, to wit:

ALL those lots, tracts, strips or parcels of land situate lying and being within the bounds of Sportsman's Hall Subdivision in the Fifth Election District of Queen Anne's County, State of Maryland, set forth and shown on a plat entitled, "Revised Plat of Sportsman's Hall", 5th El. Dist., Queen Anne's Co., Maryland", dated May, 1975 by Shew and Bartlett, engineers and John W. Williams, associate engineer, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 105, folio 459, as follows, to wit:

PARCEL NO. ONE

ALL those two lots of land lying at the entrance way of said subdivision, binding upon the Bennett's Point Public Road and the roadway leading easterly therefrom into said subdivision, and on either side of said last mentioned private roadway, containing 0.657 acres, in the southerly lot and 0.093 acres in the northerly lot, both lots together on the aforesaid plat recorded in Liber C.W.C. No. 105, folio 459, being labeled and designated thereon as "Community Park".

PARCEL NO. TWO

ALL that lot, containing 1.138 acres, lying on the southerly side of the entrance road (50 feet wide) leading into Sportsman's Hall Subdivision, bounded by Lot No. 30 on the west, on the south by Lots Nos. 29 and 28, on the east by a part of Lot No. 14 and by lots Nos. 13 and 12, all of said subdivision, and being labeled and designated on the aforesaid plat recorded in Liber C.W.C. No. 105, folio 459, as "Community Park".

PARCEL NO. THREE

ALL those two lots of land, lying along the westerly boundary line of the lands of the grantor herein, one lot thereof lying on a cove of the Wye River, bounded on its easterly side by the roadway known as South Avenue, containing 0.436 acres, and the other lot thereof binding in part on the lands of Philip W. Constance, et ux, AND Lots Nos. 20, 19, 18, 17 and 26 of said subdivision, containing 2.869 acres, both lots together on the aforesaid plat recorded in Liber C.W.C. No. 105 folio 459, being labeled and designated as "Community Park".

PARCEL NO. FOUR

ALL that strip or parcel of land being a part of the roadway system of Sportsman's Hall Subidivision, known as South Avenue, or by whatsoever name or names the same may be called or known, extending from its southerly terminus thereof along the northerly line of Lot No. 1 of said subdivision in a northerly direction and thence in a westerly direction to a line being the westerly line of Lot No. 30 in said subdivision extending in a straight line running North 18° 44' East across said roadway northerly to the lands of, or formerly of, Mareen Waterman.

BEING part of the lands conveyed by Anthony Realty, Inc. to Wye River Enterprises, Inc. by deed dated February 24, 1964 recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 6, folio 430.

SUBJECT, NEVERTHELESS, to all matters set forth and shown on all the various plats of Sportsman's Hall Subdivision mentioned

in said Agreement recorded in Liber M.W.M. No. 154, folio 74 and all easements, rights of way, utility lines, restrictions, etc., appertaining thereunto of public record prior hereto.

SUBJECT, NEVERTHELESS, to The Sportsman's Hall Development Restrictions, Easements And Covenants recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 49, folio 324, which provides for the formation of Sportsman's Hall Beach Club, Inc. to be composed of owners of residential lots within the said subdivision and by persons who occupy said residential lots. As further provided thereby, community park areas are "expressly and irrevocably reserved, dedicated and restricted to the use in common of bona fide members of an association to be known as "Sportsman's Hall Beach Club, Inc." which shall be a body corporate, duly incorporated under the Laws of the State of Maryland, and which shall be formed by and composed of the owners and occupiers of those residential building lots which are contained within said "Sportsman's Hall Development" solely for the purpose of such bathing, boating and other recreational activities as may be conducted, sponsored or prompted by the association."

SUBJECT, NEVERTHELESS, to the terms and provisions of a certain agreement by and between Wye River Enterprises, Inc. and Sportsman's Hall Beach Club, Inc. dated the 14th day of July, 1979 recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 154, folio 74.

AND be it further provided in the event the by-laws of Sportsman's Hall Beach Club, Inc. and/or the Restrictions, Easements and Covenants relating to Sportsman's Hall Subdivision be altered or amended to permit use by non-owners or non-occupiers of Lots Nos. 1 through 30, inclusive, of said subdivision, of the hereinabove described Parcels Nos. 1, 2, and 3, inclusive, hereby intended to be conveyed, then upon said occurrence the said Parcels Nos. 1, 2 and 3, inclusive, shall revert unto Wye River Enterprises, Inc. and Sportsman's Hall Beach Club, Inc. shall be responsible for all legal costs and reasonable attorney's fees as may be required to effect such reversion of legal title to the Grantor herein. As to the said provisions be it further understood and agreed, as follows, to wit: (1) that any and all right or privileges hereby vesting in the said Grantor hereof shall at no time or any circumstance be invoked in an unreasonable manner; (2) anything contained herein to the contrary notwithstanding, any act by the aforesaid Grantee herein which might or would entitle the Grantor herein to a remedy hereunder shall not be a default and the said Grantor shall not be entitled to any remedy or reversion until and unless the said Grantee shall have failed to cure or correct the alleged default or transgression of the Restrictions, Easements and Covenants aforesaid within sixty (60) days of the mailing or delivery of written notice to any officer or officers, or the resident agent, of Sportsman's Hall Beach Club, Inc. of such alleged default or transgression by Wye River Enterprises, Inc.; (3) that the failure of Wye River Enterprises, Inc., to, on any occasion, to insist upon the strict performance of any term or provision of this paragraph shall not be deemed a waiver of any of its rights or remedies hereunder, but Wye River Enterprises, Inc., notwithstanding such failure shall have the right thereafter to insist on strict performance of this provision; (4) that any and all right, remedy or reversionary interest by this provision vested in Wye River Enterprises, Inc. shall cease and determine and thereafter be void and of no force and effect subsequent to the 31st day of December, 1992; and (5) that the provisions of this paragraph shall inure to the benefit of the respective

APR 23-82 * 22807 *****
APR 23-82 A 22807 *****

successors and assigns of each of the parties hereto.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every the rights, roads, and/or alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD said lands and premises, above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining unto and to the proper use and benefit of the said party of the second part, Sportsman's Hall Beach Club, Inc., its successors and assigns, in fee simple, subject to the provisions herein contained, which shall inure to the successors and assigns of the parties hereto, and each of them.

AND the said party of the first part hereby warrants that it will execute such further assurances of the same as may be requisite.

AS WITNESS the hand of EDWARD F SEVERA JR President of Wye River Enterprises, Inc., and its corporate seal hereto affixed.

ATTEST:

Rachel C Downes Jr

WYE RIVER ENTERPRISES, INC.

BY: Edward F Severa Jr
President

(Place corporate seal here)

STATE OF MARYLAND, COUNTY OF Queen Annes to wit:

I HEREBY CERTIFY that on this 22nd day of April, 1982 before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Edward F Severa Jr who acknowledged himself to be the President of the aforesaid body corporate, and that he as such President being authorized so to do, did execute the aforegoing instrument for the purposes therein contained and does further certify that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the Grantor corporation.

AS WITNESS my hand and Notarial Seal.

Rachel C Downes Jr
Notary Public

My Commission Expires:
July 1, 1982

RECEIVED
CLERK. CIRCUIT COURT
1982 APR 23 AM 11:44
QUEEN ANNE'S COUNTY

EXHIBIT NO 5

	Initials	Date
Prepared By	BB	10/19
Approved By		

45-805 EYE-EASE

THE SPORTSMANS HALL COMMUNITY ASSOCIATION

BUDGET

1988-1989

	1	2	3	4	5
	ESTIMATED INCOME		87-88 BUDGET	87-88 ACTUAL	88-89 BUDGET
COMMUNITY DUES		MISC. BOARD	-0-	20626	225
SOUTH AVE.		MAIL/COPIES	200	4649	100
18 X $120	2160	MOWING	300	4500	300
3 X $50	150	INSURANCE	800	92625	975
		SNOW REMOVAL	800	-0	800
WOODS Rd.		ROAD MAINT.	400	-0	200
8 X $100	800	ACORN	500	-0	500
2 X $40	80	INSECT SPRAY			90
			300000	122400	
	3190				319000
DOCK FEES	2100				
		PILINGS	-0	62500	250
		ICE EATER (REPAIR)	-0	16500	100
		ELECTRIC	200	15921	200
		WELL	3000	323505	100
		INSURANCE	800	92625	975
		SHELLS	200	4392	200
		PIER GATE	150	-0	150
		RAMP MAINT (SECURITY CHAIN)	600	-0	125
		RESERVE	-0		-0
			495000	515443	
	210000				210000

LIBER 1173 FOLIO 388

DOC. NO. 309994

RECEIVED
CLERK, CIRCUIT COURT
03 NOV -4 PM 3:18
QUEEN ANNE'S COUNTY

FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SYMPHONY VILLAGE AT CENTREVILLE

IMP FD SURE $ 20.00
RECORDING FEE 20.00
TOTAL 40.00
Rcpt # 48241
Blk # 440
03:19 PM

AN AGE RESTRICTED (55 AND OVER) RESIDENTIAL COMMUNITY

(Amends Declaration of Covenants, Conditions and Restrictions recorded in Liber 1166 at folio 502)

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SYMPHONY VILLAGE AT CENTREVILLE (hereafter the "**Amendment**"), is made as and effective for all purposes of this 30th day of October, 2003, by **WATERFORD/CENTREVILLE, LLC, a Maryland limited liability company** (the "**Declarant**").

EXPLANATORY STATEMENT

A. The Declarant is the Declarant under a Declaration of Covenants, Restrictions and Conditions for the Symphony Village at Centreville project which have been recorded in the Land Records of Queen Anne's County, Maryland in Liber 1166 at folio 502.

B. The Declarant desires to amend the Declaration.

RECORDING FEE 15.00
TOTAL 15.00
Rcpt # 48241
Blk # 441
03:20 PM

NOW, THEREFORE, the Declarant hereby covenants and declares, on behalf of itself and its successors and assigns, that the Declaration is hereby amended as set forth below.

1. Article 8.1 is hereby amended to add the following as Article 8.1(iii):

Article 8.1 Age Restrictions

iii. In the event that the provisions of Article 8.1 are ever modified or violated by the Owner of a Lot, the Owner at the time the provisions of Article 8.1 are modified or violated shall pay to Queen Anne's County the then current public school impact fee as imposed by Queen Anne's County in accordance with the provisions of Section 18-305(d)(4)(iii) of the Queen Anne's County Code.

2. Article 13.1 of the Declaration is hereby amended to add the follow to the end of Article 13.1:

Notwithstanding the foregoing or any other provision of this Declaration or the other Association Documents, the Declarant may not amend the provisions of Article 8.1 without the prior written consent of the Town and Queen Anne's County.

3. Article 13.2(iv) is hereby added to appear as a part of Article 13.2 as follows:

Article 13.2 Amendment by the Association.

iv. No amendment may be made to Article 8.1 of this Declaration without the prior written consent of the Town and Queen Anne's County.

4. Except as set forth above, all other terms, provisions and conditions of the Declaration shall continue in full force and effect and shall not be modified or amended by the execution hereof. Capitalized terms not otherwise herein defined shall have the same meaning as defined in the Declaration.

5. As of the date hereof, there are no other Members of the Association other than the Declarant and the Declarant owns 100% of the Lots.

In Witness Whereof, the Declarant has hereunto set its hand and seal as of the year and day first above written.

WATERFORD/CENTREVILLE, LLC
a Maryland limited liability company

By: CARUSO CENTREVILLE MANAGER, LLC, a Maryland limited liability company, its Manager

By: CARUSO HOMES, INC., a Maryland corporation, its Managing Member

By: _____ **(SEAL)**
David Herzog, President

STATE OF MARYLAND
COUNTY OF

I HEREBY CERTIFY that on this 30th day of October, 2003, before me, the undersigned subscriber, a notary public for the state and county set forth above, did personally appear **David Herzog** who acknowledged himself to be the President of Caruso Homes, Inc., a Maryland corporation, the Managing Member of Caruso Centreville Manager, LLC, a Maryland corporation, the Manager of **Waterford/Centreville, LLC, a Maryland limited liability company**, and did further acknowledge that he executed the foregoing instrument for the purposes therein.

AS WITNESS, I have hereunto set my hand and notarial seal this 4 day of ~~October~~ November, 2003.

Elizabeth M Rafel (SEAL)
NOTARY PUBLIC

ELIZABETH M. RAFEL NOTARY PUBLIC QUEEN ANNE COUNTY, MD

My Commission Expires: 9-1-2005.

I HEREBY CERTIFY that the within instrument was prepared by an attorney duly authorized to practice before the Maryland Court of Appeals.

RICHARD A. KRAMER

After Recording, please remit to:

Kramer & Levine, Chartered
P.O. Box 2170
403 Charles Street
La Plata, MD 20646

DOC. NO. 309089 LIBER 1166 FOLIO 502

RECEIVED
CLERK. CIRCUIT COURT
03 OCT 21 AM 10:29
QUEEN ANNE'S COUNTY

DOC. NO. 309089 **DECLARATION**

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

SYMPHONY VILLAGE AT CENTREVILLE

RECEIVED
CLERK. CIRCUIT COURT
03 OCT 20 PM 4:21
QUEEN ANNE'S COUNTY

IMP FD SURF $ 20.00
RECORDING FEE 75.00
TOTAL 95.00
Rec# 0A01 Rcpt # 47253
SM RCB Blk # 2521
Oct 21, 2003 10:33 am

AN AGE RESTRICTED (55 AND OVER) RESIDENTIAL COMMUNITY

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SYMPHONY VILLAGE AT CENTREVILLE (hereafter the "**Declaration**"), is made as and effective for all purposes of this 20th day of October, 2003, by **WATERFORD/CENTREVILLE, LLC, a Maryland limited liability company** (the "**Declarant**").

EXPLANATORY STATEMENT

A. The Declarant is the owner of the real property located in the Town of Centreville, Queen Anne's County, Maryland described on **Exhibit 1**.

B. The Declarant intends to develop the real property described on **Exhibit 1** as an Active Adult (age 55 and over) community.

C. In furtherance of the development of the Property, the Declarant has elected to subject the real property described on **Exhibit 2** (which constitutes a part of the real property described on **Exhibit 1**) to the covenants, restrictions, reservations, easements, servitudes, liens and charges which are more particularly hereinafter set forth.

D. The Declarant may hereafter decide to subject additional real property (either in whole or in part) to the provisions of this Declaration, all as the same may be amended from time to time.

E. The Declarant deems it desirable and in the best interests of all the Owners of the Lots to provide for a flexible and reasonable procedure for the overall development of the Property and the administration, maintenance, preservation, use and enjoyment of the Property.

F. In order to implement the purposes and intents herein set forth, the Declarant intends to incorporate under the laws of the State of Maryland,

RECORDING FEE 50.00
TOTAL 50.00
Rec# 0A01 Rcpt # 47227
SM RCB Blk # 2469
Oct 20, 2003 04:23 pm

Symphony Village at Centreville Homeowners Association, Inc., a Maryland non-stock, non-profit corporation.

NOW, THEREFORE, the Declarant hereby covenants and declares, on behalf of itself and its successors and assigns, that the real property designated and described on **Exhibit 2** attached hereto and made a part hereof shall, from the date this Declaration is recorded in the Land Records, be held, used, owned, occupied, conveyed, acquired and encumbered subject to the terms and provisions of this Declaration, all of which terms and provisions shall run with the land and bind and inure to the benefit of all Persons who may now or hereafter own or acquire any right, title, estate or interest in or to any of the Property.

ARTICLE 1
GENERAL PROVISIONS

Article 1.1 Definitions. Capitalized terms used in this Declaration (including the Explanatory Statement) not otherwise defined when first used in the body of this Declaration shall have the meanings specified for such terms below.

"**Active Adult**" means a natural person who is fifty-five (55) years of age or older.

"**Additional Phase**" means and refers to each separate individual piece of real property and any part thereof, which the Declarant may submit to this Declaration and to the jurisdiction of the Association pursuant to Article 2 hereof.

"**Additional Phases**" means all Additional Phases collectively.

"**Articles of Incorporation**" means the articles of incorporation for the Association which the Declarant shall file with the Maryland State Department of Assessments and Taxation subsequent to the date hereof.

"**Association**" means Symphony Village at Centreville Homeowners Association, Inc., a Maryland non-stock, non-profit corporation.

"**Association Documents**" means collectively, this Declaration, the Articles of Incorporation and the Bylaws, as the same are amended from time to time. Any exhibit, schedule, certification or amendment to an Association Document and all rules, regulations, design standards and other documents adopted as a part of any of the foregoing are an integral part of that document.

"**Board of Directors**" or "**Board**" means the executive and administrative entity provided for by the Articles of Incorporation as the governing body of the Association and which shall function and exercise the authority granted

to the Board in the Articles of Incorporation, this Declaration, and the other Association Documents.

"**Builder**" means both the Declarant and any Person who, in the regular course of business, purchases a Lot or Lots for the purpose of constructing a House or Houses for resale to the public.

"**Bylaws**" means the by-laws of the Association as adopted in accordance with the provisions of the Articles of Incorporation and the Maryland Homeowners Association Act, as the same may be amended from time to time.

"**Class A Member** " means an Owner of a Lot other than the Declarant.

"**Class B Member**" means the Declarant and its successors and assigns.

"**Common Area**" means, at any given time, all of the Property, other than Lots and any part of the Property dedicated for public use and conveyed to the Town or any other governmental entity. Common Area shall include any part of the Property conveyed to or owned by the Association for the benefit, use and enjoyment of the Owners. Common Area shall also include, for the purposes of determining Common Expenses and Upkeep, any real property burdened by an easement or right of way now or hereafter created or other charge or agreement now or hereafter created for, by way of illustration but not limitation, utilities, walking paths, landscaping, entrance features, guard house, lighting, signage, storm water management ponds, storm water retention ponds and other areas for the use and/or benefit (either exclusive or non-exclusive) of the Association and which shall be maintained by the Association provided that the use of such Common Areas by the Owners shall be limited to the easement or other document establishing such use. Any provision in this Declaration to the contrary notwithstanding, the Declarant shall not have any obligation to convey to the Association in fee simple any part of the Common Area not located on the Property provided that the Association shall succeed to all of the right, title and interest of the Declarant as to any part of the Common Area which constitutes an easement or right of way or other right of use. For the purposes of maintenance, operation and Upkeep, any part of a Lot on which Common Areas is located, included but not limited to sidewalks and landscaping located on Lots pursuant to Section 5.1(iii)(d), shall be treated as Common Area; for the purposes of ownership, such portion shall be part of the Lot owned by the Owner thereof and shall be included in the calculation of voting rights and assessments. Common Area shall include any additional Common Area contained within any Additional Phase which is submitted to this Declaration pursuant to the provisions of Article 2 hereof.

"**Common Expenses**" means all expenditures made and incurred on behalf of the Association pursuant to the Association Documents, together with all funds determined by the Board of Directors to be necessary for the creation and maintenance of reserves pursuant to the provisions of the Association Documents.

"**Covenants Committee**" means the committee that shall be established by the Board of Directors pursuant to Article 9 hereof for the purposes and with the authority set forth in this Declaration and the other Association Documents.

"**Declarant**" means Waterford Centreville, LLC, a Maryland limited liability company, its and successors and assigns; provided, however, that no successor or assignee of the Declarant shall have any of the rights or obligations of the Declarant hereunder unless such rights and/or obligations are specifically assigned by Declarant by document recorded in the Land Records or unless said rights and obligations of the Declarant inure to the successor by operation of law. The right is reserved to the Declarant to make partial assignments of its rights as the Declarant to one or more Builders or other Persons.

"**Declarant Control Period**" means the period ending on the earlier of: **(i)** the sixth anniversary of the date of recordation of this Declaration; or **(ii)** the date the number of votes of Class A Members equals the number of votes of the Class B Member; or **(iii)** the date specified by the Declarant in a written notice to the Association that the Declarant Control Period is to terminate on that date. Notwithstanding the foregoing, in the event Declarant is delayed due to causes beyond its reasonable control from completing development of the Property, the right is reserved to the Declarant to extend the Declarant Control Period for up to an additional two (2) years by notice of a written extension from the Declarant to the Association but in no event shall the Declarant Control Period extend beyond the eighth anniversary date of the recordation of this Declaration. Any extension of the Declarant Control period shall be recorded in the Land Records with a copy being provided to the Association.

"**Declaration**" means this instrument as the same may from time to time be amended or supplemented.

"**Design Standards**" means collectively **(i)** the architectural, landscaping and building standards developed for the Property established by the Covenants Committee and approved by the Board pursuant to Article 9 hereof and **(ii)** any architectural, landscaping and building standards developed for the Property and established by the Declarant or otherwise contained in the Association Documents.

"**Development Period**" means the period of time that the Declarant or Builders are engaged anywhere on the Property in development of the Property

or construction and sale of Houses or activities related thereto. When all the Lots and Common Area have been conveyed to Owners other than the Declarant and the Declarant has received a release of any bonding or surety provided by the Declarant in connection with the development of the Property and any required offsite development, then the Development Period shall end. Notwithstanding the foregoing, the right is reserved to the Declarant to end the Development Period at any earlier date upon written notice to the Association designating the date on which the Development Period shall end.

"**House**" means a single family residential dwelling (attached or detached) erected on a Lot. A House comes into existence for the purposes of assessments under Article 6 of this Declaration on the date that a certificate of occupancy (whether temporary or permanent) is issued by the appropriate governmental agency for such House.

"**Land Records**" means the land records of Queen Anne's County, Maryland.

"**Lot**" means a portion of the Property (including at any given time any Additional Phase which is submitted to this Declaration in accordance with Article 2 hereof) designated as a separate residential building lot contained with a plat of subdivision, resubdivision, consolidation or boundary line adjustment approved by all requisite authorities and recorded in the Land Records (but not including the Common Area) upon which a House is or may be erected. If at any point in time under the terms of this Declaration a House shall exist on a Lot, the term Lot shall mean and include the Lot as improved by the House.

"**Majority Vote**" **(i)** with respect to the Members, means a simple majority (more than fifty [50%] percent) of the total number of votes entitled to be cast by Members present in person or by proxy at a duly held meeting of the Members at which a quorum is present; **(ii)** with respect to either the Board of Directors or Covenants Committee, means a simple majority (more than fifty [50%] percent) of the total number of votes entitled to be cast by directors serving on the Board or Covenants Committee members present at a duly held meeting of the Board of Directors or Covenants Committee at which a quorum is present.

"**Maryland Homeowners Association Act**" mean such act as contained within Title 11B of the Real Property Article of the Annotated Code of Maryland as the same may be amended from time to time.

"**Member**" means any Class A or Class B Member.

"**Mortgage**" means a first mortgage or first deed of trust encumbering a Lot held and owned by a Mortgagee.

"**Mortgagee**" means an institutional lender (one or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, pension funds or business trusts, including but not limited to real estate investment trusts, any other lender regularly engaged in financing the purchase, construction, or improvement of real estate, or any assignee of loans made by such lender, or any combination of any of the foregoing entities) holding a Mortgage which has notified the Board of Directors of its status and requested all rights of a Mortgagee under the Association Documents. Only for the purpose of the rights in Articles 12, 13, and 14 hereof, the term "**Mortgagee**" shall also include the Veterans Administration, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Federal National Mortgage Association, the Farmer's Home Administration, the Government National Mortgage Association and any other public or private secondary mortgage market entity, if such entity is participating in purchasing, guaranteeing or insuring Mortgages on a Lot or Lots and for which the Board of Directors has notice of such participation.

"**Officer**" means any natural person holding office in the Association pursuant to the Bylaws and the other Association Documents. An Officer need not been an Owner or a Member.

"**Owner**" means one or more Persons who own a Lot in fee simple, but does not mean any Person having an interest in a Lot solely by virtue of a contract or as security for an obligation. An Owner's right to occupy a Lot is subject to the provisions of the Association Documents, including but not limited to those set forth in Article 8.1 of this Declaration.

"**Permissible Occupant**" means any natural persons occupying a Lot in accordance with the provisions of Article 8.1.

"**Person**" means any natural person or any limited liability company, limited liability partnership, limited partnership, corporation, partnership, association, trust or other legal entity or any combination thereof legally entitled to hold title to real estate.

"**Phase**" means each any portion of the Property, now or hereafter subjected to this Declaration.

"**Property**" means at any given time, all of the real property subject to this Declaration (including Lots and Common Area and any Additional Phases) and includes all improvements and appurtenances thereto now or hereafter existing.

"**Recreational Facilities**" means those facilities for the common use and enjoyment of the Members constructed or existing on the Common Areas and any such facilities as are required by any governmental requirements relating to

the Property. Recreational Facilities shall include, but not be limited to, two (2) tennis courts, a bocce court, indoor and outdoor swimming pool, walking trail, club house and furniture and equipment to be contained therein, community flower garden, putting green, gazebo area, horseshoe pit and open spaces. The Recreational Facilities may include additional facilities as elected by the Declarant during the Declarant Control Period, including Recreational Facilities constructed on a future Phase.

"**Rules and Regulations**" means the rules and regulations governing the use, occupancy, operation and physical appearance of the Property adopted from time to time by the Board of Directors pursuant to this Declaration and the other Association Documents.

"**Town**" means the Town of Centreville, a body politic.

"**Upkeep**" means care, inspection, maintenance, operation, repair, repainting, remodeling, restoration, improvement, renovation, alteration, replacement and reconstruction.

Article 1.2 Construction of Association Documents.

i. **Captions.** The captions in this Declaration are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or any provision thereof.

ii. **Pronouns.** The use of the masculine gender shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural and vice versa, whenever the context so requires.

iii. **Severability.** Each provision of an Association Document is severable from every other provision, and the invalidity of any one or more provisions shall not change the meaning of or otherwise affect any other provision. To the extent that any provision of the Association Documents is found to be overly broad or unenforceable and a narrower or partially enforceable construction may be given to such provision, then the narrower or partially enforceable construction shall be applied and, to the extent practicable, the provision shall be enforced.

iv. **Interpretation.** If there is any conflict between any other Association Documents and this Declaration, this Declaration shall control, except as to matters of compliance with the Maryland Homeowners Association Act, in which case the Articles of Incorporation and Bylaws shall control. Particular provisions shall control general provisions, except that a construction consistent with the Maryland Homeowners Association Act shall in all cases control over any construction inconsistent therewith.

ARTICLE 2
ADDITIONS TO THE PROPERTY

Article 2.1 Expansion by the Declarant.

i. **Additional Phases.** The Declarant hereby reserves the right and option, until the end of the Declarant Control Period, to expand from time to time, without the consent of any Owner or Mortgagee, the Property which is subject to this Declaration by submitting one or more Additional Phases (including separate annexations of the Common Areas applicable to such Additional Phases, the Lots contained therein or both, provided that once any part of an Additional Phase is annexed, then the balance of such Additional Phase must be annexed no later than the expiration of the Declarant Control Period) to the provisions of this Declaration and the jurisdiction of the Association whether or not such Additional Phase or Phases are owned by the Declarant. There are no limitations on the option of the Declarant to expand the Property which is the subject of this Declaration except as set forth in this Article 2, said option being absolute and unconditional. The Declarant's option set forth in this paragraph 2.1(i) may be terminated only upon the recordation by the Declarant of an instrument relinquishing such option or the expiration of the Declarant Control Period. The Declarant reserves the unilateral right, without the approval of the Owners or Mortgagees, to execute and record additional amendments to this Declaration, subjecting any Lot to such additional covenants and restrictions as may be necessary to reflect the different characteristics of such Lot as are not inconsistent with the overall scheme of the Declaration; provided, however, that the Declarant shall not have such right after the conveyance of such Lot to an Owner other than the Declarant without the written consent of such Owner and its Mortgagee.

ii. **Amendment of Additional Phases.** Any additional real property to become an Additional Phase must be located **(a)** within the Property originally described in **Exhibit 1** or **(b)** within three hundred (300) feet of any boundary line of the Property originally described in **Exhibit 1**.

Article 2.2 Procedure for Expansion. The Declarant or if requested by the Declarant, the Association, as appropriate, may record one or more amendments to the Declaration or other appropriate instrument submitting one or more of the Additional Phases thereof to this Declaration and to the jurisdiction of the Association. Each such instrument shall include a legally sufficient description of the real estate added to this Declaration. At the time of recordation of an instrument adding an Additional Phase, appropriate plans shall be recorded, if necessary, showing the Additional Phase being added and describing any real estate being conveyed to the Association as Common Area. Upon recordation of an instrument adding an Additional Phase, the provisions of the Declaration shall apply to the Additional Phase submitted thereby as if it were originally part of the Property contained in this Declaration on the date of its first recording.

Article 2.3 Withdrawable Real Estate by Declarant. Upon the dedication for public roadways or other public use purposes of any portion of the Property, or upon the conveyance to any public entity or authority for public roadways or other public use purposes of any portion of the Property, this Declaration shall no longer be applicable to the part of the Property so dedicated or conveyed. The Declarant (during the Development Period) has the unilateral right without the consent of the Owners or the Mortgagees to execute and record an amendment to the Declaration withdrawing any portion of the Property, if such real estate is dedicated or is to be dedicated to a public use or to a public authority.

ARTICLE 3
THE ASSOCIATION

Article 3.1 Creation. The Association shall be a non-stock, non-profit corporation organized and existing under the laws of the State of Maryland, charged with the duties and vested with the powers prescribed by law and set forth in the Association Documents.

Article 3.2 Membership. Members of the Association shall at all times be, and be limited to, the Declarant and the Persons who constitute Owners of the Lots. If more than one Person owns a Lot, then all of the Persons who own such Lot shall collectively constitute one Owner and be one Member of the Association. Each such Person (or if other than a natural person, their designated representative) is entitled to attend all meetings of the Association. Membership in the Association is mandatory and transfers automatically with ownership of a Lot and is not severable therefrom. Upon acquiring title to a Lot, each new Owner shall immediately give written notice to the secretary of the Association stating the name and address of such new Owner and the number or address of the Lot. If the new Owner fails to give the secretary such notice within thirty (30) days after acquiring title to such Lot, then reasonable record keeping costs incurred by the Association may be assessed against such Owner pursuant to Article 11.1 (i) hereof. Notwithstanding the foregoing, the Declarant shall notify the Association of the name and address of each Lot Owner taking title directly from the Declarant.

Article 3.3 Classes of Members; Voting Rights. The Association shall have two classes of Members:

i. The Class A Members shall be the Owners of Lots, other than the Declarant, and shall have one vote for each Lot for which a certificate of occupancy or similar permit has been issued by the appropriate governmental agency.

ii. The Class B Member shall be the Declarant and the Declarant shall have three votes for each Lot owned by the Declarant. The Class B Membership shall cease and be converted to Class A Membership on the first to

occur of **(i)** when the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B membership, or **(ii)** December 31, 2010. Notwithstanding the foregoing, in the event that the Class B Membership shall terminate, but subsequent to such termination the Declarant shall subject an Additional Phase to the Property and this Declaration, the Class B Membership shall be reinstated until the first to occur of **(a)** the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership (including the additional Lots which are included in the Additional Phase) or **(b)** December 31, 2010.

iii. For the purposes of Class B Membership and determining the number of votes entitled to be cast by the Class B Member (but not for the purposes of determining Assessments), any part of the Property which has been annexed into the Association and made subject to the Association Documents pursuant to the provisions of Article 2 shall be deemed to contain (whether or not subdivision into Lots has been completed and recorded as to all or a part thereof) the number of Lots shown on the approved (but not recorded) preliminary plan of subdivision for such portion of the Property.

Article 3.4 Board of Director Authority. Unless otherwise specifically provided in the Maryland Homeowners Association Act or the Association Documents, all rights, powers, easements, obligations and duties of the Association may be performed by the Board of Directors on behalf of the Association. The foregoing shall not restrict the ability of the Board of Directors to establish committees charged with the administration and enforcement of provisions of the Association Documents and the Board of Directors shall have full and complete authority to delegate any authority provided to the Board of Directors under the Association Documents to a committee.

ARTICLE 4
COMMON AREA

Article 4.1 Conveyance; Title. As to any part of the Common Area owned in fee simple by the Declarant, the Declarant shall convey the Common Area to the Association in fee simple released from any encumbrance securing the repayment of monetary obligations incurred by the Declarant, but subject to all easements and other encumbrances then of record (including those created by this Declaration). As to any Common Area not located on the Property for which a right of way, easement or right of use has been granted to the Declarant, the Association shall succeed to all of the right, title and interest of the Declarant in and to such part of the Common Area subject to all of the obligations for maintenance and Upkeep associated therewith. The Association shall accept title to any real estate or personal property offered to the Association by the Declarant as a part of the Common Area. The right is specifically reserved to the Declarant to make a conveyance of the Common Area in a Phase prior to submission of the Lots in such

Phase to the provisions of this Declaration. To the extent any Recreational Facilities are to be constructed on the Common Area, the responsibility for initial construction of such Recreational Facilities shall continue to be that of the Declarant regardless of any conveyance of the Common Area to the Association until such time as construction of such Recreational Facilities has been completed. After completion of construction of Recreational Facilities, the Upkeep for such Recreational Facilities shall be assumed by the Association and shall be a Common Expense and shall be without cost or expense to the Declarant.

Article 4.2 **No Dedication.** Nothing contained herein or in the other Association Documents shall be construed as a dedication to public use or as an assumption of responsibility for Upkeep of any Common Area by any public or municipal agency, authority or utility, nor shall it be construed to prevent the Board of Directors of the Association from permitting public access to or use of any Common Area.

Article 4.3 **Transfer of Responsibility for Upkeep.** When the Declarant transfers the responsibility for Upkeep of any portion of the Common Area to the Association (including Common Areas not located on the Property), any improvements located thereon shall be substantially completed, and all work (except for such work which cannot be performed due to the weather conditions or the season of the year, which the Declarant will be obligated to complete when weather conditions permit) required by the site plan or other governmental approvals for the portion of the Common Area to be conveyed shall be either completed or bonded with the applicable governmental authority. When the Association assumes responsibility for Upkeep of a portion of the Common Area, the Association shall cooperate with the Declarant to obtain the release of any bonds and surety applicable to such portion of the Common Area, whether posted by the Declarant or a Builder. At the request of the Declarant, the Association shall confirm its acceptance of any part of the Common Area conveyed to the Association or for which the rights associated therewith are transferred to the Association as well as the obligation of the Association for Upkeep of such Common Area. The Association shall further execute such confirmations, maintenance agreements and other documents required by the Town with respect to and concerning it obligation for Upkeep of any part of the Common Areas not owned in fee simple by the Association.

Article 4.4 **Regulation of Common Area.** The Board of Directors shall have the right to regulate use of the Common Area pursuant to Article 8 hereof and to charge fees for the use thereof to the Members. The Board of Directors may also mortgage, dedicate or convey the Common Area owned in fee simple by the Association or grant easements over and through any Common Area subject to the restrictions in Article 13.4 hereof and the Bylaws.

Article 4.5 **Improvements on Common Area.** After the initial improvement and conveyance of any Common Area to the Association, the Declarant may, but is not obligated to, construct additional improvements on the Common Area for the benefit of the Property, the Members and such Common Area, pursuant to the easements in Article 5.1 hereof.

Article 4.6 **Boundary Adjustments.** The Board of Directors has the power at any time or times, consistent with the then existing zoning or subdivision ordinances of the Town or other applicable governmental authority, and pursuant to a recorded subdivision, resubdivision or boundary-line adjustment plat, to transfer any part of the Common Area for the purpose of adjusting Lot lines or otherwise in connection with the orderly subdivision and development of the Property. The Board of Directors shall execute such conveyances or other documents as shall be reasonably requested by the Declarant to accomplish the foregoing.

ARTICLE 5
EASEMENTS

Article 5.1 Development Easements.

i. **Easement to Facilitate Development.** The Declarant hereby reserves to itself and its successors and assigns, and the Association a non-exclusive blanket easement over and through the Property and the Common Area for all purposes reasonably related to the development and completion of improvements and Houses on the Property, including without limitation: **(a)** temporary slope and construction easements; **(b)** drainage, erosion control, and storm and sanitary sewer easements (including the right to cut or remove trees, bushes or shrubbery, to regrade the soil and to take any similar actions reasonably necessary provided, however, that after a Lot is conveyed to an Owner the Declarant shall restore the affected area as nearly as practicable to its original condition; **(c)** easements for the storage of reasonable supplies of building materials and equipment necessary to complete the improvements to the Property and Houses; and **(d)** easements for the construction, installation and Upkeep of improvements (e.g., buildings, landscaping, street lights, signage, etc.) on the Property or reasonably necessary to serve the Property.

ii. **Easement to Facilitate Sales.** The Declarant hereby reserves to itself and its successors and assigns the right to: **(a)** use any Lots owned or leased by the Declarant, any other Lot with the written consent of the Owner thereof or any portion of the Common Area (including any improvement thereon) as models, management offices, sales offices, a visitors' center, construction offices, customer service offices or sales office parking areas (provided, however, that the Declarant shall remain responsible for the operating expenses of any portion of the Common Area while used for the foregoing purposes); **(b)** place and maintain in any location on the Common Area, and on any Lot, street and directional signs,

temporary promotional signs, plantings, street lights, entrance features, lighting, walls or fences and other related signs and landscaping features; provided, however, that all signs shall comply with applicable governmental regulations; and **(c)** relocate or remove all or any of the above from time to time at the Declarant's sole discretion.

iii. **Easement for Utilities and Related Services.**

a. A non-exclusive blanket easement is hereby granted over and through the Property for ingress, egress, installation, operation and Upkeep of the equipment used or required for providing to any portion of the Property or the adjacent real estate, any utilities, including without limitation, water, sewer, drainage, gas, electricity, telephone and television service, whether public or private; such non-exclusive easement is hereby granted to any Person (including any public or private utility company) installing or providing Upkeep for the aforesaid services. Any pipes, conduits, lines, wires, transformers and any other apparatus necessary for the provision or metering of any utility may be installed, maintained or relocated only where permitted by the Declarant, where contemplated on any site plan approved by the Declarant or where approved by resolution of the Board of Directors. Such utilities or services may be installed above ground if approved by the Declarant.

b. If the Person installing the utility or service covered by the general blanket easement herein created requests a specific easement by separate recordable document, then the Declarant hereby reserves to itself, and its successors and assigns and also grants to the Association, the right to grant and reserve such specific easements, rights-of-way and licenses over and through the Common Area and any Lot for the installation and Upkeep of the equipment for providing to any portion of the Property or adjacent real estate, any utilities, including without limitation water, sewer, drainage, gas, electricity, telephone and television service, whether public or private, or for any other purpose necessary or desirable for the orderly development of the Property or for the benefit of the adjacent real estate. The authority reserved to the Declarant may be exercised as to any Lot and the Common Areas both before and after the conveyance of the Common Areas to the Association and a Lot to an Owner.

c. **Dedications, Easements and Conveyances Required by Governmental Authority.** The Declarant hereby reserves to itself and its successors and assigns and to the Association the right to make any dedications and to grant any easements, rights-of-way and licenses and to make such conveyances as required by any government or governmental agency over and through all or any portion of the Common Area owned in fee simple by the Association. The foregoing shall specifically include the authority to convey to the Town or its designee, or any other governmental or quasi governmental authority title to the portion of the Property (other than the Lots) over which public sewer and/or water lines are

located and installed, as provided and to take such other actions as are required pursuant to the Public Works Agreements between the Declarant and the Town executed prior to the recordation hereof and any amendments thereto, whether executed before or after the recordation of this Declaration in the Land Records.

d. Landscaping and Sidewalk Easement Across Lots. The Declarant hereby reserves to itself and its successors and assigns and to the Association an easement and the right to grant and reserve easements over and through the Common Area and over and through any Lot for the purpose of construction, installation, and construction, installation and maintenance and Upkeep of sidewalks across the front of any Lot, landscaping features and buffer areas, including without limitation, plants, trees and earth berms and other earth contouring which easements shall include access as necessary to perform such tasks and for the installation, maintenance and Upkeep of irrigation systems across the front and side yards of any Lot, all of which shall be a part of the Common Area for purposes of Upkeep. The Owner of a Lot burdened by the easement and right hereby reserved shall not construct any improvements within the sidewalk and landscape easement herein established without the permission of the Declarant, during the Declarant Control Period, or the Association thereafter. Upkeep of these sidewalk and landscaping easement areas after completion of initial construction by the Declarant by the Association shall be a Common Expense.

e. Storm Water Management Easement. The Declarant hereby reserves to itself and its successors and assigns and to the Association an easement and the right to grant and reserve easements over and through the Property for the construction and Upkeep of storm water management facilities, including storm water retention areas. The Declarant (and subsequent to the Declarant Control Period, the Association) shall also have the right to allow adjacent properties to tie their storm water management facilities into the storm water management facilities for the Property; provided, however, that the owners of such adjacent properties agree to bear a portion of the expense of Upkeep for the storm water management facilities for the Property in such amount as may be deemed appropriate by the Declarant during the Declarant Control Period and thereafter by the Board.

f. Easement to Correct Drainage. The Declarant reserves to itself and its successors and assigns (and subsequent to the Declarant Control Period, the Association) an easement over, through and under the ground within each Lot and the Common Area 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 grading of the land, 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 (but only pertaining to Lots already conveyed by the Declarant to an Owner). In any action taken by the

Declarant, 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. **Additional Recreational Facilities**. The right is reserved to the Declarant to construct additional Recreational Facilities on the Common Area, either before or after the conveyance of such Common Areas or any part thereof to the Association. In such event, Declarant shall pay the entire cost of such additional Recreational Facilities and shall have the benefit of such easements and rights of way through and across the Property reasonably necessary for such construction. Upon completion of construction of any additional Recreational Facilities, the cost of Upkeep shall become a Common Expense.

h. **Further Assurances.** Any and all conveyances of Lots are subject to the reservations, easements and rights-of-way granted or reserved hereby. Upon written request of the Declarant, the Association and each Owner shall from time to time execute, acknowledge and deliver to the Declarant such further assurances of these reservations of rights and easements as may be requested.

i. **Duration and Assignment of Development Rights.** The Declarant shall be entitled to the rights, powers and easements granted under this Article 5 for so long as the Declarant or its designees are engaged in development or sales, or activities related thereto, anywhere on the Property. The Declarant may assign its rights under this Article to, or share such rights with, one or more other Persons, including the Association, exclusively, simultaneously or consecutively with respect to the Common Area or Lots owned by such designees.

Article 5.2 Easement for Upkeep.

i. **Access.** A right of access over and through any portion of the Property (excluding the interior of any occupied dwelling) is hereby granted to the Declarant and the Association, the managing agent and any other Person authorized by the Board of Directors, in the exercise and discharge of their respective powers and responsibilities, including without limitation to make inspections, correct any condition originating in a Lot or in the Common Area threatening another Lot or the Common Area, correct drainage, perform installations or Upkeep of utilities, landscaping or other improvements located on the Property for which the Association is responsible for Upkeep, or correct any condition which violates the Association Documents. The Declarant and the agents, contractors, Officers and directors of the Association may, but shall not be obligated to, enter any portion of the Property (excluding any occupied dwelling) in order to utilize or provide for the Upkeep of the areas subject to easements granted in this Article to the Association. Each Owner shall be liable to the Declarant and the Association for the cost of all Upkeep performed by the Association and rendered

necessary by any act, neglect, carelessness or failure to comply with the Association Documents for which such Owner is responsible and the costs incurred by the Declarant and the Association shall be assessed against such Owner's Lot in accordance with the provisions of this Declaration and the other Association Documents. In the event any costs and expenses are incurred by the Declarant pursuant to this Article 5.2(i), the Declarant shall provide reasonably documentation to the Association of such costs and expenses which the Association shall have the power to collect from the Owner in the same manner as if such costs and expenses had been incurred directly by the Association provided that any funds so collected after payment of the costs and expenses of collection incurred by the Association shall be paid by the Association to the Declarant.

ii. **Declarant Access.** Until the expiration of any applicable warranty period, the Declarant hereby reserves to itself and its designees a right of access over and through the Property (including any improvements) to perform warranty-related work within the Common Area or the Lots. The Declarant may assign its rights under this Article to, or share such rights with, one or more other Persons, exclusively, simultaneously or consecutively.

iii. **Entry into Improvements.** If entry to a House or other improvement on a Lot is required or authorized by any Person pursuant to this Article 5.2, a request for entry shall be made in advance and such entry shall be made during the Declarant's regular business hours. In case of an emergency, however, such right of entry to any improvement shall be immediate.

Article 5.3 Limitations on Exercise of Rights and Easements.

i. The easements described in this Article 5 are subject to all other easements and encumbrances of record (including those created by this Declaration).

ii. The Declarant or the Association, as appropriate, when exercising the rights and easements granted by this Article, shall: **(a)** give reasonable prior notice to all affected Owners, unless an emergency exists which precludes such notice; **(b)** minimize to the extent reasonably possible any economic or aesthetic injury to the affected Lots or the Common Area; and **(c)** not unreasonably interfere with the affected Owners use, enjoyment and benefit from such Owners Lots or the Common Area.

iii. If an easement is relocated, the cost of such relocation shall be paid by the party requesting the relocation.

iv. Any damage resulting from the exercise of the aforesaid rights and easements shall be promptly repaired and the site restored to the extent practicable by the Declarant or the Association, as appropriate, or at the option of

the Declarant or the Association, the party responsible for such damage. In either case, the cost of such repair and restoration shall be paid for by the party responsible for the damage.

Article 5.4 Emergency Access. An easement is hereby granted **(i)** to all police, fire, ambulance and other rescue personnel over and through all or any portion of the Property for the lawful performance of their functions during emergencies and **(ii)** to the Association over and through all Lots, if emergency measures are required in any Lot to reduce a hazard thereto or to any other portion of the Property. The Association is hereby authorized but not obligated to take any such measures.

Article 5.5 Easement for Use of Common Area.

i. **Use and Environment.** Each Permissible Occupant is, subject to the Rules and Regulations, hereby granted a non-exclusive right and easement of use and enjoyment in common with other Permissible Occupants of the Common Area. Such right and easement of use and enjoyment shall be appurtenant to each Lot, whether or not mentioned in the deed thereto. Any purported conveyance or other transfer of such rights and easements apart from the Lot to which such rights and easements are appurtenant shall be void. No Owner who does not satisfy the requirements of Article 8.1 shall be permitted to use the Common Area. Notwithstanding the foregoing, with the exception of sidewalks and paths located on a Lot (for which entry, use and enjoyment is permitted by Permissible Occupants), no Permissible Occupant shall have a right of use and enjoyment of any part of the Common Area which, for purposes of Upkeep (but not ownership or voting), is located on a Lot for the purposes of use and enjoyment by the Members,

ii. **Vehicle and Pedestrian Access.** Each Permissible Occupant is hereby granted a non-exclusive easement over all streets, parking lots, sidewalks, walks and paths on the Common Area (including the Common Area located within Lots) and irrigation crossings for the purpose of vehicular and/or pedestrian access, ingress and egress, as appropriate, to any portion of the Property to which such Permissible Occupant has the right to go, subject to any Rules and Regulations promulgated by the Association pursuant to Article 8.6. Any purported conveyance or other transfer of such rights and easements apart from the Lot to which such right and easement are appurtenant shall be void. Each Permissible Occupant is also hereby granted a non-exclusive easement for egress and ingress over the Common Area to the extent necessary to provide vehicle and pedestrian access to the Lot for which they are a Permissible Occupant. Such easement for ingress and egress shall not be extinguished by termination of the Declaration or conveyance of the Common Area unless alternative access is provided, if necessary, and the Owner of the Lot consents in writing to the termination of the easement.

iii. **Limitations**. The rights and easements of enjoyment created hereby shall (in addition to any easements granted or reserved in this Declaration or pursuant to the other Association Documents) be subject to all rights and powers of the Declarant and the Association when exercised in accordance with the other applicable provisions of the Association Documents, including without limitation the Association's rights to regulate the use of the Common Area and to establish reasonable charges therefor, to grant easements across the Common Area, to dedicate and to mortgage the Common Area owned in fee simple by the Association.

iv. **Delegation**. Subject to the Rules and Regulations or such other restrictions as adopted by the Association (including but not limited to those related to use of the Common Areas by natural persons who are not Permissible Occupants), any Owner having the right to use and enjoy the Common Area may delegate such rights to members of the Owner's households, their guests and tenants and to such other natural persons as may be permitted by the Association.

v. **Woods**. As consideration for their grant of certain easement rights entitling the Members to cross their property, Nicholas Wood and Jean Wood (collectively "**Wood**") during the term of their natural lives shall be permitted to use the Recreational Facilities to the same extent as if they were Members but without charge, fee or expense. Notwithstanding the foregoing, to the extent that the participation of any activity in the Recreational Facilities requires the payment of any additional fee by any Member desiring to participant in such activity, then Wood shall also be required to pay such additional fee if they elect to participate in such activity. The right of Wood in this Article 5.5(v) shall not entitle Wood to vote on any matter for which the Class A and Class B Members shall be entitled to vote nor shall Wood ever be required to pay any assessments for Common Expenses.

Article 5.6 Association Power to Make Dedications and Grant Easements. The rights, powers and easements reserved to the Declarant in Article 5 are also hereby granted to the Association provided that the Association may not exercise any of such rights, powers and easements prior to the expiration of the Declarant Control Period (but may thereafter) without the prior written consent of the Declarant. Subject to the foregoing, these rights, powers and easements may be exercised by the Association in accordance with this Declaration and the other Association Documents provided, however, that the limitations on duration applicable to the Declarant shall not apply to the Association. If the Declarant or any Owner requests the Association to exercise its powers under this Article 5, the Association's cooperation shall not be unreasonably withheld, conditioned or delayed.

ARTICLE 6
COMMON EXPENSES AND ASSESSMENTS

Article 6.1 Determination of Common Expenses and Assessments.

i. **Preparation and Approval of Budget.** The Board of Directors shall adopt a budget for the Association for each fiscal year containing an estimate of the total amount considered necessary for the ensuing fiscal year to pay the cost of management and Upkeep of the Common Area and any other Upkeep for which the Association is responsible including, but not limited to Upkeep provided in Article 7 and the cost of other expenses that may be declared to be Common Expenses by the Association Documents or by a resolution of the Board of Directors, including without limitation any services provided to the Owners, Lots or Common Area. Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital (available cash for day-to-day expenses which is otherwise uncommitted), a general operating reserve (including an amount to cover operating losses due to insurance deductibles), insurance premiums, fees for professional services retained by the Board (which shall include retention of a management company) and reserves for contingencies (potential costs or liabilities which have not been incurred but which should be planned for) and replacements. Such budget shall constitute the basis for determining the assessment against each Lot pursuant to Article 6.2.

ii. **Effect of Failure to prepare or Adopt Budget.** The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year after the initial budget is adopted shall not constitute a waiver or release in any manner of an Owner's obligation to pay his assessment as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Owner shall continue to pay assessments at the rate established for the previous fiscal year until notified of the new payment which is due on the first day of the next payment period which begins ten (10) days after such new annual or adjusted budget is adopted and the Owner receives such notice.

iii. **Pledge of Revenues.** The Board of Directors, by a vote of two-thirds (2/3) of the total number of directors then appointed to the Board of Directors, shall have the right and power to assign and pledge all revenues to be received by the Association, including but not limited to annual and additional assessments, in order to secure the repayment of any sums borrowed by the Association from time to time in accordance with the provisions of this Declaration.

Article 6.2 Establishment and Payment of Assessments.

i. **Regular Assessments.** Subject to the provisions of Article 6.3 hereof, Common Expenses shall be assessed annually or levied as an additional assessment. The Board of Directors shall for each fiscal year establish a regular

uniform assessment rate for Common Expenses to be levied against all Lots upon which a House exists.

ii. **Initial Capital Contribution.** On the initial conveyance of each Lot by the Declarant to an Owner other than a Builder, such Owner shall pay to the Association the sum of **Seven Hundred Fifty Dollars ($750.00)** which shall represent an initial contribution to the working capital of the Association and which shall be in addition to the regular assessment for Common Expense for such Lot. Such payment shall not be refundable to the Owner and is not separable or divisible from the Lot.

iii. **Common Expense Assessment.** Subject to the provisions of Section 6.2(iv), the initial maximum annual assessment for each Lot upon which a House exists for its respective share of Common Expenses shall be **One Hundred Seventy Five Dollars ($175.00)** per month. Common Expense assessments shall be prorated for Lots upon which a House exists subsequent to the commencement of the Association's fiscal year for the period commencing on the date such House first exists through the end of the Association's fiscal year. Each fiscal year the Board of Directors shall be authorized to increase the annual assessment for each Lot by the amount determined by the Board of Directors to be necessary to fund the Common Expenses of the Association as determined by the budget adopted by the Board of Directors provided that regular annual assessment for each Lot may not be increased by more than ten percent (10%) over the regular annual assessment then existing for each Lot without the approval of a Majority Vote of each Class of Members. The Common Expense assessment for each Lot Owner shall be paid by such Lot Owner annually, no later than February 1st of each year provided that the Common Expense assessment for the balance of the then existing fiscal year for each Lot shall be paid in full on the closing date of each Owner for such Lot. The Board of Directors may if it so elects, permit Lot Owners to pay their annual Common Expense assessment in two equal payments, one due October 1st and the balance on April lst. In such event, the failure of any Lot Owner to pay their February 1st installment annual shall result in the entire balance becoming immediately due and payable in full.

iv. **Special Assessments**. In addition to the regular annual assessments set forth in Section 6.2(iii), the Board of Directors may by a vote of two thirds of the number of directors entitled to vote levy additional special assessments on each Lot on which a House exists. Special assessments shall only be levied by the Board for Common Expenses which were not anticipated or contemplated at the time the budget for the most recent period was adopted by the Board. The Board of Directors shall give notice of any special assessment to the Owners specifying the amount and reasons therefor, and such special assessment shall, unless otherwise specified in the notice, be payable in full with the next periodic installment which is due ten days after the date of such notice or in not more than six equal periodic installments, as the Board may determine. Such assessment shall be a lien as set

forth in Article 11.2 hereof. Special assessments adopted by the Board pursuant to this Section 6.2(iv) are subject to the maximums set forth in Article 6.2(iii) hereof.

v. **Individual Assessments.** The Board of Directors may assess an Owner's Lot individually: **(a)** for the amount of any costs incurred by the Association pursuant to Article 7.2 hereof in performing Upkeep that the Owner failed to perform as required by that Article; **(b)** for the amount of any charges imposed on that Owner pursuant to Article 11 hereof; and **(c)** for any costs incurred by the Association because of any violation or negligence for which that Owner is responsible under Article 11 hereof. Each such assessment shall be due ten (10) days after notice thereof is given to the Owner unless the notice specifies a later date. Individual assessments are not included in or subject to the maximums set forth in Article 6.2(iii) hereof.

Article 6.3 Exemptions. The Common Area and any properties dedicated to a public authority or exempt from taxation by a public authority and any Lots (regardless of whether a House has been completed thereon) and which are owned by Declarant or any Builder to whom the Declarant has made a partial assignment of Declarant Rights shall be exempt from all assessments for Common Expenses levied in accordance with Sections 6.2 hereof or any other liens created pursuant to this Declaration for so long as: **(i)** the Declarant or Builder (whichever shall be the Lot Owner) performs or pays the costs associated with Upkeep of such Lot or unoccupied Houses; and **(ii)** during the Declarant Control Period, the Declarant pays the full amount, if any, by which the operating expenses of the Association exceed the total budgeted income of the Association provided, however, that the Declarant's obligation under this Article 6.3 does not include any expenses that the Association is unable to meet because of nonpayment of any Owner's assessment and shall not exceed the amount the Declarant would be obligated to pay if Lots owned by the Declarant were assessed in accordance with Article 6.3 hereof. The exemption shall also apply to Lots used for model home purposes.

Article 6.4 Liability for Common Expenses.

i. **Owner Liability.** Each Owner of a Lot by acceptance of a deed therefor, whether or not so expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association all Common Expenses as may be assessed against such Lot and other charges assessed by the Board of Directors pursuant to the provisions of this Declaration. Each Owner shall be personally liable for all assessments against such Owner's Lot. No Owner may be exempted from liability for the assessment for Common Expenses by reason of waiver of the use or enjoyment of any of the Common Area or by abandonment of the Lot. No Owner shall be liable for the payment of any part of the Common Expenses assessed against the Lot subsequent to the date of recordation of a conveyance in fee by such Owner of such Lot. Prior to or at the time of any such conveyance, all liens, unpaid charges and assessments shall be paid in full and

discharged. The purchaser of a Lot shall be jointly and severally liable with the selling Owner for all unpaid assessments against the latter for the proportionate share of the Common Expenses up to the time of such recordation, without prejudice to the purchaser's right to recover from the selling Owner amounts paid by the purchaser therefor; provided, however, that any such purchaser may rely on a Statement of Common Expenses obtained pursuant to Article 6.6 herein.

ii. **Mortgagee Liability**. Each holder of a Mortgage or other Person who acquires title to a Lot by virtue of foreclosure or deed or assignment in lieu of foreclosure and any purchaser at a foreclosure sale, shall take the Lot free of any claims for unpaid assessments or charges against such Lot which accrue prior to the time such Person comes into title thereof, except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Lots including the mortgaged Lot assessed after such Person acquires title. The lien created by Article 11.2 hereof shall cease to exist with respect to assessments and charges levied prior to first to occur of **(a)** sixty days after the foreclosure or other judicial sale of the Lot **(b)** the final ratification of such sale or **(c)** the time title is transferred by foreclosure or by deed or assignment in lieu thereof (the first to occur of items (a), (b) or (c) being the Abatement Date); provided, however, that if the proceeds of a foreclosure exceed the total amount due on the Mortgage, the excess shall first be paid to the Association and applied to the satisfaction of the Association's lien. The lien created by Article 11.2 shall commence to run and be applicable to Lots for which the title is acquired by the holder of a Mortgage or other Person who acquires title to a Lot by virtue of foreclosure or deed or assignment in lieu of foreclosure and any purchaser at a foreclosure sale, from and after the Abatement Date.

Article 6.5 Collection of Assessments. Any assessment or installment levied by the Association in accordance with this Declaration if not paid within ten (10) days after the due date shall be delinquent and shall accrue interest until paid at a rate as may be established from time to time by the Board of Directors in their sole discretion but in no event shall such rate of interest exceed the amount permitted by law. The Board of Directors, or the managing agent at the request of the Board of Directors, shall take such action as deemed appropriate to collect any assessments levied under Article 6 or any other provisions of this Declaration due from any Owner or Member which remain unpaid for more than thirty (30) days after the due date for payment thereof.

Article 6.6 Statement of Common Expenses. The Board of Directors or managing agent shall provide any Owner, contract purchaser or Mortgagee, within fourteen (14) days after a written request therefor, with a written statement of all unpaid assessments for Common Expenses due with respect to a specific Lot (or a statement that the amount of unpaid assessments is zero) as part of the "Association Disclosure Packet" pursuant to the Maryland Homeowners Association. No contract purchaser, Mortgagee or purchaser from a Mortgagee

requesting such a statement shall be liable for, nor shall the Lot conveyed to such Person relying on such statement be subject to a lien for, any unpaid assessments due prior to the date of such statement in excess of the amount set forth on such statement; provided, however, that this Article 6.6 shall not be interpreted to release any Person from liability for such assessments levied while such Person owned the Lot. The Board of Directors may impose a reasonable charge for the preparation of such statement to cover the cost of preparation, in an amount not to exceed any maximum established by the Maryland Homeowners Association.

ARTICLE 7
OPERATION OF THE PROPERTY

Article 7.1 Upkeep of Common Area.

i. **General.** The Association shall be responsible for the management and Upkeep all of the Common Area and Recreational Facilities, the cost of which shall be assessed against all Lots as a Common Expense, as herein provided. Such Upkeep of the Common Area shall include without limitation periodic (as determined by the Board) grass cutting and lawn maintenance, leaf removal, maintenance and repair of irrigation systems (if installed by the Declarant) and costs of operation and garbage removal if the same is not provided by the Town or Queen Anne's County. All facilities located on the Common Area including without limitation parking lots, sidewalks, cluster mailboxes, bus shelters, entrance walls, front guard house, lighting and landscaping (including but not limited to all landscaping features along Taylor Mill Road and Symphony Boulevard) shall also be maintained by the Association and the Upkeep thereof shall a part of the Common Expense. The Association shall be responsible for the Upkeep of certain landscaped areas along the boundaries of certain Lots as may determined by the Board of Directors, the cost of which shall be a Common Expense. The Association shall not have any responsibility for the Upkeep of any Lot except for those responsibilities and duties specifically enumerated in this Declaration and the other Association Documents. If the Board of Directors determines that certain Upkeep was necessitated by the negligence, misuse or neglect of an Owner or for which an Owner is responsible pursuant to Article 11 or any other provision of the Association Documents, the cost of such Upkeep shall be assessed against such Owners Lot pursuant to Article 11 hereof. The Board of Directors shall establish the standard for Upkeep of the Common Area in its sole discretion. The Declarant and the Board shall have the complete authority to confirm to any third party (including the Town) the obligation of the Association for the Upkeep of Common Areas.

ii. **On Lots.** The Association shall be responsible for the normal management and Upkeep of all lawns installed on Lots by the Declarant or a Builder. Such Upkeep shall include regular periodic mowing and fertilizing of lawns and bi-annual mulching of landscape beds and periodic (as determined by the

Board) leaf removal (excluding, however leaf removal in natural and/or undisburbed areas of any Lot), and maintenance and upkeep of irrigation systems (front and side yards only). The Association may, but shall not be required to, install flowers and other plant material (and remove and/or replace the same periodically) on a Lot in accordance with a landscaping plan prepared for the community in order to achieve a uniform landscaping scheme and appearance. The Association shall not have any obligation to water lawns in the back yards of Lots or landscaping on a Lot and the same shall be the responsibility of the Owner. The Upkeep required on a Lot pursuant to this Article 7 shall specifically exclude the Upkeep of any House or other improvements constructed on a Lot. Each Owner shall keep their Lots reasonably clear of furniture or other personal property so as to facilitate mowing of lawns and any other activity of the Association permitted pursuant to this Declaration. Any additional expense incurred by the Association as a result of the failure of on Owner to abide by these provisions shall be paid by such Owner and shall be subject to an assessment for such costs against such Owner in accordance with the provisions of Article 11.1.

iii. **Storm Water Management.** The Declarant may construct or create easements, improvements and facilities for storm water management control. The Association may post signs prohibiting swimming, wading, skating or other similar uses of any storm water retention ponds. The Declarant shall provide Upkeep for any storm water retention ponds and all easements, improvements and facilities for storm water management at its sole expense until the earlier of: **(a)** release from all bonds and surety applicable to such storm water retention bonds (but not including other bonded work) provided to the Queen Anne's County, Maryland or any other governmental authority **(b)** the end of the Declarant Control Period or the conveyance of such storm water management facilities to the Association if required by governmental authorities. Thereafter, the Upkeep of the storm water drainage easements, storm water retention ponds and related improvements and facilities for storm water management shall be a Common Expense of the Association. The Owner of any Lot on which there is located an easement for storm water drainage or control shall be responsible for the following items of maintenance, where applicable: the removal of debris and other matter to the best of Owner's ability where such debris or matter has impeded or threatens to impede the free flow of storm water through drainage structures. Such Owner's responsibility shall include notification of the Association of **(1)** any defects in the fencing surrounding or within the easement; **(2)** any debris or other matter which is beyond such Owner' s ability to remove; and **(3)** any excessive erosion within the area of the easement.

(4) **Entrance Features and Rights-of-Ways.** The Association shall be responsible for the Upkeep of the entrance features, project signage, lighting, irrigation, bus shelters, gazebo, Recreational Facilities and landscaping on the Common Area and to the extent provided in Article 7.1(ii) on the Lots.

Article 7.2 Upkeep of Lots. Each Owner shall keep such Owner's Lot and all improvements located on the Lot in good order, condition and repair and in a clean and sanitary condition, including without limitation all necessary grounds maintenance not otherwise required to be performed by the Association as set forth in Article 7.1(ii). Each Owner shall perform this responsibility in such manner as shall not unreasonably disturb or interfere with the other Owners. If any Owner shall fail to keep such Owner's Lot in as good repair and condition as and when required (normal wear and tear excepted) and in a neat and orderly condition, consistent with such Rules and Regulations as the Board of Directors may promulgate, then the Board may, pursuant to resolution, give notice to that Owner of the condition complained of, specifying generally the action to be taken to rectify that condition. If the Owner fails to take the actions specified by the Board or to otherwise rectify the condition within thirty (30) days after the date the notice is given, or such other period as may be specified in the notice, if the circumstances warrant a different time period, the Board of Directors shall have the right, pursuant to Article 5.2 and Article 11.1 hereof and any resolutions adopted by the Board of Directors, to rectify such condition by taking such action (or by causing such action to be taken) as was specified in the notice. The costs incurred in rectifying such condition shall be assessed against such Owner's Lot in accordance with Article 11.1 hereof. If such Owner fails to reimburse the Association within thirty days after receipt of a statement for such expenses from the Board, then the indebtedness shall constitute a lien as provided for in Article 11 hereof. The Owner may contract with a third party to perform the Owner's responsibility for Upkeep under this Article 7.2.

Article 7.3 Manner of Repair and Replacement. All repairs and replacements required of an Owner shall be substantially similar to the original construction and installation and shall be of first-class quality.

Article 7.4 Additions, Alterations or Improvements by the Board of Directors. Whenever in the judgment of the Board of Directors the Common Area shall require capital additions, alterations or improvements (other than for Upkeep) costing in excess of ten percent (10%) in the aggregate of the total annual assessment for Common Expenses for that fiscal year during any period of twelve (12) consecutive months, the making of such additions, alterations or improvements requires a Majority Vote of the Members of each Class. The cost of making of such additions, alterations or improvements shall be assessed by the Board of Directors on all Owners as a Common Expense. Any capital additions, alterations or improvements (other than for Upkeep) costing in the aggregate ten percent (10%) or less of the total annual assessment for Common Expenses for that fiscal year during any period of twelve consecutive months may be made by the Board of Directors without approval of the Members and the cost thereof shall constitute a Common Expense. Any assessments resulting from expenditures authorized under this Article 7.4 must also comply with Article 6.2 hereof which imposes limitations on increases in assessments above a specified maximum. If Member approval is

required to increase the applicable maximum assessment, such approval may be obtained simultaneously with the vote required by this Article 7.4.

Article 7.5 Additions, Alterations, or Improvements by the Owners.

i. Approval.

a. No Person shall make any addition, alteration or improvement in or to any Lot or any portion of the Property (other than for normal Upkeep or natural landscaping and not including areas within a building visible from the exterior only because of the transparency of glass doors, walls or windows) which is visible from the exterior of the Lot or such portion of the Property, without the prior written consent of the Covenants Committee. No Person shall paint or affix any sign visible from the exterior of any Lot not permitted by the Rules and Regulations or alter the exterior of any improvement, or the exterior or interior of any doors and windows, if such improvement is visible from another Lot or the Common Area, without the prior written consent of the Covenants Committee. Approval by the Covenants Committee or the Board of Directors shall not relieve an Owner from any obligation to obtain required governmental permits. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement to any Lot or improvement located on any Lot requires execution by the Association, and provided consent has been given by the Board of Directors or the Covenants Committee, as appropriate, then the application shall be executed on behalf of the Association, without incurring any liability on the part of the Board of Directors, the Association, the Board of Directors or the Covenants Committee or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any Person having a claim for personal injury or property damage arising therefrom.

b. Subject to the approval of any Mortgagee of the affected Lots, the Board of Directors, any Owner affected, and the appropriate governmental entity, any Lot may be subdivided or altered so as to relocate the boundaries between such Lot and any adjoining Lot. In addition, during the Development Period, no Lot may be subdivided nor may any Lot's boundaries be relocated except by or as approved by the Declarant. No portion less than all of any Lot shall be conveyed or transferred by an Owner (other than the Declarant) without the prior written approval of the Declarant or the Board of Directors. However, this Article 7.5(i)(b) is not intended to require the approval of the Board of Directors or Covenants Committee to grant deeds of correction, deeds to resolve boundary line disputes and similar corrective instruments or to grant any easement, right-of-way or license to any municipality, political subdivision, public utility or other public body or authority, or to the Association or the Declarant for any purpose.

c. During the Development Period, the provisions of this Article 7.5 shall not apply to Lots owned by the Declarant or to the improvements on Lots owned by Builders if such improvements have been approved by the Declarant. The Declarant shall have the right to make or permit alterations or subdivisions without the consent of the Board of Directors or the Covenants Committee and an authorized Officer shall execute any such application required.

ii. **Limitations.**

a. Any Person obtaining approval of the Covenants Committee shall commence construction or alteration in accordance with plans and specifications approved within three (3) months after the date of approval and shall substantially complete any construction or alteration within nine (9) months after the date of commencement, or within such other period as specified in the approval. Notwithstanding the foregoing, the approval of the Covenants Committee may provide for a longer period during which to commence or complete construction as determined by the Covenants Committee to be reasonable and appropriate. If any such Person does not commence work within the time period as specified in the approval, then approval shall lapse.

b. Any Person obtaining approval of the Covenants Committee shall not deviate materially from the plans and specifications approved without the prior written consent of the Covenants Committee. Such Person shall notify the Covenants Committee when the alterations or improvements are complete. Approval of any particular plans and specifications or design does not waive the right of the Covenants Committee to disapprove such plans and specifications, or any elements or features thereof, if such plans and specifications are subsequently submitted for use in any other instance or by any other Person.

iii. **Certificate of Compliance.** Upon the completion of any construction or alteration in accordance with plans and specifications approved by the Covenants Committee, the Covenants Committee shall, at the request of the Owner thereof, issue a certificate of compliance which shall be prima facie evidence that such construction or alteration referenced in such certificate has been approved by the Covenants Committee and constructed or installed in full compliance with the provisions of this Article and with such other provisions and requirements of the Association Documents as may be applicable. The certificate of compliance shall not be used and may not be relied upon for any other purpose, and shall not constitute a representation either as to the accuracy or sufficiency of the plans and specifications reviewed by the Covenants Committee or the quality or soundness of the construction, alteration or improvement. The Covenants Committee may impose a reasonable charge to cover the costs of preparation and inspection.

Article 7.6 Disclaimer of Liability.

i. **Bailee.** The Board of Directors, the Association, any Owner and the Declarant shall not be considered a bailee of any personal property stored or placed on the Common Area (including property located in vehicles parked on the Common Area), whether or not exclusive possession of the particular area is given to an Owner for parking or otherwise, and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

ii. **Operational.** Neither the Declarant or the Association shall be liable for any failure of water supply or other services to be obtained by the Association or paid for as a Common Expense, or for personal injury or property damage caused by the elements or by any Owner, or any other Person, or resulting from electricity, water, snow or ice which may leak or flow from or over any portion of the Property or from any pipe, drain, conduit, appliance or equipment, or any secondary or consequential damages of any type. The Declarant and the Association shall not be liable to any Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any portion of the Property. No diminution, offset or abatement of any assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Property by the Association, the Declarant or from any action taken by the Association or the Declarant to comply with any law, ordinance or with the order or directive of any governmental authority. This Article 7.6 is not intended nor shall it be construed to relieve any insurer of its contractual obligations under any policy benefiting the Association, the Declarant or an Owner.

ARTICLE 8
AGE RESTRICTIONS; RESTRICTIONS ON USE AND OCCUPANY OF LOTS; COMMON AREA; RULES AND REGULATIONS

Article 8.1 Age Restrictions. In order to preserve the character of the Property as an 55 and over residential community and for the protection of the value of the Houses, the Declarant declares that the Property shall be subject to the following restrictions and covenants, all of which shall be perpetual in nature and run with the land:

i. All Houses shall only be occupied by natural persons 55 years of age and older, with the following exceptions:

a. A member of a couple under the age of 55 years who is residing with his or her partner who is 55 years of age or older;

b. An individual under the age of 55 years provided **(1)** he or she is the Owner of the House; **(2)** at the time the House was purchased was a member of a couple in which the other member was a co-Owner of the House and 55

years of age or older; and **(3)** after the purchase of the House the co-Owner 55 years of age or older died;

c. Any child or children residing with a permissible occupant as provided in this Article 8.1 shall be 19 years of age or older.

ii. The Property is intended to be "**55 or Over Housing**" community, so as to qualify as "housing for older persons," within the meaning of the Fair Housing Act. The construction, interpretation and enforcement of this Article 8.1, as well as this Declaration and the By-Laws, shall be done in a manner consistent with such requirements.

Article 8.2 Number of Occupants. In no event may any House be occupied by more than three (3) permanent residents if the House contains two (2) bedrooms and no more than four (4) permanent residents if the House contains three(3) bedrooms.

Article 8.3 Visitor Occupants. The provisions of Article 8.2 to the contrary notwithstanding, visitor occupants of any age shall be permitted to visit for up to ninety (90) days during any calendar year, provided that at no time shall more than six (6) individuals reside temporarily in any two (2) bedroom House; no more than seven (7) individuals may temporarily reside in a three (3) bedroom House.

Article 8.4 Permitted Uses. No Lot shall be used for other than a residence and in accordance with the provisions of the Association Documents. Nothing in the Association Documents shall be construed to prohibit the Declarant or its designees from using any Lot owned by the Declarant (or any other Lot with the permission of the Owner thereof) or any portion of the Common Area for promotional, marketing, display or customer service purposes (such as a visitors center) or for the settlement of titles of Lots. Further, the Declarant specifically reserves the right to operate a construction office and/or a rental, brokerage and management office at any time on Lots owned or leased by the Declarant (or any other Lot with the permission of the Owner thereof) and on any portion of the Common Area, to the extent permitted by law. The Declarant may assign its rights under this Article to or share such rights with one or more other Persons, exclusively, simultaneously or consecutively with respect to the Common Area and Lots owned or leased by the Declarant or such Persons.

Article 8.5 Restrictions. Except for the activities of the Declarant during the Development Period (to which the following provisions do not apply and to which the Declarant is expressly exempt) each Lot and the Common Area shall be occupied and used as follows:

i. Hazardous Uses; Waste. Nothing shall be done or kept on the Property which will increase the rate of insurance for the Common Area or any part

thereof applicable for permitted uses without the prior written consent of the Board of Directors; including without limitation any activities which are unsafe or hazardous with respect to any person or property. No Person shall permit anything to be done or kept on the Property which will result in the cancellation of any insurance on the Common Area or any part there for which would be in violation of any law, regulation or administrative ruling. No waste will be permitted on the Common Area.

ii. **Lawful Use.** No improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the Property shall (to the extent the same shall be the obligation of the Association or Owner) be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation for the Upkeep of such portion of the Property, and, if the Association, then the cost of such compliance shall be a Common Expense.

iii. **Emissions.** There shall be no emissions of dust, sweepings, dirt, cinders, odors, gases or other substances into the atmosphere (excluding, however, normal residential chimney emissions), no production, storage or discharge of hazardous wastes on the Property or discharges of liquid, solid wastes or other harmful matter into the ground or any body of water, if such emission, production, storage or discharge may adversely affect the use or intended use of any portion of the Property or may adversely affect the health, safety or comfort of any Person.

iv. **Noise.** No Person shall cause any unreasonably loud noise (except for security devices) anywhere on the Property, nor shall any Person permit or engage in any activity, practice or behavior for the purpose of causing annoyance, discomfort or disturbance to any Person lawfully present on any portion of the Property. The Board of Directors shall have the complete authority to establish a schedule of decibel levels deemed unreasonable and prohibited.

v. **Obstructions.** No Person shall obstruct any of the Common Area or otherwise impede the rightful access of any other Person on any portion of the Property upon which such Person has the right to be. No Person shall place or cause or permit anything to be placed on or in any of the Common Area without the approval of the Board. Nothing shall be altered or constructed in or removed from the Common Area except with the prior written approval of the Board of Directors.

vi. **Association Property.** The Common Area shall be used only for the furnishing of the services and facilities for which the same is reasonably suited and which are incident to the use and occupancy of the Lots. The improvements located on the Common Area shall be used only for their intended

purposes. Except as otherwise expressly provided in the Association Documents, no Owner shall make any private, exclusive or proprietary use of any of the Common Area without the prior written approval of the Board of Directors and then only on a temporary basis.

vii. **Mining.** No Lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth except with the prior written approval of the Board of Directors.

viii. **Signs.** Except for entrance, street, or directional signs, or any promotional or advertising signs as may be maintained by the Declarant or a Builder, no sign of any kind shall be displayed to public view on any Lot or the Common Areas without written approval of the Covenants Committee, provided the foregoing shall not preclude the following:

a. Signs required by legal proceedings.

b. Residential identification signs and house numbers, including professional identification, having a combined total face area of not more than two (2) square feet and subject to written approval by the Covenants Committee as to location, size, color, material and content.

c. "For Sale" signs, having a combined total face area of not more than two (2) square feet and subject to written approval by the Covenants Committee as to location, size, color, material and content.

ix. **Trash.** Except in connection with construction activities, no burning of any trash and no accumulation or storage of litter, refuse, bulk materials, building materials or trash of any other kind shall be permitted on any Lot. Trash containers shall not be permitted to remain in public view from the Common Area or another Lot except on days of trash collection. Trash containers and refuse disposal systems must be maintained in enclosures and screened areas as approved by the Covenants Committee. Trash, leaves and other materials shall not be burned in violation of local ordinances. No incinerator shall be kept or maintained upon the Property.

x. **Landscaping: Sight-lines.** No tree, hedge or other landscape feature shall be planted or maintained in a location which obstructs sight-lines for vehicular traffic on public or private roadway. No structure of a temporary character, and no trailer, tent, shack, barn, pen, kennel, run, stable, outdoor clothes line, shed or other temporary accessory buildings shall be erected, used or maintained on any Lot except in connection with construction activities. Pavement, plantings and other landscape materials shall not be placed or permitted to remain upon any Lot: **(a)** if such materials may damage or interfere with an easement for the installation or maintenance of utilities; **(b)** in violation of the requirements of

such easements; **(c)** unless in conformity with public utility standards; or **(d)** if such materials may unreasonably change, obstruct or retard direction or flow of any drainage channels. Except for hoses and the like which are reasonably necessary in connection with construction activities or normal landscape maintenance, no 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. No "painted rocks" shall be permitted on any Lot. No lawn ornaments shall be permitted on any Lot except those approved by the Covenants Committee.

xi. Antennae. No outside antennae, satellite dishes or ham radio equipment shall be maintained upon the Property without the prior consent and approval of the Covenants Committee. Notwithstanding the foregoing, if, pursuant to provisions of law, the restrictions set forth in this Article 8.5(xi) are void and/or unenforceable, then to the full extent permitted by law, the Covenants Committee shall have the full and complete authority to regulate and control the manner and location of placement of any such device which is otherwise prohibited under this Article 8.5(xi).

xii. Fences. No fences shall be permitted to be constructed on any Lot provided that this provision shall not preclude an Owner from installing an "invisible" pet fence or a lattice or similar feature around a deck or hot tub provided that the same is approved by the Covenants Committee.

xiii. Vehicles. Except in connection with construction activities, no commercial vehicles, pickup trucks in excess of one half ton, trailers, campers, recreational vehicles, boats or other like vehicles, including grounds maintenance equipment, may be parked on any portion of the Common Area or any portion of a Lot visible from the Common Area or another Lot or any public right of way within or adjacent to the Property, unless expressly permitted by the Board of Directors and only in such parking areas or for such time periods (if any) as may be designated for such purpose. The decision of the Board of Directors with respect to such matters shall be made in their sole and absolute discretion and shall be final. The foregoing shall not be deemed to exclude and does not exclude **(a)** sports utility vehicles (an "**SUV**") provided their size is such that it can be parked within the garage of the Lot or **(b)** golf carts. If the Owner of a Lot does not have a garage on its Lot, the size of the SUV shall not exceed that which can be parked within the size of garage offered on other Lots on the Property. Parking of all such vehicles and related equipment, other than on a temporary and non-recurring basis, shall be in garages or screened enclosures approved by the Covenants Committee or in areas designated by the Board of Directors provided that no more than one golf cart for House shall be permitted to be parked in a driveway. No junk or derelict vehicle or other vehicle on which current registration plates and current county and state inspection permits are not displayed shall be kept upon any portion of the Common Area or any portion of a Lot visible from the Common Area or another Lot. All motor vehicles shall be driven only upon paved streets and parking lots. No motor

vehicles shall be driven on pathways or trails within the Common Area, except such vehicles as are authorized by the Board of Directors as needed to maintain, repair, or improve the common Area. The foregoing shall not be deemed to prohibit motorized wheelchairs or similar devices required by any person who is disabled. This prohibition shall not apply to normal vehicular use of designated streets and lanes constructed on Common Area.

xiv. **Timeshares.** No Lot shall be subjected to or used for any timesharing, cooperative, licensing or other arrangement that would entail weekly, monthly, or any other type of revolving or periodic occupancy by multiple owners, cooperators, licensees, or timesharing participants.

xv. **Residential Uses.** Lots shall be used for residential purposes only. As an age restricted community, the provisions of Section 11B-111.1 of Maryland Homeowners Association Act shall not apply to the Property.

xvi. **Animals.** Except as hereafter provided, the maintenance, keeping, boarding or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited on any Lot or upon the Common Area. The foregoing shall not preclude the keeping of guide animals and orderly domestic house pets (e.g., dogs, cats or caged birds) subject to the Rules and Regulations adopted by the Board of Directors; provided, however, that such pets are not kept or maintained for commercial purposes or for breeding; and provided further, that any such pet causing or creating a nuisance or unreasonable disturbance or noise may be permanently removed from the Property by the Board upon twenty (20) days written notice from the Board of Directors. Pit bulls are prohibited from being maintained on a Lot or the Common Area. The Board shall further have the authority to prohibit such other dogs of a specified breed on the Property if in the sole and absolute discretion of the Board (which exercise may be arbitrary) such breeds are dangerous and constitute a threat to the Property and/or the Owners. Pets shall not be permitted upon the Common Area unless accompanied by someone who can control the pet and unless carried or leashed. Pet droppings shall be cleaned up by the Owner of the pet. Any Owner who keeps or maintains any pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Association, each Owner and the Declarant free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Property. All pets shall be registered and inoculated as required by law. If installed by either the Declarant or the Board (which each shall have the authority to do) a community dog run may be constructed on the Common Area provided that the Board may adopt such Rule and Regulations pertaining to the use thereof as it may determine required to its use and operation.

xvii. **Clothes Drying Equipment.** No exterior clothes lines or other exterior clothes drying apparatus shall be permitted on any Lot.

xviii. Newspaper Tubes. All mailboxes shall be located at the cluster mailbox as required by the United States Post Service. Only mailboxes tubes meeting design standards of the Declarant shall be permitted.

xix. Lighting. No exterior lighting, or the glare from such lighting, shall be directed outside the boundaries of the Lot. Use of non-white (e.g., sodium) lamps is prohibited. The foregoing shall not preclude the placement of front and rear light fixtures as originally installed by the Declarant or like replacements thereof and for light installed pursuant to lighting and/or landscaping plans approved by the Covenants Committee.

xx. Pools. Swimming pools are not permitted on the Lots provided the foregoing shall not be construed as prohibiting temporary use of small inflatable kiddy pools while members of a Permissible Occupant's family is visiting. Hot tubs and similar devices shall require approval by the Covenants Committee.

xxi. Construction Activities. This Article 8 shall not be construed as forbidding any work involved in the construction or Upkeep of any portion of the Property so long as such work is undertaken and carried out **(a)** with the minimum practical disturbance to Persons lawfully occupying other portions of the Property; **(b)** in such a way as does not violate the rights of any Person under other provisions of this Declaration; and **(c)** in accordance with all applicable restrictions in the Rules and Regulations, the resolutions of the Board of Directors and the other provisions of this Declaration. The Board of Directors may approve temporary structures for construction purposes which may otherwise be in violation of the Association Documents or the Rules and Regulations.

Article 8.6 Rules and Regulations. The Board of Directors shall have the power to adopt, amend and repeal Rules and Regulations restricting and regulating the use and enjoyment of the Property or of any portion thereof, which may supplement, but may not be inconsistent with the provisions of the Association Documents. The Property shall be occupied and used in compliance with the Rules and Regulations. Copies of the Rules and Regulations shall be furnished by the Board of Directors to each Owner. Changes to the Rules and Regulations shall be published prior to the time when the same shall become effective and copies thereof shall be provided to each Owner. The Rules and Regulations shall not unreasonably interfere with the use or enjoyment of the Lots or Common Area. The Board of Directors may issue temporary or other appropriate exceptions to any prohibitions expressed or implied by this Article, for good cause shown.

Article 8.7 Exclusion for the Declarant and Designees of the Declarant. Notwithstanding any other provision of the Association Documents, during the Development Period, neither the restrictions in this Article nor the Rules

and Regulations of the Association shall apply to any otherwise lawful acts or omissions of the Declarant or of any Builder.

Article. 8.8 Leasing. No House shall be used or occupied for transient or hotel purposes. No Houses may be leased for an initial period of less than six (6) months. No portion of any House (other than the entire House) shall be leased for any period. No Owner shall lease a Lot to other than a natural persons 55 and old and who satisfy the requirements of Article 8.1. No Owner shall lease a Lot other than on a written form of lease: **(a)** requiring the lessee to comply with the Association Documents, including but not limited to those set forth in Article 8.1; and **(b)** providing that failure to comply constitutes a default under the lease. The tenant under any lease is required to comply with the age restrictions and other restrictions set forth in this Declaration.

ARTICLE 9
COVENANTS COMMITTEE; ARCHITECTURAL REVIEW

Article 9.1 Covenants Committee.

i. Purpose. The Board of Directors shall establish a Covenants Committee, consisting of at least three (3) persons appointed by the Board, each to serve for a term of from one to three years as may be determined by the Board of Directors. If the Board of Directors fails or elects not to appoint a Covenants Committee, then the Board of Directors shall perform the duties of the Covenants Committee.

ii. Powers.

a. The Covenants Committee shall regulate the external design, signage, appearance, use and maintenance of the Lots and the Common Area; provided, however, that the Covenants Committee shall not have the power to regulate the activities of the Association or the Declarant on the Common Area or any Lot owned by the Declarant or any improvement on any Lot owned by a Builder which has been approved by the Declarant; and provided, further, that the Covenants Committee shall not have the power to review initial construction on the Property by the Declarant or any Builder.

b. The Covenants Committee may from time to time establish requirements regarding the form and content of plans and specifications to be submitted for approval. The Covenants Committee shall have the power to impose reasonable application fees as well as the costs of reports, analyses or consultations required in connection with improvements or changes proposed by an Owner. Such fees and costs shall be assessed against the Owner.

c. The Covenants Committee shall have the power pursuant to Article 11 hereof to impose reasonable charges upon, and issue a cease and desist request to, an Owner, such Owner's tenant and such Owner's (or tenant's) household or company, guests, employees, customers, agents, and invitees whose actions are inconsistent with the provisions of the Association Documents.

d. Subject to the review of the Board of Directors, the Covenants Committee shall from time to time provide interpretations of the Association Documents pursuant to the intents, provisions and qualifications thereof when requested to do so by the Board of Directors. The Covenants Committee may publish and record such interpretations in order to establish precedents for application of the Association Documents or other matters relative to architectural control.

e. The Covenants Committee shall propose Design Standards for approval by the Board of Directors. Upon approval and adoption by the Board of Directors, such Design Standards are hereby incorporated by this reference and shall be enforceable as if set forth herein in full. Such design standards, however, shall not exceed (including minimum square footage requirements) the design standards reflecting the sizes and designs for those Houses originally constructed on the Property.

f. A Majority Vote of the Covenants Committee shall be required in order to take any action except as otherwise provided in Article 11.1 hereof. The Covenants Committee shall keep written records of all its actions. Any action, ruling or decision of the Covenants Committee may be appealed to the Board of Directors by any party deemed by the Board to have standing as an aggrieved party and the Board may modify or reverse any such action, ruling or decision. The Covenants Committee and the Board of Directors shall have no authority to regulate construction by the Declarant or approved by the Declarant.

iii. **Conduct of Business.** The Covenants Committee shall not exercise its powers and authority to interfere with the conduct of the development of the Property and House construction by the Declarant or Builders.

iv. **Authority.** The Covenants Committee shall have such additional duties, powers and authority as the Board of Directors may from time to time provide by resolution. The Board of Directors may relieve the Covenants Committee of any of its duties, powers and authority either generally or on a case-by-case basis. The Covenants Committee shall carry out its duties and exercise its powers and authority in accordance with Article 11 hereof and in the manner provided for in the Rules and Regulations adopted by the Board of Directors or by resolution of the Board of Directors.

v. Time for Response; Variances. The Covenants Committee shall act on all matters properly before it within thirty (30) days; failure to do so within the stipulated time shall constitute an automatic referral to the Board of Directors. When a request is referred to the Board of Directors, the Board shall be obligated to answer any written request by an Owner for approval of a proposed structural addition, alteration or improvement within (30) thirty days after the first Board of Directors meeting held following referral to the Board, and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed structural addition, alteration or improvement; provided, however, that the Board of Directors has no right or power, either by action or failure to act to waive enforcement or grant variances from written Design Standards without a specific finding that enforcement of such Design Standards would impose an unfair burden on such Owner and stating the variance and the reasons therefor in a written instrument which shall be part of the records of the Association.

Article 9.2 Subcommittees of the Covenants Committee. The Covenants Committee shall have the power to establish subcommittees to exercise the powers of the Covenants Committee and to carry out its functions. Wherever in the Association Documents reference is made to the Covenants Committee, such reference shall also mean any subcommittee established by the Covenants Committee.

Article 9.3 Compensation of the Covenants Committee. No Member of the Covenants Committee or a subcommittee (other than an Owner or a resident of the Property) shall be compensated by the Association for their services on the Covenants Committee provided that they shall be reimbursed for bona fide out-of-pocket expenditures if approved by the Board.

ARTICLE 10
INSURANCE

Article 10.1 Authority to Purchase Insurance; Notice.

i. The Board of Directors shall have the power and responsibility on behalf of the Association to **(a)** purchase insurance policies relating to the Common Area, **(b)** adjust all claims arising under such policies; and **(c)** execute and deliver releases upon payment of claims. The cost of all insurance policies purchased by the Board relating to the Common Area shall be a Common Expense. The Board of Directors, the managing agent and the Declarant shall not be liable for failure to obtain any coverages required by this Article or for any loss or damage resulting from such failure: **(1)** if such failure is due to the unavailability of such coverages from reputable insurance companies; **(2)** if such coverages are so available only at an unreasonable cost; or **(3)** if the Association's insurance professionals advise that the coverages required hereunder are not necessary.

ii. Each such policy shall provide that:

a. The insurer waives any right to claim by way of subrogation against the Declarant, the Association, the Board of Directors, the managing agent, any Owner and their respective households or companies, guests, employees, customers, tenants, agents and invitees;

b. Such policy may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to the Board of Directors or the managing agent.

iii. All policies of insurance shall be written by reputable companies licensed or qualified to do business in Maryland.

iv. The deductible (if any) on any insurance policy purchased by the Board of Directors shall be a Common Expense; provided, however, that the Association may, pursuant to Article 11.1 hereof, assess any deductible amount necessitated by the misuse or neglect of an Owner against such Owner.

v. The Declarant, so long as the Declarant shall own any Lot, shall be protected by all such policies as an Owner.

Article 10.2 Physical Damage Insurance.

i. The Board of Directors shall obtain and maintain a blanket, "all-risk" form policy of fire insurance with extended coverage, vandalism, malicious mischief, cost of demolition, debris removal, insuring any improvements located on the Common Area and covering the interests of the Association, in an amount equal to one hundred percent (100%) of the then current replacement cost of any improvements located on the Common Area (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation (such amount to be redetermined annually by the Board with the assistance of the insurance company affording such coverage). The Board of Directors shall also obtain and maintain appropriate coverage on all personal property other than the Common Area owned by the Association.

ii Unless the Board determines to the contrary, each such policy shall also provide:

a. a waiver of any right of the insurer to repair, rebuild or replace any damage or destruction, if a decision is made not to do so;

b. the following endorsements (or equivalent): **(i)** "no control" (to the effect that coverage shall not be prejudiced by any act or neglect of any occupant or Owner or their agents when such act or neglect is not within the

control of the insured or the Owners collectively, nor by any failure of the insured and the Owners collectively, to comply with any warranty or condition with regard to any portion of the Property over which the insured and the Owners collectively, have no control); **(ii)** "cost of demolition"; **(iii)** "contingent liability from operation of building laws or codes"; **(iv)** "increased cost of construction"; **(v)** "replacement cost"; and **(vi)**"agreed amount" or elimination of coinsurance clause;

c. that any "no other insurance" clause expressly exclude individual Owners' policies from its operation so that the physical damage policy purchased by the Board of Directors shall be deemed primary coverage and any individual owners' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder provide for or be brought into contribution with insurance purchased by individual Owners or their Mortgagees, unless otherwise required by law; and

d. such deductibles as to loss, but not coinsurance features, as the Board of Directors in its sole discretion deems prudent and economical.

Article 10.3 Liability Insurance. The Board of Directors shall obtain and maintain comprehensive general liability, broad form endorsement (including libel, slander, false arrest and invasion of privacy coverage) and property damage liability insurance in such limits as the Board may from time to time determine, insuring each director, Officer, the managing agent and the employees of the Association against any liability to the public or to any Owner or such Owner's tenant and such Owner's (or tenant's) household or company, guests, employees, customers, agents and invitees arising out of, or incident to the ownership or care, custody, control and use of the Common Area or legal liability arising out of employment contracts of the Association. Such insurance shall be issued on a comprehensive liability basis and shall contain: **(i)** a cross-liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to an action against another named insured; **(ii)** hired and non-owned vehicle coverage; **(iii)** host liquor liability coverage with respect to events sponsored by the Association; **(iv.)** deletion of the normal products exclusion with respect to events sponsored by the Association; and **(v)** a "severability of interest" endorsement which shall preclude the insurer from denying liability coverage to an Owner because of negligent acts of the Association or of another Owner. The Board of Directors shall review such limits once each year, but in no event shall such insurance be less than **One Million Dollars ($1,000,000)** covering all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of "umbrella" liability insurance in excess of the primary limits shall also be obtained in an amount not less than **Two Million Dollars ($2,000,000)**.

Article 10.4 Other Insurance. The Board of Directors may (but shall not be required to) elect to obtain and maintain any of the following coverages:

i. Adequate fidelity coverage to protect against dishonest acts on the part of directors, Officers, trustees and employees of the Association and all others who handle, or are responsible for handling, funds of the Association, including the managing agent. If the Association has delegated some or all of the responsibility for handling funds to a managing agent, such managing agent shall be covered by its own fidelity bond. Such fidelity bonds (except for fidelity bonds obtained by the managing agent for its own personnel) shall: **(a)** name the Association as an obligee, **(b)** be written in an amount not less than one-half the total annual assessment for Common Expenses or the amount required by the Mortgagees, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, whichever is greatest and **(c)** contain waivers of any defense based upon the exclusion of Persons who serve without compensation from any definition of "employee" or similar expression;

ii. If required by a majority of the Mortgagees or governmental regulations, flood insurance in accordance with the then applicable regulations for such coverage;

iii. Workers, compensation insurance if and to the extent necessary to meet the requirements of law (including a voluntary employees endorsement and an "all states" endorsement);

iv. Directors and Officers liability insurance in an amount not less than **One Million Dollars ($1,000,000)**; and

v. Such other insurance: **(a)** as the Board of Directors may determine; or **(b)** as may be required with respect to the Additional Phase by any amendment to the Declaration recorded in conjunction with adding such Additional Phase; or **(c)** as may be requested from time to time by a Majority Vote of the Members.

Article 10.5 Separate Insurance on Lots. Each Owner shall have the right to obtain insurance for such Owner's benefit, at such Owner's expense, covering the improvements located on such Owner's Lot. No Owner shall obtain separate insurance policies on the Common Area owned in fee simple by the Association.

ARTICLE 11
COMPLIANCE AND DEFAULT

Article 11.1 Relief. Each Owner shall be governed by, and shall comply with, all of the terms of the Association Documents and the Rules and Regulations as they may be amended from time to time. A default by an Owner shall entitle the Association, acting through its Board of Directors or through the managing agent, to the following relief.

i. **Additional Liability.** Each Owner shall be liable to the association or to any affected Owner for the expense of all Upkeep, rendered necessary by such Owner's act or omission or regardless of neglect or culpability but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in casualty insurance rates occasioned by use, misuse, occupancy or abandonment of any Lot or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation. Any costs, including without limitation legal fees, incurred as a result of a failure to comply with the Association Documents or the Rules and Regulations by any Owner may be assessed against such Owner's Lot. If a new Owner does not give the secretary written notice stating the name and address of the new Owner and the number or address of the Lot within thirty days after acquiring title to such Lot, pursuant to Article 3.2 hereof, then reasonable record-keeping costs incurred by the Association, as determined by the Board of Directors, may be assessed against such Owner. The Board may set or change the amount of such assessment from time to time. Such assessment (including attorney fees, costs of suit and interest as provided in Article 11.1(iii) below) shall be a lien against such Owner's Lot as provided in Article 11.2 hereof.

ii. **No Waiver of Rights.** The failure of the Association, the Board of Directors or an Owner to enforce any right, provision, covenant or condition which may be granted by the Association Documents shall not constitute a waiver of the right of the Association, the Board or any Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors or any Owner pursuant to any term, provision, covenant or condition of the Association Documents shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Association Documents, the Maryland Homeowners Association Act or at law or in equity.

iii. **Interest, Costs and Expenses**. If a default by any Owner in paying any sum assessed against such Owner's Lot, except for Common Expenses

continues for a period in excess of ten (10) days, interest from the due date at a rate not to exceed the maximum permissible interest rate which may be charged under the Maryland Contract Lien Act or if no maximum is therein established, eighteen percent (18%) per annum, on the principal amount unpaid from the date due until paid. In addition, the Association shall have the right to recover from such Owner any costs of suit and reasonable attorney fees.

iv. **Abating and Enjoining Violations.** The violation of any of the Rules and Regulations adopted by the Board of Directors or the breach of any other provision of the Association Documents shall give the Board of Directors the right, in addition to any other rights set forth in the Association Documents: **(a)** to enter the portion of the Property (excluding any occupied dwelling) on which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions of the Association Documents or the Rules and Regulations, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or **(b)** to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; provided, however, that before any construction may be altered or demolished (except in emergencies) judicial proceedings shall be instituted. The Board of Directors shall follow the due process procedures set forth in this Article 11.

v. **Legal Proceedings.** Failure to comply with any of the terms of the Association Documents or the Rules and Regulations shall be grounds for relief, including without limitation an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in the Association Documents and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, the managing agent or, if appropriate, by any aggrieved Owner or Member and shall not constitute an election of remedies.

vi. **Other Remedies.** The Board of Directors may suspend Member's voting rights pursuant to the Bylaws. The Board may also suspend the right of an Owner or other resident lawfully occupying a Lot, and the right of such Person's household, guests, employees, customers, tenants, agents and invitees, to use the Common Area; provided, however, that the Association shall not suspend the right to use the Common Area for necessary, ordinary and reasonable pedestrian ingress and egress to and from such Owner's Lot, or to suspend any easement over the Common Area for storm water drainage, electricity, water, sanitary sewer, natural gas, television reception, telephone service or similar utilities and services to the Lots.

vii. **Charges and Suspension of Rights.** The Board of Directors or its designee has the power to impose charges against and suspend the right of an

Owner to vote in the Association or other rights (pursuant to the Bylaws and this Article) in the case of an Owner found to be responsible for a violation of the Association Documents or the Rules and Regulations. Except for the suspension for non-payment of assessments of voting rights and the right to use the Common Area, no such penalty shall be imposed until the Person charged with such a violation has been given notice and an opportunity for a hearing as set forth in below. The Board or Covenants Committee may deliberate privately, but shall either announce its decision in the presence of the respondent or give the respondent notice thereof. Charges may not exceed **Fifty Dollars ($50.00)** for each violation, or **Ten Dollars ($10.00)** per day for each violation of a continuing nature for each Owner or such greater amounts as may be allowed under applicable law. No charge may be imposed for failure to pay an assessment except as otherwise provided in the Declaration. Charges are individual assessments against the Owner and such Owner's Lot and shall be collectible as such and shall also constitute a lien against a Lot in accordance with Article 11.2 hereof to the extent permissible under Maryland law.

viii. **Due Process.** The Board of Directors or the Covenants Committee, before imposing any charge or before taking any action affecting one or more specific Owners shall afford such Person the following basic due process rights:

a. **Notice.** The respondent shall be afforded prior written notice of any action (except when an emergency requires immediate action) and, if notice is of default or violation, an opportunity to cure which is reasonable under the circumstances, prior to the imposition of any sanction. The notice shall also state that the respondent is entitled to a hearing. Notice of any hearing shall be hand delivered or mailed by registered or certified mail, return receipt requested, to the Owner at such Owner's address of record with the Association at least fourteen (14) days prior to such hearing, in accordance with the Bylaws.

b. **Hearing.** Each Person so appearing shall have the right to be represented by such Person's counsel, at such Person's own expense at any such hearing.

c. **Appeal.** Upon receipt of a written request therefor made within ten days after the date of an action by the Covenants Committee, the Board of Directors may afford an Owner the right to appeal to the Board, and the Board may modify or reverse any action taken by the Covenants Committee.

d. **Fairness.** The Board of Directors and the Covenants Committee shall treat all Persons equitably, based upon decision-making procedures, standards and guidelines which shall be applied to all Persons consistently.

Article 11.2 Lien for Assessments.

i. **Lien.** The total annual assessment of each Owner for Common Expenses, including any additional or special assessment, any individual assessment or any other sum duly levied (including without limitation charges, interest, late charges, charges under contract, etc.), made pursuant to the Association Documents, is hereby declared to be a lien levied against any Lot owned by any Owner. Any such liens and charges not paid when due shall thereafter accrue interest at a rate not to exceed the maximum permissible interest rate which may be charged under the Maryland Contract Lien Act or if no maximum is therein established eighteen percent (18%) per annum, on the principal amount unpaid from the date due until paid. Until fully paid and satisfied, the lien shall apply to and encumber all of the Lots that were owned, as of the date when payment was due, by the Owner from whom payment was due, and shall also apply to and encumber any and all Lots thereafter acquired by that Owner from the time such Owner becomes the Owner thereof. With respect to annual assessments, the lien is effective on the first day of each fiscal year of the Association and, as to additional assessments, individual assessments and other sums duly levied, on the first day of the next payment period which begins more than ten days after the date of notice to the Owner of such additional assessment, individual assessment or levy. The Board of Directors or the managing agent may file or record such other or further notice of any such lien, or such other or further document, as may be required to confirm the establishment and priority of such lien. The lien created by this Article 11.2 shall be prior to all liens and encumbrances hereafter recorded except Mortgages, real estate taxes and other charges levied by governmental authority and made superior by law. The personal obligation of the Owner to pay such assessment shall, in addition, remain such Owner's personal obligation and a suit to recover a money judgment for non-payment of any assessment or installment thereof, levied pursuant hereto, may be maintained without foreclosing or waiving the lien herein created to secure the same.

ii. **Acceleration.** In any case where an assessment against an Owner is payable in installments, upon a default by such Owner in the timely payment of any two consecutive installments, the maturity of the remaining total of the unpaid installments of such assessment may be accelerated, at the option of the Board of Directors, and the entire balance of the assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Owner.

iii. **Enforcement.** The lien for assessments may be enforced and foreclosed in any manner permitted by the Maryland Contract Lien or any other provision of relevant law. The Association shall have the power to bid on the Lot at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with such Lot.

iv. **Remedies Cumulative.** A suit to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien securing the same, and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment.

Article 11.3 Subordination and Mortgagee Protection. Notwithstanding any other provision hereof to the contrary, including without limitation Article 13 hereof, the lien of any assessment levied pursuant to the Association Documents upon any Lot (and any charges, interest on assessments, late charges or the like) shall be subordinate to, and shall in no way affect the rights of the holder of a Mortgage made in good faith for value received; provided, however, that such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such Lot pursuant to foreclosure or any proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the holder of the Mortgage or the purchaser of the Lot at such sale from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment, which lien shall have the same effect and be enforced in the same manner as provided herein.

ARTICLE 12
MORTGAGEE

Article 12.1 Notice to Board of Directors. Upon request, an Owner who mortgages such Owner's Lot shall notify the Board of Directors of the name and address of the Mortgagee. No Mortgagee shall be entitled to any Mortgagee rights under the Association Documents unless such Mortgagee has notified the Board of its address as required by Article 12.2 below and has requested all rights under the Association Documents.

Article 12.2 Notices to Mortgagees. Any Mortgagee who desires any notice from the Association shall notify the Secretary of the Association to that effect by certified or registered United States mail. Any such notice shall contain the name and address (including post office address) of such Mortgagee and the name of the person to whom notices from the Association should be directed. The Board of Directors shall notify Mortgagees of the following:

i. Any default of an Owner of a Lot, upon which the Mortgagee has a Mortgage, in paying assessments for Common Expenses (which remains uncured for sixty (60) days) or any other default, simultaneously with the notice sent to the defaulting Owner;

ii. Any casualty, loss or condemnation affecting a material portion of the Common Area;

iii. All actions taken by the Association with respect to reconstruction of the Common Area or a Lot upon which the Mortgagee has a Mortgage;

iv. Any termination, lapse or material modification of an insurance policy held by the Association;

v. Any proposal to terminate the Declaration, at least fifty (50) days before any action is taken to terminate in accordance with Article 14 hereof; and

vi. Any proposal to amend materially the Articles of Incorporation, this Declaration or the Bylaws, at least twenty days before any action is taken pursuant to Article 13.4 hereof.

Article 12.3 Other Rights of Mortgagees. All Mortgagees or their representatives shall have the additional right to request to receive notice of and to attend and to speak at meetings of the Association. All such Mortgagees shall have the right to examine the Association Documents and books and records of the Association and to require the submission of annual financial reports and other budgetary information. Any Mortgagee who makes a request shall be entitled to the financial statement, when available, for the preceding fiscal year of the Association. After fourteen (14) days notice to the Association, a Mortgagee may (but shall never be required to), jointly or singly, pay taxes or other charges levied against the Common Area and may pay overdue premiums or hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy for such Common Area. The Mortgagee or Mortgagees giving such notice and making such payments shall be reimbursed by the Association.

ARTICLE 13
AMENDMENT; EXTRAORDINARY ACTIONS

Article 13.1 Amendment by the Declarant. During the Development Period, the Declarant may unilaterally amend any provision of this Declaration to: **(i)** make this Declaration or the Property comply with the any applicable laws now or hereafter enacted, as the same may be amended from time to time; **(ii)** make any corrections in the description of the Property, including that shown on **Exhibit 1** or to correct or cure any errors, ambiguities, inconsistencies or conflicts in or among this Declaration, the Bylaws or the Articles; **(iii)** satisfy the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Federal Housing Administration, the Veterans Administration, the Farmers Home Administration or other governmental or quasi-governmental entities, with respect to their purchase, guaranty or insurance of mortgage loans secured by Lots; **(iv)** make non-material changes; **(v)** satisfy the requirements of any government, governmental agency or mortgagee; **(vi)** relocate boundary lines

between the Common Area and any Lots or among any Lots; provided, however, that such relocation does not materially and adversely affect any Owner other than the Declarant and that such relocation is reflected in an approved resubdivision (or boundary line adjustment) of all or any part of the Property; and **(g)** add all or any portion of the Additional Phases in accordance with Article 2.1 hereof.

Article 13.2 Amendment by the Association.

i. The Association may amend this Declaration by at least a seventy-five percent (75%) vote of the Members of each Class or with the written approval of Members entitled to cast at least seventy-five percent (75%) of the total number of votes of both classes of Members added together. Prior to the expiration of the Declarant Control Period, no amendment of this Declaration or the Bylaws altering or eliminating any rights, benefits, privileges of the Declarant is permitted without the written consent of the Declarant.

ii. An amendment by the Association shall not be effective until certified by the President as to compliance with the procedures set forth in this Article, executed and acknowledged by the President and Secretary of the Association, and recorded among the Land Records. Any procedural challenge to an amendment must be made within three (3) months after recordation.

iii. No amendment may be made to this Declaration which would conflict with or adversely affect the Town under all Public Works Agreements executed and recorded with respect to or affecting the Property.

Article 13.3 Prerequisites. Written notice of any proposed amendment by the Association shall be sent to every Owner at least fifteen (15) days before any action is taken. No amendment shall increase financial obligations of an Owner in a discriminatory manner or further restrict development on existing Lots. No amendment to the Declaration shall diminish or impair the rights of the Declarant under the Declaration without the prior written consent of the Declarant. No amendment shall modify or delete any provision of this Declaration required by subdivision approval conditions applicable to the Property. No amendment may modify this Article or the rights of any Person hereunder.

Except as specifically provided in the Declaration, no provision of the Declaration shall be construed to grant to any Owner or to any other Person any priority over any rights of Mortgagees.

Article 13.4 Extraordinary Actions of the Association. The provisions of this Article13 shall not be construed to reduce the percentage vote that must be obtained from Mortgagees or Owners where a larger percentage vote is required by the Maryland Homeowners Association Act or other provisions of the Association Documents. The provisions of this Article 13 shall not affect the rights of the

Declarant to make unilateral amendments to the Declaration where such rights have been granted by other Articles of this Declaration.

i. **Majority Vote of Mortgagees.** Unless at least fifty-one percent (51%) of the Mortgagees and Members entitled to cast at least seventy-five percent (75%) of the total number of votes, including a majority of the votes entitled to be cast by Owners other than the Declarant, have given their approval, the Association shall not by act or omission: **(a)** terminate the Declaration or dissolve the Association; **(b)** fail to employ professional management if professional management has been previously required by the Association Documents or a Mortgagee; **(c)** seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area owned in fee simple by the Association (except for the granting of easements for utilities or other purposes consistent with the intended use of such Common Area and the adjustment of boundary lines pursuant to Article 4.6 hereof); **(d)** add, change the method of determining the obligations, assessments or other charges which may be levied against an Owner; **(e)** add, change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or exterior appearance or maintenance of Lots, the maintenance of any fences, walkways or driveways in the Common Area, or the Upkeep of lawns and plantings on the Property; **(f)** fail to maintain fire and extended coverage on insurable Common Area on a current replacement cost basis in an amount at least one hundred percent (100%) of the insurable value (based on current replacement cost), in accordance with Article 10. 2 hereof; **(g)** use hazard insurance proceeds for losses to the Common Area for any purpose other than repair, replacement or restoration of such Common Area substantially in accordance with the Association Documents and the original plans and specifications; or **(h)** add or amend any material provisions of the Association Documents which establish, provide for, govern or regulate any of the following: **(i)** voting; **(ii)** assessments, assessment liens or subordination of such liens; **(iii)** reserves for maintenance, repair and replacement of the Common Area; **(iv)** insurance or fidelity bonds; **(v)** reallocation of interests in or rights to use of the Common Area; **(vi)** maintenance responsibility; **(vii)** redefinition of the boundaries of Lots; **(viii)** leasing of Lots; **(ix)** imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer, or otherwise convey such Owner's Lot; **(x)** expansion or contraction of the Property or the addition, annexation or withdrawal of real estate to or from the Property; **(xi)** convertibility of Lots into Common Area or vice versa; **(xii)** restoration or repair of the Property after damage or partial condemnation in a manner other than that specified in the Association Documents; or **(xiii)** any provisions which are for the express benefit of Mortgagees.

ii. **Presumptive Approval.** A Mortgagee who is notified of proposed amendments by certified or registered United States Mail, return receipt requested, and who does not deliver or post to the requesting party a negative response within thirty (30) days shall be deemed to have approved such

amendments. Approval by a Mortgagee also includes the issuance of written approval or any written waiver or a formal letter stating "no objection."

iii. **Non-Material Amendments.** Any addition or amendment to the Association Documents shall not be considered material if it is for the purpose of correcting technical errors or for clarification only.

iv. **Veterans Administration and Federal Housing Administration Consent.** When a Veterans Administration guarantee is in effect on a Mortgage, without the consent of the Veterans Administration, or when Federal Housing Administration insurance is in effect on a Mortgage, without the consent of the Federal Housing Administration: **(a)** the Declarant may not amend the description of Additional Phases or participate in an Association vote to amend the description of Additional Phases other than to correct typographical errors; **(b)** the Association may not submit to this Declaration any real estate other than Additional Phases **(c)** the merger and/or consolidation and/or dissolution of the Association **(d)** the mortgaging of the Common Area or any part thereof **(e)** the amendment of this Declaration . The Association may not take any action described in Articles 13.4(1) during the Declarant Control Period. This Article shall apply only for so long as a Lot within the Property is encumbered by a mortgage guaranteed by the Veterans Administration or insured by the Federal Housing Administration.

ARTICLE 14
TERMINATION

Article 14.1 Termination by the Association. Subject to Article 13.4 hereof, the Association may terminate this Declaration only by a vote of the Members entitled to cast at least one hundred percent (100%) of the total number of votes as certified by the President or with the written approval of Members entitled to cast one hundred percent (100%) of the total number of votes and the written consent of the governing body of the Town. In either case the termination shall not be effective until certified by the President as to compliance with the procedures set forth in this Article, executed and acknowledged by the President and Secretary of the Association and recorded among the Land Records.

Article 14.2 Prerequisites. Written notice of the proposed termination shall be sent to every Owner and Mortgagee at least fifty (50) days before any action is taken. The Declaration may not be terminated during the Development Period without the prior written consent of the Declarant. A termination must be approved by the Town. Such termination shall not affect any permanent easements or other permanent rights or interests relating to the Common Area created by or pursuant to the Association Documents. To the extent necessary, the termination agreement shall provide for the transfer or assignment of the easements, rights or interests granted to the Association herein to a successor entity which is assuming

the Association's maintenance and regulatory responsibilities. Any lien which has arisen pursuant to the provisions of the Declaration shall remain in full force and effect despite termination of the Declaration until the amounts secured thereby are paid in full.

In Witness Whereof, the Declarant has hereunto set their hands and respective seals as of the year and day first above written.

WATERFORD/CENTREVILLE, LLC
a Maryland limited liability company

By: CARUSO CENTREVILLE MANAGER, LLC, a Maryland limited liability company, its Manager

By: CARUSO HOMES, INC., a Maryland corporation, its Managing Member

By:_____(SEAL)
David Herzog, President

EXHIBIT 1

Being a part of that same land and premises as was conveyed by deed dated April 25, 2003 from Nicholas Irwin Wood and Jean S. Wood, husband and wife to Waterford Centreville, LLC, a Maryland limited liability company and recorded in Liber 1070 at page 217 among the land records of Queen Anne's County, Maryland and containing 139.767 acres, more or less (Parcel 1) the description of which is incorporated herein by reference as if set forth in full.

EXHIBIT 2

Being a part of the land described on Exhibit 1 and described as Phase 1 as shown on a Major Subdivision of Symphony Village and recorded in the land records of Queen Anne's County, Maryland in Plat Book 33 at Plats numbered 6-A through 6-V, inclusive.

The foregoing property includes

STATE OF MARYLAND
COUNTY OF

I HEREBY CERTIFY that on this 30 day of OCTOBER, 2003, before me, the undersigned subscriber, a notary public for the state and county aforesaid, did personally appear **David Herzog** who acknowledged himself to be the President of Caruso Homes, Inc., a Maryland corporation, the Managing Member of Caruso Centreville Manager, LLC, a Maryland corporation, the Manager of **Waterford/Centreville, LLC, a Maryland limited liability company**, and did further acknowledge that he executed the foregoing instrument for the purposes therein.

JANET F. ROCK NOTARY PUBLIC CALVERT CO. MD.

AS WITNESS, I have hereunto set my hand and notarial seal this 30 day of October, 2003.

Janet F. Rock (SEAL)
NOTARY PUBLIC

My Commission Expires: 08-01-06.

I HEREBY CERTIFY that the within instrument was prepared by an attorney duly authorized to practice before the Maryland Court of Appeals.

RICHARD A. KRAMER

After Recording, please remit to:

Kramer & Levine, Chartered
P.O. Box 2170
403 Charles Street
La Plata, MD 20646

DEED of COVENANTS

THIS DEED of COVENANTS, RESTRICTIONS and CONDITIONS, made this 12th day of September, 1952, by TOWER GARDENS on the BAY, Inc., Developers of a subdivision of land known as TOWER GARDENS on the BAY.

WHEREAS, TOWER GARDENS on the BAY, Inc., a Delaware corporation, domesticated and doing business in the State of Maryland, hereinafter called, "The Developers", is the owner of a certain tract of land in fee simple, situate, lying and being in Queen Anne's County, State of Maryland, on Kent Island, known as 'TOWER GARDENS on the BAY'; and more fully and particularly described in a deed from Property Holding Company to TOWER GARDENS on the BAY, Inc., dated April 25, 1952, and recorded among the Land Records of Queen Anne's County, in Liber TSP No. 4, folio 516; and

WHEREAS, "The Developers" have subdivided certain portions of the said land into lots for sale to the public, according to three plats filed herewith and as a part hereof; subject, however, to certain covenants, conditions and restrictions, to run with the land and to be binding alike upon "The Developers" and the purchasers, their heirs, executors, administrators, successors and assigns,

NOW, THEREFORE, THESE PRESENTS WITNESSETH:

THAT, for and in consideration of the premises, the mutual benefit to be derived by "The Developers" and the purchasers, and for other good and valuable considerations, "The Developers" have subdivided the land, according to the three plats filed herewith, subject, however, to the following conditions, covenants and restrictions, to run with the land unless otherwise specified:

1. "The Developers" expressly reserve the title to both the surface and beds of all roads, highways, streets and lanes, as laid out on said three plats or that may be laid out in the future, with reasonable and convenient ingress and egress to and from the land belonging to the purchasers; and it further expressly reserves the right to grade, change the grade, close or partly close any road, highway, street or lane within the Development of "TOWER GARDENS on the Bay, Inc.", which will not immediately affect the

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right of egress or ingress of any purchaser. Nothing, however, in the above covenant shall be construed as imposing upon "The Developers" the obligation to do any of the things mentioned herein.

2. "The Developers" reserve the right to enter at any time along the back five (5) feet of any lot to install and maintain or license others to install and maintain, wires, poles, pipes, cables and apparatus above and below the ground for electric light, telephone for general use and for other public or quasi-public purposes.

3. There shall not be erected, converted, permitted, maintained, or operated, any building or other structure for any purpose other than residential, and no business of any kind shall be permitted, except by special permission in writing first had from "The Developers", and then only in a section specifically set out on said land for such purposes, "The Developers" reserving for themselves the exclusive right to designate such section or sections as in their judgment will best suit the general purposes of the community. The said, "The Developers" also expressly reserve for themselves the right to erect wharves, piers, establish beach areas, play grounds, parks and recreational centers and establish certain commercial uses, without, however, assuming the obligation to do any of the above.

4. "The Developers" shall approve the exterior plan and construction of any building erected in the Development, including the position of the house on the lot. No building shall be approved having a height of more than two (2) stores, nor shall any work commence on the construction of any building or dwelling until proper plans have been filed and approved in writing by "The Developers".

5. No building, or part thereof, except as hereinafter provided, shall be erected or maintained on any part of any lot as shown on said three plats, closer than twenty-five (25) feet to any road, highway, street or lane, provided said lot is not located on any water-front and shall be no closer than twelve (12) feet from the division line of any adjacent lot. "The Developers" reserve the right to deviate from these distances, if the contour or shape of

the lot will not permit compliance with this restriction, nor shall any building on any lot fronting on the Chesapeake Bay, be erected any closer than forty (40) feet from the front lot line.

6. No lot presently shown on the recorded three plats can be re-subdivided into a smaller parcel for the purpose of erecting more than a single dwelling or structure thereon. The word, "structure", as used herein, shall denote a residential dwelling and any out-building appurtenant thereto which may normally be used in conjunction with a dwelling house (that is to say, garage or carport).

(a) The owner of any parcel of land in said subdivision containing at least an acre or more of ground may, for his own private purposes raise poultry, provided, that such purpose is primarily for the use of the owner of the land and not for the commercial raising and selling of poultry. Provided, however, that each person desiring to engage in such an activity, shall first secure the written approval of "The Developers" before commencing to raise poultry or to erect any structure designed to accommodate such an activity.

(b) No livestock may be kept or housed on any lot other than poultry or household pets.

7. There shall not be erected, permitted, maintained, or operated, any privy, cess-pool, vault, or any form of privy, except such sewage system as may be approved by "The Developers" and the Public Health authorities of the State of Maryland.

8. No dwelling may be erected on any single lot for the use of more than a single family and no such owner of any single lot may erect thereon any building for the use of any civic or fraternal or other organization, except with the approval of "The Developers", and a majority vote of any civic organization, should one be formed, in the future for this Development.

9. That section or sections along the beach designated on the three recorded plats as "Community Bathing Beach" shall be for the exclusive use and enjoyment of residents of the subdivision and their guests.

10. The owners of all bay front property shall not erect or cause to be erected any fences or barriers across that portion of their lot which is commonly known as "beach", nor in any other way restrict the right-of-way to persons using the "beach".

11. "The Developers" reserve the right to change or modify

the lot lines or method of subdivision of unsold lots without the consent of any purchaser; provided, however, that such change does not immediately affect any of the rights of any adjacent purchaser.

12. No garage, tent, trailer, or other temporary structure shall be placed upon any lot or occupied temporarily or permanently as a dwelling or seasonal residence by any person, owner or employee.

13. Nothing herein contained shall constitute a dedication of any road, lake, pond, park, play ground, wharf, pier, or community beach (with the exception of the two (2) sections designated as community bathing beach area now shown on the three recorded subdivision plats) until such time as "The Developers" may dedicate or convey the roads, etc., to any public authority having power to acquire the same.

14. All detached garages, or other out-buildings of any kind whatsoever, shall be in the rear of the dwelling, but shall not be within twenty-five (25) feet of the rear boundary of the lot, nor within twelve (12) feet of the dividing line of said lot.

15. All of the covenants, restrictions and conditions contained herein shall be in perpetuity, but on or after thirty (30) years from the date of these presents, a majority of the owners of the lots may amend, cancel, annul, or abrogate any and all of the covenants, restrictions and conditions by a writing duly executed and properly recorded among the land records of Queen Ann's County, Maryland.

16. The violation of any covenant, restriction or condition herein contained shall be a breach and "The Developers" or any purchaser may exercise its or his rights in any Court of record against any such violation, nor shall the failure by "The Developers" or any future lot owner to enforce in a Court of record any restriction, condition, covenant, or agreement, herein contained, be deemed a waiver of the right to do so thereafter to one occurring prior to or subsequent thereto; and the declared invalidity of any one or more of the provisions herein shall not affect the validity of the others.

17. The above covenants, restrictions and conditions shall not apply to any piece or parcel of land reserved for business purposes,

whether said land is now designated or may in the future be designated by "The Developers" for business purposes and are herein expressly excepted.

18. All of said covenants, conditions and restrictions are to run with the land as recited herein and any deed offered for record subsequent hereto shall contain the proviso, "Subject to covenants and restrictions of record".

19. Nothing herein contained shall be construed as preventing "The Developers" from adding to, changing, modifying, or altering any covenant here contained, provided said change, addition, modification or alteration, does not adversely affect any adjacent lot owner.

IN WITNESS WHEREOF, the said corporation has caused these presents to be signed in its corporate name, with its corporate seal attached hereto, attested by REUBEN BONNETT, its Secretary, and does hereunto constitute and appoint, HARRY BONNETT, as its true and lawful attorney-in-fact for it and in its name to sign these presents.

ATTEST: TOWER GARDENS on the BAY, Inc.

/s/ REUBEN BONNETT m By /s/ HARRY BONNETT
Secretary HARRY BONNETT

(Corporate Seal)

DISTRICT OF COLUMBIA, SS:

I, FAYE F. SMITH, a Notary Public in and for the aforesaid District, do hereby certify that HARRY BONNETT, attorney-in-fact for TOWER GARDENS on the BAY, Inc., personally appeared before me, the subscriber, the said HARRY BONNETT, being personally well-known to me as the attorney-in-fact for the aforesaid corporation, and acknowledged the foregoing Deed of Covenants to be the act and deed of the said corporation.

GIVEN under my hand and seal this 12th day of September, 1952.

/s/ FAYE F. SMITH
Notary Public - D. C.
My Commission expires - 2/28/57.

(SEAL)

Copy

THIS ADDITIONAL DECLARATION OF COVENANTS, ARTICLES OF AMENDMENT OF RESTRICTIONS AND AGREEMENT, Made this _____ day of _____, 1980, by and between W. CALVIN GRAY, JR., FRANK BALDWIN and ANNE RUSSELL SEWARD and E. WILLIS SEWARD, her husband, of the first part; and TWINBRIDGE, INC., a body corporate of the State of Maryland, of the second part;

WHEREAS, Twinbridge, Inc., has subdivided a certain portion of its lands in the Fourth Election District of Queen Anne's County, Maryland, known as Tower Gardens On The Bay, Kent Island, Queen Anne's County, Maryland", (being Block R of Tower Gardens On The Bay) which plat is recorded among the Land Records of Queen Anne's County in Liber M.W.M. No. 150 folio 688; and

WHEREAS certain lots in Block R have been heretofore conveyed unto the parties of the first part; and

WHEREAS, the party of the second part desires to impose certain restrictive covenants and conditions on all Lots in Block R, Tower Gardens On The Bay, including those previously sold and conveyed;

NOW THEREFORE, in consideration of the mutual benefits and advantages accruing unto each of the parties hereto and unto their respective heirs, personal representatives, successors and assigns, it is hereby mutually covenanted and agreed as follows, to wit:

That all lots in Block R of Tower Gardens On The Bay, as shown on Plat 9 thereof shall be subject to the following restrictive covenants and conditions, as more particularly set forth in the following, to wit:

(a) Deed of Covenants, Restrictions and Conditions by Tower Gardens On The Bay, Inc., dated September 12, 1952, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 6 folio 357, except that Paragraph No. 3 thereof shall be amended by the addition of the following sentence,to wit:

"That speculative building or construction of residential structures or single family residential units shall not, for the purposes of these restrictive covenants and condition be considered a business and nothing herein contained shall be construed to prevent speculative building or construction of residential structures or single family residential units within said subdivision."

(b) Articles of Amendment Of Restrictions by Tower Gardens On The Bay, Inc., dated the 15th day of August, 1960, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 56 folio 196.

(c) Deed of Covenants, Restrictions and Conditions by Twinbridge, Inc., dated the 5th day of April, 1973, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 74 folio 45, except that the following amendments thereto be made, to wit:

1- That Paragraph No. 3 thereof shall be amended by the deletion of the following sentence, to wit:

"That speculative building or construction of residential structures or single family residential units shall not, for the purposes of these restrictive covenants and conditions, be considered a business, and nothing herein contained shall be construed to prevent speculative building or construction of residential structures or single family residential units within said subdivision."

2- That Paragraph No. 6 shall be amended by the addition of the following sentence, to wit:

"That in no event shall be aforesaid provision be construed to apply to lots set forth and shown on "Plat 9, Tower Gardens On The Bay," aforesaid, but that re-subdivision of lots shown on "Plat 9" aforesaid, as well as lots set forth or shown on any subsequent subdivision plat or plats of Tower Gardens On The Bay shall specifically be permitted to be re-subdivided into smaller lots; provided that such re-subdivision conform to the provisions of the Comprehensive Zoning Ordinance of Queen Anne's County enacted in 1964 and to any amendments thereto. Any lot created by re-subdivision shall be considered a "single lot" or as a "lot" for all purposes of these restrictive covenants and conditions.

3- That Paragraph 6 (b) as set forth in the restrictive covenants and conditions recorded in Liber C.W.C. No. 74 folio 45, aforesaid, be deleted, cancelled and annulled and for all purposes appertaining unto or relating unto the lots set forth and shown on "Plat 9, Tower Gardens On The Bay", and/or set forth and shown on any subsequent subdivision plat or plats of Tower Gardens On The Bay, the following be substituted in its place and stead, to wit:

"6 (b) The owner of any parcel of land situate in Block R of Tower Gardens On The Bay which contains one (1) or more acres of land shall not be prohibited from keeping livestock thereon; provided, however, that each such owner desiring so to do shall first secure written approval of Twinbridge, Inc., or its successors in the development of Block R of Tower Gardnes On The Bay or its assigns, including prior approval as aforesaid to erect any structure or structures designed to accomodate such activity or to be used in conjunction therewith".

(d) Articles of Amendment Of Restrictions by Twinbridge, Inc., dated August 17, 1973, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 77 folio 86.

Recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 56 folio 196

THIS ARTICLES OF AMENDMENT OF RESTRICTIONS, made this 15th day of August, 1960, by TOWER GARDENS ON THE BAY, INC., a Delaware Corporation, domesticated and doing business in the State of Maryland.

WHEREAS, Tower Gardens on the Bay, Inc., is the owner of a tract or parcel of land situate, lying and being in the Fourth Election District of Queen Anne's County, State of Maryland, on Kent Island, on the Chesapeake Bay, containing 320 acres of land, more or less, granted and conveyed to it by deed from The Property Holding Company, dated the 25th day of April 1952, and recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 4 folio 516, reference to said deed being hereby made for a complete and detailed description of said lands; and

WHEREAS, the said Tower Gardens on the Bay, Inc., has imposed certain covenants, restrictions and conditions by a certain Deed of Covenants, dated the 12th day of September, 1952, recorded among the Land Records of Queen Anne's County in Liber T.S.P. No. 6 folio 357, on all that part of said lands subdivided and shown on "Plat 1 - Tower Gardens on the Bay", "Plat 2 - Tower Gardens on the Bay", and "Plat 3 - Tower Gardens on the Bay", and by an Additional Declaration of Covenants dated the 12th day of February, 1958, recorded among the Land Records aforesaid in Liber T.S.P. No. 39 folio 346, did thereafter impose identical covenants, restrictions and conditions on that portion of said lands subdivided and shown on "Plat 4 - Tower Gardens on the Bay"; and by an Additional Declaration of Covenants dated the 8th day of August, 1960, recorded among the Land Records of Queen Anne's County prior hereto, did thereafter impose identical covenants, restrictions and conditions on that portion of said lands subdivided and shown on "Plat 5 - Tower Gardens on the Bay", and

WHEREAS, by the provisions of Section No. 19 of the aforesaid covenants, restrictions and conditions, imposed upon said lands as hereinabove mentioned, the said Tower Gardens on the Bay, Inc., did retain the right and privilege of adding to, changing, modifying, or altering the aforementioned covenants, restrictions, and conditions from time to time.

NOW THEREFORE, THESE ARTICLES OF AMENDMENT OF RESTRICTIONS WITNESSETH: that for and in consideration of the premises, the mutual benefit to be derived by "The Developers" and purchasers or owners of lands therein; and for other good and valuable considerations, the receipt whereof is hereby acknowledged, pursuant to the power and authority contained in Section No. 19 of the aforesaid covenants, restrictions and conditions, and for the additional purpose of exercising its power to change, modify, alter and add to said covenants, restrictions, conditions, and reservations, Tower Gardens on the Bay, Inc., a body corporate, does now impose upon all unsold lots now owned by said body corporate, in the aforementioned development, and upon all the lands in the aforementioned tract or parcel of lands conveyed to it by deed from Property Holding Company, aforesaid, the following additional covenant, restriction, condition, and reservation, to wit:

"20. No purchaser of any of the lots now owned by Tower Gardens on the Bay, Inc., or hereafter subdivided by Tower Gardens on the Bay, Inc., in said development shall have any right, as such purchaser, to construct, maintain or use water-fowl or duck blinds in or upon the waters adjacent to the said development; it being specifically understood that Tower Gardens on the Bay, Inc., and its successors, licensees, lessees and assigns shall henceforth have the full and exclusive right to construct, maintain, occupy and enjoy, and use water-fowl or duck blinds in, or over or upon all and any of the waters adjacent to said development, as well as all water-fowl or duck hunting privileges of every nature as may be had or found in, over and upon all and any of the waters adjacent to the aforesaid lands, or any part thereof".

(e) Articles of Amendment Of Restrictions by Twinbridge, Inc., dated September 20, 1973, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 77 folio 649.

(f) Articles of Amendment Of Restrictions by Twinbridge, Inc., dated June 12, 1975, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 94 folio 137.

(g) Restrictions Nos. 4 (a) (b) (c) (d) and (e) the same as found in a certain deed from Twinbridge, Inc., to Judith C. Conley, dated June 12, 1975, recorded among the Land Records of Queen Anne's County in Liber C.W.C. No. 94 folio 139.

AND the said parties of the first part, and each of them do hereby ratify the aforementioned Additional Declaration Of Covenants, etc., and do consent that the property owned by them in Block R, Tower Gardens On The Bay shall be subject to the aforesaid restrictive covenants and conditions.

AS WITNESS the hands and seals of the parties of the first part.

AS WITNESS the hand of FRANK G. BALDWIN President of Twinbridge, Inc., and its corporate seal hereto affixed.

WITNESS:

W. CALVIN GRAY, JR. (SEAL)

FRANK BALDWIN (SEAL)

ANNE RUSSELL SEWARD (SEAL)

E. WILLIS SEWARD (SEAL)

ATTEST:

TWINBRIDGE, INC.

BY: _____ President

(Place corporate seal here)

BY-LAWS OF TOWER GARDENS IMPROVEMENT ASSOCIATION, INC.

ARTICLE I

IDENTIFICATION

Section 1. NAME - The name of the Corporation is TOWER GARDENS IMPROVEMENT ASSOCIATION, INC. (the "Corporation").

Section 2. PRINCIPAL OFFICE - The principal office of the Corporation shall be located at PO Box 237, Stevensville, Maryland 21666.

Section 3. OTHER OFFICES - The Corporation may have an office or offices in such other place or places as the business of the Corporation may require, and the Board of Directors may from time to time approve.

Section 4. RESIDENT AGENT - The resident agent of the Corporation shall be appointed by a majority vote of the Board of Directors and act in their behalf.

Section 5. FISCAL YEAR - The fiscal year of the Corporation shall run from April 1 to March 31, unless and until altered and amended by the Directors.

Section 6. SEAL - The Corporate Seal shall have inscribed thereon the name of the corporation, the word "Maryland", the word "Incorporated" and the year of the corporation's organization. The Directors may authorize one or more duplicate Seals and provide for the custody thereof.

ARTICLE II

CAPITAL STOCK

The Corporation shall not issue capital stock.

ARTICLE III

MEMBERS

Section 1. ELIGIBILITY - Any family who owns property in or resides in the Tower Gardens subdivision shall be eligible to be a member of the Association.

Section 2. DUES - Each family shall be assessed with such initiation fees and dues as the Board of Directors may propose and approved by a majority of members in good standing present at the annual meeting; said fees and dues shall be due at such time as the Board of Directors shall direct.

Section 3. MEMBERS IN GOOD STANDING - Each member who is current in his dues shall be a member in good standing. All other members shall be inactive members, and shall become active upon payment of their dues.

Section 4. REGULAR MEETINGS - Regular meetings shall be held quarterly, in April, July, October and January, with the meeting in April being designated the annual meeting.

Section 5. SPECIAL MEETINGS - Special meetings may be called at the direction of the President, upon majority vote of the Board of Directors, or upon written demand of at least five members, said demand being presented to the President at least 15 days prior to the meeting and stating the reasons for the meeting and the proposed actions to be taken.

Section 6. NOTICE - Notice of all meetings shall be mailed or delivered ten (10) days prior to such meeting stating date, place and time.

Section 7. QUORUM - Quorum for Membership meetings shall be twenty-five precent of the members in good standing.

Section 8. VOTING - Each member as defined in Article 3 Section 1 in good standing shall be entitled to one vote for each adult.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. GENERAL POWERS - The business, officers, and property of the Corporation shall be conducted and managed by the Board of Directors, except as otherwise provided by Statute or by the Charter or by these By-Laws. The Board shall submit its budget and plan of action for the upcoming fiscal year at the annual meeting of the members.

Section 2. MEMBERS OF THE BOARD OF DIRECTORS - The Board of Directors shall consist of the following officers:

1. President
2. Vice President
3. Secretary
4. Treasurer
5. Chairman of Budgeting Committee
6. Chairman of Planning Committee
7. Chairman of Membership Committee
8. Chairman of Environmental Committee
9. Chairman of Social Committee
10. Sergeant at Arms

Section 3. NUMBER - There shall be ten (10) Directors of the Corporation.

Section 4. ANNUAL MEETING - The annual meeting of the Board of Directors shall be held during the month of April of each year and at said meeting, the Board shall meet for the purpose of organization and the transaction of other business.

Section 5. SPECIAL MEETINGS - Special meetings of the Board of Directors shall be held whenever called by the President, by a majority of the Directors or by a majority of the Executive Committee, if there shall be an Executive Committee, either in writing or by vote.

Section 6. PLACE OF BOARD MEETING - The Board of Directors may hold its regular and special meetings at such place as determined by a majority vote of the Board of Directors.

Section 7. NOTICE OF BOARD MEETINGS - Each director will be notified of the place, day and hour of every regular Board meeting ten (10) days prior. Board meetings are open to the general membership.

Section 8. QUORUM - Not less than a majority of the Board of Directors shall be necessary to constitute a quorum for the transaction of business at every meeting of the Board of Directors; but if at any meeting there be less than a quorum present, a majority of those present may reschedule the meeting for a date within ten (10) days. At any such rescheduled meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as origianlly notified.

Section 9. VACANCIES - If any member of the Board of Directors dies or resigns, a majority of the remaining Directors may elect a successor to hold office for the unexpired portion of the term. The Directors so elected by the Board of Directors to fill such vacancies shall hold office until the next succeeding annual meeting of the Directors.

Section 10. COMPENSATION - Directors, as such, shall not receive any compensation for their services. Nothing in this Section shall be construed to preclude a Director from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE V

OFFICERS

Section 1. PRESIDENT - The President shall be the principal executing officer of the Association. He shall, when present, preside at all meetings of the members and the Board of Directors. He shall have general charge and supervision of affairs of the Association, he shall sign and execute, with consent of the majority of the Board of Directors, in the name of the Association, all authorized contracts or other instruments, except in cases in which the signing and execution thereof shall have been expressly delegated to

some other officer or agent of the Association by the approval of the majority of the Board of Directors. The President shall perform all duties incident to the office of the President of the Association and other duties as may be assigned to him by the Board of Directors.

Section 2. VICE PRESIDENT - At the request of the President, or in his absence, or disability, the Vice President shall perform all of the duties of the President; and shall perform such other duties as may be assigned to him by the Board of Directors, or the President. In the event the office of President shall become vacant, he shall automatically succeed to the office of President for the remainder of the elective term.

Section 3. SECRETARY - The Secretary shall keep the minutes of the meetings of the Members and the Board of Directors. The Secretary shall see that all notices are duly given in accordance with the provisions of these By-Laws. The Secretary shall be custodian of the records and of the Corporate Seal of the Association; he shall see that the Corporate Seal is affixed to all documents, the execution of which on behalf of the Association, under its seal, is duly authorized. The Secretary shall in general perform all duties incident to the office of the Secretary of an Association, and such other duties as may be assigned to him by the Board of Directors.

Section 4. TREASURER - The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Association, and shall deposit or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks, trust companies or other depositories as shall be selected by the Board of Directors. He/She shall render to the Chairman and to the Board of Directors, whenever requested,

Section 5. CHAIRMAN OF BUDGETING - The Chairman of Budgeting shall have charge of the Budget Committee consisting of not less than three (3) members in good standing and approved by the Board of Directors. The Treasurer of the Association cannot be the Chairman nor a member of this committee. The committee shall function in an advisory capacity to the Board of Directors in the areas of budgeting, financial planning and auditing. The term of office for the Chairman of this committee shall be two (2) years. The Chairman will submit a proposed operating budget for each fiscal year, unless otherwise dictated by emergency, to the Board of Directors for approval. He/She shall prepare the necessary annual income tax returns and submit them to the Board of Directors for approval.

Section 6. CHAIRMAN OF PLANNING COMMITTEE - The Chairman of the Planning Committee shall have charge of the planning committee consisting of not less than three (3) members in good standing, and approved by the Board of Directors. The committee shall function in an advisory capacity to the Board of Directors in all areas except parks, recreation facilities, social functions, budget and membership. The term of office for the Chairman of this committee shall be two (2) years. The chairman will submit a proposed operating budget for each fiscal year, unless otherwise dictated by emergency, to the Budget Committee for review and forwarded to the Board of Directors for approval.

Section 7. CHAIRMAN OF MEMBERSHIP COMMITTEE - The Chairman of Membership Committee shall have charge of the membership committee consisting of not less than three (3) members in good standing, and approved by the Board of Directors. The membership committee will function in an advisory capacity to the Board of Directors in the areas of community directory, membership list and collection of annual dues from property owners. The term of office for the Chairman of this committee shall be two (2) years. The chairman will submit a proposed operating budget for each fiscal year, unless otherwsie dictated by emergency, to the Budget Committee for review and forwarded to the Board of Directors for approval.

Section 8. CHAIRMAN OF ENVIRONMENTAL COMMITTEE - The Chairman of Environmental Committee shall have charge of the environmental committee consisting of not less than three (3) members in good standing, and approved by the Board of Directors. The environmental committee will function in an advisory capacity to the Board of Directors in the areas of parks and recreation facilities. The term of office for the Chairman of this committee shall be two (2) years. The chairman will submit a proposed operating budget for each fiscal year, unless otherwise dictated by emergency, to the Budget Committee for review and forwarded to the Board of Directors for approval.

Section 9. CHAIRMAN OF SOCIAL COMMITTEE - The Chairman of Social Committee shall have charge of the social committee consisting of not less than three (3) members in good standing, and approved by the Board of Directors. The social committee will function in an advisory capacity to the Board of Directors in the areas of social activities. The term of office for the Chairman of this committee shall be two (2) years. The chairman will submit a proposed operating budget for each fiscal year, unless otherwise dictated by emergency, to the Budget Committee for review and forwarded to the Board of Directors for approval.

Section 10. SERGEANT AT ARMS - The Sergant at Arms shall maintain order at these meetings. He shall also act as liason with the County and State authorities in reference to community problems. The term of office for this committee shall be two (2) years.

Section 11. REMOVAL OF OFFICERS - At any membership meeting the members of the Association, by two-thirds vote of members present and voting, may remove from office, with just cuase any officer of the Association.

Section 12. VACANCIES IN OFFICE - Subject to the provisions of Article 4 Section 9, the Board of Directors of the Association shall, upon majority vote, appoint successors to such office for the remainder of any unfinished elective term.

Section 13. ELECTION OF OFFICERS - The officers described in Article 5 Sections 1 through 10 inclusive, shall be elected in the following manner:

a. A nominating committee, consisting of five (5) members in good standing, shall be appointed by the President, with the approval of a majority of the Board of Directors, at least eight (8) weeks prior to the annual meeting of the Members. The committee shall submit their report of nominations for the above-named offices to the President at least three (3) weeks prior to the annual meeting, and the President shall provide copies of this report to the Members, along with notice of the annual meeting. The persons selected by the nominating committee shall, upon stating their acceptance at the annual meeting, be nominated for the various officers. Nominations may be also made and seconded from the floor of annual membership meeting.

b. Persons shall be elected to the above described offices upon receiving a majority vote of the members in good standing at the annual membership meeting.

c. The newly elected officers shall assume the duties of their office at the first Board meeting held after the annual membership meeting.

d. The offices to be filled will be the odd numbered offices in odd numbered years and even numbered offices in even numbered years.

Section 14. TERM OF OFFICE - Each elected officer shall serve for a term of two (2) years.

Section 15. OFFICERS HOLDING MORE THAN ONE OFFICE - No officer shall hold more than one office, however, he/she may serve on any committee except as shown in Article 5 Section 5.

ARTICLE VII

RESIDENT AGENT OR AGENTS

The resident agent shall be appointed by a two-thirds majority vote of the Board of Directors and shall serve in that position until such time as he/she is replaced.

ARTICLE VIII

SPECIAL CORPORATE ACTS

Section 1. CONTRACTS - The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or to execute and deliver any instrument in the name of and on the behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. CHECKS, DRAFTS, ETC - All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall be determined by a majority vote of the Board of Directors.

Section 3. DEPOSITS - All funds of the Corporation not otherwise employed shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE IX

COMMITTEES

Section 1. EXECUTIVE COMMITTEE - The Board may create an executive committee of its own members and define its duties, subject to the provisions of law. In the absnece of any member, the members present, at this meeting may appoint another member of the Board to act in the place of the absent member.

Section 2. OTHER COMMITTEES - The Board of Directors may create such other committees as deemed necessary and define their duties.

ARTICLE X

AMENDMENTS

These By-Laws may be altered or repealed and new By-Laws may be adopted at the annual meeting of the members in good standing, with due notice of the proposed amendment, by the vote of a two-thirds majority of the total members in good standing attending.

ARTICLE XI

PARLIAMENTARY PROCEDURE

Section 1. ROBERTS RULES OF ORDER - All Membership, Board and Committee meetings shall be conducted in accordance with procedures in Roberts Rules of Order, current edition.

Section 2. AGENDA - The President or officer designated by him shall prepare and distribute an agenda of business to be conducted for all regular meetings.

Revised April 1986

The Town Council of Centreville

101 Lawyers Row
Centreville, Maryland 21617
410-758-1180
Fax 410-758-4741

Department of Police
Department of Streets
Department of Water and Sewer
Chesterfield Cemetery

March 16, 2000

Mr. Scott MacGlashan, Clerk
Circuit Court for Queen Anne's County
Courthouse
Centreville, Maryland 21617

RE: Annexation - Town of Centreville

Dear Mr. MacGlashan:

In accordance with Article 23, Subsection 19 (p), kindly find enclosed a metes and bounds description as well as a plat of the lands recently annexed into the Town of Centreville. Kindly register these documents in accordance with the above referenced section of the Maryland Annotated Code.

Thank you very much for your help and cooperation.

RECEIVED
CLERK, CIRCUIT COURT
00 MAR 20 AM 3:02
QUEEN ANNE'S COUNTY

Very truly yours,

Terry Adams

Terry Adams, Town Manager
Chief Executive and
Administrative Officer of the
Town of Centreville

DWG:dt
Enclosures

cc: Meg Duane, Town Clerk
w/enclosures

DESCRIPTION OF 197.353 ACRES OF LAND, MORE OR LESS
PART OF THE LANDS OF LAWRENCE CALLAHAN, ET AL,
AND THE LANDS OF R & S DEVELOPMENT, LLC
THIRD ELECTION DISTRICT, QUEEN ANNE'S COUNTY, MARYLAND
TO BE ANNEXED TO THE TOWN OF CENTREVILLE

BEGINNING for the same at a stone found along the northernmost corporate boundary of the Town of Centreville, said beginning point being located at the end of the South 88[illegible] 42' East 262.00 foot line, as described in Article One, Section 104(a) of the Centreville Town Charter, said beginning point being further located at the intersection of the division line between the lands of Lawrence Callahan, et al, (see M.W.M. 399/349), the lands of R & S Development, LLC (see S.M. 627/501), and the lands now or formerly of Joseph S. Quimby, Jr., et al (see N.B.W. 8/231), as shown on a plat entitled "PLAT OF PROPOSED ANNEXATION TO THE TOWN OF CENTREVILLE OF PART OF THE LANDS OF LAWRENCE CALLAHAN, ET AL, AND THE LANDS OF R & S DEVELOPMENT, LLC", which is attached hereto;

THENCE leaving said beginning point so fixed and binding on the aforesaid course of the corporate boundary of the Town of Centreville reversed, and described pursuant North American Datum 1983/1991;

North 88° 37' 10" West 208.83 feet to a point located along the easternmost right-of-way line of Maryland Route 213;

THENCE leaving the corporate boundary of the Town of Centreville, and binding on the aforesaid easternmost right-of-way line of Maryland Route 213, the following nineteen (19) courses and distances;

2) North 20° 09' 37" East 27.62 feet to a point;

3) North 69° 50' 23" West 20.00 feet to a point and;

4) **North 20" 09' 37" East 83.35 feet** to a point of curvature;

THENCE with the arc of a curve to the left 140.16 feet to a point, said curve having a radius of 1195.00 feet and scribed by a chord of;

1) North 16° 48' 01" East 140.08 feet;

6) **North 24" 00' 57" East 106.31 feet** to a point;

7) **North 05" 06' 09" East 103.51 feet** to a point;

8) **North 05" 53' 08" East 100.02 feet** to a point;

9) **North 01" 18' 22" East 100.18 feet** to a point;

10) **North 00" 09' 57" East 100.32 feet** to a point;

11) **North 06" 40' 05" East 98.57 feet** to a point;

12) **North 05" 42' 39" East 98.25 feet** to a point;

13) **North 10" 38' 52" East 98.26 feet** to a point;

14) **North 13" 50' 07" East 98.25 feet** to a point;

15) **North 12" 39' 44" East 199.70 feet** to a point;

16) **North 15" 17' 51" East 100.00 feet** to a point;

17) **North 16" 43' 46" East 200.06 feet** to a point;

18) **North 14" 43' 28" East 100.00 feet** to a point;

19) **North 16" 26' 35" East 100.02 feet** to a point and;

20) **North 15" 17' 51" East 98.41 feet** to an iron rod set at the southwesternmost corner of the lands now or formerly of Lawrence E. Smith, et ux. (see S.M. 529/739);

THENCE leaving Maryland Route 213 and binding on the perimeter boundary of the aforesaid Smith lands, the three (3) following courses and distances;

21) South 74° 20' 01" East 326.46 feet to a concrete monument found;

22) North 15° 39' 59" East 267.50 feet to a concrete monument found and;

23) North 74° 20' 01" West 327.86 feet to an iron rod set along the easternmost right-of-way line of the aforementioned Maryland Route 213;

THENCE leaving the Smith lands and binding on the easternmost right-of-way line of Maryland Route 213, the seven (7) following courses and distances;

24) North 18° 35' 50" East 33.86 feet to a point;

25) North 12° 18' 04" East 100.18 feet to a point;

26) North 15° 44' 05" East 500.00 feet to a point;

27) North 16° 52' 50" East 200.04 feet to a point;

28) North 15° 44' 05" East 200.00 feet to a point;

29) North 14° 35' 20" East 217.53 feet to a point and;

30) North 16° 31' 47" East 575.74 feet to an iron rod set at the southwesternmost corner of the lands now or formerly of William V. Riggs, III, et al, (see S.M.607/671);

THENCE leaving Maryland Route 213 and binding on the southernmost outline of the aforesaid Riggs lands;

31) South 57° 51' 27" East 3192.69 feet to a stone found along the westernmost outline of the lands now or formerly of William W. Kling, et ux. (see C.W.C. 124/186);

THENCE leaving the Riggs lands and binding on the westernmost outlines of the aforesaid Kling lands, the two (2) following courses and distances;

32) South 57° 51' 27" East 76.16 feet to an iron rod set;

THENCE binding on the remnants of an existing fence line;

33) **South 30" 38' 33" West 2446.95 feet** to an iron rod set along the northernmost outline of the aforementioned lands now or formerly of Joseph S. Quimby, Jr. et al. (see N.B.W. 8/231);

THENCE leaving the Kling lands and binding on the northernmost outline of the aforesaid Quimby lands, the five (5) following courses and distances;

34) **North 83" 21' 27" West 2062.50 feet** to an iron rod set;

35) **South 21" 38' 33" West 132.00 feet** to an iron rod set;

36) **South 49" 38' 33" West 165.00 feet** to an iron rod set;

37) **South 25" 38' 33" West 66.00 feet** to an iron rod set and;

38) **South 40" 59' 02" West 38.70 feet** to the place of beginning.

Containing in all 197.353 acres of land, more or less, as surveyed by McCrone, Inc., Registered Professional Engineers and Land Surveyors, in October of 1998.

(o) *Outline for extension of services and public facilities.* — In addition to, but not as a part of the resolution, the legislative body of the municipal corporation shall provide also a proposed outline for the extension of services and public facilities into the area proposed to be annexed. The outline shall be open to public review and discussion at the public hearing, but amendments to the outline may not be construed in any way as an amendment to the resolution, nor may they serve in any manner to cause a reinitiation of the annexation procedure then in process. A copy of the outline shall be provided to the governing body of the county or counties in which the municipal corporation is located and any regional and State planning agencies having jurisdictions within the county at least 30 days prior to the holding of the public hearing required by this section. The outline shall contain a description of the land use pattern proposed for the area to be annexed, which may include any county master plan already in effect for the area. It shall be presented so as to demonstrate the available land for public facilities which may be considered reasonably to be necessitated by the proposed use, such as school sites, water or sewerage treatment facilities, libraries, recreation, fire or police. It shall contain also a statement describing the schedule for extending to the area to be annexed each municipal service performed within the municipality at the time of annexation and a statement as to the general methods by which the municipality anticipates to finance the extension of municipal services into the area to be annexed.

(p) *Registration of boundaries.* — The chief executive and administrative officer of a municipal corporation which has enlarged its corporate boundaries under the provisions of this section shall promptly register the new boundaries with the clerk or similar official thereof, with the clerk of the court in the county or counties in which the municipal corporation is located, with the Department of Legislative Services as provided in § 9A of this article, and for those municipalities lying within the regional district, with the Maryland-National Capital Park and Planning Commission. Each such official shall hold the registration of boundaries on record and shall make it available for public inspection during all normal business hours.

(q) *Special provision as to Washington County.* — Repealed by Acts 1994, ch. 661, § 2, effective October 1, 1994.

(r) *Conduct of election; tabulation of results; expenses.* — The mayor and council, by whatever name known, of every municipal corporation is hereby authorized and empowered, by ordinance, resolution or regulation, to make proper provision for conducting, and for tabulating the results of any referendum to be held under the provisions of this section. The mayor and council of the municipal corporation shall pay in full for the expenses of any such referendum.

(s) *Exercise of planning and zoning jurisdiction in certain areas not authorized.* — The powers granted to municipal corporations by Article XI-E of the Constitution, by this article, and by Article 66B (of the Code), shall not be deemed to authorize any municipal corporation, either through procedures under this subheading or other changes in its charter, to exercise planning (including subdivision control) and zoning jurisdiction or power within any

RECEIVED
CLERK, CIRCUIT COURT
00 MAR 28 AM 3:02
QUEEN ANNE'S CO.

Maryland Department of Natural Resources

Forest, Park and Wildlife Service
Tawes State Office Building
Annapolis, Maryland 21401

William Donald Schaefer
Governor

Torrey C. Brown, M.D.
Secretary

Donald E. MacLauchlan
Assistant Secretary

RECEIVED
JAN 4 1991
CIRCUIT COURT
QUEEN ANNE'S CO.

December 26, 1990

Marguerite W. Mankin, Clerk
Circuit Court for Queen Anne's County
Court House
Centreville, Maryland 21617

Re: Regulations
Affecting Wildlife

Dear Ms. Mankin,

Section 10-205 of the Natural Resources Article, Annotated Code of Maryland relates to the adoption of regulations affecting wildlife. Section 10-205(d) provides: "The Secretary shall mail a copy of the adopted regulations to the Clerk of the Circuit Court of every county which is affected by the regulation. The clerk shall record and post in the front of the courthouse every regulation adopted."

Please adopt and adhere to the following procedures so that we may fulfill our statutory obligation:

1) Post on the notice or bulletin board in front of the Circuit Court House a copy of the enclosed regulation COMAR 08.03.08.01, .04-.10, .11-.12;

2) Make available to the public, perhaps in a looseleaf binder format, this reprinted regulation at a convenient location in the Clerk's office;

3) Sign and return to me the enclosed copy of this letter acknowledging your receipt of the aforelisted regulation; posting of same in front of the Courthouse and recording of same at a consistent location in the Clerk's office.

Telephone: (301) 974-3195
DNR TTY for Deaf: 301-974-3683

As Wildlife regulations are amended, the Department will mail copies of these amendments to you so that we will be in compliance with Natural Resources Article, §10-205, Annotated Code of Maryland. I appreciate your continued cooperation in this matter. If you have any questions about the suggested procedure, please do not hesitate to call me.

Very truly yours,

Mary Goldie Stubbs

Mary Goldie Stubbs
Legal Assistant
Forest, Park and Wildlife
Division

cc: Donald E. MacLauchlan
Woodland B. Willing
Gary J. Taylor

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JAN 1 1991
CIRCUIT COURT
QUEEN ANNE'S CO.

Subtitle 03 WILDLIFE

08.03.08 Threatened and Endangered Species

Authority: Natural Resources Article, §§4-2A-01 — 4-2A-09 and 10-2A-01 — 10-2A-09,
Annotated Code of Maryland

Notice of Proposed Action

[90-364-P]

The Secretary of Natural Resources proposes to amend Regulations **.01** and **.04 — .10**, and adopt new Regulation **.11** and recodify existing Regulation **.11** as Regulation **.12** under **COMAR 08.03.08 Threatened and Endangered Species.**

Statement of Purpose

The State Threatened and Endangered Species list under COMAR 08.03.08 is amended to include qualifying species from western and central Maryland.

In concert with the Chesapeake Bay Critical Area protection effort, the rare plants, animals, and habitats of the tidewater counties were analyzed for significance and endangerment. As a result, in 1987 the State Threatened and Endangered Species list under COMAR 08.03.08 was amended to include qualifying tidewater species, and Natural Heritage Areas were designated. The rare species in western and central Maryland have now been analyzed and qualifying species are proposed for addition to the list.

In addition, five species are deleted from the current list. Recent studies indicate that three species (Egretta caerulea, Haematopus palliatus, and Lespedeza augustifolia) no longer qualify for listing; a taxonomic change combined one rare species (Thalictrum steeleanum) with a less rare species; and the population upon which Scirpus acutus was originally listed has been determined to be introduced and the species therefore does not qualify for listing.

Although the Natural Heritage Areas remain unchanged, this proposal corrects a clerical oversight in the original list. As delineated on the official NHA maps, NHA #29, Hickory Point Cypress Swamp, includes portions of Somerset County and Worcester County, but when the regulations were initially published, Somerset County was inadvertently omitted from the county list for this NHA. In this amendment Somerset County appears in the county list for NHA #29.

Fish species designated as Endangered, Threatened, or In Need of Conservation appear both in lists maintained by the Tidewater Administration and by the Wildlife Division. The Tidewater Administration's list appears under COMAR 08.02.12 and the Wildlife Division's list appears under COMAR 08.03.08. In order to clarify that both the Tidewater Administration and the Wildlife Division maintain lists, reference to the Tidewater Administration's list is included in this proposed action.

Three finfish, Longnose Sucker (Catostomus catostomus), Slimy Sculpin (Cottus cognatus), Cheat Minnow (Rhinichthys bowersi), and some wildlife species, which may meet the statutory definition of fish because they spend part of their life cycle in water, are being added to the list. The three finfish are also added to the definition of "species" under COMAR 08.03.08. These species have no sport or commercial significance. The proposed action does not affect any regulation or designations under COMAR 08.02.12 or COMAR 08.02.05.

The endangered wildlife permit language is amended to allow permits to be issued for appropriate educational purposes.

Finally, misspellings in the current list are corrected, certain common names are changed in order to conform to names currently used by the Natural Heritage Division, and common names are added for some species.

Estimate of Economic Impact

I. Summary of Economic Impact. Administrative costs for units of the Department of Natural Resources will increase in terms of more staff time to address protection of an expanded list.

II. Types of Economic Impacts.	Revenue (+) Expense (−)	Magnitude
A. On issuing agency: Increased staff and support for Natural Heritage Division	(−)	$50,000
B. On other State or local agencies:	(−)	Indeterminable
	Benefit (+) Cost (−)	Magnitude
C. On regulated industries or trade groups:	NONE	
D. On other industries or trade groups: Some development projects may be modified to mitigate impacts on listed species	(+) (−)	Indeterminable
E. Direct and indirect effects on public: Protect native species diversity	(+)	Indeterminable

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A. The amount indicated is a budget enhancement request for one new position plus support for the Natural Heritage Division to review projects for environmental impacts on listed species. The expected position would be an Environmental Specialist II, Grade 12.

B. State and local agencies currently review projects for impacts on listed species. Consequently, the economic impact of an expanded list is expected to be minor.

D. Some development projects have been modified to mitigate impacts on listed species. Adding species to the list may increase the number of instances when projects are modified to accommodate concerns about listed species, but the costs are indeterminable. In these instances, developers may incur additional costs, and consultants may receive increased revenue from the performance of additional services.

E. There will be a long-term, positive, but incalculable benefit to the people of Maryland by protecting the diversity of native species in the State.

Opportunity for Public Comment

Written comments may be sent to Gene Cooley, Natural Heritage Division, Forest, Park and Wildlife Service, Tawes State Office Building, Annapolis, Maryland, 21401, or call 974-2873. These comments must be received not later than November 20, 1990. No public hearing has been scheduled.

.01 Definitions.

A. The following terms have the meanings indicated.

B. Terms Defined.

[A.**]** *(1)* — **[**I.**]** *(9)* (text unchanged)

[J.**]** *(10)* "Species" means any species of wildlife or plant and reptiles, amphibians, crustaceans, mollusks and the following finfish: *Catostomus catostomus, Cottus cognatus,* Eneacanthus chaetodon, Etheostoma sellare, Etheostoma vitreum, Percina notogramma, Percopsis omiscomaycus, *Rhinichthys bowersi,* or any part, egg, offspring, or dead body of any of them.

[K.**]** *(11)* — **[**M.**]** *(13)* (text unchanged)

.04 Endangered Species of Wildlife, Reptiles, Amphibians, Mollusks, Crustaceans, and Finfish.

A. (text unchanged)

B. Permits. The permit procedures to be followed are set forth in Regulation .03. The following apply:

(1) Permits shall be issued only for:

(a) [scientific] *Scientific* research designed to enhance the recovery of the species or population, *or*

(b) Appropriate educational purposes designed to further public awareness regarding the species;

(2) (text unchanged)

[C.] (Proposed for repeal in its entirety)

C. The following wildlife, reptile, amphibian, mollusk, crustacean, and finfish species are considered endangered throughout Maryland unless a smaller range is indicated:

(1) Platyhelminthes:

(a) A Planarian (Procotyla typhlops);

(b) Hoffmaster's Cave Planarian (Sphalloplana hoffmasteri).

(2) Mollusks:

(a) Dwarf Wedge Mussel (Alasmidonta heterodon);

(b) Cherrydrop Snail (Hendersonia occulta);

(c) Green Floater (Lasmigona subviridis).

(3) Crustaceans:

(a) Franz's Cave Isopod (Caecidotea franzi);

(b) Dearolf's Cave Isopod (Crangonyx dearolfi);

(c) Biggers' Cave Amphipod (Stygobromus biggersi);

(d) Greenbrier Cave Amphipod (Stygobromus emarginatus);

(e) Shenandoah Cave Amphipod (Stygobromus gracilipes).

(4) Insects:

(a) Gold-banded Skipper (Autochton cellus);

(b) Sooty Azure (Celastrina ebenina);

(c) Northeastern Beach Tiger Beetle (Cicindela dorsalis);

(d) Puritan Tiger Beetle (Cicindela puritana);

(e) Six-banded Longhorn Beetle (Dryobius sexnotatus);

(f) Early Hairstreak (Erora laeta);

(g) Mottled Duskywing (Erynnis martialis);

(h) Two-spotted Skipper (Euphyes bimacula);

(i) Northern Hairstreak (Fixsenia ontario);

(j) Frosted Elfin (Incisalia irus);

(k) Bog Copper (Lycaena epixanthe);

(l) Compton Tortoiseshell (Nymphalis vau-album);

(m) Southern Grizzled Skipper (Pyrgus wyandot);

(n) Hickory Hairstreak (Satyrium caryaevorum);

(o) Edwards' Hairstreak (Satyrium edwardsii);

(p) Regal Fritillary (Speyeria idalia).

(5) Fish:

(a) Longnose Sucker (Catostomus catostomus);

(b) Maryland Darter (Etheostoma sellare);

(c) Cheat Minnow (Rhinichthys bowersi).

(6) Amphibians:

(a) Eastern Tiger Salamander (Ambystoma tigrinum);

(b) Green Salamander (Aneides aeneus);

(c) Hellbender (Cryptobranchus alleganiensis);

(d) Eastern Narrow-mouthed Toad (Gastrophryne carolinensis);

(e) Barking Treefrog (Hyla gratiosa).

(7) Reptiles:

(a) Atlantic Leatherback Turtle (Dermochelys coriacea);

(b) Atlantic Hawksbill Turtle (Eretmochelys imbricata);

(c) Northern Coal Skink (Eumeces anthracinus);

(d) Atlantic Ridley Turtle (Lepidochelys kempii);

(e) Mountain Earth Snake (Virginia valeriae pulchra).

(8) Birds:

(a) Northern Goshawk (Accipiter gentilis);

(b) Upland Sandpiper (Bartramia longicauda);

(c) Piping Plover (Charadrius melodus);

(d) Wilson's Plover (Charadrius wilsonia);

(e) Olive-sided Flycatcher (Contopus borealis);

(f) Peregrine Falcon (Falco peregrinus);

(g) Bald Eagle (Haliaeetus leucocephalus);

(h) Loggerhead Shrike (Lanius ludovicianus);

(i) Mourning Warbler (Oporornis philadelphia);

(j) Royal Tern (Sterna maxima);

(k) Bewick's Wren (Thryomanes bewickii).

(9) Mammals:

(a) Black Right Whale (Balaena glacialis);

(b) Sei Whale (Balaenoptera borealis);

(c) Blue Whale (Balaenoptera musculus);

(d) Finback Whale (Balaenoptera physalus);

(e) Humpback Whale (Megaptera novaeangliae);

(f) Southern Rock Vole (Microtus chrotorrhinus);

(g) Indiana Bat (Myotis sodalis);

(h) Sperm Whale (Physeter catodon);

(i) Delmarva Fox Squirrel (Sciurus niger cinereus);

(j) Southern Water Shrew (Sorex palustris).

.05 Endangered Species of Plants.

A. — B. (text unchanged)

[C.] (Proposed for repeal in its entirety)

C. The following plant species are considered endangered throughout Maryland unless a smaller range is indicated:

(1) Blue Monkshood (Aconitum uncinatum);

(2) Sensitive Joint-vetch (Aeschynomene virginica);

(3) Sandplain Gerardia (Agalinis acuta);

(4) Agalinis fasciculata;

(5) Agalinis obtusifolia;

(6) Thread-leaved Gerardia (Agalinis setacea);

(7) Small-fruited Agrimony (Agrimonia microcarpa);

(8) Woodland Agrimony (Agrimonia striata);

(9) Coastal Juneberry (Amelanchier obovalis);

(10) Missouri Rockcress (Arabis missouriensis);

(11) Short's Rockcress (Arabis shortii);

(12) Bristly Sarsaparilla (Aralia hispida);

(13) Woolly Three-awn (Aristida lanosa);

(14) Wire Grass (Aristida virgata);

(15) Virginia Heartleaf (Asarum virginicum);

(16) Red Milkweed (Asclepias rubra);

(17) Lobed Spleenwort (Asplenium pinnatifidum);

(18) Black-stem Spleenwort (Asplenium resiliens);

(19) Serpentine Aster (Aster depauperatus);

(20) Rough-leaved Aster (Aster radula);

(21) Canada Milkvetch (Astragalus canadensis);

(22) Tickseed Sunflower (Bidens coronata);

(23) Small Beggar-ticks (Bidens discoidea);

(24) Bidens mitis;

(25) Aster-like Boltonia (Boltonia asteroides);

(26) Blunt-lobe Grape-fern (Botrychium oneidense);

(27) Wild Chess (Bromus kalmii);

(28) Broad-glumed Brome (Bromus latiglumis);

(29) Sweet-scented Indian-plantain (Cacalia suaveolens);

(30) Porter's Reedgrass (Calamagrostis porteri);

(31) Wild Calla (Calla palustris);

(32) Grass-pink (Calopogon tuberosus);

(33) Long's Bittercress (Cardamine longii);

(34) Carex aestivalis;

(35) Barratt's Sedge (Carex barrattii);

(36) Buxbaum's Sedge (Carex buxbaumii);

(37) Field Sedge (Carex conoidea);

(38) Lesser Panicled Sedge (Carex diandra);

(39) Ebony Sedge (Carex eburnea);

(40) Coast Sedge (Carex exilis);

(41) Giant Sedge (Carex gigantea);

(42) Pubescent Sedge (Carex hirtifolia);

(43) Hitchcock's Sedge (Carex hitchcockiana);

(44) Porcupine Sedge (Carex hystericina);

(45) *Carex joorii;*
(46) *Louisiana Sedge (Carex louisianica);*
(47) *Midland Sedge (Carex mesochorea);*
(48) *Long-stalked Sedge (Carex pedunculata);*
(49) *Stellate Sedge (Carex radiata);*
(50) *Short's Sedge (Carex shortiana);*
(51) *Sea-beach Sedge (Carex silicea);*
(52) *Dark Green Sedge (Carex venusta);*
(53) *Big Shellbark Hickory (Carya laciniosa);*
(54) *Marsh Wild Senna (Cassia fasciculata var. macrosperma);*
(55) *Indian Paintbrush (Castilleja coccinea);*
(56) *Coinleaf (Centella erecta);*
(57) *Prickly Hornwort (Ceratophyllum muricatum);*
(58) *Maple-leaved Goosefoot (Chenopodium gigantospermum);*
(59) *Standley's Goosefoot (Chenopodium standleyanum);*
(60) *Bulb-bearing Water Hemlock (Cicuta bulbifera);*
(61) *Spreading Pogonia (Cleistes divaricata);*
(62) *Long-bracted Orchis (Coeloglossum viride);*
(63) *Wrinkled Jointgrass (Coelorachis rugosa);*
(64) *Goldthread (Coptis trifolia);*
(65) *Early Coralroot (Corallorhiza trifida);*
(66) *Wister's Coralroot (Corallorhiza wisteriana);*
(67) *Tall Tickseed (Coreopsis tripteris);*
(68) *Bunchberry (Cornus canadensis);*
(69) *Round-leaved Dogwood (Cornus rugosa);*
(70) *Rabbit-bells (Crotalaria rotundifolia);*
(71) *Smartweed Dodder (Cuscuta polygonorum);*
(72) *Beaked Dodder (Cuscuta rostrata);*
(73) *Fraser's Sedge (Cymophyllus fraseri);*
(74) *Small White Lady's Slipper (Cypripedium candidum);*
(75) *Tall Larkspur (Delphinium exaltatum);*
(76) *Tufted Hairgrass (Deschampsia cespitosa);*
(77) *Smooth Tick-trefoil (Desmodium laevigatum);*
(78) *Linear-leaved Tick-trefoil (Desmodium lineatum);*
(79) *Cream-flowered Tick-trefoil (Desmodium ochroleucum);*
(80) *Rigid Tick-trefoil (Desmodium rigidum);*
(81) *Stiff Tick-trefoil (Desmodium strictum);*
(82) *Twin-oats (Diarrhena americana);*
(83) *Leatherwood (Dirca palustris);*
(84) *Pink Sundew (Drosera capillaris);*
(85) *Mountain Wood-fern (Dryopteris campyloptera);*
(86) *Log Fern (Dryopteris celsa);*
(87) *Echinodorus cordifolius;*
(88) *American Waterwort (Elatine americana);*
(89) *Small Waterwort (Elatine minima);*
(90) *Eleocharis albida;*
(91) *Flattened Spikerush (Eleocharis compressa);*
(92) *Knotted Spikerush (Eleocharis equisetoides);*
(93) *Matted Spikerush (Eleocharis intermedia);*
(94) *Black-fruited Spikerush (Eleocharis melanocarpa);*
(95) *Robbins' Spikerush (Eleocharis robbinsii);*
(96) *Northern Willowherb (Epilobium ciliatum);*
(97) *Water Horsetail (Equisetum fluviatile);*
(98) *Wood Horsetail (Equisetum sylvaticum);*
(99) *Erianthus brevibarbis;*
(100) *Bent-awn Plumegrass (Erianthus contortus);*
(101) *Parker's Pipewort (Eriocaulon parkeri);*
(102) *White-bracted Boneset (Eupatorium leucolepis);*
(103) *Blunt-leaved Spurge (Euphorbia obtusata);*
(104) *Darlington's Spurge (Euphorbia purpurea);*
(105) *Queen-of-the-Prairie (Filipendula rubra);*
(106) *Harper's Fimbristylis (Fimbristylis perpusilla);*
(107) *Smooth Fuirena (Fuirena pumila);*
(108) *Downy Milk Pea (Galactia volubilis);*
(109) *Northern Bedstraw (Galium boreale);*
(110) *Coast Bedstraw (Galium hispidulum);*
(111) *Creeping Snowberry (Gaultheria hispidula);*
(112) *Box Huckleberry (Gaylussacia brachycera);*
(113) *Striped Gentian (Gentiana villosa);*
(114) *Stiff Gentian (Gentianella quinquefolia);*
(115) *Fringed Gentian (Gentianopsis crinita);*
(116) *Herb-robert (Geranium robertianum);*
(117) *Yellow Avens (Geum aleppicum);*
(118) *American Mannagrass (Glyceria grandis);*
(119) *Gratiola viscidula;*
(120) *Oak Fern (Gymnocarpium dryopteris);*
(121) *Broad-leaved Beardgrass (Gymnopogon brevifolius);*
(122) *Smooth Sunflower (Helianthus laevigatus);*
(123) *Small-headed Sunflower (Helianthus microcephalus);*
(124) *Swamp Pink (Helonias bullata);*
(125) *Holy Grass (Hierochloe odorata);*
(126) *Featherfoil (Hottonia inflata);*
(127) *Large-leaved Waterleaf (Hydrophyllum macrophyllum);*
(128) *Creeping St. John's-wort (Hypericum adpressum);*
(129) *Coppery St. John's-wort (Hypericum denticulatum);*
(130) *Crested Iris (Iris cristata);*
(131) *Slender Blue Flag (Iris prismatica);*
(132) *Dwarf Iris (Iris verna);*
(133) *Highland Rush (Juncus trifidus);*
(134) *Potato Dandelion (Krigia dandelion);*
(135) *Red-root (Lachnanthes caroliana);*
(136) *Larch (Larix laricina);*
(137) *Leersia hexandra;*
(138) *Star Duckweed (Lemna trisulca);*
(139) *Downy Bushclover (Lespedeza stuevei);*
(140) *Mudwort (Limosella subulata);*
(141) *Sandplain Flax (Linum intercursum);*
(142) *Grooved Flax (Linum sulcatum);*
(143) *Appalachian Twayblade (Listera smallii);*
(144) *Pondspice (Litsea aestivalis);*
(145) *Canby's Lobelia (Lobelia canbyi);*
(146) *Canada Honeysuckle (Lonicera canadensis);*
(147) *Ludwigia glandulosa;*
(148) *Hairy Ludwigia (Ludwigia hirtella);*
(149) *Sessile-leaved Water-horehound (Lycopus amplectens);*
(150) *Lowland Loosestrife (Lysimachia hybrida);*
(151) *Winged Loosestrife (Lythrum alatum);*
(152) *Angelpod (Matelea carolinensis);*
(153) *Erect Water-hyssop (Mecardonia acuminata);*
(154) *Creeping Cucumber (Melothria pendula);*
(155) *Buckbean (Menyanthes trifoliata);*
(156) *Mountain Sandwort (Minuartia glabra);*
(157) *Grove Sandwort (Moehringia lateriflora);*
(158) *Sweet Pinesap (Monotropsis odorata);*
(159) *Long-awned Hairgrass (Muhlenbergia capillaris);*
(160) *Torrey's Dropseed (Muhlenbergia torreyana);*
(161) *Low Water-milfoil (Myriophyllum humile);*
(162) *Larger Floating-heart (Nymphoides aquatica);*
(163) *Floating-heart (Nymphoides cordata);*
(164) *Shaggy False-gromwell (Onosmodium molle);*
(165) *Virginia False-gromwell (Onosmodium virginianum);*
(166) *Sourwood (Oxydendrum arboreum);*
(167) *Canby's Dropwort (Oxypolis canbyi);*
(168) *Canby's Mountain Lover (Pachistima canbyi);*

(169) Wiry Witch-grass (Panicum flexile);
(170) Few-flowered Panicgrass (Panicum oligosanthes);
(171) Tall Swamp Panicgrass (Panicum scabriusculum);
(172) Wright's Panicgrass (Panicum wrightianum);
(173) Kidneyleaf Grass-of-Parnassus (Parnassia asarifolia);
(174) Yellow Nailwort (Paronychia virginica);
(175) American Feverfew (Parthenium integrifolium);
(176) Walter's Paspalum (Paspalum dissectum);
(177) Floating Paspalum (Paspalum fluitans);
(178) Swamp Lousewort (Pedicularis lanceolata);
(179) Smooth Cliffbrake (Pellaea glabella);
(180) Coville's Phacelia (Phacelia ranunculacea);
(181) Marsh Fleabane (Pluchea camphorata);
(182) Jacob's-ladder (Polemonium van-bruntiae);
(183) Cross-leaved Milkwort (Polygala cruciata);
(184) Dense-flowered Knotweed (Polygonum densiflorum);
(185) Leafy Pondweed (Potamogeton foliosus);
(186) Slender Rattlesnake-root (Prenanthes autumnalis);
(187) Alleghany Plum (Prunus alleghaniensis);
(188) Beach Plum (Prunus maritima);
(189) Short-beaked Baldrush (Psilocarya nitens);
(190) Long-beaked Baldrush (Psilocarya scirpoides);
(191) Harperella (Ptilimnium nodosum);
(192) Torrey's Mountain-mint (Pycnanthemum torrei);
(193) Whorled Mountain-mint (Pycnanthemum verticillatum);
(194) One-sided Pyrola (Pyrola secunda);
(195) Early Buttercup (Ranunculus fascicularis);
(196) Yellow Water-crowfoot (Ranunculus flabellaris);
(197) White Water-crowfoot (Ranunculus trichophyllus);
(198) Rhynchosia tomentosa;
(199) Capitate Beakrush (Rhynchospora cephalantha);
(200) Short-bristled Hornedrush (Rhynchospora corniculata);
(201) Thread-leaved Beakrush (Rhynchospora filifolia);
(202) Grass-like Beakrush (Rhynchospora globularis);
(203) Clustered Beakrush (Rhynchospora glomerata);
(204) Drowned Hornedrush (Rhynchospora inundata);
(205) Torrey's Beakrush (Rhynchospora torreyana);
(206) Smooth Rose (Rosa blanda);
(207) Rustling Wild-petunia (Ruellia strepens);
(208) Tall Dock (Rumex altissimus);
(209) Florida Dock (Rumex floridanus);
(210) Sacciolepis (Sacciolepis striata);
(211) Sessile-fruited Arrowhead (Sagittaria rigida);
(212) Sandbar Willow (Salix exigua);
(213) Purple Oat (Schizachne purpurascens);
(214) Northeastern Bulrush (Scirpus ancistrochaetus);
(215) Canby's Bulrush (Scirpus etuberculatus);
(216) Water Clubrush (Scirpus subterminalis);
(217) Slender Nutrush (Scleria minor);
(218) Whorled Nutrush (Scleria verticillata);
(219) Pink Bog-button (Sclerolepis uniflora);
(220) Rock Skullcap (Scutellaria saxatilis);
(221) Cliff Stonecrop (Sedum glaucophyllum);
(222) Snowy Campion (Silene nivea);
(223) Star-flowered False Solomon's-seal (Smilacina stellata);
(224) Halberd-leaved Greenbrier (Smilax pseudochina);
(225) Red-berried Greenbrier (Smilax walteri);
(226) Curtis' Goldenrod (Solidago curtisii);
(227) Showy Goldenrod (Solidago speciosa);
(228) Buttonweed (Spermacoce glabra);
(229) Wide-leaved Ladies' Tresses (Spiranthes lucida);
(230) Yellow nodding Ladies' Tresses (Spiranthes ochroleuca);
(231) Rough Rushgrass (Sporobolus clandestinus);
(232) Northern Dropseed (Sporobolus heterolepis);
(233) Purple Meadow-parsnip (Thaspium trifoliatum);
(234) Climbing Dogbane (Trachelospermum difforme);
(235) Drooping Trillium (Trillium flexipes);
(236) Snow Trillium (Trillium nivale);
(237) Narrow-leaved Horse-gentian (Triosteum angustifolium);
(238) Two-flowered Bladderwort (Utricularia biflora);
(239) Fibrous Bladderwort (Utricularia fibrosa);
(240) Swollen Bladderwort (Utricularia inflata);
(241) Reversed Bladderwort (Utricularia resupinata);
(242) Valerian (Valeriana pauciflora);
(243) Goose-foot Cornsalad (Valerianella chenopodiifolia);
(244) Marsh Speedwell (Veronica scutellata);
(245) Fringed Yelloweyed-grass (Xyris fimbriata);
(246) Small's Yelloweyed-grass (Xyris smalliana);
(247) Northern Prickly-ash (Zanthoxylum americanum).

.06 Endangered Extirpated Species.

A. (text unchanged)

B. Permits. Upon the discovery of a viable, naturally occurring population of any species in §§C — [H] *J*, that species will be considered an endangered species and shall require the permits and conditions afforded to that status.

[C.] (Proposed for repeal in its entirety)

C. The following plant species are considered endangered extirpated throughout Maryland:

(1) Pine-barren Gerardia (Agalinis virgata);
(2) Rough-stemmed Wheatgrass (Agropyron trachycaulum);
(3) Golden Colicroot (Aletris aurea);
(4) Beach Pigweed (Amaranthus pumilus);
(5) Canada Anemone (Anemone canadensis);
(6) Great Angelica (Angelica atropurpurea);
(7) Filmy Angelica (Angelica triquinata);
(8) Clasping-leaved Dogbane (Apocynum sibiricum);
(9) Arethusa (Arethusa bulbosa);
(10) Lake Cress (Armoracia aquatica);
(11) Leopard's-bane (Arnica acaulis);
(12) Bradley's Spleenwort (Asplenium bradleyi);
(13) Steele's Aster (Aster concinnus);
(14) Silvery Aster (Aster concolor);
(15) Showy Aster (Aster spectabilis);
(16) Axonopus furcatus;
(17) Mat-forming Water-hyssop (Bacopa stragula);
(18) American Barberry (Berberis canadensis);
(19) Sea Ox-eye (Borrichia frutescens);
(20) Triangle Grape-fern (Botrychium lanceolatum);
(21) Leathery Grape-fern (Botrychium multifidum);
(22) Small Grape-fern (Botrychium simplex);
(23) Fringed Brome (Bromus ciliatus);
(24) Nottoway's Brome (Bromus nottowayanus);
(25) Blue-hearts (Buchnera americana);
(26) Great Indian-plantain (Cacalia muhlenbergii);
(27) French Mulberry (Callicarpa americana);
(28) Southern Harebell (Campanula divaricata);
(29) Carex aggregata;
(30) Carex careyana;
(31) Soft Fox Sedge (Carex conjuncta);
(32) Davis' Sedge (Carex davisii);
(33) Cypress-knee Sedge (Carex decomposita);
(34) Carex foenea;
(35) Carex glaucescens;
(36) Lake-bank Sedge (Carex lacustris);

(37) Leavenworth's Sedge (Carex leavenworthii);
(38) New England Sedge (Carex novae-angliae);
(39) Variable Sedge (Carex polymorpha);
(40) Lined Sedge (Carex striatula);
(41) Slender Sedge (Carex tenera);
(42) Rigid Sedge (Carex tetanica);
(43) Velvety Sedge (Carex vestita);
(44) Wood's Sedge (Carex woodii);
(45) Chaffweed (Centunculus minimus);
(46) Purple Clematis (Clematis occidentalis);
(47) Curly-heads (Clematis ochroleuca);
(48) Rose Coreopsis (Coreopsis rosea);
(49) Pygmyweed (Crassula aquatica);
(50) Hazel Dodder (Cuscuta coryli);
(51) Toothed Sedge (Cyperus dentatus);
(52) Cyperus plukenetii;
(53) Cyperus tenuifolius;
(54) Showy Lady's Slipper (Cypripedium reginae);
(55) Trailing Tick-trefoil (Desmodium humifusum);
(56) Few-flowered Tick-trefoil (Desmodium pauciflorum);
(57) Sessile-leaved Tick-trefoil (Desmodium sessilifolium);
(58) Digitaria villosa;
(59) Eleocharis halophila;
(60) Three-ribbed Spikerush (Eleocharis tricostata);
(61) Tobaccoweed (Elephantopus tomentosus);
(62) Downy Willowherb (Epilobium strictum);
(63) Seven-angled Pipewort (Eriocaulon septangulare);
(64) Tall Rattlesnake Master (Eryngium yuccifolium);
(65) Spotted Joe-Pye-Weed (Eupatorium maculatum);
(66) Festuca paradoxa;
(67) Pumpkin Ash (Fraxinus profunda);
(68) Small Bedstraw (Galium trifidum);
(69) Gentiana puberula;
(70) Sea Milkwort (Glaux maritima);
(71) Sharp-scaled Mannagrass (Glyceria acutiflora);
(72) Dwarf Rattlesnake-plantain (Goodyera repens);
(73) Tesselated Rattlesnake-plantain (Goodyera tesselata);
(74) Gratiola ramosa;
(75) Hoary Frostweed (Helianthemum bicknellii);
(76) Rough Heuchera (Heuchera villosa);
(77) Crested Coralroot (Hexalectris spicata);
(78) Sea-beach Sandwort (Honkenya peploides);
(79) Drummond's St. John's-wort (Hypericum drummondii);
(80) Clasping-Leaved St. John's-wort (Hypericum gymnanthum);
(81) Great St. John's-wort (Hypericum pyramidatum);
(82) Bloodleaf (Iresine rhizomatosa);
(83) Small Whorled Pogonia (Isotria medeoloides);
(84) Baltic Rush (Juncus balticus);
(85) Short-fruited Rush (Juncus brachycarpus);
(86) Small-headed Rush (Juncus brachycephalus);
(87) New Jersey Rush (Juncus caesariensis);
(88) Juncus longii;
(89) Juncus megacephalus;
(90) Bayonet Rush (Juncus militaris);
(91) Brown-fruited Rush (Juncus pelocarpus);
(92) Torrey's Rush (Juncus torreyi);
(93) Juniper (Juniperus communis);
(94) Hairy Lettuce (Lactuca hirsuta);
(95) Vetchling (Lathyrus palustris);
(96) Narrow-leaved Pinweed (Lechea tenuifolia);
(97) Catchfly-grass (Leersia lenticularis);
(98) Long-awned Diplachne (Leptochloa fascicularis);
(99) Fall Witchgrass (Leptoloma cognatum);
(100) Scaly Blazing-star (Liatris squarrosa);
(101) Robust Blazing-star (Liatris turgida);
(102) American Lovage (Ligusticum canadense);
(103) Wood Lily (Lilium philadelphicum);
(104) American Frog's-bit (Limnobium spongia);
(105) Twinflower (Linnaea borealis);
(106) Florida Yellow Flax (Linum floridanum);
(107) Heartleaf Twayblade (Listera cordata);
(108) American Gromwell (Lithospermum latifolium);
(109) Lobelia glandulosa;
(110) Carolina Clubmoss (Lycopodium carolinianum);
(111) Rock Clubmoss (Lycopodium porophilum);
(112) Large-flowered Barbara's-buttons (Marshallia grandiflora);
(113) Matelea decipiens;
(114) Matelea obliqua;
(115) Broad-leaved Bunchflower (Melanthium latifolium);
(116) Nuttall's Micranthemum (Micranthemum micranthemoides);
(117) Evergreen Bayberry (Myrica heterophylla);
(118) Slender Water-milfoil (Myriophyllum tenellum);
(119) Thread-like Naiad (Najas gracillima);
(120) Northern Panicgrass (Panicum boreale);
(121) May Grass (Phalaris caroliniana);
(122) Thick-leaved Phlox (Phlox carolina);
(123) Smooth Phlox (Phlox glaberrima);
(124) Mountain Phlox (Phlox latifolia);
(125) Downy Phlox (Phlox pilosa);
(126) Heart-leaved Plantain (Plantago cordata);
(127) Slender Plantain (Plantago pusilla);
(128) Small Purple Fringed Orchid (Platanthera psycodes);
(129) Poa saltuensis;
(130) Clammyweed (Polanisia dodecandra);
(131) Bushy Knotweed (Polygonum ramosissimum);
(132) Stout Smartweed (Polygonum robustius);
(133) American Ipecac (Porteranthus stipulatus);
(134) Large-leaved Pondweed (Potamogeton amplifolius);
(135) Redheadgrass (Potamogeton richardsonii);
(136) Robbins' Pondweed (Potamogeton robbinsii);
(137) Flatstem Pondweed (Potamogeton zosteriformis);
(138) Pale Mannagrass (Puccinellia pallida);
(139) Southern Mountain-mint (Pycnanthemum pycnanthemoides);
(140) Awned Mountain-mint (Pycnanthemum setosum);
(141) Greenish-flowered Pyrola (Pyrola virens);
(142) Water-plantain Spearwort (Ranunculus ambigens);
(143) Carolina Buttercup (Ranunculus carolinianus);
(144) Ranunculus hederaceus;
(145) Bristly Crowfoot (Ranunculus pensylvanicus);
(146) Awned Meadow-beauty (Rhexia aristosa);
(147) Tiny-headed Beakrush (Rhynchospora microcephala);
(148) Pale Beakrush (Rhynchospora pallida);
(149) Few-flowered Beakrush (Rhynchospora rariflora);
(150) Wild Black Currant (Ribes americanum);
(151) Hairy Wild-petunia (Ruellia humilis);
(152) Pursh's Ruellia (Ruellia purshiana);
(153) Slender Marsh Pink (Sabatia campanulata);
(154) Lance-leaved Sabatia (Sabatia difformis);
(155) Slender Arrowhead (Sagittaria teres);
(156) Bebb's Willow (Salix bebbiana);
(157) Shining Willow (Salix lucida);
(158) Salvia urticifolia;
(159) Chaffseed (Schwalbea americana);
(160) Smith's Clubrush (Scirpus smithii);
(161) Torrey's Clubrush (Scirpus torreyi);

(162) Shining Nutrush (Scleria nitida);
(163) Veined Skullcap (Scutellaria nervosa);
(164) Small Skullcap (Scutellaria parvula);
(165) Sand Blueeyed-grass (Sisyrinchium arenicola);
(166) Hairy Goldenrod (Solidago hispida);
(167) Hard-leaved Goldenrod (Solidago rigida);
(168) Mountain Goldenrod (Solidago roanensis);
(169) Rock Goldenrod (Solidago rupestris);
(170) Sorghastrum elliottii;
(171) Indian-pink (Spigelia marilandica);
(172) Sweet-scented Ladies' Tresses (Spiranthes odorata);
(173) Small Rushgrass (Sporobolus neglectus);
(174) Stachys aspera;
(175) Trailing Stitchwort (Stellaria alsine);
(176) Tephrosia spicata;
(177) Coastal False Asphodel (Tofieldia racemosa);
(178) Auricled Gerardia (Tomanthera auriculata);
(179) Buffalo Clover (Trifolium reflexum);
(180) Three-ribbed Arrow-grass (Triglochin striatum);
(181) Nodding Pogonia (Triphora trianthophora);
(182) Tall Cornsalad (Valerianella umbilicata);
(183) Purple Vetch (Vicia americana);
(184) New England Grape (Vitis novae-angliae);
(185) Wolffiella (Wolffiella floridana).

D. The following mollusk species is considered endangered extirpated throughout Maryland: Rader's Snail (Glyphyalinia raderi).

E. The following insect species is considered endangered extirpated throughout Maryland: Tawny Crescentspot (Phyciodes batesii).

F. The following fish species are considered endangered extirpated throughout Maryland:
(1) Glassy Darter (Etheostoma vitreum);
(2) Stripeback Darter (Percina notogramma);
(3) Trout-perch (Percopsis omiscomaycus).

G. The following amphibian species are considered endangered extirpated throughout Maryland:
(1) Mudpuppy (Necturus maculosus);
(2) Greater Siren (Siren lacertina).

H. The following reptile species is considered endangered extirpated throughout Maryland: Rainbow Snake (Farancia erytrogramma).

I. The following bird species are considered endangered extirpated throughout Maryland:
(1) Bachman's Sparrow (Aimophila aestivalis);
(2) Ivory-billed Woodpecker (Campephilus principalis);
(3) Lark Sparrow (Chondestes grammacus);
(4) Eskimo Curlew (Numenius borealis);
(5) Red-cockaded Woodpecker (Picoides borealis);
(6) Roseate Tern (Sterna dougallii);
(7) Greater Prairie Chicken (Tympanuchus cupido).

J. The following mammal species are considered endangered extirpated throughout Maryland:
(1) Gray Wolf (Canis lupus);
(2) American Elk (Cervus canadensis);
(3) Eastern Mountain Lion (Felis concolor);
(4) Snowshoe Hare (Lepus americanus);
(5) Marten (Martes americana);
(6) Eastern Harvest Mouse (Reithrodontomys humulis).

.07 Threatened Species of Wildlife, Reptiles, Amphibians, Mollusks, Crustaceans, and Finfish.

A. — B. (text unchanged)

[C.] (Proposed for repeal in its entirety)

C. The following species are considered to be threatened throughout Maryland unless a smaller range is indicated:
(1) Crustaceans:
(a) Allegheny Cave Amphipod (Stygobromus alleghaniensis);
(b) Franz's Cave Amphipod (Stygobromus franzi).
(2) Insects:
(a) Northern Metalmark (Calephelis borealis);
(b) Harris' Checkerspot (Chlosyne harrisii);
(c) Rare Skipper (Problema bulenta);
(d) Atlantis Fritillary (Speyeria atlantis).
(3) Fish: Slimy Sculpin (Cottus cognatus).
(4) Reptiles:
(a) Atlantic Loggerhead Turtle (Caretta caretta);
(b) Atlantic Green Turtle (Chelonia mydas).
(5) Birds:
(a) Blackburnian Warbler (Dendroica fusca);
(b) Black Skimmer (Rynchops niger);
(c) Gull-billed Tern (Sterna nilotica).
(6) Mammals: Smoky Shrew (Sorex fumeus).

.08 Threatened Species of Plants.

A. — B. (text unchanged)

[C.] (Proposed for repeal in its entirety)

C. The following plant species are considered threatened throughout Maryland unless a smaller range is indicated:
(1) Climbing Fumitory (Adlumia fungosa);
(2) Purple Giant Hyssop (Agastache scrophulariifolia);
(3) Running Juneberry (Amelanchier spicata);
(4) Single-headed Pussytoes (Antennaria solitaria);
(5) Pipevine (Aristolochia macrophylla);
(6) Giant Cane (Arundinaria gigantea);
(7) Bent Milkvetch (Astragalus distortus);
(8) Glade Fern (Athyrium pycnocarpon);
(9) Wild False Indigo (Baptisia australis);
(10) Maryland Bur-marigold (Bidens bidentoides);
(11) Button Sedge (Carex bullata);
(12) Shoreline Sedge (Carex hyalinolepis);
(13) Woolly Sedge (Carex lanuginosa);
(14) Inflated Sedge (Carex vesicaria);
(15) Leatherleaf (Chamaedaphne calyculata);
(16) Red Turtlehead (Chelone obliqua);
(17) Slender Wood Reedgrass (Cinna latifolia);
(18) Yellow Clintonia (Clintonia borealis);
(19) Wild Bleeding-heart (Dicentra eximia);
(20) Beaked Spikerush (Eleocharis rostellata);
(21) Eragrostis refracta;
(22) White Trout Lily (Erythronium albidum);
(23) Fringe-tip Closed Gentian (Gentiana andrewsii);
(24) McDowell's Sunflower (Helianthus occidentalis);
(25) Small-flowered Hemicarpha (Hemicarpha micrantha);
(26) Goldenseal (Hydrastis canadensis);
(27) Deciduous Holly (Ilex decidua);
(28) Wild Lupine (Lupinus perennis);
(29) Climbing Fern (Lygodium palmatum);
(30) Two-flowered Melic Grass (Melica mutica);
(31) Three-flowered Melic Grass (Melica nitens);
(32) Rock Sandwort (Minuartia michauxii);
(33) Large-seeded Forget-me-not (Myosotis macrosperma);
(34) American Lotus (Nelumbo lutea);
(35) White-fruited Mountainrice (Oryzopsis asperifolia);
(36) Black-fruited Mountainrice (Oryzopsis racemosa);
(37) Red Bay (Persea borbonia);
(38) White Fringed Orchid (Platanthera blephariglottis);
(39) Yellow Fringed Orchid (Platanthera ciliaris);
(40) Crested Yellow Orchid (Platanthera cristata);
(41) Pale Green Orchid (Platanthera flava);
(42) Large Purple Fringed Orchid (Platanthera grandiflora);

(43) Purple Fringeless Orchid (Platanthera peramoena);
(44) Racemed Milkwort (Polygala polygama);
(45) Seneca Snakeroot (Polygala senega);
(46) Spongy Lophotocarpus (Sagittaria calycina);
(47) Engelmann's Arrowhead (Sagittaria engelmanniana);
(48) Canada Burnet (Sanguisorba canadensis);
(49) Northern Pitcher-plant (Sarracenia purpurea);
(50) Leonard's Skullcap (Scutellaria leonardii);
(51) Virginia Mallow (Sida hermaphrodita);
(52) Riverbank Goldenrod (Solidago spathulata);
(53) Swamp-oats (Sphenopholis pensylvanica);
(54) Featherbells (Stenanthium gramineum);
(55) Rose Twisted-stalk (Streptopus roseus);
(56) Snowberry (Symphoricarpos albus);
(57) Mountain Pimpernel (Taenidia montana);
(58) Fameflower (Talinum teretifolium);
(59) Bog Fern (Thelypteris simulata);
(60) Arbor-vitae (Thuja occidentalis);
(61) Kate's-mountain Clover (Trifolium virginicum);
(62) Dwarf Trillium (Trillium pusillum);
(63) Purple Bladderwort (Utricularia purpurea);
(64) Small Cranberry (Vaccinium oxycoccos);
(65) Rusty Woodsia (Woodsia ilvensis).

.09 Species in Need of Conservation.

A. — B. (text unchanged)

[C.] (Proposed for repeal in its entirety)

C. The following species are considered to be in need of conservation throughout Maryland unless a smaller range is indicated:

(1) Insects:
(a) Giant Swallowtail (Papilio cresphontes);
(b) King's Hairstreak (Satyrium kingi).
(2) Fish: Blackbanded Sunfish (Enneacanthus chaetodon).
(3) Amphibians:
(a) Wehrle's Salamander (Plethodon wehrlei);
(b) Mountain Chorus Frog (Pseudacris brachyphona);
(c) Carpenter Frog (Rana virgatipes).
(4) Reptiles:
(a) Eastern Spiny Softshell (Apalone spinifera);
(b) Map Turtle (Graptemys geographica).
(5) Birds:
(a) Henslow's Sparrow (Ammodramus henslowii);
(b) Short-eared Owl (Asio flammeus);
(c) American Bittern (Botaurus lentiginosus);
(d) Sedge Wren (Cistothorus platensis);
(e) Alder Flycatcher (Empidonax alnorum);
(f) Common Moorhen (Gallinula chloropus);
(g) Least Bittern (Ixobrychus exilis);
(h) Black Rail (Laterallus jamaicensis);
(i) Swainson's Warbler (Limnothlypis swainsonii);
(j) Least Tern (Sterna antillarum);
(k) Nashville Warbler (Vermivora ruficapilla).
(6) Mammals:
(a) Porcupine (Erethizon dorsatum);
(b) Bobcat (Lynx rufus);
(c) Least Weasel (Mustela nivalis);
(d) Eastern Small-footed Bat (Myotis leibii);
(e) Eastern Woodrat (Neotoma floridana);
(f) Long-tailed Shrew (Sorex dispar);
(g) Southeastern Shrew (Sorex longirostris);
(h) New England Cottontail (Sylvilagus transitionalis).

.10 Natural Heritage Areas.

A. — B. (text unchanged)

C. The following areas are designated natural heritage areas:

(1) — (28) (text unchanged)

(29) Hickory Point Cypress Swamp . . . . . *Somerset*, Worcester County;

(30) — (32) (text unchanged)

.11 Additional Lists.

The Tidewater Administration also maintains a list of fish species that are designated as endangered, threatened, or in need of conservation under COMAR 08.02.12. Regulations implementing protective measures for these species appear elsewhere under COMAR 08.02.

[.11] *.12* (text unchanged)

TORREY C. BROWN, M.D.
Secretary of Natural Resources

Subtitle 03 WILDLIFE

08.03.09 Wildlife Possession

Authority: Natural Resources, Article, §§10-205 and 10-906, Annotated Code of Maryland

Notice of Proposed Action

[90-365-P]

The Secretary of Natural Resources proposes to amend Regulation **.01** under **COMAR 08.03.09 Wildlife Possession.**

Statement of Purpose

This action is necessary since the legislative authority that allowed hunting to take place on Sunday in regulated shooting areas has been abrogated and has no further force and effect.

Estimate of Economic Impact

The proposed action has no economic impact.

Opportunity for Public Comment

Written comments may be sent to Donald E. MacLauchlan, Assistant Secretary, Forest, Park and Wildlife Service, Tawes State Office Building, Annapolis, Maryland 21401, or call 974-2330. These comments must be received by November 20, 1990. No public hearing has been scheduled.

.01 Regulated Shooting Areas.

A. — I. (text unchanged)

J. Commercial Regulated Shooting Areas.

(1) The open season for pen-reared birds shall be October 1 through March 31, *excluding Sundays.*

(2) — (3) (text unchanged)

K. Noncommercial Regulated Shooting Areas.

(1) The open season for pen-reared birds shall conform to the regular State-wide hunting seasons as adopted annually by the Director. The open season for pen-reared released mallard ducks shall conform to the open season for mallard ducks established by federal regulation. If the Service, after investigation, finds that there is no conflict in the licensed area with native game species, a season from October 1 through March 31, excluding Sundays, may be allowed. **[**Sunday hunting is authorized only if the provisions of Natural Resources Article, §10-906(e), Annotated Code of Maryland, are satisfied.**]**

(2) — (3) (text unchanged)

L. (text unchanged)

TORREY C. BROWN, M.D.
Secretary of Natural Resources

.29 State Standard Rates for Purchased Foster Care Services.

A. Purchased Family Foster Care.

(1) The purchased family foster care rate is for the care of a child who requires **[[***unusual***]]** *extra supervision and attention in a home equipped to give this special care. This type of purchase may be used to prevent placement of a child in a group care facility, or to enable his discharge from a group care facility.*

(2) (proposed text unchanged)

(3) Licensed child placement agencies are reimbursed as follows:

*(a) Family Foster Care purchased from agencies, which includes room and board, is paid according to Schedule A of Regulation .34***[[***:***]]***.*

(b) Purchase of Supportive Services.

(i) — (ii) (proposed text unchanged)

(iii) The supportive services to be provided shall be approved in writing by the director of the licensed child placement agency or the director's designee who is other than the caseworker. This written approval shall confirm that the child requires the identified supportive service because of a health (physical or mental) condition, or an **[[***emotional***]]** *emotional or behavioral problem, and that the service provider is capable, by virtue of special training or experience, of providing the needed service.*

(c) (proposed text unchanged)

B. — E. (proposed text unchanged)

CAROLYN W. COLVIN
Secretary of Human Resources

Title 08
DEPARTMENT OF NATURAL RESOURCES

Subtitle 02 TIDEWATER ADMINISTRATION

08.02.11 Fishing in Non-Tidal Waters

Authority: Natural Resources Article, §§4-602 and 4-603, Annotated Code of Maryland

Notice of Final Action

[90-368-F]

On December 4, 1990, amendments to Regulations **.01**, **.02**, **.04**, and **.05** under **COMAR 08.02.11 Fishing in Non-Tidal Waters**, were adopted by the Secretary of Natural Resources. These amendments, which were proposed for adoption in 17:21 Md. R. 2535 — 2537 (October 19, 1990), have been adopted as proposed.

Effective Date: January 1, 1991.

TORREY C. BROWN, M.D.
Secretary of Natural Resources

Subtitle 03 WILDLIFE

08.03.08 Threatened and Endangered Species

Authority: Natural Resources Article, §§4-2A-01 — 4-2A-09 and 10-2A-01 — 10-2A-09, Annotated Code of Maryland

Notice of Final Action

[90-364-F]

On December 4, 1990, amendments to Regulations **.01** and **.04 — .10**; new Regulation **.11**; and the recodification of existing Regulation **.11** as Regulation **.12** under the **COMAR 08.03.08 Threatened and Endangered Species**, were adopted by the Secretary of Natural Resources. These actions, which were proposed for adoption in 17:21 Md. R. 2538 — 2544 (October 19, 1990), have been adopted with the nonsubstantive change shown below.

Effective Date: December 24, 1990.

Attorney General's Certification

In accordance with State Government Article, §10-113, Annotated Code of Maryland, the Attorney General certifies that the following change does not differ substantially from the proposed text. The nature of the change and the basis for the conclusion is as follows:

Regulation .06 D — H: The change will correct an omission in the published proposal which resulted in redundant lists for §§D — H. The lists which appear in the published proposal encompass all the species in existing §§D — H, as well as additional species.

.06 Endangered Extirpated Species.

A. — *C.* (proposed text unchanged)

[[D. The following fish species are considered endangered extirpated throughout Maryland:

(1) Glassy Darter (Etheostoma vitreum);
(2) Stripeback Darter (Percina notogramma);
(3) Trout-Perch (Percopsis omiscomaycus).

E. The following amphibian species is considered endangered extirpated throughout Maryland: Greater Siren (Siren lacertina).

F. The following reptile species is considered endangered extirpated throughout Maryland: Rainbow Snake (Farancia erytogramma).

G. The following bird species are considered endangered extirpated throughout Maryland:

(1) Bachman's Sparrow (Aimophila aestivalis);
(2) Ivory-Billed Woodpecker (Campephilus principalis);
(3) Lark Sparrow (Chondestes grammacus);
(4) Eskimo Curlew (Numenius borealis);
(5) Red-Cockaded Woodpecker (Picoides borealis);
(6) Roseate Tern (Sterna dougallii);
(7) Greater Prairie Chicken (Tympanuchus cupido).

H. The following mammal species are considered endangered extirpated throughout Maryland:

(1) Gray Wolf (Canis lupus);
(2) American Elk (Cervus canadensis);
(3) Eastern Mountain Lion (Felis concolor);
(4) Snowshoe Hare (Lepus americanus);
(5) Marten (Martes americana).**]]**

D. — J. (proposed text unchanged)

TORREY C. BROWN, M.D.
Secretary of Natural Resources

WYE ACRES HOMEOWNERS ASSOCIATION, INC.

REGULATIONS/BY-LAWS

The primary purposes of Wye Acres Homeowners Association (WAHA) is to repair and keep the boat ramp and surrounding beach area at the end of Wye Acre Road in a clean, safe, usable condition for the use of and launching of boats by property owners of Wye Acres only.

RULES

1. The labor and material cost of repairing the launching ramp to be shared by the WAHA owners who will be using the refurbished ramp.

2. After the ramp area is repaired and cleaned, a gate will be installed for safety and to prevent outside use. The gate will be locked at all times, before and after launching. Keys for the gate will be given only to WAHA owners that share the expense of repairing the ramp.

3. Ramp and beach area to be used by property owners only, Anyone else must be accompanied by property (lot) owner.

4. Area to be posed as PRIVATE AREA - FOR THE USE OF WYE ACRES HOMEOWNERS ASSOCIATION ONLY.

5. Property owners boats only. No other boats. All property owners boat registrations numbers will be kept by the association.

6 Launch area regulations:

   a. Use of area only after dawn and before dusk.

   b. Launch boat and return trailer, truck or other vehicles to your residence immediately. NO VEHICLE PARKING IN THE LAUNCH AREA. At no time should boat or towing vehicle block access to any homeowner's driveway.

   c. Please be as quiet as possible - sound carries when you are around the water.

   d. All property owners must understand you use the ramp at your own risk.

MISC # 0 #
RECD FEE 50.00
CHECK/MO TL 50.00

RECEIVED
CLERK, CIRCUIT COURT

93 MAY 13 PM 2:15

#293710 C001 R01 T14:15

QUEEN ANNE'S COUNTY

4/1/93

HOMEOWNERS ASSOCIATION DEPOSITORY INFORMATION

RECEIVED
CLERK, CIRCUIT COURT
00 OCT 30 AM 9:04
QUEEN ANNE'S COUNTY

WOODS SUBDIVISION
FIFTH ELECTION DISTRICT
QUEEN ANNE'S COUNTY, MARYLAND

1.(a) The name, principal address and telephone number of the Declarant are:

The Woods Limited Partnership, a Maryland Limited Partnership
400 Greenwood Creek Farm Lane
Grasonville, Maryland 21638
410-827-5333

(b) If the Declarant is a corporation or partnership, list the names and addresses of the principal officers of the corporation, or the general partners of the partnership (as the case may be):

General Partner of the Partnership:

The Foster Company
400 Greenwood Creek Farm Lane
Grasonville, Maryland 21638
410-827-5333

RECORDING FEE 30.00
TOTAL 30.00
Rec# 0401 Rcpt # 38773
SM RCB Blk # 2130
Oct 30, 2000 09:00 am

2. The name of the Homeowners Association is:

A Homeowner's Association has not been formed as of this time. However, paragraph 2 of Article VIII of the Declaration of Covenants, Conditions and Restrictions provides as follows:

> "2. Transfer of Declarant's Rights. Within ninety (90) days of the sale of the last lot by the Declarant, he or his successors and assigns agrees to transfer the rights and responsibilities conferred upon the Declarant by virtue of these Declaration of Covenants, Conditions and Restrictions unto a Homeowner's Association, provided that each lot shall have an equal vote and that any action of the Association shall be governed by a majority vote of the Lot Owners. Notwithstanding the provisions of this Section, the Declarant may transfer the rights to an Association prior to the sale of the last lot."

3. The Development is located in the Fifth Election District of Queen Anne's County, Maryland, and consists of Lots 1 through 75. The Declarant owns 23.487 acres of contiguous land which has been designated as open space reserving unto the developer rights to future development as may be permitted by the Queen Anne's County Zoning Ordinance.

4. The Declarant owns the following property which is contiguous to the Development and is to be dedicated to public use:

None (see 3 above).

5. The Development is not, and will not be, within, or a part of, another development.

6. State whether the Declarant has reserved the right to annex additional property to the Development:

The Declarant has not reserved the right to annex any additional property to the Development.

7. Attached is a copy of the original Declaration of Covenants, Conditions and Restrictions, which have been recorded among the Land Records of Queen Anne's County, and which are enforceable against the owners of all lots in the Subdivision.

8. (a) The Homeowners Association is anticipated or expected to be, the owner of the common area described in the Declaration.

9. Information regarding the zoning and other land use requirements affecting the Development is available at the Office of Planning and Zoning for Queen Anne's County, Maryland, whose address is:

The Liberty Building
107 N. Liberty Street
Centreville, Maryland 21617
410-758-4088

10. (a) If mandatory Homeowners Association fees or assessments are not now being levied, state when they will first be levied against owners of lots:

Article VII of the Declaration of Covenants, Conditions and Restrictions provides for an annual assessment which is to be $180.00, adjusted by any increase in the Consumer Price Index for

the nearest metropolitan area or by any amount necessary to cover the payment of fees to Delmarva Power and Light for any common area facilities.

(b) Provide a description of the procedure for increasing or decreasing such fees or assessments:

It is anticipated that the annual assessment will produce revenue sufficient to cover maintenance of the entrance ways, grass cutting adjacent to the streets and sidewalks and payment of the electric bills for street lights.

(c) Provide a description of how fees or assessments and delinquent charges will be collected:

Article VIII, Section 1, indicates that the assessments will create a lien on the property, as well as a personal obligation of the lot owner. See attached page 7 of the Declaration.

(d) State whether unpaid fees or assessments are personal obligations of owners of lots:

See response to (c) above.

(e) State whether unpaid fees or assessments bear interest: If they do, state the rate of interest:

The annual assessment will bear interest, plus costs of collection and reasonable attorney's fees if not paid when due.

(f) State whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act (§14-201, *et seq.* of the Real Property Article of the Annotated Code of Maryland):

The unpaid fees for assessment may be enforced by imposing a lien on the lot under the terms of the Maryland Contract Lien Law.

(g) State whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and describe any other consequences for the non-payment of fees or assessments:

Lot owners will be assessed interest, costs of collection and reasonable attorney's fees if the assessment is not when due as set forth in Article VII abovementioned.

11. The following is a description of special rights or exemptions reserved by, or for, the Declarant, including (a) the right to conduct construction activities within the Development,

(b) the right to pay a reduced Homeowners Association fee or assessment, (c) exemptions from use restrictions, and (d) architectural control provisions contained in the Declaration or provisions by which the Declarant intends to maintain control over the Homeowners Association:

The Declarant does not have any special exemption or rights created by the Declaration other than the initial right of enforcement of the Declaration and a right to execute a waiver provision to any lot owner pursuant to the provisions of Article X.

12. Provide the name, address, and telephone number of the management agent of the Homeowners Association (or other officer or agent authorized by the Homeowners Association to provide members of the public the information regarding the Homeowners Association, or state that no such agent (or officer) is presently so authorized:

None at this time.

13. Attachments:

The Woods Declaration of Covenants, Conditions and Restrictions dated September 18, 1998, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber No. 635, folio 820.

THE WOODS LIMITED PARTNERSHIP

By: _____
The Foster Company,
General Partner;
Michael R. Foster, President

LIBER0635 FOLIO320

DOC. NO. 234439

RECEIVED
CLERK CIRCUIT COURT

98 SEP 18 PM 3:39

QUEEN ANNE'S COUNTY

THE WOODS

DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS is made this 18th day of September, 1998, by The Woods Limited Partnership, a Maryland Limited Partnership, hereinafter referred to as the "Declarant".

RECITALS

The Declarant is the owner of certain lands which are situate, lying and being in the Fifth Election District of Queen Anne's County, Maryland. The Declarant became the owner of this property by virtue of a Deed dated May 8, 1997, and recorded among the Land Records of Queen Anne's County in Liber S.M. No. 569, folio 550.

The Declarant has subdivided the aforedescribed lands into seventy-five (75) residential lots to be known collectively as "The Woods". The Declarant desires to subject lots 1 through 75 of the subdivision known as The Woods to the following covenants, conditions and restrictions in order to provide for the preservation and enhancement of the property values and to regulate and restrict the building structures, improvements, activities and conduct so as to contribute to the personal and general health, safety and welfare of the community.

NOW, THEREFORE, the Declarant does hereby declare that Lots 1 through 75, within The Woods, said lots and the subdivision being more particularly described below, shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with said land and be binding on all parties having any right, title or interest therein or any part thereof, their personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

Definitions

1. "Accessory Structure" means and refers to any building or structure subordinate to the principal residential dwelling located on the lot and serving a purpose incidental to the residential use of said main dwelling.

2. "Assessments" means any monetary contribution levied equally among all lot owners pursuant to Article VI to be utilized for the community purposes stated therein. A special assessment may be levied against any specific lot as set forth herein.

IMP FD SURE $ 2.00
RECORDING FEE 75.00
TOTAL 77.00
Rec# QA01 Rcpt # 58245
SM RCB Blk # 1555
Sep 18, 1998 03:42 PM

3. "Association" means any association, board, council, or other administrative body or organization of lot owners who shall be a successor in interest to the Declarant.

4 "County Commissioners" means the County Commissioners of Queen Anne's County, Maryland, as now established, and any other legislative and/or executive authority hereinafter authorized to approve and adopt a zoning ordinance.

5. "Covenant" means any provision of this Declaration.

6. "Declarant" refers to The Woods Limited Partnership, and its successors and/or assigns.

7. "Lot" means one of the lots or parcels designated as Lots 1 through 75 on the plat.

8. "Lot Owner" means the person(s) shown by the Land Records of Queen Anne's County to own fee simple title to a lot at the time when the identity of a lot owner is to be determined for purposes of applying any provisions of these covenants. "Lot Owner" does not include a mortgagee, trustee, or beneficiary under a deed of trust or other person who holds only a lien or other security interest on a lot.

9. "Plat" means the plat of the subdivision prepared by McCrone, Inc., dated May, 1997, and titled "Major Subdivision of The Woods" and recorded among the Plat Records of Queen Anne's County in Plat Record Book S.M. No. 26, folios 59 A, B, C and D.

10. "Zoning Ordinance" means (1) any zoning ordinance in effect in Queen Anne's County, Maryland, on the date of this instrument, and any amendments to that ordinance, and (2) any ordinance or law hereinafter adopted by the County Commissioners under the authority of Article 66(b) of the Annotated Code of Maryland (or any amendments to that article) or under the authority of any law or constitutional provision by which the County Commissioners are authorized to regulate the use of land throughout Queen Anne's County, Maryland, to the extent provided under the present provisions of Article 66(b).

ARTICLE II

General Use Restrictions

1. Residential Use. All lots shall be used solely for residential purposes and only one single family dwelling shall be erected on each lot which shall be used solely as a private single family residence.

2. Home Occupation. Notwithstanding the provision of Article II, Section 1, a home occupation may be permitted with written approval of the "Declarant". Such home occupation shall not be permitted to employ any person not living in the dwelling unit. Beauty shops shall not be permitted.

3. Animals. The maintenance, keeping, boarding, or raising of animals, livestock or poultry of any kind, regardless of number, is prohibited on any lot or within any dwelling, except that this provision shall not prohibit the keeping of dogs, cats, or customary household animals, provided they are not kept, bred, or maintained for commercial purposes and provided further, that such animals are not a source of annoyance or nuisance to the neighborhood or other lot owners and do not roam at large.

4. Vehicles. Junk vehicle(s), unlicensed, or inoperable motor vehicle(s), and commercial vehicle(s) shall not be kept upon a lot unless stored or parked within garages. No trailers, commercial vehicles such as tractor trailer(s), or motor vehicles of any kind shall regularly be parked upon any of the public streets or lots.

5. Signs. No signs shall be permitted on any lots in the subdivision excepting a temporary real estate sign not exceeding four (4) square feet in area which may be erected upon any lot being offered for sale. All such temporary real estate signs shall be removed promptly following the sale of such lot. In addition to temporary real estate signs, private property identification signs shall be permitted, provided they shall not exceed four (4) square feet in area.

6. Re-Subdivision. No lot shall be re-subdivided so as to create any new additional lots. Re-subdivision shall only be permitted for minor lot line adjustments which do not result in a decrease of any lot's acreage of more than ten (10) percent. Any re-subdivision shall only be permitted with the written consent of the Declarant.

7. Trash. No burning of trash shall be permitted on any lot. All trash or other refuse is to be disposed of by being picked up and carried away on a regular and reoccurring basis and containers may be placed in the open on the day that a pickup is to be made. At all other times, such containers shall be stored in such a manner so that they cannot be seen.

8. Temporary Structures. No temporary structures shall be permitted other than a construction trailer which may be maintained on the property during the period of construction. The period of construction shall not exceed twelve (12) months.

9. Material Storage. No lumber, metals, bulk materials, refuse, or trash shall be kept, stored or allowed to accumulate on

any lot, except building materials during the course of construction of any improved dwelling or other permitted structure.

10. Aboveground Poles or Wires. No poles or wires for the transmission of electricity, telephone or the like shall be placed or maintained above the surface of the ground on any lot.

11. High Frequency Radio or Other Transmissions. Lot owners shall be prohibited from maintaining any high frequency radio or other transmission towers which interfere with any radio or television reception on lots within this subdivision.

12. Noxious or Offensive Trade or Activity. Noxious or offensive trade or activity shall not be carried on or upon any lot, within any dwelling, nor shall anything be done therein or thereon which may be or become an annoyance or nuisance to the neighborhood or other owners. Without limiting the generality of the aforegoing, no speaker, horn, whistle, light, bell, amplifier, or other sound device shall be located, installed or maintained upon the exterior of any dwelling or upon the exterior of any other accessory structure except such devices as may be used exclusively for security purposes.

ARTICLE III

Building Restrictions

1. Minimum Setbacks. All improvements including accessory structures must comply with the minimum building restriction lines set forth on the recorded plat, including, but not limited to: (a) Front yard - 20 feet, provided the lot owner complies with the "Specific Design Features" of Article III,4, set forth below.(b) Side yard - 5 feet, and (c) Rear yard - 25 feet.

2. Minimum Floor Area. The floor area of any dwelling erected upon any lot, exclusive of basement and attached porches and garages, shall not be less than 1000 square feet, provided the owner utilizes architectural and landscaping features to make said improvements compatible with other dwellings in the subdivision, as determined by the developer in their sole discretion. Architectural features shall include, but not be limited to, porches, gable roof features, attached garages, fencing, etc.

3. Approval of Building Plans.

(a) No dwelling, building or other structure, accessory structure, fence, swimming pool, tennis court, awning, patio cover, patio, balcony, porch, driveway or other improvement or structure shall be commenced, constructed, placed, moved, altered or removed upon any lot nor shall any other exterior addition or other alteration thereon be made until the complete plans and specifications showing the location, nature, shape, height, color,

material, type of construction, and other proposed form of change shall have been submitted to and approved, in writing, by the Declarant, his successors and assigns, as to the safety, harmony of external design, color and location in relation to surrounding structures in topography and conforming with the purposes and intent of this Declaration.

(b) Construction or alteration in accordance with the plans and specifications approved by the Declarant 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 Declarant and shall be substantially completed within twelve (12) months following the date of commencement.

4. Specific Design Features. The Woods subdivision consists of single family residences which shall seek to create a village atmosphere. The village housing envisions special landscaping or architectural treatment.

The front yards of lots in this subdivision shall maintain their natural woods or front cover in so far as practical. Two of the following landscaping or architectural treatments shall be utilized:

a) two canopy trees and three evergreen or understory trees; or six evergreen or understory trees;

b) a porch that:

(i) is roofed, but not enclosed;

(ii) extends across three-fourths of the front of the house; and

(iii) is at least seven feet wide;

c) an ornamental fence or wall that is between 24 inches and 36 inches in height; and five flowering shrubs or evergreen shrubs per street face;

d) 20 flowering or evergreen shrubs; or ten flowering or evergreen shrubs, 20 hedge plants, and two understory trees;

e) a hedge consisting of shrubs planted on 18-inch centers; and two understory or evergreen trees.

f) The aforegoing provisions are designed to satisfy Queen Anne's County Code Section 18-1-044(d)(1) through (6). Any modification or amendment of said Code provisions shall, upon adoption, be applicable

to the remaining unimproved lots in this subdivision.

ARTICLE IV

Landscape Requirements

1. General Character. Landscaping is considered to be an essential feature of lot improvement inasmuch as it has a direct and important impact of the aesthetic quality of the community and resulting property values.

2. Maintenance. All plantings must be adequately maintained. It should also be the obligation of each lot owner to maintain the grass portion of any yard in a clean and neat condition, including but not limited to, the requirement for cutting on a regular and periodic basis. Grass in the yard portion of any lot shall not exceed six (6) inches in height. All trees shall be maintained and in the event they die, they shall be replaced.

ARTICLE V

Forest Resource Protection Easement

1. Nature and Description. Each lot shall be subject to a forest resource protection easement, the areas of which are noted on the McCrone plat. This area includes the rear 25' of each lot and most of the side yard setback areas. The easement shall prohibit the lot owner from altering the existing forest cover. This shall not be construed as prohibiting the lot owner from ordinary maintenance and/or the removal of dead plant material. Each lot owner shall be obligated to maintain a forest cover equal to that which exists as of the date of these covenants.

These provisions may be enforced by the Queen Anne's County Department of Planning and Zoning on the basis that these areas must continue to satisfy the provisions of the Queen Anne's County Code Section 18-1-053.

The provisions of this paragraph shall also be independently enforced by the Association in accordance with the terms and provisions of these covenants.

ARTICLE VI

Reservation for Easement for Utilities

1. Easement for Utilities. Easements and rights of way are hereby expressly reserved upon, in and over strips of land ten (10) feet in width along the road lines of all parcels for the purpose of erecting, constructing and maintaining poles, wires and conduits with the necessary or proper attachments in connection therewith

for the transmission of electricity and for telephone service and other public utilities or services. The Declarant, its successors or assigns, or its nominee, shall have the right to enter upon said reserve strips of land for any of the purposes for which said easements and rights are reserved to remove, prune or trim any tree or shrub on any lot interfering with the construction or maintenance of electric or telephone lines or other utility service. Easements shall also exist over land where sewer vacuum lines provide service to each homesite.

ARTICLE VII

Annual Assessments

1. Creation of a Lien and Personal Obligation of Assessment. The Declarant, for each lot, hereby covenants, and each owner of every lot by acceptance of a deed from Declarant therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Declarant, its successors and assigns, an annual assessment, which shall be based on a calendar year, and established and collected as hereinafter provided. The annual assessment, together with interest, costs and reasonable attorney's fees shall be a charge on, and a continuing lien on, the lot against which each assessment is made. Each such assessment, together with interest, costs of collection and reasonable attorney's fees, shall also be the personal obligation of the Lot Owner of such lot at the time when the assessment is due and payable.

2. Purpose of Annual Assessment. Each annual assessment shall be used to pay for (a) the electricity for street lights, (b) to maintain any entrance sign, entrance landscaping, (c) the maintenance and preservation of the open space areas, (d) the maintenance and preservation of any common area facilities or structures, and (e) to promote recreational, health, safety, and welfare of the residences.

3. Amount of Annual Assessment. The amount of the assessment shall be set annually by the Declarant, or by its successors and assigns. The assessment for the initial year shall be $180.00. Thereafter, the assessment shall not exceed $180.00 annually, plus the cost of living adjustment as determined by the Consumer Price Index (CPI) for the nearest metropolitan area, or by an amount necessary to cover the payment of fees to Delmarva Power and Light for the electricity and maintenance of the existing street lights, any common areas facilities, and/or any open space. The amount of the assessment may be increased by an amount exceeding the increase in the CPI, by a majority vote of members of the Association after transfer of Declarant's rights to said Association.

4. Commencement of Assessments. Assessments for each lot shall commence upon the transfer of title to any person, corporation or entity other than the Declarant.

ARTICLE VIII

Association

1. Single Family Subdivision. Lots 1 through 75 of the aforementioned The Woods subdivision are all single family lots located on a public roadway.

2. Transfer of Declarant's Rights. Within ninety (90) days of the sale of the last lot by the Declarant, he or his successors and assigns agrees to transfer the rights and responsibilities conferred upon the Declarant by virtue of these Declaration of Covenants, Conditions and Restrictions unto a Homeowner's Association, provided that each lot shall have an equal vote and that any action of the Association shall be governed by a majority vote of the Lot Owners. Notwithstanding the provisions of this Section, the Declarant may transfer the rights to an Association prior to the sale of the last lot.

ARTICLE IX

Sidewalks

1. Responsibility for Maintenance. The sidewalks located adjacent to Timber Lane are located within the County Right-of-Way. The maintenance of the sidewalks shall be the lot owners, each of the said lot owners being expressly liable for maintenance and repair of that portion of the sidewalk located among their front property line.

The Association shall be responsible for the maintenance and repair of all other sidewalks in the subdivision. In the event the County Department of Works notifies the Association that any homeowner has failed to repair or maintain the sidewalks, then the Association shall be responsible for said repairs. All costs shall be the responsibility of the owner(s) of said lot.

ARTICLE X

General Provisions

1. Enforcement. The Declarant and any lot owner shall have the right to enforce by any proceedings at law or in equity, all restrictions, conditions, covenants and reservations now or hereinafter opposed by the provisions of this Declaration. Failure by the Declarant or by any lot owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

2. Waiver. Notwithstanding the provisions of paragraph 1 above, the Declarant, its successors and assigns, hereby reserves the right, in their absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions, covenants, agreements or provisions contained herein as to any lot then owned by the Declarant, and with the consent of the owner as to any other lot.

3. Successors of the 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, recorded among the Land Records for Queen Anne's County, Maryland.

4. Duration. This Declaration shall run with and bind the land for a period of thirty (30) years from the date of the recordation of this Declaration.

5. Severability. In case any one or more of the covenants or restrictions contained in this Declaration shall for any reason be held to be invalid, illegal or unenforceable in any respect by judgment, decree or order, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Declaration shall be construed as if such invalid, illegal, or unenforceable covenant or restriction had never been contained herein.

IN WITNESS WHEREOF, the undersigned Declarant has duly executed this Declaration.

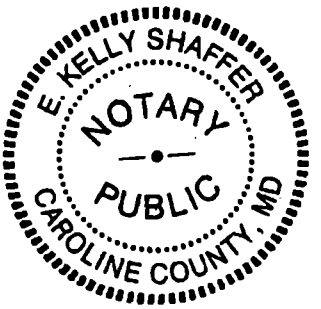
WITNESS: THE WOODS LIMITED PARTNERSHIP

BY: _____ (SEAL)
The Foster Company,
General Partner;
Michael R. Foster, President

STATE OF MARYLAND, Caroline COUNTY, TO WIT:

I HEREBY CERTIFY that on the 18th day of September, 1998, before me, a Notary Public of the State of Maryland, personally appeared MICHAEL R. FOSTER, who acknowledged himself to be the President of The Foster Company, General Partner of THE WOODS LIMITED PARTNERSHIP (the "Partnership") and that he, as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the Partnership by himself as President of The Foster Company, General Partner.

WITNESS my hand and Notarial Seal.



E. Kelly Shaffer
Notary Public
My Commission Expires: 11-01-01

Revised 091898
kgs/resl-est/dec-cov/woods.the

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CLERK CIRCUIT COURT
2005 FEB 10 AM 10:40
QUEEN ANNE'S COUNTY

Winchester

Amendment to Declaration of Covenants, Conditions and Restrictions

The Winchester Home Owner's Association, Inc. (hereinafter referred to as the "Association" makes this Amendment on the 15th day of December 2004.

Whereas this Amendment amends the Declaration of Covenants, Conditions, and Restrictions recorded with Queen Anne's County Circuit Court under documentation no. 245480 on the 8th day of July 1999 by Norman Point Inc., a body corporate of the State of Maryland, Hereinafter referred to as the "Declarant".

Article II

4. Vehicles: Junk Vehicles, unlicensed or inoperable motor vehicle(s) and commercial vehicles *, all marine craft, trailer(s), camper(s), house trailer(s), bus (es), tractor(s) or other similar machinery or equipment of any kind of character shall not be kept upon a lot unless stored or parked within garages or other permitted structures designed to conceal the vehicle from plain sight. No trailers, commercial vehicles *defined as anything with writing/ advertisement printed permanently on the vehicle or any delivery type truck, box van, or motor vehicle of any kind shall be regularly parked upon any public street or lots.

5. Signs: No commercial or other signs shall be permitted on any lots in the subdivision excepting a temporary real estate sign, temporary candidate sign, temporary yard sale or a temporary home improvement sign permitted only during construction and or renovation. The sign shall not exceed four (4) square feet in area, which may be erected upon any lot being offered up for sale. All such temporary real estate signs shall be removed promptly following the sale of such lot. Signs denoting the residence, street number or name of the owners shall be permitted with the approval of the Declarant.

7. Trash: No burning of trash shall be permitted on any lot. All trash or other refuse is to be disposed of by being picked up and carried away on a regular and reoccurring basis and containers may be placed in the open on the day that a pickup is to be made. At all other times, such containers shall be discretely stored.

RECORDING FEE 25.00
TOTAL 25.00
Rcpt # QA01 Rcpt # 72704
SM RCB Blk # 1091
Feb 10, 2005 10:41 am

8. Above ground Swimming pools: No above ground swimming pools excluding spas, hot tubs and 1 piece toddler pools that can be drained and stored away daily shall be permitted to be maintained on any lot.

11. Material Storage: No lumber, metals, bulk materials, refuse, or trash shall be stored or allowed to accumulate on any lot except firewood discretely stored and stacked and building materials during the course of construction of any improved

Article III
5. b All roof shingles must be an architectural shingle or wood shingle, or one of similar quality.

Valerie K. Wilder
recording secretary
February 9, 2005

Subj:	**Re: certification of bylaws**
Date:	2/5/05 6:53:55 PM !!!First Boot!!!
From:	BeauValWilder
To:	gailw@toad.net, karen.benton@mlis.state.md.us
CC:	Slhdog, BeauValWilder

CERTIFICATION

I, the undersigned, do hereby certify:

That I am duly elected and acting secretary of Winchester Home Owners Association, Inc. A Maryland corporation; and

That the foregoing covenants,conditions and restrictions constitute the amended covenants, conditions and restrictions of said Association which were recorded with the Queen Anne's County Circuit court under document no. 245480 on the 8th day of July, 1999 by Norman Point Inc., as duly adopted at a meeting of the Board of Officers and Community members therefore, held on the 15th day of December, 2004.

IN WITNESS WHEREOF, I have hereunto subscribed my name on this 5th day of February, 2005.

Valerie K. Wilder

Valerie K. Wilder
secretary

The regular meeting of the WHOA was held on November 15th, 2004 at the VFW. The President called the meeting to order at 7:08.

All three board members and 22 lot owners were present.

Unfinished Business:

1. Hunting & Deer Stand: Clint and Craig disabled the tree stand as much as possible. A sign and blue paint were posted to deter further activity and usage. The DNR is aware of the problem and has added the area on their helicopter sweep run. Please report any hunters if seen to the DNR.

2. Driveways: All of the driveways will be graded etc... as needed to meet county codes. The street will be repaved in the spring.

3. Sediment Pond: The pond will be fixed to code by Mike Foster or his representative. The county will approve the pond upon completion. After completion we will be responsible for maintenance.

4. Walter's Pond: The signs and the bridge have been installed. Please drop by and check out this area!!

5. Community Liability: If community members are performing a specified plan on a board approved task they are covered by our community association insurance.

6. Covenants and Restrictions: All of the amended covenants passed by a majority vote. We had 26 members who completed and returned them. Please see me if you want to see the exact breakdown of votes per covenant. The entire modified covenants and restrictions packet will be resent out once it is all retyped.

7. Nominating Committee: The ballots for the 2005 board will be sent out this week.

Treasurer's Report: November

Account Balance at the beginning of the month		$12,343.66
	Receipts:	$500.00
	Disbursements:	$478.00
Account Balance at the end of the month:		$11,865.66

New Business:

1. Invoice resent to lot #9 on November 11th, 2004. A late fee of $25 was included.

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CLERK, CIRCUIT COURT
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QUEEN ANNE'S COUNTY

HOMEOWNERS ASSOCIATION DEPOSITORY INFORMATION

WINCHESTER SUBDIVISION
PHASE I AND PHASE II (LOTS 1-46)
FIFTH ELECTION DISTRICT
QUEEN ANNE'S COUNTY, MARYLAND

1.(a) The name, principal address and telephone number of the Declarant are:

Norman Point, Inc., a Maryland Corporation
400 Greenwood Creek Farm Lane
Grasonville, Maryland 21638
410-827-5333

(b) If the Declarant is a corporation or partnership, list the names and addresses of the principal officers of the corporation, or the general partners of the partnership (as the case may be):

President and Treasurer:

Michael R. Foster
c/o Foster, Braden, Thompson & Palmer
102 East Main Street, Suite 203
Stevensville, Maryland 21666

Vice-President and Secretary:

Holly Baker
c/o Foster, Braden, Thompson & Palmer
102 East Main Street, Suite 203
Stevensville, Maryland 21666

RECORDING FEE 50.00
TOTAL 50.00
Reg# QA01 Rcpt # 88025
SM JGG Blk # 501
Oct 06, 2000 12:01 PM

2. The name of the Homeowners Association is:

Article VII of the Declarations of Covenants, Conditions and Restrictions states:

"1. Transfer of Declarant's Rights. Within 90 days of the sale of the last lot by the Declarant, its successors and assigns, agree to transfer the rights and responsibilities conferred upon the Declarant by virtue of these Declaration of Covenants, Conditions and Restrictions unto a homeowners association provided (a) that the association is validly formed under the laws of the State of Maryland pursuant to the provisions of the Corporations and Associations Article as

may be amended from time to time; and (b) the Association provides that each lot shall have an equal vote and that any action of the Association shall be governed by a majority vote of the lot's owners.

As of the date of this Declaration, a Homeowner's Association has not been formed.

3. The Development is located in the Fifth Election District of Queen Anne's County, Maryland, and consists of two phases, Phase I and Phase II, with a total number of lots being forty-six (46). The developer owns 32.366 acres of contiguous land which has been designated as open space reserving unto the developer rights to future development as may be permitted by the Queen Anne's County Zoning Ordinance. This reservation is also reflected in Article IX of the aforementioned Declaration of Covenants, Conditions and Restrictions.

4. The Declarant owns the following property which is contiguous to the Development and is to be dedicated to public use:

The roadway will be deeded to Queen Anne's County upon completion of Phase I and Phase II. In the interim, letters of credit have been provided the County to guarantee the completion of the roadway and sewer lines.

32.366 acres adjoining the property have been designated as open space, reserving a right to future development as may be permitted by the Queen Anne's County Zoning Ordinance. The Declarant currently has no plans for any future development.

5. The Development is not, and will not be, within, or a part of, another development.

6. State whether the Declarant has reserved the right to annex additional property to the Development:

The Declarant has not reserved the right to annex any additional property to the Development.

7. Attached is a copy of the original Declaration of Covenants, Conditions and Restrictions (Phase I), as well as the Geographical Extension of Declaration of Restrictions (Phase II) which have been recorded among the Land Records of Queen Anne's County, and will be enforceable against the owners of all lots in the Subdivision.

8. (a) The Homeowners Association is now, or is expected to be, the owner of the common area described in the Declaration.

In addition, the Homeowners Association is now, or is expected to be, the owner of the following property:

The open space areas are generally forested, and are intended to be preserved in their natural state. The Declarant does intend to provide a playground area on some of the open space, as well as a possible walking trail through the wooded areas. At the time the Homeowner's Association is formed, either this property will be deeded to the Association in fee, or an easement guaranteeing the right of perpetual use will be executed by the Declarant.

9. Information regarding the zoning and other land use requirements affecting the Development is available at the Office of Planning and Zoning for Queen Anne's County, Maryland, whose address is:

The Liberty Building
107 N. Liberty Street
Centreville, Maryland 21617
410-758-4088

10. (a) If mandatory Homeowners Association fees or assessments are not now being levied, state when they will first be levied against owners of lots:

Article VI of the Declaration of Covenants, Conditions and Restrictions provides for an annual assessment which is to be $250.00 for the first year, and an amount not to exceed $350.00 thereafter, which shall be adjusted by any increase in the Consumer Price Index for the nearest metropolitan area.

(b) Provide a description of the procedure for increasing or decreasing such fees or assessments:

The Declarant or the Association has the right to determine the amount of the assessment between $250.00 and $350.00, and the Declaration allows for this amount to be increased by the cost of living adjustment. Therefore, the maximum assessment would be $350.00, adjusted by the cost of living increase dating from July 8, 2000.

(c) Provide a description of how fees or assessments and delinquent charges will be collected:

Article VI, Section 1, indicates that the assessments will crease a lien on the property, as well as a personal obligation of the lot owner. See attached page 8 of the Declaration.

(d) State whether unpaid fees or assessments are personal obligations of owners of lots:

See response to (c) above.

(e) State whether unpaid fees or assessments bear interest: If they do, state the rate of interest:

The annual assessment will bear interest, plus costs of collection and reasonable attorney's fees if not paid when due.

(f) State whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act (§14-201, *et seq.* of the Real Property Article of the Annotated Code of Maryland):

The unpaid fees for assessment may be enforced by imposing a lien on the lot under the terms of the Maryland Contract Lien Law.

(g) State whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and describe any other consequences for the non-payment of fees or assessments:

Lot owners will be assessed interest, costs of collection and reasonable attorney's fees if the assessment is not when due as set forth in Article VI abovementioned.

11. The following is a description of special rights or exemptions reserved by, or for, the Declarant, including (a) the right to conduct construction activities within the Development, (b) the right to pay a reduced Homeowners Association fee or assessment, (c) exemptions from use restrictions, and (d) architectural control provisions contained in the Declaration or provisions by which the Declarant intends to maintain control over the Homeowners Association:

The Declarant does not have any special exemption or rights created by the Declaration other than the initial right of enforcement of the Declaration and a right to execute a waiver provision to any lot owner pursuant to the provisions of Article VIII.

12. Provide the name, address, and telephone number of the management agent of the Homeowners Association (or other officer or agent authorized by the Homeowners Association to provide members of the public the information regarding the Homeowners Association, or state that no such agent (or officer) is presently so authorized:

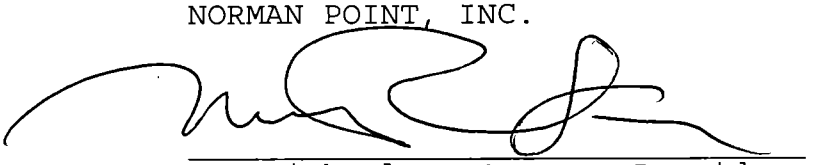
None at this time.

13. Attachments:

Winchester Declaration of Covenants, Conditions and Restrictions

Geographical Extension of Declaration of Restrictions of Winchester Subdivision

NORMAN POINT, INC.



By: Michael R. Foster, President

SM

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DOC. NO. 245480

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QUEEN ANNE'S COUNTY

WINCHESTER

DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS is made this 8th day of July, 1999, by Norman Point, Inc., a body corporate of the State of Maryland, hereinafter referred to as the "Declarant".

EXPLANATORY STATEMENT

The Declarant is the owner of all those lands situate, lying and being in the Fifth Election District of Queen Anne's County, Maryland, and as more particularly described on the plats defined in Article I, Section 10, below.

The Declarant has subdivided a portion of the aforedescribed lands into 27 residential lots to be known collectively as "Winchester". The Declarant desires to subject lots 1 through 27 of the subdivision known as Winchester to the following covenants, conditions and restrictions in order to provide for the preservation and enhancement of the property values and to regulate and restrict the building structures, improvements, activities and conduct so as to contribute to the personal and general health, safety and welfare of the community.

NOW, THEREFORE, the Declarant does hereby declare that Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26 and 27, within Winchester, said lots and the subdivision being more particularly described below, shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with said land and be binding on all parties having any right, title or interest therein or any part thereof, their personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

Definitions

1. "Accessory Structure" means and refers to any building or structure subordinate to the principal residential dwelling located on the lot and serving a purpose incidental to the residential use of said main dwelling.

2. "Assessments" means any monetary contribution levied equally among all lot owners pursuant to Article VI to be utilized for the community purposes stated therein.

IMP FD SURE $ 2.00
RECORDING FEE 75.00
TOTAL 77.00
Rec# 0401 Rcpt # 71295
SM RCB Blk # 764
Jul 09, 1999 04:09 PM

3. "Association" means any association, board, council, or other administrative body or organization of lot owners who shall be a successor in interest to the Declarant.

4. "Common Area" - means the area of the subdivision which is designated as a recreational or community area. The Declarant reserves the right in its sole discretion to substitute or alter the location of such common areas.

5. "County Commissioners" means the County Commissioners of Queen Anne's County, Maryland, as now established, and any other legislative and/or executive authority hereinafter authorized to approve and adopt a zoning ordinance.

6. "Covenant" means any provision of this Declaration.

7. "Declarant" refers to Norman Point, Inc., and its successors and/or assigns.

8. "Lot" means one of the lots or parcels designated as Lots 1 through 27 on the plat. The Declarant also reserves the right to develop additional lots within these lands which shall be subject to these same restrictions, as may be modified.

9. "Lot Owner" means the person(s) shown by the Land Records of Queen Anne's County to own fee simple title to a lot at the time when the identity of a lot owner is to be determined for purposes of applying any provisions of these covenants. "Lot Owner" does not include a mortgagee, trustee, or beneficiary under a deed of trust or other person who holds only a lien or other security interest on a lot.

10. "Plat or Plats" mean the plats of the subdivision of Winchester prepared by McCrone, Inc., dated April, 1998, said plats being more particularly described as follows:

A. Plats for the subdivision known as "Winchester" setting forth and designating Lots 1 - 27 on a plat by McCrone, Inc. entitled "Administrative/Major Subdivision of Winchester, Fifth Election District of Queen Anne's County, Maryland", dated April, 1998, and recorded among the Plat Records of Queen Anne's County in Plat Book S.M. No. 27, folio 12 A through G.

11. "Zoning Ordinance" means (1) any zoning ordinance in effect in Queen Anne's County, Maryland, on the date of this instrument, and any amendments to that ordinance, and (2) any ordinance or law hereinafter adopted by the County Commissioners under the authority of Article 66(b) of the Annotated Code of Maryland (or any amendments to that article) or under the authority of any law or constitutional provision by which the County Commissioners are authorized to regulate the use of land throughout

Queen Anne's County, Maryland, to the extent provided under the present provisions of Article 66(b).

ARTICLE II

General Use Restrictions

1. Residential Use. All lots shall be used solely for residential purposes and only one single-family dwelling shall be erected on each lot which shall be used solely as a private single-family residence.

2. Home Occupation. Notwithstanding the provision of Article II, Section 1, a home occupation may be permitted with written approval of the "Declarant" and provided that the same is permitted by the Queen Anne's County Comprehensive Zoning Ordinance as may be amended from time to time. Such home occupation shall not be permitted to employ any person not living in the dwelling unit. Beauty shops shall not be permitted.

3. Animals. The maintenance, keeping, boarding, or raising of animals, livestock or poultry of any kind, regardless of number, is prohibited on any lot or within any dwelling, except that this provision shall not prohibit the keeping of dogs, cats, or customary household animals, provided they are not kept, bred, or maintained for commercial purposes and provided further, that such animals are not a source of annoyance or nuisance to the neighborhood or other lot owners and do not roam at large.

4. Vehicles. Junk vehicle(s), unlicensed, or inoperable motor vehicle(s), and commercial vehicle(s), boat(s), trailer(s), camper(s), house trailer(s), bus(es), tractor(s) or other similar machinery or equipment of any kind or character shall not be kept upon a lot unless stored or parked within garages or other permitted structures. No trailers, commercial vehicles such as tractor trailer(s), or motor vehicles of any kind shall regularly be parked upon any of the public streets or lots.

5. Signs. No commercial or other signs shall be permitted on any lots in the subdivision excepting a temporary real estate sign not exceeding four (4) square feet in area which may be erected upon any lot being offered for sale. All such temporary real estate signs shall be removed promptly following the sale of such lot. Signs denoting the residence, street number or name of the owners shall be permitted with the approval of the Declarant.

6. Re-Subdivision. No lot shall be re-subdivided so as to create any new additional lots. Re-subdivision shall only be permitted for minor lot line adjustments which do not result in a decrease of any lot's acreage of more than ten (10) percent. Any re-subdivision shall only be permitted with the written consent of

the Declarant and the Queen Anne's County Department of Planning and Zoning.

7. Trash. No burning of trash shall be permitted on any lot. All trash or other refuse is to be disposed of by being picked up and carried away on a regular and reoccurring basis and containers may be placed in the open on the day that a pickup is to be made. At all other times, such containers shall be stored in such a manner so that they cannot be seen.

8. Aboveground Swimming Pools. No aboveground swimming pools shall be permitted to be maintained on any lot.

9. Temporary Structures. No temporary structures shall be permitted other than a construction trailer which may be maintained on the property during the period of construction. The period of construction shall not exceed twelve (12) months.

10. Satellite Dishes. Satellite dishes shall only be permitted with the prior written approval of the Declarant. Approval shall only be granted in instances where the satellite dish shall be fenced or screened so that it would not be visible from adjoining lots or public streets. Dishes less than 24" in diameter shall not require approval.

11. Material Storage. No lumber, metals, bulk materials, refuse, or trash shall be kept, stored or allowed to accumulate on any lot, except building materials during the course of construction of any improved dwelling or other permitted structure.

12. Aboveground Poles or Wires. No poles or wires for the transmission of electricity, telephone or the like shall be placed or maintained above the surface of the ground on any lot.

13. High Frequency Radio or Other Transmissions. Lot owners shall be prohibited from maintaining any high frequency radio or other transmission towers which interfere with any radio or television reception on lots within this subdivision.

14. Noxious or Offensive Trade or Activity. Noxious or offensive trade or activity shall not be carried on or upon any lot, within any dwelling, nor shall anything be done therein or thereon which may be or become an annoyance or nuisance to the neighborhood or other owners. Without limiting the generality of the aforegoing, no speaker, horn, whistle, light, bell, amplifier, or other sound device shall be located, installed or maintained upon the exterior of any dwelling or upon the exterior of any other accessory structure except such devices as may be used exclusively for security purposes.

ARTICLE III

Building Restrictions

1. Minimum Setbacks. All improvements including accessory structures must comply with the minimum building restriction lines as set forth on the recorded plats.

2. Minimum Floor Area. The floor area of any dwelling erected upon any lot, exclusive of basement and attached porches and garages, shall not be less than one thousand eight hundred (1,800) square feet for a one-story dwelling, nor less than two thousand two hundred (2,200) square feet for a one and one-half, or two-story dwelling.

3. Approval of Building and Landscape Plans.

(a) No dwelling, building or other structure, accessory structure, fence, swimming pool, tennis court, awning, patio cover, patio, balcony, porch, driveway or other improvement or structure shall be commenced, constructed, placed, moved, altered or removed upon any lot nor shall any other exterior addition or other alteration thereon be made until the complete plans and specifications showing the location, nature, shape, height, color, material, type of construction, landscaping plan, and other proposed form of change shall have been submitted to and approved, in writing, by the Declarant, as to the safety, harmony of external design, color and location in relation to surrounding structures in topography and conforming with the purposes and intent of this Declaration.

(b) The Declarant shall have the right to refuse to approve any building plan and/or landscaping plan, where material contemplated to be used in the proposed building or improvement, in its sole opinion, is not considered suitable or desirable whether for aesthetic or other reasons.

(c) Upon approval by the Declarant of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of the Declarant and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same.

(d) Construction or alteration in accordance with plans and specifications approved by the Declarant pursuant to the provisions of this Article shall be commenced within six months following the date upon which the same are approved by the Declarant and shall be substantially completed within 12 months following the date of commencement, or such other period as said Declarant shall specify in its final approval, which shall not be

less than 12 months nor more than 18 months, provided, however, the time for completion shall be extended commensurate with the period of interruption or construction caused by war, acts of God, or the public enemy, acts of government, fires, floods, epidemics, quarantine, restrictions, strikes, lockouts, labor disputes or other matters beyond the control of the owner. In the event the construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Declarant shall be conclusively shall deemed to have lapsed and compliance with the provisions of this Article shall again be required.

(e) There shall be no material deviation from the plans and specifications approved by the Declarant without the prior consent, in writing, of the Declarant.

(f) Upon the completion of any construction or alteration or other improvement in accordance with the plans and specifications approved by the Declarant in accordance with the provisions of this Article, the Declarant 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 referred to in such certificate have been approved by the Declarant and constructed or installed in full compliance with the provisions of this Article and with any other provisions or requirements of this Declaration that may be applicable.

4. Accessory Structures. In addition to the other provisions of this Declaration of Covenants, Conditions and Restrictions all accessory structures shall be subject to the following provisions:

(a) All accessory structures must be approved as to use by the Declarant, its successors and/or assigns. Such use cannot be changed or modified or extended without additional approval by the Declarant.

(b) All accessory structures shall be of a similar architectural style and compatible with the principal dwelling.

(c) The floor area of any accessory structure shall not exceed 600 square feet. Notwithstanding the provisions of this Subsection, the Declarant, its successors and/or assigns, specifically reserve the right to further limit the square footage of any such accessory structure shall have an adverse impact upon an adjacent property owner.

5. Specific Material or Structural Requirements. The following specific material and structural requirements are applicable to the principal dwelling and all aboveground accessory structures.

(a) No exposed block shall be permitted. Any concrete block above finish grade must be stuccoed or paraged.

(b) All roofs must be of a minimum pitch of not less than 7/12, and all roof shingles must be an architectural shingle or wood shingle, or one of similar quality.

(c) All exposed wood must be either painted or stained.

(d) Aluminum or vinyl siding may be permitted, however, the Declarant reserves the right, in its absolute discretion, to limit the colors which may be used. Whenever aluminum or other non-wood siding is used, full height corner boards or posts must be used and an "J" channel or similar molding must be used at all openings, concealing all siding ends.

(e) All residences must have a garage.

ARTICLE IV

Landscape Requirements

1. General Character. Landscaping is considered to be an essential feature of lot improvement inasmuch as it has a direct and important impact on the aesthetic quality of the community and resulting property values. It is for this reason that a detailed landscaping plan is required to be submitted with the initial building plans as provided in Article III, Section 3. Building plans will not be accepted for review unless accompanied by a detailed landscaping plan.

2. Minimum Quantity and Sizes of Plant Material.

(a) Foundation Planning. The initial landscape plan must include a minimum of twenty 12 inch to 24 inch shrubs for foundation planting. Such shrubbery need not extend along the entire foundation but may be placed in clustered groupings.

(b) Canopy Trees. The initial landscape plan must provide for a minimum of 4 canopy trees of at least 10 - 12 feet in height and 1 1/2 inch to 2 inch minimum caliper. Existing canopy trees on any lot may satisfy this requirement.

(c) Evergreen Trees. The initial landscape plan must provide for a minimum of 2 evergreen trees of at least 4 - 6 feet in height.

3. Maintenance. All planting set forth on any approved landscape plan must be adequately maintained. It should also be the obligation of each lot owner to maintain the grass portion of

any yard in a clean and neat condition, including but not limited to, the requirement for cutting on a regular and periodic basis. Grass in the yard portion of any lot shall not exceed 6 inches in height.

ARTICLE V

Easement for Utilities

1. Easement for Utilities. Easements and rights of way are hereby expressly reserved upon, in and over strips of land ten (10) feet in width along the road lines and interior lines of all parcels for the purpose of erecting, constructing and maintaining poles, wires and conduits with the necessary or proper attachments in connection therewith for the transmission of electricity and for telephone service and other public utilities or services. The Declarant, its successors and/or assigns, or its nominee, shall have the right to enter upon said reserve strips of land for any of the purposes for which said easements and rights are reserved to remove, prune or trim any tree or shrub on any lot interfering with the construction or maintenance of electric or telephone lines or other utility service.

ARTICLE VI

Annual Assessment

1. Creation of a Lien and Personal Obligation of Assessment. The Declarant, for each lot, hereby covenants, and each owner of every lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Declarant, its successors or assigns, an annual assessment which shall be based on a calendar year and established and collected as hereinafter provided. The annual assessment together with interest, costs, and reasonable attorney's fees shall be a charge on, and a continuing lien on, the lot against which each such assessment is made. Each such assessment, together with interest, costs of collection and reasonable attorney's fees, shall also be the personal obligation of the lot owner of such lot at the time when the assessment is due and payable.

2. Purpose of Annual Assessment. Each annual assessment shall be used (a) to promote the recreational, health, safety and welfare of the residences, (b) to cover any operating expense for reviewing of plans and enforcing the restrictive covenants, (c) to maintain any entrance sign and entrance landscaping and (d) for the maintenance and preservation of the Common Areas and for the construction and/or maintenance of community recreational or other permitted facilities or improvements.

3. Amount of the Assessment. The amount of the assessments shall be set annually by the Declarant and/or its successors and assigns. The assessment for the initial year shall not exceed $250.00. Thereafter, the assessment shall not exceed $350.00 annually plus the cost of living adjustment as determined by the Consumer Price Index for the nearest metropolitan area.

4. Commencement of Assessments. Assessments for each lot shall commence upon the transfer of title to any person, corporation or entity other than the Declarant.

ARTICLE VII

Association

1. Transfer of Declarant's Rights. Within 90 days of the sale of the last lot by the Declarant, its successors and assigns, agree to transfer the rights and responsibilities conferred upon the Declarant by the virtue of these Declaration of Covenants, Conditions and Restrictions unto a homeowners association provided (a) that the association is validly formed under the laws of the State of Maryland pursuant to the provisions of the Corporations and Associations Article as may be amended from time to time; and (b) the Association provides that each lot shall have an equal vote and that any action of the Association shall be governed by a majority vote of the lots owners.

ARTICLE VIII

General Provisions

1. Enforcement. The Declarant and any lot owner shall have the right to enforce by any proceedings at law or in equity, all restrictions, conditions, covenants and reservations now or hereinafter opposed by the provisions of this Declaration. Failure by the Declarant or by any lot owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

2. Waiver. Notwithstanding the provisions of paragraph 1 above, the Declarant, its successors and assigns, hereby reserves the right, in its absolute discretion at any time, to annul, waive, change or modify any of the restrictions, conditions, covenants, agreements or provisions contained herein as to any lot then owned by the Declarant, and with the consent of the owner as to any other lot.

3. 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, recorded among the Land Records for Queen Anne's County, Maryland.

4. Duration. This Declaration shall run with and bind the land for a period of 30 years from the date of the recordation of this Declaration.

5. Severability. In case any one or more of the covenants or restrictions contained in this Declaration shall for any reason be held to be invalid, illegal or unenforceable in any respect by judgment, decree or order, such invalidity, illegality or unenforceability shall not effect any other provision hereof, and this Declaration shall be construed as if such invalid, illegal, or unenforceable covenant or restriction had never been contained herein.

ARTICLE IX

Open Space

1. Rights of Property Owners - The areas set forth on the plats of the subdivision as "open space" or "forest conservation areas" are not meant to confer any rights in the lot owners as to the subject property, or use thereof. The Declarant, its successors and assigns, reserves the right to utilize said lands for any use or purpose as may be permitted by the Queen Anne's County Code, as may be amended.

IN WITNESS WHEREOF, the undersigned Declarant has duly executed this Declaration.

WITNESS:

NORMAN POINT, INC.

E Kelly Kaffee

BY: _____ (SEAL)
Michael R. Foster, President

DOC. NO. 257216 LIBER 0752 FOLIO 001

RECEIVED
CLERK, CIRCUIT COURT
00 SEP -5 AM 10:08
QUEEN ANNE'S COUNTY

GEOGRAPHICAL EXTENSION OF DECLARATION OF RESTRICTIONS WINCHESTER SUBDIVISION QUEEN ANNE'S COUNTY, MARYLAND

IMP FD SURE $ 2.00
RECORDING FEE 20.00
TOTAL 22.00
Rec# 0401 Rcpt # 86840
SM BWD Blk # 120
Sep 05, 2000 10:09 am

THIS GEOGRAPHICAL EXTENSION OF DECLARATION OF RESTRICTIONS, WINCHESTER SUBDIVISION, is made this 30th day of August, 2000, by NORMAN POINT, INC., a Maryland corporation, Owner.

EXPLANATORY STATEMENT

Norman Point, Inc., is the owner of that tract or parcel of land situate, lying and being in the Fifth Election District of Queen Anne's County, Maryland, known as Winchester by virtue of the following deeds: (1) deed dated February 26, 1974, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber C.W.C. No. 82, folio 24; and by (2) deed dated August 3, 1998, and recorded among the Land Records of Queen Anne's County, Maryland, in Liber S.M. No. 638, folio 504. Norman Point, Inc., subdivided the property into twenty-seven (27) residential lots as set forth and shown on a series of plats by McCrone, Inc. entitled "Winchester", recorded among the Plat Records of Queen Anne's County in Liber S.M. No. 27, folio 12 A thru G. Subsequently, Norman Point, Inc., recorded a Declaration of Restrictions applicable to said lots, said restrictions being recorded among the Land Records of Queen Anne's County in Liber S.M. No. 686, folio 528.

Subsequently, Norman Point, Inc., subdivided a portion of the adjacent lands into nineteen (19) additional residential lots being set forth and designated as Lots 28-46 on a plat entitled "Phase II, Winchester," recorded among the plat records of Queen Anne's County in Liber S.M. No. 29, folio 51 A thru I.

Norman Point, Inc., is now desirous to subject the lots set forth on Phase II plats (Phase II as to lots 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45 and 46) to the aforedescribed Declaration of Restrictions for Winchester Subdivision.

NOW THEREFORE, this instrument witnesseth that Norman Point, Inc., owner as aforesaid, does hereby create, declare, establish and impose upon the aforesaid tracts, parcels of land, and every part thereof (save and excepting the reconfigured open space now containing 32.366 acres), to run with and bind the same, the covenants, agreements, easements, restrictions, conditions, and charges set out on the aforesaid Declaration of Restrictions recorded among the Land Records of Queen Anne's County in Liber S.M. No. 686, folio 528.

WITNESS the hand and seal of the Owner herein.

WITNESS:

NORMAN POINT, INC.

BY: _____ {SEAL}
Michael R. Foster, President