

**THE FLINTS GROVE  
HOMEOWNER'S  
ASSOCIATION, INC.**

THIS DECLARATION, made this 18th day of March, 1982, by C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland, hereinafter sometimes called "the Declarant",

W I T N E S S E T H:

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WHEREAS, the Declarant is the owner of the real property described in Article II hereof and desires to create thereon a residential community with permanent common areas and community facilities for the benefit of said community; and

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

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

WHEREAS, the Declarant has formed (or intends to form) The Flints Grove Homeowners Association, Inc., as a non-profit corporation without capital stock under the Laws of the State of Maryland for the purposes of carrying out the powers and duties aforesaid.

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

ARTICLE I

Section 1. Definitions. The following words, when used in this Declaration, shall have the following meanings:

(a) "Association" shall mean and refer to The Flints Grove Homeowners Association, Inc., and its successors and assigns.

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(b) "The Property" shall mean and refer to all real property described in Article II hereof and such additions thereto as may hereafter be made pursuant to the provisions of Article II.

(c) "Lot" shall mean and refer to all subdivided parcels or property which are part of The Property.

(d) "Common Areas" and "Community Facilities" shall mean and refer to all real property owned or leased by the Association or otherwise available to the Association for the benefit, use and enjoyment of its members.

(e) "Dwelling" shall mean and refer to 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 or family.

(f) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot situated on The Property, including contract sellers, but excluding those having such interest solely as security for the performance of an obligation.

(g) "Declarant" or "Developer" or "Grantor" shall mean and refer to 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 assign.

(h) "Mortgagee", as used herein, 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", as used herein, shall include deed of trust. "First Mortgage", as used herein, shall mean a mortgage with priority over other mortgages. As used in this Declaration, the term "mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees. As used in this Declaration, the term "institutional mortgagee" or "institutional holder" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), all corporations and any agency or department of the United States Government or of any state or municipal government. As used in this Declaration the terms "holder" and "mortgagee" shall include the parties secured by any deed of trust or any beneficiary thereof. In the event any mortgage is insured by the Federal Housing Administration ("FHA") or guaranteed by the Veterans Administration ("VA"), then as to such mortgage, the expressions "mortgagee" and "institutional mortgagee" include the FHA and the VA, as the circumstances may require, acting, respectively, by and through the Federal Housing Commission and the Commissioner of Veterans Benefits or by and through other duly authorized agents.

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

(j) The "Project" and the "Community", as used in this Declaration, means that certain community being developed by the Declarant in Montgomery County, Maryland known as "Flints Grove".

(k) "Townhouse Lot" shall mean and refer to each and every of the lots described on "EXHIBIT B" attached hereto and incorporated herein by this reference.

(l) "Private Streets and Roadways" shall mean and refer to all streets, roadways, sidewalks, curbs, gutters and parking areas, whether owned by the Association for the benefit, use and enjoyment of its members or for the benefit, use and enjoyment of the several owners of the townhouse lots, or located upon the townhouse lots within the areas described as "Parking and Sidewalk Easement" on "EXHIBIT C" in two (2) parts attached hereto and incorporated herein by this reference.

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

## ARTICLE II

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 Montgomery, State of Maryland, and is more particularly described on "EXHIBIT A" attached hereto and by this reference made a part hereof.

Section 2. Additions. So long as there are Class B members of the Association, additional property may be annexed to the above-described property without the consent of the Class A members of the Association, if any. Following the lapse or surrender of the Class B memberships as provided for in Article III of this Declaration, additional property may be annexed to the above-described property without the consent of the Class A members of the Association, if any, so long as such additional property is part of the property described on "EXHIBIT D" attached to this Declaration, if any, and incorporated herein by this reference. The scheme of the within Covenants and Restrictions shall not, however, be extended to include any such additional property unless and until the same is annexed to the real property described on "EXHIBIT A" as hereinafter provided.

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

Except for the annexation of additional property which is part of the property described on "EXHIBIT D" attached to this Declaration, so long as any lot is encumbered by a deed of trust or mortgage which is guaranteed by the Veterans Administration, no annexation shall be made pursuant to this Article, or otherwise, except following a determination by the Veterans Administration that the annexation conforms to a general plan for the development of the community previously approved by the Veterans Administration or, if no such general plan was approved by the Veterans Administration, except following the prior written approval of the Veterans Administration.

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

### ARTICLE III

#### Membership

Section 1. Membership. The Association shall have two classes of voting membership which shall be known as "Class A" and "Class B":

(a) There shall be 205 Class A memberships in the Association. With the exception of the Declarant, every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who is a record owner of a fee interest in any lot which is part of the premises described in Article II of this Declaration, or which otherwise becomes subject by the covenants set forth in this Declaration to assessment by the Association, shall be a Class A member of the Association; provided, however, that any such person, group of persons, corporation, partnership, trust or other legal entity who holds such interest solely as security for the performance of an obligation shall not be a Class A member solely on account of such interest. Each Class A member shall be entitled to one (1) vote for each lot in which such member holds the interest required for Class A membership.

(b) There shall be 615 Class B memberships in the Association. The Class B member shall be the Declarant, its nominee or nominees, and shall include every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who shall obtain any Class B membership by specific assignment from the Declarant. Each Class B member shall be entitled to one (1) vote for each Class B membership which it holds. Each Class B membership shall lapse and become a nullity on the first to happen of the following events:

- (i) thirty (30) days following the date on which the total authorized, issued and outstanding Class A memberships equal 110; or
- (ii) on January 1, 1994; or
- (iii) upon the surrender of said Class B memberships by the then holder thereof for cancellation on the books of the Association.

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

The members of the Association shall have no preemptive rights, as such members, to acquire any memberships of this Association that may at any time be issued by the Association except as may be specifically provided in this Article.

#### ARTICLE IV

Section 1. Member's Right of Enjoyment. Every member shall have a right and easement of enjoyment in and to the common areas and community facilities 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 consent of a majority of each class of the then members of the Association, voting separately, to borrow money for the purpose of improving the common areas and community facilities in a manner designed to promote the enjoyment and welfare of the members and in aid thereof to mortgage any of the common areas and community facilities; 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 community facilities to reasonably limit the number of guests of members to the use of any facilities which are developed upon The Property; and

(d) the right of the Association to suspend the voting rights and the rights to use of the common areas and community facilities 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

(e) the right of the Association to dedicate or transfer all or any part of the common areas or community 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 or determination as to the purpose or as to the conditions thereof, shall be effective unless a majority of each class of the then members of the Association consent to such dedication, transfer, purpose and conditions, at any special meeting of the members duly called for such purpose.

(f) the right of the Association, acting by and through its Board of Directors, 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, 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 community facilities; and

Section 2. Delegation of Right of Use. Any member of the Association may delegate his rights to the use and enjoyment of the common areas and community facilities to the members of his family who reside permanently with him and to his tenants, contract-purchasers and guests, all subject to such reasonable rules and regulations which the Association may adopt and uniformly apply and enforce.

#### ARTICLE V

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

(a) the cost of all operating expenses of the common areas and community facilities and the services furnished to or in connection with the common areas and community facilities, including charges by the Association for any services furnished by it; and

(b) the cost of necessary management and administration of the common areas and community facilities, including fees paid to any Management Agent; and

(c) the amount of all taxes and assessments levied against the common areas and community facilities; and

(d) the cost of liability insurance on the common areas and community facilities and the cost of such other insurance as the Association may effect with respect to the common areas; and

(e) the cost of utilities and other services which may be provided by the Association, whether for the common areas and community facilities or for the lots, or both; and

(f) the cost of maintaining, replacing, repairing, and landscaping the common areas, 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 property, together with such equipment as the Board of Directors shall determine to be necessary and proper in connection therewith; and

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

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

The Board of Directors shall prepare, or cause the preparation of an annual operating budget for the Association which shall provide, without limitation, for the management, operation and maintenance of the common areas. The Board of Directors of the Association shall make reasonable efforts to fix the amount of the annual maintenance assessment against each lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the lots and the annual maintenance assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner upon reasonable notice to the Board. Written notice of the annual maintenance assessments shall thereupon be sent to 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, but the annual maintenance assessment fixed for the preceding 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 community facilities.

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 community facilities; provided, however, that the Association shall have the responsibility for the maintenance and repair of the private streets and roadways as more fully provided for in Article VI of this Declaration. The owner of any lot shall, at his own expense, maintain his lot and dwelling, and any and all appurtenances thereto, in good order, condition and repair and in a clean, sightly and sanitary condition at all times.



Section 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, inordinate repair or replacement of a described capital improvement located upon, or forming a part of the common areas and community facilities, including the necessary fixtures and personal property related thereto, or for such other purpose as the Board of Directors may consider appropriate; provided that any such assessment shall have the assent of the members representing two-thirds (2/3) of each class of the then members of the Association. A meeting of the members shall be duly called for this purpose.

Section 3. Reserves for Replacements. The Association may establish and maintain a reserve fund for replacements of the common areas and community facilities by the allocation and payment monthly to such reserve fund of an amount to be designated from time to time by the Board of Directors. Such fund shall be conclusively deemed to be a common expense of the Association and may be deposited with any banking institution, the accounts of which are insured by any State or by an agency of the United States of America or may, in the discretion of the Board of Directors, be invested in obligations of, or fully guaranteed as to principal by, the United States of America. The reserve for replacements of the common areas and community facilities may be expended only for the purpose of affecting the replacement of the common areas and community facilities, major repairs to any storm drainage facilities developed as a part of The Property, equipment replacement, and for start-up expenses and operating contingencies of a non-recurring nature relating to the common areas and community facilities. The Association may establish such other reserves for such other purposes as the Board of Directors may from time to time consider to be necessary or appropriate. The proportional interest of any member in any such reserves shall be considered an appurtenance of his lot and shall not be separately withdrawn, assigned or transferred or otherwise separated from the lot to which it appertains and shall be deemed to be transferred or otherwise separated from the lot to which it appertains and shall be deemed to be transferred with such lot.

Section 4. Annual Maintenance Assessments. The initial maximum annual maintenance assessment for each of the lots to which Class A membership is appurtenant shall not exceed the sum of One Hundred Forty-Four and \* \* \* No/100 Dollars (\$144.00) per annum. The annual maintenance assessment shall be levied at a uniform rate for each lot to which Class A membership is appurtenant.

Section 5. Increase in Maximum Annual Maintenance Assessment.

(a) from and after January 1, 1983, the maximum annual maintenance assessment for all Class A memberships hereinabove provided for, may be increased by the Board of Directors of the Association, without a vote of the Class A membership, by an amount equal to ten percent (10%) of the maximum annual assessment for the preceding year plus the amount by which any ad valorem real estate taxes and casualty and other insurance premiums payable by the Association have increased over amounts payable for the same or similar items for the previous year.

(b) from and after January 1, 1983, the maximum annual maintenance assessments for all Class A memberships hereinabove provided for may be increased above that established by the preceding paragraph by a vote of the members, as hereinafter provided, for the next succeeding year and, thereafter, at the end of such year, for each succeeding year. Any change made pursuant to this paragraph shall have the assent of a majority of the then Class A members of the Association and a majority of the then Class B members of the Association. A meeting of the members shall be duly called for this purpose.

ARTICLE VI

Section 1. Annual Supplementary Townhouse Maintenance Assessments. In addition to the annual maintenance assessments provided for in Article V of this Declaration, and not in lieu thereof, each person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who becomes a fee owner of a townhouse lot within The Property, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay the Association, in advance, a monthly sum (hereinafter sometimes referred to as "townhouse maintenance assessments") equal to one-twelfth (1/12th) of the member's proportionate share of the sum required by the Association, as estimated by its Board of Directors, to meet its annual expenses of maintaining the private streets and roadways, including, but not necessarily limited to, the following:

(a) the cost of maintaining, replacing and repairing the private streets and roadways, in whole or in part, including, without limitation, snow removal, parking area striping, sweeping and washing, specialty signing, the maintenance, repair and replacement of "cluster" mailboxes, and the like; and

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

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

The Board of Directors shall prepare, or cause the preparation of an annual maintenance budget for the private streets and roadways. The Board of Directors of the Association shall make reasonable efforts to fix the amount of the annual townhouse maintenance assessment against each townhouse lot 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 townhouse lots and the annual townhouse 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 townhouse maintenance assessments shall thereupon 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 townhouse 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 townhouse maintenance assessment, or any installment thereof, for that or any subsequent assessment period, but the annual townhouse maintenance assessment fixed for the preceding period shall continue until a new townhouse maintenance assessment is fixed. No member may exempt himself from liability for townhouse maintenance assessments by abandonment of any townhouse lot belonging to him or by the abandonment of his right to the use and enjoyment of the private streets and roadways.

Section 2. Special Townhouse Maintenance Assessments. In addition to the regular townhouse maintenance assessments authorized by this Article, the Association may levy in any assessment year a special townhouse 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, inordinate repair or replacement of a described capital improvement located upon, or forming a part of the private streets and roadways; provided, however, that any such special townhouse maintenance assessment shall have the assent of the owners of not less than two-thirds (2/3) of the townhouse lots.

Section 3. Reserve for Repairs and Replacements of the Private Streets and Roadways. The Association shall establish and maintain a separate reserve fund for repairs and replacements (in whole or in part) of the private streets and roadways by the allocation and payment periodically to such reserve fund of an amount to be designated from time to time by the Board of Directors. Such fund may be deposited in any banking institution, the accounts of which are insured by any State or by an agency of the United States of America or may, in the discretion of the Board of Directors, be invested in obligations of, or fully guaranteed as to principal by, the United States of America. The reserve for repairs and replacements (in whole or in part) of the private streets and roadways may be expended only for the purpose of affecting the repairs and replacement (in whole or in part) of the private streets and roadways and for operating contingencies of a non-recurring nature relating to the private streets and roadways.

Section 4. Annual Townhouse Maintenance Assessments. The initial maximum annual townhouse maintenance assessment for each of the townhouse lots shall not exceed the sum of One Hundred Eight and \* \* \* NO/100 Dollars (\$108.00) per annum. The annual townhouse maintenance assessment shall be levied at a uniform rate for each townhouse lot.

Section 5. Increase in Maximum Annual Townhouse Maintenance Assessment.

(a) From and after January 1, 1983, the maximum annual townhouse maintenance assessment hereinaabove provided for may be increased by the Board of Directors of the Association, without a vote of the Class A membership and without a vote of the then owners of the townhouse lots, by an amount equal to ten percent (10%) of the maximum annual townhouse maintenance assessment for the preceding year.

(b) From and after January 1, 1983, the maximum annual townhouse maintenance assessment hereinabove provided for may be increased above that established by the preceding paragraph by a vote of the then owners of the townhouse lots, 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 subparagraph shall have the assent of a majority of the then owners of the townhouse lots. A meeting of the members shall be duly called for this purpose.

#### ARTICLE VII

Section 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, as hereinafter provided, thereupon become a continuing lien upon the lot or lots belonging to the member against whom such assessment is levied and shall bind such lot or lots in the hands of the then owners, 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.

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

The Board of Directors may post a list of members who are delinquent in the payment of any assessments or other fees which may be due the Association, including any installment thereof, which becomes delinquent, in any prominent location upon The Property.

Section 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 Dollars (\$20.00) may be levied in advance by the Association for each certificate so delivered.

Section 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.

Section 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.

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.

No amendment to this Section shall affect the rights of the holder of any first mortgage on any lot (or the indebtedness secured thereby); recorded prior to recordation of such amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

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

Section 5. Additional Default. Any recorded first mortgage secured on a lot in The Property shall provide that any default by the mortgagor in the payment of any assessment levied pursuant to this Declaration, or any installment thereof, shall likewise be a default in such mortgage (or the indebtedness secured thereby); but failure to include such a provision in any such mortgage shall not affect the validity or priority thereof and the protection extended to the holder of such mortgage (or the indebtedness secured thereby) by reason of Section 4 of this Article shall not be altered, modified or diminished by reason of such failure.

Section 6. Commencement of Annual Assessments. Except as may be otherwise resolved by the Board of Directors of the Association, the annual maintenance assessment for each Class A membership shall commence on the date a deed for the lot to which such membership is appurtenant is delivered by the Declarant to the member. The first monthly installment of each such annual assessment shall be made for the balance of the month during which a deed for the lot is delivered to the member and shall become due and payable and a lien on the date a deed for the lot is delivered to the member. Except as hereinelsewhere provided, the monthly installments of each such annual assessment for any lot for any month after the first month shall become due and payable and a lien on the first day of each successive month.

Section 7. Assessment of Declarant. Anything in this Declaration to the contrary notwithstanding, no lot held by the Declarant or the maker of any Supplementary Declaration made pursuant to Section 2 of Article II of this Declaration for the purpose of annexing additional property shall be subject to assessment by the Association until sixty (60) days following the issuance by the appropriate agency of Montgomery County, Maryland, of a Certificate of Occupancy, or the like, for a dwelling or dwellings constructed upon such lot or the substantial completion of such dwelling, whichever shall first occur.

Anything in this Declaration to the contrary notwithstanding, any regular or special assessment levied by the Association for any lot held by the Declarant or the maker of any Supplementary Declaration made pursuant to Section 2 of Article II of this Declaration for the purpose of annexing additional property shall be in an amount equal to twenty-five percent (25%) of the assessment levied by the Association against lots held by the Class A members.

Section 8. Exempt Property. No portion of the common areas or community facilities shall be subject to assessment of any kind by the Association.

ARTICLE VIII

Section 1. Architectural and Environmental Control Committee. Except for construction or development by, for or under contract with the Declarant, and except for any improvements to any lot or to the common areas 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 Control 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 an Architectural and Environmental Control Committee designated by the Board of Directors.

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, or to combine or otherwise join two or more dwellings, or to partition the same after combination, 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 Control 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 Control Committee designated by the Board of Directors.

Section 2. Architectural and Environmental Control Committee - Operation. The Board of Directors shall appoint an Architectural and Environmental Control Committee. The Architectural and Environmental Control Committee shall be composed of three (3) or more natural persons designated from time to time by the Board of Directors. The affirmative vote of a majority of the members of the Architectural and Environmental Control 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.



Section 3. Approvals, etc. Upon approval by the Architectural and Environmental Control 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 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 sixty (60) days after such plans and specifications (and all other materials and information required by the Architectural and Environmental Control 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.

Section 4. Limitations. Construction or alterations in accordance with plans and specifications approved by the Architectural and Environmental Control 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 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 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 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 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.

Section 5. Certificate of Compliance. Upon the completion of any construction or alterations or other improvements or structure in accordance with plans and specifications approved by the Architectural and Environmental Control Committee in accordance with the provisions of this Article, the Architectural and Environmental Control 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 Control 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.

Section 6. Rules and Regulations, etc. The Architectural and Environmental Control 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 Architectural and Environmental Control 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 Article. The decisions of the Architectural and Environmental Control Committee shall be final except that any member who is aggrieved by any action or forbearance from action by the Committee (or by any policy, standards or guidelines established by the Committee) may appeal the decision of the Architectural and Environmental Control Committee to the Board of Directors and, upon the request of such member, shall be entitled to a hearing before the Board of Directors of the Association.

Section 7. Prohibited Uses and Nuisances. Except for the activities of the Declarant during the construction or development of the community, or except with the prior written approval of the Board of Directors of the Association or the Architectural and Environmental Control Committee, or as may be necessary in connection with reasonable and necessary repairs or maintenance to any dwelling or upon the common areas:

(a) no noxious or offensive trade or activity shall be carried on upon any lot or within any dwelling, 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.

(b) 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 caged birds as domestic pets provided they are not kept, bred or maintained for commercial purposes and, provided further, that such domestic pets are not a source of annoyance or nuisance to the neighborhood or other members. The Board of Directors or, upon resolution of the Board of Directors, the Architectural and Environmental Control Committee, shall have the authority, after hearing, to determine whether a particular pet is a nuisance or a source of annoyance to other members, and such determination shall be conclusive. Pets shall be attended at all times and shall be registered, licensed and inoculated as may from time to time be required by law. Pets shall not be permitted upon the common areas unless accompanied by a responsible person and unless they are carried or leashed. The Board of Directors shall have the right to adopt such additional rules and regulations regarding pets as it may from time to time consider necessary or appropriate.

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

(d) except as hereinelsewhere provided, no junk vehicle, commercial vehicle, trailer, camper, camp truck, house trailer, boat or other similar machinery or equipment of any kind or character (except for such equipment and machinery as may be reasonable, customary and usual in connection with the use and maintenance of any dwelling and except for such equipment and machinery as the Association may require in connection with the maintenance and operation of the common areas and community facilities) shall be kept upon The Property nor (except for bona fide emergencies) shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out thereon. The Association may, in the discretion of the Architectural and Environmental Control Committee, provide and maintain a suitable area designated for the parking of such vehicles or the like.

(e) trash and garbage containers shall not be permitted to remain in public view except on days of trash collection. No incinerator shall be kept or maintained upon any lot. Garbage, trash and other refuse shall be placed in covered containers.

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

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

(h) no lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth.

(i) no sound hardwood trees measuring in excess of six (6) inches in diameter two (2) feet above the ground shall be removed from any lot without written approval of the Association acting through the Architectural and Environmental Control Committee or duly appointed subcommittee. The Architectural and Environmental Control 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.

(j) no structure of a temporary character, and no trailer, tent, shack, barn, pen, kennel, run, stable, outdoor clothes dryer, shed or other buildings shall be erected, used or maintained on any lot at any time.

(k) except for entrance signs, directional signs, signs for traffic control or safety, community "theme areas" and such promotional sign or signs as may be maintained by the Declarant or the Association, no signs or advertising devices of any character shall be erected, posted or displayed upon, in or about any lot or dwelling, provided, however, that one sign not exceeding two (2) square feet in area and not illuminated may be attached to a dwelling where a professional office (as hereinelsewhere in this Declaration defined) is maintained, and provided further, that one temporary real estate sign not exceeding six (6) square feet in area, may be erected upon any lot or attached to any dwelling placed upon the market for sale or rent. Any such temporary real estate sign shall be removed promptly following the sale or rental of such dwelling. The provisions and limitations of this subsection shall not apply to any institutional first mortgagee of any lot who comes into possession of the lot by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure sale or other judicial sale or as a result of any proceeding, arrangement, assignment or deed in lieu of foreclosure.

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

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

(n) except for parking areas within garages, no commercial vehicles or trucks shall be parked upon The Property except on a temporary basis.

(o) except when entering or leaving a garage, all garage doors are to be maintained in a closed position at all times.

(p) no play equipment, including without limitation, basketball backboards, basketball hoops and other equipment associated with either adult or juvenile recreation, shall be attached in any manner to the exterior of any of the improvements located upon The Property. Any basketball backboards, hoops, supporting standards and the like which are permitted to be erected by the Architectural and Environmental Control Committee shall be painted to match the trim color of the dwelling situate upon the lot on which such equipment is constructed.

(q) no member shall make any private or exclusive or proprietary use of any of the common areas except with the specific approval of the Architectural and Environmental Control Committee and then only on a temporary basis and no member shall engage or direct any employee of the Association on any private business of the member during the hours such employee is employed by the Association, nor shall any member direct, supervise or in any manner attempt to assert control over any employee of the Association.

Section 8. Residential Use - Leasing. All dwellings shall be used for private residential purposes exclusively, except that a professional office may be maintained in a dwelling, provided that such maintenance and use is limited to the person actually residing in the dwelling and, provided further, that such maintenance and use is in strict conformity with the provisions of any applicable zoning law, ordinance or regulation. As used in this Section the term "professional office" shall mean rooms used for office purposes by a member of any recognized profession, including doctors, dentists, lawyers, architects and the like, but not including medical or dental clinics. 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.

Section 9. Fences. Any fence constructed upon the Property shall be either horizontal rustic, unfinished split rail or vertical split sapling, or vertical board and shall not extend beyond the front building line of the dwelling on the lot upon which any such fence is erected or the front building line of the dwellings on all immediately adjacent lots. No fence shall be more than six (6) feet in height. Chain link and other wire fencing is specifically prohibited; provided, however, that wire mesh (preferably copper) may be attached to the inside of open split rail or other wood fencing. The erection of all fences shall be subject to the provisions of Article VIII of this Declaration.

Section 10. Exterior Siding and Trim Colors. Except for construction or development by, or under contract with, the Declarant, no change in the color of the exterior siding or trim of any dwelling shall be made except in conformity with the following limitations:

(a) as to the townhouse lots, the exterior trim color shall be (McCormick) Swiss Coffee (Q8-36P) and the exterior siding color shall be (McCormick) Tabby Gray.

(b) as to all of the other lots, the exterior trim color may be either (McCormick) Tabby Gray, (McCormick) Swiss Coffee, or (McCormick) Antler Brown and the exterior siding color may be any of the three (3) colors enumerated in this subparagraph (b); provided, however, that the color of the exterior trim and the color of the exterior siding shall not be the same, and either the exterior siding color or the exterior trim color shall be (McCormick) Swiss Coffee.

Section 11. House Rules, etc. There shall be no violation of any rules for the use of the common areas and community facilities or "house rules" or other community rules and regulations not inconsistent with the provisions of this Declaration which may from time to time be adopted by the Board of Directors of the Association and promulgated among the membership by them in writing, and the Board of Directors is hereby and elsewhere in this Declaration authorized to adopt such rules.

Section 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 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 Article, then the same shall be considered to have been undertaken in violation of this Article and without the approval of the Architectural and Environmental Control Committee required herein, and, upon written notice from the Architectural and Environmental Control Committee, such violation shall be promptly removed or abated. In the event the same is not removed, or the violation is not otherwise terminated or abated, within fifteen (15) days (or such shorter period as may be required in any such notice) after notice of such violation is delivered to the owner of the lot upon which such violation exists, or to the member responsible for such violation if the same shall be committed or attempted on premises other than the lot owned by such member, then the Association shall have the right, through its agents and employees (but only after a resolution of the Architectural and Environmental Control Committee) to enter upon such lot and to take such steps as may be necessary to remove or otherwise terminate or abate such violation and 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, in all respects (and subject to the same limitations) as provided in Article V of this Declaration. The Association shall have the further right, through its agents, employees or committees, to enter upon and inspect any lot at any reasonable time for the purpose of ascertaining whether any violation of the provisions of this Article or any of the other provisions or requirements of this Declaration, exist on such lot; and neither the Association nor any such agent or employee shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

ARTICLE IX

Section 1. Party Walls. Each wall which is built as part of the original construction of the dwellings upon The Property and placed on the dividing line between lots or partly on one lot and partly on another shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2. Repairs and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal shares. Nothing shall be done by any Owner which impairs the structural integrity of any party wall or which diminishes the fire protection afforded by any party wall. No Owner shall use any party wall for any purpose which creates a hazard or nuisance for any other Owner who makes use of the party wall.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use; without prejudice, however, of the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, any Owner who by his negligent or willful act causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Encroachments. If any portion of a party wall shall encroach upon any adjoining lot, or upon the common areas or community facilities, by reason of reconstruction, settlement or shifting of any building, or otherwise, a valid easement for the encroachment and for the maintenance of the same as long as the building stands, shall exist.

#### ARTICLE X

Section 1. Joint Driveways. Any driveway which is built or installed as part of the original construction upon The Property and which is situated on the dividing line between lots or partly on one lot and partly on another lot or other lots, shall constitute a joint driveway for the equal and common use and benefit of the Owners of any lots or other portions of The Property which it is reasonably designed to serve, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding joint driveways and of liability for property damage due to negligent or willful acts or omissions regarding the same shall apply thereto.

Section 2. Repair and Maintenance. The cost of reasonable repair and maintenance of any joint driveways shall be shared by the Owners who make use of the same, in equal shares.

Section 3. Damage and Destruction. In the event any joint driveway is destroyed or damaged, any Owner who has used the same may restore it, and if the other Owners thereafter make use of the same, they shall contribute to the cost of restoration thereof in equal proportions; without prejudice, however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Easements. There shall be a perpetual and non-exclusive easement in, through and over any such joint driveway reserved to the Owners of any lot or lots upon which the same has been built or installed or which the same has reasonably been designed to serve and no person shall in any way interfere with the free and unobstructed use thereof by said Owners.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

#### ARTICLE XI

Section 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. The Management Agent shall perform such duties and services as the Board of Directors shall authorize in writing, including, without limitation:

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

(b) to provide for the care, upkeep, maintenance and surveillance of the common areas and community facilities; and

(c) to designate, hire and dismiss such personnel as may be required for the good working order, maintenance and efficient operation of the common areas and community facilities; and

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

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

Any management agreement entered into by the Association shall provide inter alia, that such agreement may be terminated by either party, without cause and without the payment of any termination fee, upon ninety (90) days' written notice thereof to the other party. The term of any such management agreement shall not exceed one (1) year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one-year periods.



Section 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 community facilities, or from any wire, pipe, drain, conduit or the like. The Association shall not be liable to any member for loss or damage, by theft or otherwise, of articles which may be stored upon the common areas or community facilities. No diminution or abatement of assessments, as 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 community facilities, or from any action taken by the Association to comply with any of the provisions of this Declaration or with any law or ordinance or with the order or directive of any municipal or other governmental authority.

#### ARTICLE XII

Section 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 and community facilities 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, CATV cables, utility lines of any kind, 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 and community facilities 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.

Section 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 and community facilities for sewer lines, water lines, electrical cables, telephone cables, gas lines, storm drains, cables, CATV cables, utility lines of any kind, underground conduits and such other purposes related to the provisions of utility and similar 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 community facilities and for the preservation of the health, safety, convenience and welfare of the owners of the lots or the Declarant.

Section 3. Easement to Montgomery County, Maryland. The Declarant hereby grants to MONTGOMERY COUNTY, MARYLAND, a municipal body corporate, its agents and contractors, a non-exclusive easement and right-of-way in, through, over and across the common areas and community facilities for all purposes reasonably associated with the inspection, operation, installation construction, reconstruction, maintenance or repair of any storm water management facilities constructed upon The Property; and, in the event that, after reasonable notice to the Association by MONTGOMERY COUNTY, MARYLAND, the Association shall fail to maintain any storm water management facility constructed upon The Property in accordance with applicable law and regulations, then MONTGOMERY COUNTY, MARYLAND may do and perform all necessary repair maintenance work and may assess the Association for the cost of the work and any applicable penalties. The Association shall indemnify and save MONTGOMERY COUNTY, MARYLAND harmless from any and all claims or damages to persons or property arising in connection with the installation, construction, maintenance, repair, operation or use of any storm water management facility constructed upon The Property.

Section 4. Parking and Sidewalk Easements. There is hereby established for the benefit of the owners of the several townhouse lots a perpetual and non-exclusive easement and right-of-way for pedestrian and vehicular ingress, egress and regress, and for the parking of motor vehicles, in, through, over and across the areas described as "Parking and Sidewalk Easement" on "EXHIBIT C" attached hereto in two (2) parts and incorporated herein by this and other reference. Any grant of a townhouse lot made by the Declarant shall be conclusively deemed to incorporate this easement and right-of-way, whether or not specifically set forth in such grant. At the request in writing of either the Declarant or the Association, the owner of any townhouse lot shall, from time to time, execute, acknowledge and deliver such other and further assurances of this easement and right-of-way as may be necessary.

#### ARTICLE XIII

Section 1. Amendment. Subject to the other limitations set forth in this Declaration, prior to the lapse of all of the Class B memberships in the Association, as in Article III provided, this Declaration may be amended only by an instrument executed and acknowledged by two-thirds (2/3) of the Class A members of the Association, if any, and by the Declarant, which instrument shall be recorded among the Land Records for Montgomery County, Maryland. Subject to the other limitations set forth in this Declaration, following the lapse of all of the Class B memberships in the Association, as in Article III provided, this Declaration may be amended by an instrument executed and acknowledged by a majority of the Class A members of the Association, which instrument shall be recorded among the Land Records for Montgomery 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.

Section 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 the said covenants shall be automatically extended for successive periods of ten (10) years each.

Section 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 or the owner of any lot 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 hereof may be enforced, without limitation, by the Association, by any owner or any mortgagee of any lot which becomes subject to the provisions hereof and by any other person, firm, corporation or other legal entity who has any right to the use of any of the common areas and community facilities owned by the Association.

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.

Section 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.

Section 5. Incorporation by Reference on Resale. In the event any owner sells or otherwise transfers any lot, any deed purporting to effect such transfer shall contain a provision incorporating by reference the covenants, restrictions, servitudes easements, charges and liens set forth in this Declaration.

Section 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.

Section 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 or community facility by any public or municipal agency, authority, or utility and no public or municipal agency, authority or utility shall have any responsibility or liability for the maintenance or operation of any of the common areas or community facilities.

Section 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.

Section 9. Consents. 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 institutional holders of all first mortgages of record on the lots:

(a) abandon, partition, subdivide, encumber, sell or transfer any of the common areas and community facilities; provided, however, that the granting of rights-of-way, easements and the like for public utilities or for other purposes consistent with the use of the common areas and community facilities by the members of the Association shall not be considered a transfer within the meaning of this Section; or

(b) abandon or terminate this Declaration; or

(c) modify the method of determining and collecting common expense assessments or other assessments as provided for in this Declaration; or

(d) resolve to use the proceeds of casualty insurance for any purpose other than the repair, replacement or reconstruction of the common areas and community facilities; or

(e) modify or amend any material or substantive provision of this Declaration or the By-Laws of the Association.

Section 10. Additional Rights of Mortgagees - Notice. Provided such mortgagee has requested such notice by notice in writing to the Association, the Association shall promptly notify the holder of the first mortgage on any lot for which any assessment levied pursuant to the Declaration or any installment thereof becomes delinquent for a period in excess of thirty (30) days and the Association shall promptly notify the holder of the first mortgage on any lot with respect to which any default in any other provision of this Declaration remains uncured for a period in excess of thirty (30) days following the date of such default. Any failure to give any such notice shall not affect the validity or priority of any first mortgage on any lot and the protection extended in this Declaration to the holder of any such mortgage shall not be altered, modified or diminished by reason of such failure.

No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to this Declaration except after ten (10) days' written notice to the holder of the first mortgage on the lot which is the subject matter of such suit or proceeding.

Any institutional first mortgagee of any lot upon The Property may pay any taxes, utility charges or other charge levied against the common areas and community facilities which are in default and which may or have become a charge or lien against any of the common areas and community facilities and any such institutional first mortgagee may pay any overdue premiums on any hazard insurance policy or secure new hazard insurance coverage on the lapse of any policy, with respect to the common areas and community facilities. Any first mortgagee who advances any such payment shall be due immediate reimbursement of the amount so advanced from the Association.

Section 11. Casualty Losses. In the event of substantial damage or destruction to any of the common areas or community facilities, the Board of Directors of the Association shall give prompt written notice of such damage or destruction to the 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 or community facilities.

Section 12. Condemnation or Eminent Domain. In the event any part of the common areas and community facilities is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors of the Association shall give prompt written notice of any such proceeding or proposed acquisition to the 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 and community facilities.

Section 13. Captions and Gender. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male shall include all genders and the singular shall include the plural.

IN WITNESS WHEREOF, the said C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland has, on the year and day first above written caused these presents to be executed in its corporate name by ROBERT L. MITCHELL, its President, attested by RICHARD DeHAVEN, its Treasurer, its corporate seal to be hereunto affixed, and does hereby appoint the said ROBERT L. MITCHELL as its true and lawful attorney-in-fact to acknowledge and deliver these presents as its act and deed.

ATTEST:

C-I/MITCHELL & BEST COMPANY

  
Richard L. DeHaven, Treasurer

By:   
Robert L. Mitchell, President

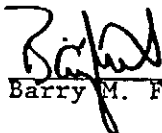


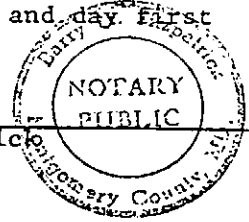
MILES & STOCKBRIDGE  
342 HUNGERFORD COURT  
ROCKVILLE, MD. 20850  
(301) 762-1600

STATE OF MARYLAND     )  
                              ) §§  
COUNTY OF MONTGOMERY)

I HEREBY CERTIFY that on the 18th day of March, 1982, before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared ROBERT L. MITCHELL, who is personally well known to me to be the person named as attorney-in-fact in the foregoing Declaration, and by virtue of the authority vested in him by said instrument, acknowledged the same to be the act and deed of C-I/MITCHELL & BEST COMPANY, and that he executed the same for the purposes therein contained.

WITNESS my hand and Notarial Seal the year and day first above written.

  
Barry M. Fitzpatrick



My Commission expires: 7-1-82

This is to certify that the undersigned is a member in good standing of the Bar of the Court of Appeals of Maryland and that the within instrument was prepared by him or under his supervision.

  
Barry M. Fitzpatrick

Pursuant to the provisions of Section 3-501 of Subtitle 5, Real Property Article, Annotated Code of Maryland (1982 Repl. Vol.), the following additional information is declared by the parties hereto to be contained within this instrument:

- (a) The address of the parties of the first part:

9313 Reach Road  
Potomac, Maryland 20854

- (b) The address of the party of the second part:

None

- (c) The name of any title insurer insuring this instrument or otherwise involved in the transaction in which this instrument is relevant:

None

- (d) The street address of the land and premises described in this instrument, if any:

None

- (e) The parcel identifier:

6-7-1920071 (Lot 320)  
6-7-1920322 (Lot 321)  
6-7-1920333 (Lot 322)  
6-7-1920344 (Lot 323)  
6-7-1920355 (Lot 324)  
6-7-1920388 (Lot 327)  
6-7-1920116 (Lot 426)  
6-7-1920297 (Lot 444)  
6-7-1920300 (Lot 445)  
6-7-1920390 (Lot 446)  
6-7-1920402 (Lot 447)  
6-7-1920413 (Lot 448)  
6-7-1920424 (Lot 449)  
6-7-1920366 (Lot 512)  
6-7-(not yet assigned) - (Lot 513)  
6-7-1920377 (Lot 514)

(Cont'd. on page 31)

(e) The parcel identifier (cont'd.):

6-7-1988536 (lot 338)  
 6-7-1988547 (Lot 339)  
 6-7-1988588 (Lot 340)  
 6-7-1988560 (Lot 341)  
 6-7-1988571 (lot 342)  
 6-7-1988582 (Lot 343)  
 6-7-1988593 (Lot 344)  
 6-7-1988605 (Lot 345)  
 6-7-1988616 (Lot 346)  
 6-7-1988627 (Lot 347)  
 6-7-1988638 (Lot 348)  
 6-7-1988640 (Lot 349)  
 6-7-1988651 (lot 350)  
 6-7-1988662 (Lot 351)  
 6-7-1988673 (Lot 352)  
 6-7-1988684 (Lot 353)

6-7-1988695 (Lot 362)  
 6-7-1988707 (Lot 363)  
 6-7-1988718 (Lot 364)  
 6-7-1988720 (Lot 365)  
 6-7-1988731 (Lot 366)  
 6-7-1988742 (Lot 367)  
 6-7-1988753 (Lot 368)  
 6-7-1988674 (Lot 369)  
 6-7-1988775 (Lot 370)  
 6-7-1988786 (Lot 371)  
 6-7-1988797 (Lot 372)  
 6-7-1988800 (Lot 373)

Not yet  
 assigned (Lot 354)  
 " (Lot 355)  
 " (Lot 356)  
 " (Lot 357)  
 " (Lot 358)  
 " (Lot 359)  
 " (Lot 360)  
 " (Lot 361)



"EXHIBIT A"

Lots 320, 426, 444 and 445 in the subdivision known as "PLAT 35 - SECTION 6, DUFIEF", per plat of said subdivision recorded in Plat Book 108 at plat 12581 among the Land Records for Montgomery County, Maryland.

Lots 321, 322, 323, 324, 327, 446, 447, 448 and 449 in the subdivision known as "PLAT 36 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 108 at plat 12582 among the Land Records for Montgomery County, Maryland.

Lots 512, 513 and 514 in the subdivision known as "PLAT 42 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 116 at plat 13738 among the Land Records for Montgomery County, Maryland.

Lots 338 through 353, both inclusive, and Lots 362 through 373, both inclusive, in the subdivision known as "PLAT 32 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 110 at plat 12903 among the Land Records for Montgomery County, Maryland.

Lots 354 through 361, both inclusive, in the subdivision known as "PLAT 41 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 115 at plat 13649 among the Land Records for Montgomery County, Maryland.

"EXHIBIT B"

(Townhouse Lots)

Lots 338 through 353, both inclusive, and  
Lots 362 through 373, both inclusive, in the  
subdivision known as "PLAT 32 - SECTION 6 -  
DUFIEF", per plat of said subdivision recorded  
in Plat Book 110 at plat 12903 among the Land  
Records for Montgomery County, Maryland.

Lots 468 through 487, both inclusive, in the  
subdivision known as "PLAT 39 - SECTION 6 -  
DUFIEF", per plat of said subdivision recorded  
in Plat Book 116 at plat 13722 among the Land  
Records for Montgomery County, Maryland.

Lots 354 through 361, both inclusive, in the  
subdivision known as "PLAT 41 - SECTION 6 -  
DUFIEF", per plat of said subdivision recorded  
in Plat Book 115 at plat 13649 among the Land  
Records for Montgomery County, Maryland.

January 11, 1982

"EXHIBIT C" - Part 1

PAGE 1 OF 4

395-E  
12-30-81  
HLR.

DESCRIPTION  
PARKING AND SIDEWALK EASEMENT  
ACROSS LOTS 338-373, PARCELS "R", "Q" AND "X", SECTION 6  
DUFIEF

All that piece or parcel of land situate, lying and being in the Darnestown (6th) District, Montgomery County, Maryland; the same being part of Lots 338-353, 362-373, Parcels "R" & "Q" as shown on a plat of subdivision entitled "PLAT 32, SECTION 6, DUFIEF" recorded among the Land Records of the aforesaid County in Plat Book 110 as Plat No. 12903; also being part of Lots 354-361 and Parcel "X" as shown on a plat of subdivision entitled "PLAT 41, SECTION 6, DUFIEF" recorded among said Land Records in Plat Book 115 as Plat No. 13649; and being more particularly described as follows:

BEGINNING FOR THE SAME at a point on the front line of Lot 338 and the northwesterly right of way line of Pebble Hill Lane, being a 27.34 feet wide right of way; said point also being at a distance of 3.67 feet from the common front corner of Lot 338 and Parcel "Q" as shown on the aforesaid plat of subdivision recorded in Plat Book 110 as Plat No. 12903; thence leaving said right of way line and running so as to cross and divide said Lots 338-353 and Parcel "Q", the following eight (8) courses

1. North 64-46-54 West 25.00 feet to a point; thence.
2. South 25-13-06 West 140.33 feet to a point of curvature; said point being on the common line between said Lots 343 and 344 and also being at a distance of 25.00 feet from the common front corner of said Lots; thence
3. 44.74 feet along the arc of a curve deflecting to the right having a radius of 175.00 feet (chord: South 32-32-34 West 44.62 feet) to a point of tangency on said Lot 345; thence
4. South 39-52-01 West 87.50 feet to a point on said Lot 349; thence
5. South 42-51-49 West 26.14 feet to a point on the common line between said Lot 350 and Parcel "Q"; said point also being at a distance of 29.13 feet from the common front corner of said Lot 350 and Parcel "Q"; thence

January 11, 1982

"EXHIBIT C" - Part 1

PAGE 2 OF 4

6. South 14-43-36 West 89.34 feet to a point on the common line between said Lot 353 and Parcel "Q"; said point also being at a distance of 25.00 feet from the common front corner of said Lot 353 and Parcel "Q"; thence
7. South 36-46-05 East 20.88 feet to a point; thence
8. South 75-16-25 East 18.72 feet to a point; said point being a common corner of said Parcels "Q", "X" and Lot 354 as shown on the aforesaid plat of subdivision recorded in Plat Book 115 as Plat No. 13649; thence running reversely with the front line of said Lots 354-357 the following course, continuing on the same bearing
9. South 75-16-25 East 79.28 feet to a point; said point being the common front corner of said Lot 357 and Parcel "X"; thence running so as to cross and divide said Parcel "X" the following two (2) courses, continuing on the same bearing
10. South 75-16-25 East 8.00 feet to a point; thence
11. North 65-23-04 East 22.84 feet to a point on the common line between said Lot 358 and Parcel "X"; said point being at a distance of 25.00 feet from the common front corner of said Lot 358 and Parcel "X"; thence running so as to cross and divide said Lots 358-361 the following two (2) courses
12. North 17-28-06 East 77.85 feet to a point on said Lot 361; thence
13. North 10-34-10 East 11.58 feet to a point on the common line between said Lot 361 and Parcel "R"; said point also being at a distance of 25.18 feet from the common front corner of said Lot 361 and Parcel "R"; thence running so as to cross and divide said Parcel "R" and Lots 362-373 as shown on the aforesaid plat of subdivision recorded in Plat Book 110 as Plat No. 12903 the following four (4) courses, continuing on the same bearing

January 11, 1982

"EXHIBIT C" - Part 1

PAGE 3 OF 4

14. North 10-34-10 East 84.89 feet to a point of curvature on said Lot 365; thence
15. 44.74 feet along the arc of a curve deflecting to the right having a radius of 175.00 feet (chord: North 17-53-38 East 44.62 feet) to a point of tangency on said Lot 366; thence
16. North 25-13-06 East 181.33 feet to a point on said Lot 373; thence
17. North 64-46-54 West 25.00 feet to a point on the front line of said Lot 373 and the southeasterly right of way line of said Pebble Hill Lane; said point also being at a distance of 3.67 feet from the common front corner of said Lot 373 and Parcel "R"; thence running with the southeasterly right of way line of Pebble Hill Lane, part of the front line of said Lot 373, the front lines of said Lots 372-359, Parcel "R" and part of the front line of Lot 358 as shown on the aforementioned two (2) plats of subdivision the following four (4) courses
18. South 25-13-06 West 181.33 feet to a point of curvature on the front line of said Lot 366; thence
19. 51.13 feet along the arc of a curve deflecting to the left having a radius of 200.00 feet (chord: South 17-53-38 West 50.99 feet) to a point of tangency; said point being the common front corner of said Lots 364 and 365; thence
20. South 10-34-10 West 94.95 feet to a point; thence
21. South 17-28-06 West 62.00 feet to a point on the front line of said Lot 358; thence leaving said front line of Lot 358 and running with the southerly right of way line of said Pebble Hill Lane and also in part with the northerly outline of said Parcels "X" and "Q" the following course
22. North 75-16-25 West 90.72 feet to a point on the front line of said Lot 353; said point being at a distance

January 11, 1982

"EXHIBIT C" - Part 1

PAGE 4 OF 4

of 7.00 feet from the common front corner of said Lots 352 and 353; thence running with the northwesterly right of way line of said Pebble Hill Lane, part of the front line of said Lot 353, front lines of said Lots 352-339 and part of the front line of said Lot 338 the following four (4) courses

23. North 14-43-36 East 63.55 feet to a point, thence
24. North 39-52-01 East 110.95 feet to a point of curvature; thence
25. 51.13 feet along the arc of a curve deflecting to the left having a radius of 200.00 feet (chord: North 32-32-34 East 50.99 feet) to a point of tangency; said point being the common front corner of said Lots 343 and 344; thence
26. North 25-13-06 East 140.33 feet to the point of beginning, containing 22878 square feet or 0.52521 of an acre of land more or less.

This description prepared by Rodgers & Associates, Inc. dated January 11, 1982 is in the datum of the aforesaid plats of subdivision as recorded among the Land Records of the aforesaid county in Plat Book 110 as Plat No. 12903 and Plat Book 115 as Plat No. 13649.

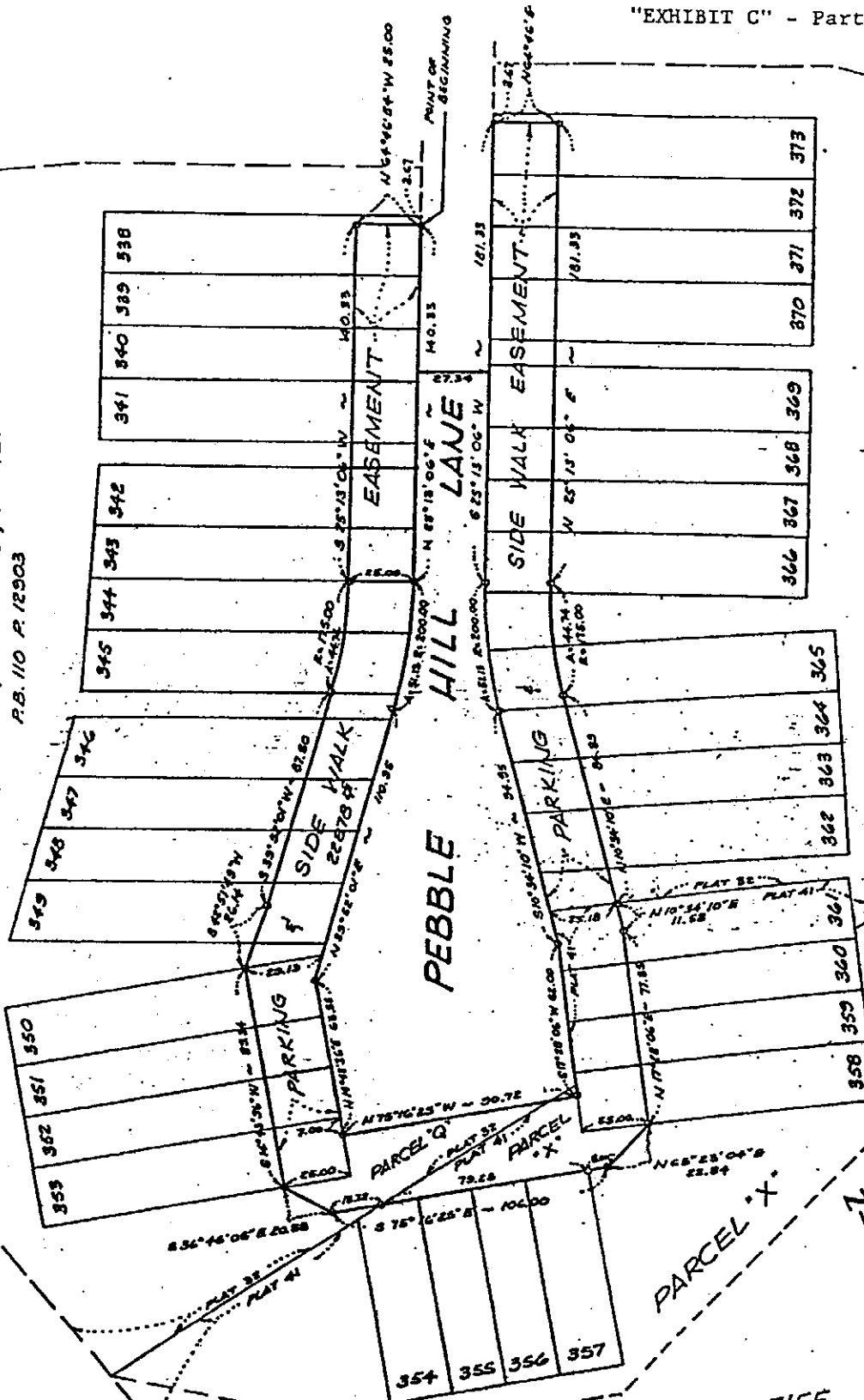
AND ALSO:

Parcel "W" on a plat of subdivision styled "PLAT 39 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 116 at plat 13722 among the Land Records for Montgomery County, Maryland.

PARCEL "Q"

PLAT 32, SECTION 6, DUFIEF

R.B. 110 P.12903



PLAT 32, SECTION 6, DUFIEF

R.B. 110 P.12903

PARCEL "R"

PLAT 41, SECTION 6, DUFIEF  
R.B. 115 P.13649

RODGERS & ASSOCIATES, INC.  
BOX 1532  
ROCKVILLE, MARYLAND 20850  
301 - 762-6803

395-E, DUFIEF - SECTION 6  
SKETCH FOR PARKING & SIDE WALK EASEMENT  
ACROSS LOTS 338 - 373, PARCELS "Q", "X" & "R"  
1"=50' HLR 01-04-82

"EXHIBIT D"

Lots 328 through 337, both inclusive, and Lots 374 through 383, both inclusive, in the subdivision known as "PLAT 31 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 108 at plat 12578 among the Land Records for Montgomery County, Maryland.

Lots 338 through 353, both inclusive, and Lots 362 through 373, both inclusive, in the subdivision known as "PLAT 32 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 110 at plat 12903 among the Land Records for Montgomery County, Maryland.

Lots 385 through 410, both inclusive, in the subdivision known as "PLAT 33 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 108 at plat 12579 among the Land Records for Montgomery County, Maryland.

Lots 308 through 316, both inclusive, Lot 384 and Lots 411 through 422, both inclusive, in the subdivision known as "PLAT 34 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 108 at plat 12580 among the Land Records for Montgomery County, Maryland.

Lots 317 through 320, both inclusive, and Lots 423 through 445, both inclusive, in the subdivision known as "PLAT 35 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 108 at plat 12581 among the Land Records for Montgomery County, Maryland.

Lots 321 through 324, both inclusive, Lot 327 and Lots 446 through 454, both inclusive, in the subdivision known as "PLAT 36 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 108 at plat 12582 among the Land Records for Montgomery County, Maryland.

Lots 455, 456 and 457 and Lots 497 through 511, both inclusive, in the subdivision known as "PLAT 37 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 116 at plat 13720 among the Land Records for Montgomery County, Maryland.

Lots 458 through 467, both inclusive, and Lots 488 through 496, both inclusive, in the subdivision known as "PLAT 38 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 116 at plat 13721 among the Land Records for Montgomery County, Maryland.

Lots 468 through 487, both inclusive, in the subdivision known as "PLAT 39 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 116 at plat 13722 among the Land Records for Montgomery County, Maryland.



Lots 354 through 361, both inclusive, in the subdivision known as "PLAT 41 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 115 at plat 13649 among the Land Records for Montgomery County, Maryland.

Lots 512, 513 and 514 in the subdivision known as "PLAT 42 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 116 at plat 13738 among the Land Records for Montgomery County, Maryland.

LIBER 6067 FOLIO 879

MC # 0973

File No. 10000-001

SUPPLEMENTARY DECLARATION

THIS SUPPLEMENTARY DECLARATION, made this 29th day of April, 1983, by C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland, hereinafter sometimes called the "Declarant";

WHEREAS, prior to the recordation of these presents, namely on the 18th day of March, 1982, the Declarant filed for record in the Land Records for Montgomery County, Maryland a certain Declaration, with Exhibits, dated the 18th day of March, 1982, which Declaration is recorded in Liber 5844 at folio 026 among the Land Records for Montgomery County, Maryland; and

WHEREAS, the Declaration dated the 18th day of March, 1982 and recorded the 18th day of March, 1982 in Liber 5844 at folio 026 among the Land Records for Montgomery County, Maryland is hereinafter in this instrument sometimes referred to as the "Declaration"; and

WHEREAS, the Declarant has retained, in Section 2 of Article II of the aforesaid Declaration the right to annex to the land and premises described on "EXHIBIT A" attached to the Declaration, and thereby to submit to each and every of the provisions of the Declaration, any or all of the land and premises described on "EXHIBIT D" to the Declaration; and

WHEREAS, the Declarant intends by the execution and recordation of these presents, to exercise that right as to the land and premises described on "EXHIBIT A-1" attached to these presents and incorporated herein by this reference;

NOW, THEREFORE, the Declarant hereby declares that all of the land and premises described on "EXHIBIT A-1" attached to these presents and incorporated herein by this and other reference, and all of the appurtenances thereto, 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 the "covenants and restrictions") set forth in that certain Declaration dated the 18th day of March, 1982 and recorded the 18th day of March, 1982 in Liber 5844 at folio 026 among the Land Records for Montgomery County, Maryland, all of which are declared and agreed to be in aid of a plan for the improvement of said land and premises, 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 by any person acquiring or owning an interest in said property and improvements, including, without limitation, any person, group of persons, corporation, trust or other legal entity, or any combination thereof, who holds such interest solely as security for the performance of an obligation.

1983 MAY -2 PM 4:19

RECORDED  
MONTGOMERY COUNTY, MD.

LAW OFFICES  
MILES & STOCKBRIDGE  
ONE MONTGOMERY COUNTY  
ROCKVILLE, MD. 20850  
(301) 766-1000

MISC. 94.00

MS4033 0005 R01 T1:19  
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DEA 6067 PM 880

MC # 7005

IN WITNESS WHEREOF, the said C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland, has, on the year and day first above written, caused these presents to be executed in its corporate name by ROBERT L. MITCHELL, its President, attested by LOUIS A. BEST, its Secretary, and its corporate seal to be hereunto affixed, and does hereby appoint the said ROBERT L. MITCHELL as its true and lawful attorney-in-fact to acknowledge and deliver these presents in its name and on its behalf, all as of the year and day first above written.

C-I/MITCHELL & BEST COMPANY

By: Robert L. Mitchell  
Robert L. Mitchell, President

ATTEST:

Louis A. Best  
Louis A. Best, Secretary

STATE OF MARYLAND

COUNTY OF MONTGOMERY

I HEREBY CERTIFY, that on this 29th day of April, 1983, before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared in said jurisdiction, ROBERT L. MITCHELL, personally well known to me (or satisfactorily proven) to be the person named as attorney-in-fact in the foregoing instrument for C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland, and personally well known to me (or satisfactorily proven) to be the President of said corporation; and, by virtue of the authority vested in him by said instrument and otherwise having authority so to do, acknowledged that he executed the same as the act and deed of said corporation for the purposes therein contained and delivered the same as such.

WITNESS my hand and Notarial Seal the year and day first above written.

Barry H. Fitzpatrick  
Barry H. Fitzpatrick, Notary Public

My Commission expires: July 1, 1986

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.

Barry H. Fitzpatrick  
Barry H. Fitzpatrick

LAW OFFICES  
MALES & STOCKBRIDGE  
946 MONTGOMERY COURT  
ROCKVILLE, MD. 20850  
(301) 798-1600

LAIR 6067 PM 881

MC # 6973

Pursuant to the provisions and requirements of Section 3-501 of Subtitle 5, Real Property Article, Annotated Code of Maryland (1982 Repl. Vol.), the following additional information is declared to be contained within this instrument:

- (a) the address of the party of the first part:

1686 East Gude Drive  
P. O. Box 6014  
Rockville, Maryland 20850

- (b) the address of the party of the second part:

NONE

- (c) the name of any title insurer insuring this instrument or otherwise involved in the transaction in which this instrument is relevant:

NONE

- (d) the street address of the land and premises described in this instrument, if any.

NONE - not yet assigned.

- (e) the parcel identifier

SEE SCHEDULE ATTACHED

LINE 8067 PM 882

MC # 4055

"EXHIBIT A-1"

Lot 455 in the subdivision known as "PLAT 37 - SECTION 6 - DUFIER", per plat of said subdivision recorded in Plat Book 116 at plat 13720 among the Land Records for Montgomery County, Maryland.

Lots 452, 453, 454 in the subdivision known as "PLAT 36 - SECTION 6 - DUFIER", per plat of said subdivision recorded in Plat Book 108 at plat 12582 among the Land Records for Montgomery County, Maryland.

Lots 317, 318, 319, 423, 424, 425, 427 through 443, both inclusive, in the subdivision known as "PLAT 35, SECTION 6 - DUFIER", per plat of said subdivision recorded in Plat Book 108 at plat 12581 among the Land Records for Montgomery County, Maryland.

Lots 328 through 337, both inclusive, and Lots 374 through 383, both inclusive, in the subdivision known as "PLAT 31, SECTION 6 - DUFIER", per plat of said subdivision recorded in Plat Book 108 at plat 12578 among the Land Records for Montgomery County, Maryland.

Lots 384, 411 through 422, both inclusive, and Lots 308 through 316, both inclusive, in the subdivision known as "PLAT 34 - SECTION 6 - DUFIER", per plat of said subdivision recorded in Plat Book 108 at Plat 12580 among the Land Records for Montgomery County, Maryland.

6067 PM 883

PARCEL IDENTIFIER SCHEDULE

<u>Lot No.</u>	<u>Parcel Identifier</u>
308	6-7-1919813
309	6-7-1919824
310	6-7-1919835
311	6-7-1919846
312	6-7-1919857
313	6-7-1919868
314	6-7-1919870
315	6-7-1919881
316	6-7-1919892
317	6-7-1920047
318	6-7-1920058
319	6-7-1920060
328	6-7-1919334
329	6-7-1919345
330	6-7-1919356
331	6-7-1919367
332	6-7-1919378
333	6-7-1919380
334	6-7-1919391
335	6-7-1919403
336	6-7-1919414
337	6-7-1919425
374	6-7-1919436
375	6-7-1919447
376	6-7-1919458
377	6-7-1919471
378	6-7-1919460
379	6-7-1919482
380	6-7-1919505
381	6-7-1919493
382	6-7-1919516
383	6-7-1919527
384	6-7-1919904
411	6-7-1919915
412	6-7-1919926
413	6-7-1919937
414	6-7-1919948
415	6-7-1919950
416	6-7-1919961
417	6-7-1919972
418	6-7-1919983
419	6-7-1920003
420	6-7-1919994
421	6-7-1920014
422	6-7-1920025
423	6-7-1920082
424	6-7-1920093
425	6-7-1920105

0067 0084

Lot No.

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Parcel Identifier

6-7-1920127  
6-7-1920138 -  
6-7-1920140  
6-7-1920151  
6-7-1920162  
6-7-1920173  
6-7-1920184  
6-7-1920195  
6-7-1920007  
6-7-1920218  
6-7-1920220  
6-7-1920231 -  
6-7-1920242  
6-7-1920253  
6-7-1920264  
6-7-1920275  
6-7-1920286

6-7-1920457  
6-7-1920468  
6-7-1920470  
6-7-2159801

5

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LIBER 6218 FOLIO 169

DISC. EXPAND  
File No. 10000-001

SECOND SUPPLEMENTARY DECLARATION

THIS SUPPLEMENTARY DECLARATION, made this 27th day of September, 1983, by C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland, hereinafter sometimes called the "Declarant";

WHEREAS, prior to the recordation of these presents, namely on the 18th day of March, 1982, the Declarant filed for record in the Land Records for Montgomery County, Maryland a certain Declaration, with Exhibits, dated the 18th day of March, 1982, which Declaration is recorded in Liber 5844 at folio 026 among the Land Records for Montgomery County, Maryland; and

WHEREAS, the Declaration dated the 18th day of March, 1982 and recorded the 18th day of March, 1982 in Liber 5844 at folio 026 among the Land Records for Montgomery County, Maryland is hereinafter in this instrument sometimes referred to as the "Declaration"; and

WHEREAS, the Declarant has retained, in Section 2 of Article II of the aforesaid Declaration the right to annex to the land and premises described on "EXHIBIT A" attached to the Declaration, and thereby to submit to each and every of the provisions of the Declaration, any or all of the land and premises described on "EXHIBIT D" to the Declaration; and

WHEREAS, the Declarant intends by the execution and recordation of these presents, to exercise that right as to the land and premises described on "EXHIBIT A-2" attached to these presents and incorporated herein by this reference;

NOW, THEREFORE, the Declarant hereby declares that all of the land and premises described on "EXHIBIT A-2" attached to these presents and incorporated herein by this and other reference, and all of the appurtenances thereto, 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 the "covenants and restrictions") set forth in that certain Declaration dated the 18th day of March, 1982 and recorded the 18th day of March, 1982 in Liber 5844 at folio 026 among the Land Records for Montgomery County, Maryland, all of which are declared and agreed to be in aid of a plan for the improvement of said land and premises, 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 by any person acquiring or owning an interest in said property and improvements, including, without limitation, any person, group of persons, corporation, trust or other legal entity, or any combination thereof, who holds such interest solely as security for the performance of an obligation.

4730

MSC-ECK

CLK.CI.N.C.

21-23 PM 12 37

1983 OCT 24 10 47

CLERK'S OFFICE  
MONTGOMERY COUNTY, MD

LAW OFFICES  
MILES & STOCKBRIDGE  
212 HUNTERFORD COURT  
ROCKVILLE, MD. 20850  
(301) 785-1900

1147.0

87



LIBER 6218 FOLIO 170

IN WITNESS WHEREOF, the said C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland, has, on the year and day first above written, caused these presents to be executed in its corporate name by ROBERT L. MITCHELL, its President, attested by RICHARD DeHAVEN, its Treasurer, and its corporate seal to be hereunto affixed, and does hereby appoint the said ROBERT L. MITCHELL as its true and lawful attorney-in-fact to acknowledge and deliver these presents in its name and on its behalf, all as of the year and day first above written.

C-I/MITCHELL & BEST COMPANY

By: 

Robert L. Mitchell, President

ATTEST:

  
LOUIS A. BEST, SECRETARY

STATE OF MARYLAND )

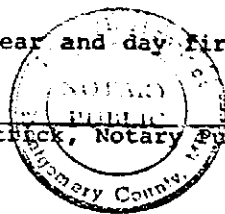
) ss:

COUNTY OF MONTGOMERY )

I HEREBY CERTIFY, that on this 27th day of September, 1983, before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared in said jurisdiction, ROBERT L. MITCHELL, personally well known to me (or satisfactorily proven) to be the person named as attorney-in-fact in the foregoing instrument for C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland, and personally well known to me (or satisfactorily proven) to be the President of said corporation; and, by virtue of the authority vested in him by said instrument and otherwise having authority so to do, acknowledged that he executed the same as the act and deed of said corporation for the purposes therein contained and delivered the same as such.

WITNESS my hand and Notarial Seal the year and day first above written.

  
Barry M. Fitzpatrick, Notary Public



My Commission expires: July 1, 1986

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.

  
Barry M. Fitzpatrick

REF 6218 FSLD 171

Pursuant to the provisions and requirements of Section 3-501 of Subtitle 5, Real Property Article, Annotated Code of Maryland (1982 Repl. Vol.), the following additional information is declared to be contained within this instrument:

- (a) the address of the party of the first part:

1686 East Gude Drive  
P. O. Box 6014  
Rockville, Maryland 20850

- (b) the address of the party of the second part:

NONE

- (c) the name of any title insurer insuring this instrument or otherwise involved in the transaction in which this instrument is relevant:

NONE

- (d) the street address of the land and premises described in this instrument, if any.

NONE not yet assigned.

- (e) the parcel identifier

SEE SCHEDULE ATTACHED

LAW OFFICES  
MILES & STOCKBRIDGE  
242 HUNGERFORD COURT  
ROCKVILLE, MD. 20850  
(301) 762-1800

BOOK 6218 FOLIO 172

"EXHIBIT A-2"

Lots 415 through 420, both inclusive, in the subdivision known as "PLAT 34 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 108 at plat 12580 among the Land Records for Montgomery County, Maryland.

TOWNHOUSE LOTS

Lots 515 through 534, both inclusive, in the subdivision known as "PLAT 43 - SECTION 6 - DUFIEF", per plat of said subdivision recorded in Plat Book 122 at plat 14291 among the Land Records for Montgomery County, Maryland.

BER 6218 FOLD 173

SCHEDULE OF PARCEL IDENTIFIERS

TAX I.D. NUMBERS

Lot 415	6-7-1919950
Lot 416	6-7-1919951
Lot 417	6-7-1919972
Lot 418	6-7-1919983
Lot 419	6-7-1920003
Lot 426	6-7-1919994
Lot 515	6-7-2300664
Lot 516	6-7-2300675
Lot 517	6-7-2300686
Lot 518	6-7-2300697
Lot 519	6-7-2300700
Lot 520	6-7-2300711
Lot 521	6-7-2300722
Lot 522	6-7-2300857
Lot 523	6-7-2300733
Lot 524	6-7-2300744
Lot 525	6-7-2300755
Lot 526	6-7-2300766
Lot 527	6-7-2300777
Lot 528	6-7-2300788
Lot 529	6-7-2300790
Lot 530	6-7-2300802
Lot 531	6-7-2300813
Lot 532	6-7-2300824
Lot 533	6-7-2300835
Lot 534	6-7-2300846

5  
LETA 6464 FOLIO 695

DISC. CIMID  
File No. 10000-001

THIRD SUPPLEMENTARY DECLARATION

MISC. 85.00  
CHECK 85.00  
#14531 COOI R02 71433  
JUL 18 84

THIS SUPPLEMENTARY DECLARATION, made this 10th day of July, 1984, by C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland, hereinafter sometimes called the "Declarant";

WHEREAS, prior to the recordation of these presents, namely on the 18th day of March, 1982, the Declarant filed for record in the Land Records for Montgomery County, Maryland a certain Declaration, with Exhibits, dated the 13th day of March, 1982, which Declaration is recorded in Liber 5844 at folio 026 among the Land Records for Montgomery County, Maryland; and

WHEREAS, the Declaration dated the 18th day of March, 1982 and recorded the 18th day of March, 1982 in Liber 5844 at folio 026 among the Land Records for Montgomery County, Maryland is hereinafter in this instrument sometimes referred to as the "Declaration"; and

WHEREAS, the Declarant has retained, in Section 2 of Article II of the aforesaid Declaration the right to annex to the land and premises described on "EXHIBIT A" attached to the Declaration, and thereby to submit to each and every of the provisions of the Declaration, any or all of the land and premises described on "EXHIBIT D" to the Declaration; and

WHEREAS, the Declarant intends by the execution and recordation of these presents, to exercise that right as to the land and premises described on "EXHIBIT A-1" attached to these presents and incorporated herein by this reference;

NOW, THEREFORE, the Declarant hereby declares that all of the land and premises described on "EXHIBIT A-1" attached to these presents and incorporated herein by this and other reference, and all of the appurtenances thereto, 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 the "covenants and restrictions") set forth in that certain Declaration dated the 18th day of March, 1982 and recorded the 18th day of March, 1982 in Liber 5844 at folio 026 among the Land Records for Montgomery County, Maryland, all of which are declared and agreed to be in aid of a plan for the improvement of said land and premises, 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 by any person acquiring or owning an interest in said property and improvements, including, without limitation, any person, group of persons, corporation, trust or other legal entity, or any combination thereof, who holds such interest solely as security for the performance of an obligation.

LAW OFFICES  
MILES & STOCKBRIDGE  
342 HUNGERFORD COURT  
ROCKVILLE, MD. 20850  
(301) 788-1800

MILES & STOCKBRIDGE  
342 Hungerford Court  
Rockville, Maryland 20850

Attention: BANK Verified By: JR

85  
JUL 18 PM 2:28  
RECEIVED  
CLERK'S OFFICE  
MONTGOMERY COUNTY, MD.

LEER 6464 FOLIO 696

IN WITNESS WHEREOF, the said C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland, has, on the year and day first above written, caused these presents to be executed in its corporate name by ROBERT L. MITCHELL, its President, attested by VIRGIL M. TETI, its Treasurer, and its corporate seal to be hereunto affixed, and does hereby appoint the said ROBERT L. MITCHELL as its true and lawful attorney-in-fact to acknowledge and deliver these presents in its name and on its behalf, all as of the year and day first above written.

C-I/MITCHELL & BEST COMPANY

By: Robert L. Mitchell  
Robert L. Mitchell, President

ATTEST:

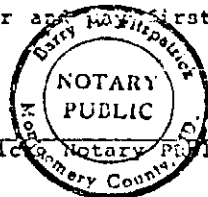
VIRGIL M. TETI, Treasurer

STATE OF MARYLAND )  
COUNTY OF MONTGOMERY ) ss:

I HEREBY CERTIFY, that on this 10th day of July, 1984, before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared in said jurisdiction, ROBERT L. MITCHELL, personally well known to me (or satisfactorily proven) to be the person named as attorney-in-fact in the foregoing instrument for C-I/MITCHELL & BEST COMPANY, a corporation organized and existing under the laws of the State of Maryland, and personally well known to me (or satisfactorily proven) to be the President of said corporation; and, by virtue of the authority vested in him by said instrument and otherwise having authority so to do, acknowledged that he executed the same as the act and deed of said corporation for the purposes therein contained and delivered the same as such.

WITNESS my hand and Notarial Seal the year and day first above written.

Barry M. Fitzpatrick  
Barry M. Fitzpatrick, Notary Public



My Commission expires: July 1, 1986

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.

Barry M. Fitzpatrick  
Barry M. Fitzpatrick

LAW OFFICES  
MILES & BYLER, PC  
333 HUNTERFORD COURT  
ROCKVILLE, MD 20850  
(301) 761-1800

LEA 6464 P22697

Pursuant to the provisions and requirements of Section 3-501 of Subtitle 5, Real Property Article, Annotated Code of Maryland (1982 Repl. Vol.), the following additional information is declared to be contained within this instrument:

- (a) the address of the party of the first part:

1686 East Gude Drive  
P. O. Box 6014  
Rockville, Maryland 20850

- (b) the address of the party of the second part:

NONE

- (c) the name of any title insurer insuring this instrument or otherwise involved in the transaction in which this instrument is relevant:

NONE

- (d) the street address of the land and premises described in this instrument, if any.

NONE not yet assigned.

- (e) the parcel identifier

SEE SCHEDULE ATTACHED

"EXHIBIT A-1"

Lots 385 through 410, both inclusive, in the subdivision known as "PLAT 33 - SECTION 6 - DUFIEF" per plat of said subdivision recorded in Plat Book 108 at plat 12579 among the Land Records for Montgomery County, Maryland.

Lots 450 and 451 in the subdivision known as "PLAT 36 - SECTION 6 - DUFIEF" per plat of said subdivision recorded in Plat Book 108 at plat 12582 among the Land Records for Montgomery County, Maryland.

Lots 456, 457, 497 through 511, both inclusive, in the subdivision known as "PLAT 37 - SECTION 6 - DUFIEF" per plat of said subdivision recorded in Plat Book 116 at plat 13720 among the Land Records for Montgomery County, Maryland.

Lots 458 through 467, both inclusive, and Lots 488 through 496, both inclusive, in the subdivision known as "PLAT 38 - SECTION 6 - DUFIEF" per plat of said subdivision recorded in Plat Book 116 at plat 13721 among the Land Records for Montgomery County, Maryland.



LIBER 6464 PAGE 699

EXHIBIT "A"

		<u>PARCEL ID NUMBERS</u>
Lot 385	52 Flints Grove Drive	1919540
Lot 386	48 Flints Grove Drive	1919551
Lot 387	44 Flints Grove Drive	1919562
Lot 388	40 Flints Grove Drive	1919573
Lot 389	30 Flints Grove Drive	1919584
Lot 390	22 Flints Grove Drive	1919595
Lot 391	18 Flints Grove Drive	1919607
Lot 392	14 Flints Grove Drive	1919618
Lot 393	10 Flints Grove Drive	1919620
Lot 394	6 Flints Grove Drive	1919631
Lot 395	2 Flints Grove Drive	1919642
Lot 396	1 Flints Grove Drive	1919653
Lot 397	5 Flints Grove Drive	1919664
Lot 398	9 Flints Grove Drive	1919675
Lot 399	13 Flints Grove Drive	1919686
Lot 400	17 Flints Grove Drive	1919697
Lot 401	21 Flints Grove Drive	1919700
Lot 402	25 Flints Grove Drive	1919711
Lot 403	29 Flints Grove Drive	1919722
Lot 404	33 Flints Grove Drive	1919733
Lot 405	37 Flints Grove Drive	1919744
Lot 406	41 Flints Grove Drive	1919755
Lot 407	45 Flints Grove Drive	1919766
Lot 408	49 Flints Grove Drive	1919777
Lot 409	53 Flints Grove Drive	1919788
Lot 410	57 Flints Grove Drive	1919790
Lot 450	14507 Rich Branch Drive	1920435
Lot 451	14511 Rich Branch Drive	1920446
Lot 456	14444 Rich Branch Drive	2159812
Lot 457	14440 Rich Branch Drive	2159823
Lot 497	14439 Rich Branch Drive	2159834
Lot 498	22 Rich Branch Court	2159845
Lot 499	18 Rich Branch Court	2159856
Lot 500	14 Rich Branch Court	2159867
Lot 501	10 Rich Branch Court	2159878
Lot 502	6 Rich Branch Court	2159880
Lot 503	2 Rich Branch Court	2159891
Lot 504	1 Rich Branch Court	2159903
Lot 505	5 Rich Branch Court	2159914
Lot 506	9 Rich Branch Court	2159925
Lot 507	13 Rich Branch Court	2159936
Lot 508	17 Rich Branch Court	2159947
Lot 509	21 Rich Branch Court	2159958
Lot 510	25 Rich Branch Court	2159960
Lot 511	14503 Rich Branch Drive	2159971
Lot 459	14436 Rich Branch Drive	2159993
Lot 459	14432 Rich Branch Drive	2160002
Lot 460	14428 Rich Branch Drive	2160013
Lot 461	14424 Rich Branch Drive	2160024
Lot 462	14420 Rich Branch Drive	2160035
Lot 463	14416 Rich Branch Drive	2160046
Lot 464	14412 Rich Branch Drive	2160057
Lot 465	14408 Rich Branch Drive	2160068
Lot 466	14404 Rich Branch Drive	2160070
Lot 467	14400 Rich Branch Drive	2160081
Lot 488	14401 Rich Branch Drive	2160092
Lot 489	14405 Rich Branch Drive	2160104
Lot 490	14409 Rich Branch Drive	2160115
Lot 491	14413 Rich Branch Drive	2160126
Lot 492	14417 Rich Branch Drive	2160137
Lot 493	14421 Rich Branch Drive	2160148
Lot 494	14425 Rich Branch Drive	2160150
Lot 495	14431 Rich Branch Drive	2160161
Lot 496	14435 Rich Branch Drive	2160172



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 FLINTS GROVE HOMEOWNERS ASSOCIATION, INC.

as approved and received for record by the State Department of Assessments  
and Taxation of Maryland, April 5, 1982  
at 9:42 o'clock AM

AS WITNESS my hand and official Seal of the said Department at  
Baltimore this 20th day of April, 1982.

  
Paul B. Anderson  
Charter Specialist

ARTICLES OF INCORPORATION  
THE FLINTS GROVE HOMEOWNERS ASSOCIATION, INC.

THIS IS TO CERTIFY:

That I, Barry M. Fitzpatrick, whose post office address is 342 Hungerford Court, Rockville, Maryland 20850, being at least eighteen (18) years of age, do hereby declare myself as Incorporator with the intention of forming a corporation under and by virtue of the General Laws of the State of Maryland, and for such purposes do hereby make, execute and adopt the following Articles of Incorporation:

ARTICLE I. The name of this Corporation shall be:  
THE FLINTS GROVE HOMEOWNERS ASSOCIATION, INC.

ARTICLE II. The period of existence and the duration of the life of this Corporation shall be perpetual.

ARTICLE III. The principal office for the transaction of business of this Corporation shall initially be located in the County of Montgomery, State of Maryland, at:

FLINTSGROVE HOMEOWNERS ASSOCIATION  
P. O. B. 3696  
Gaithersburg, MD 20885-3696

The following named person shall be designated as the statutory resident agent of this Corporation, and said resident agent is a citizen and actual resident of the State of Maryland:

Robert L. Mitchell  
9313 Reach Road  
Potomac, Maryland 20854

ARTICLE IV. The general purposes for which this Corporation is formed, and business or objects to be carried on and promoted by it are as follows:

(1) to organize and operate a corporation, no part of the net earnings of which is to inure to the benefit of any member or other individual; and

(2) pursuant to and in a manner consistent with a certain Declaration relating thereto and heretofore recorded among the Land Records for Montgomery County, Maryland, to acquire and to own and to provide for the maintenance, operation and management of certain open spaces and other common areas and community facilities located within a certain residential community in Montgomery County, Maryland known as "FLINTS GROVE" (hereinafter sometimes referred to as the "project") and to exercise certain other functions with respect to the residential and other property located therein; and

(3) To engage in, conduct and carry on any other lawful purposes or business and to do any other thing that, in the judgment of the Board of Directors of this Corporation, may be deemed to be calculated, directly or indirectly, to effectuate or facilitate the transaction of the purposes or business of this Corporation, or any of them, or any part thereof, or to enhance the value of its property, business or rights; and

(4) to conduct any business and to do anything permitted by the provisions of Section 2-103 of Title 2, Corporations and Associations Article, Annotated Code of Maryland (1975 Repl. Vol.), as from time to time amended or superseded.

For the general purposes aforesaid, this Corporation shall have the following powers:

(a) to construct, improve, maintain, operate and to buy, own, sell, convey, assign, mortgage or lease any real estate and any personal property necessary or incident to the furtherance of the business of this Corporation; and

(b) to borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of the business of this Corporation, to secure the same by mortgage, deed of trust, pledge, or other lien; and

(c) to enter into any kind of activity, and to perform and carry out contracts of any kind necessary to, or in conjunction with, or incidental to the accomplishment of the purposes or business of this Corporation; and

(d) to make patronage refunds to members as provided for in the By-laws of the Corporation; and

(e) insofar as permitted by law, to do any other thing that, in the judgment of the Board of Directors, will promote the business of this Corporation or the common benefit of its members and, in general, to do everything necessary, proper, advisable or convenient for the accomplishment of the foregoing purposes, and to do all other things incidental to them or connected with them that are not inconsistent with law or by these Articles of Incorporation.

The foregoing enumeration of specific powers shall not be deemed to limit or restrict in any manner the general powers of this Corporation, and the enjoyment of the exercise thereof, as conferred by the General Laws of the State of Maryland. The provisions of subparagraphs (a) through (e), both inclusive, of this Article shall not be construed as purposes, but shall be construed as independent powers and the matters expressed in each such provision shall not, unless otherwise expressly provided to the contrary, be limited by reference to, or inference from any other provision of this Article. The enumeration of specific powers shall not be construed as limiting or restricting in any manner either the meaning of general terms used in any of such provisions or the scope of the general powers of this Corporation; nor shall the expression of one thing in any of those provisions be deemed to exclude another not specifically expressed, although it be of like nature.

This Corporation may carry out its purposes and exercise its powers in any State, territory, district or possession of the United States, or in any foreign country, to the extent that these purposes and powers are not permitted by the law of such State, territory, district or possession of the United States, or by such foreign country; and this Corporation may limit the purpose or purposes that it proposes to carry out or the powers it proposes to exercise in any application to do business in any such State, territory, district or possession of the United States, or any such foreign country.

ARTICLE V. This Corporation shall be without capital stock and will not be operated for profit. This Corporation does not contemplate the distribution of gains, profits or dividends to any of its members. The members of this Corporation shall not be personally liable for the debts, liabilities or obligations of this Corporation.

ARTICLE VI. This Corporation shall have two (2) classes of voting membership which shall be known as "Class A" and "Class B":

(a) There shall be 205 Class A memberships. With the exception of the Declarant, every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who is a record owner of a fee interest in any lot which is part of the premises described in Article II of the Declaration, or which otherwise becomes subject by the covenants set forth in the Declaration to assessment by the Corporation, shall be a Class A member of the Association; provided, however, that any such person, group of persons, corporation, partnership, trust or other legal entity who holds such interest solely as security for the performance of an obligation shall not be a Class A member solely on account of such interest. Each Class A member shall be entitled to one (1) vote for each lot in which such member holds the interest required for Class A membership.

(b) There shall be 615 Class B memberships. The Class B member shall be the Declarant, its nominee or nominees, and shall include every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who shall obtain any Class B membership by specific assignment from the Declarant. Each Class B member shall be entitled to one (1) vote for each Class B membership which it holds. Each Class B membership shall lapse and become a nullity on the first to happen of the following events:

- (i) thirty (30) days following the date on which the total authorized, issued and outstanding Class A memberships equal 110; or
- (ii) on January 1, 1994; or
- (iii) upon surrender of said Class B memberships by the then holders thereof for cancellation on the books of the Corporation.

Upon the lapse or surrender of the Class B memberships as provided for in this Article, the Declarant shall thereafter remain a Class A member of this Corporation as to each and every lot in which the Declarant then holds the interest otherwise required for such Class A membership.

The members of this Corporation shall have no preemptive rights, as such members, to acquire any memberships of this Corporation that may at any time be issued by this Corporation except as may be specifically provided in this Article. The property, voting and other rights and privileges of membership, the liability of each member for assessment by this Corporation, and the method of collection thereof, shall be as set forth in the Declaration hereinabove referred to and in the By-Laws of this Corporation.

ARTICLE VII. This Corporation shall have a lien on the outstanding Class A memberships in order to secure payment of any sums which shall be due or become due to this Corporation from the holders thereof for any reason whatsoever.

ARTICLE VIII. In the event any Class A member sells, assigns or otherwise transfers of record the fee interest in any lot in which he holds the interest required for Class A membership (whether voluntarily or by operation of law), such member shall, at the same time, assign the Class A membership appurtenant to said lot to the transferee of the lot and deliver it to him for transfer on the books of this Corporation. The foregoing requirement shall not obtain in the event a lot is transferred as aforesaid merely as security for the performance of an obligation. Except as provided in this Article, Class A membership shall not be transferable.

ARTICLE IX. The number of Directors of this Corporation shall not be an uneven number of not less than three (3), nor more than seven (7). The Directors need not be residents of the State of Maryland. The name and post office addresses of the Directors who shall act as such until the first annual meeting of the members, or until such time as their successors are duly chosen and qualified, are as follows:

<u>Name</u>	<u>Address</u>
Robert L. Mitchell	9313 Reach Road Potomac, Maryland 20854
Richard L. DeHaven	9313 Reach Road Potomac, Maryland 20854
Kenneth D. Grunst	9313 Reach Road Potomac, Maryland 20854

The qualifications, powers, duties and tenure of the office of Director and the manner by which Directors are to be chosen shall be as prescribed and set forth in the By-Laws of this Corporation. Officers of this Corporation shall be elected and shall serve as provided for in said By-Laws.



ARTICLE X. This Corporation shall indemnify every person who is or was an officer or Director of this Corporation 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, whether civil, criminal, administrative or investigative, 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 this Corporation; and (b) in all other cases that the conduct was at least not opposed to the best interests of this Corporation; 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 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 this Corporation, 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 indemnity pursuant to the provisions of this Article shall have been adjudged to be liable to this Corporation. 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 indemnify did not meet the requisite standard of conduct set forth in this Article.

A person who is or was an officer or Director of this Corporation 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 this Corporation 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 (1975 Repl. Vol.), as from time to time amended or superseded.

Indemnification under this Article may not be made by this Corporation 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 this Corporation 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 (1975 Repl. Vol.) as from time to time amended or superseded.

Reasonable expenses incurred by any person who is or was an officer or Director of this Corporation 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 this Corporation in advance of the final disposition of that proceeding, after a determination that the fact then known to those making the determination would not preclude indemnification under this Article, upon receipt by this Corporation of:

(a) a written affirmation by that person of that person's good faith belief that the standard of conduct necessary for indemnification by this Corporation as authorized in this Article has been met; and

(b) 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 this Corporation as authorized in this Article has been met. The undertaking required by this subparagraph (b) 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 (1975 Repl. Vol.), as from time to time amended or superseded.

The officers and Directors of this Corporation shall not be liable to this Corporation for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of this Corporation shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of this Corporation except to the extent that such officers or Directors may also be members of this Corporation, and this Corporation 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 this Corporation to pay or reimburse expenses incurred by any person who is an officer or Director of this Corporation in connection with an appearance as a witness in any proceeding by reason of service in that capacity, or otherwise involving this Corporation, 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 this Corporation may be entitled by law, or otherwise.

This Corporation may purchase and maintain insurance on behalf of any person who is or was an officer or Director of this Corporation 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 this Corporation 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 this Corporation, shall be reported in writing to the members of this Corporation with notice of the next annual meeting of members of this Corporation or prior to the next annual meeting of members.

ARTICLE XI. The Directors shall exercise their powers and duties in good faith and with a view to the interests of this Corporation and the project. A contract or other transaction between this Corporation and any of its Directors, or between this Corporation 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 ratifies the contract or transaction, or because the vote of the Director was counted for authorization, approval or ratification of the contract or transaction, if any of the following conditions exist:

(a) 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

(b) the fact of the common directorship or interest is disclosed or known to the members of this Corporation 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 appurtenance to memberships owned by the interested Director or corporation, firm or other entity; or

(c) the contract or transaction is fair and reasonable to this Corporation 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 unit 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 (a) or (b) of this Article, 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 this Corporation at the time it was authorized, approved or ratified.

This Article does not apply to the fixing by the Board of Directors of reasonable compensation for a Director, whether as a Director or in any other capacity.

ARTICLE XII. Subject to the limitations set forth in these Articles of Incorporation, the By-Laws of this Corporation and the Declaration hereinabove referred to, this Corporation reserves the right, from time to time, to amend, alter or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by statute for the amendment of Articles of Incorporation.

ARTICLE XIII. As used in these Articles of Incorporation, the expression "Declarant" shall mean and refer to the Declarant, whether one or more, named in a certain Declaration dated the 18th day of March, 1982, and recorded the 18th day of March, 1982, in Liber 5844 at folio 026 among the Land Records for Montgomery County, Maryland. Unless it is plainly evident from the context that a different meaning is intended, all other terms used herein shall have the same meaning as they are defined to have in the Declaration.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation  
this 1st day of April, 1982.

Irene C. Pollitt  
Witness - Irene C. Pollitt

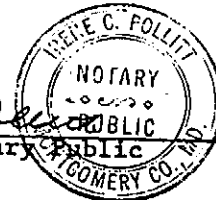
Barry M. Fitzpatrick (SEAL)

STATE OF MARYLAND            )  
                                      ) §  
COUNTY OF MONTGOMERY        )

BE IT REMEMBERED, that on this 1st day of April, 1982,  
personally appeared before me, the subscriber, a Notary Public in  
and for the jurisdiction aforesaid, BARRY M. FITZPATRICK, party to  
the foregoing Articles of Incorporation, known personally to me as  
such (or satisfactorily proven), and I having first made known to  
him the contents of said Articles of Incorporation, he did acknowl-  
edge that he signed, sealed and delivered the same as his voluntary  
act and deed, and he acknowledged the facts herein stated to be  
true as set forth therein.

GIVEN under my hand and Notarial Seal the year and day first  
above written.

Irene C. Pollitt  
Irene C. Pollitt, Notary Public



My Commission expires: 7-1-82

BY-LAWS

THE FLINTS GROVE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Name and Location

Section 1. Name and Location. The name of this Association is as follows:

THE FLINTS GROVE HOMEOWNERS ASSOCIATION, INC.

Its principal office and mailing address is initially located at:

9313 Reach Road  
Potomac, Maryland 20854

ARTICLE II

Definitions

Section 1. Declarant. "Declarant", as used herein, shall have the same meaning as that expression is defined to have in the Declaration.

Section 2. The Project. The "project" as used herein, means that certain community being developed by the Declarant in Montgomery County, Maryland known as "FLINTS GROVE".

Section 3. Declaration. "Declaration" as used herein, means that certain Declaration made by the Declarant on the 18th day of March, 1982, which Declaration was recorded on the 18th day of March, 1982, in Liber 5844 at Folio 026, among the Land Records for Montgomery County, Maryland.

Section 4. Mortgagee. "Mortgagee", as used herein, 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", as used herein, shall include deed of trust. "First Mortgage", as used herein, shall mean a mortgage with priority over other mortgages. As used in these By-Laws, the term "mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees. As used in these By-Laws, the term "institutional mortgagee" or "institutional holder" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, mutual savings banks, credit unions, trusts, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), Government National Mortgage Association ("GNMA"), all corporations and any agency or department of the United States Government or of any state or municipal government. As used in these By-Laws the term "holder" or "mortgagee" shall include the parties secured by any deed of trust or any beneficiary thereof. In the event any mortgage is insured by the Federal Housing Administration ("FHA") or guaranteed by the Veterans Administration ("VA"), then as to such mortgage, the expression "mortgagee" and "institutional mortgagee" include the FHA or the VA, as the circumstances may require, acting, respectively, by and through the Federal Housing Commissioner and the Commissioner of Veterans Benefits or by and through other duly authorized agents.



Section 5. Other Definitions. Unless it is plainly evident from the context that a different meaning is intended all other terms used herein shall have the same meaning as they are defined to have in the Declaration.

### ARTICLE III

#### Membership

Section 1. Membership. The Association shall have two classes of voting membership which shall be known as "Class A" and "Class B":

(a) There shall be 205 Class A memberships in the Association. With the exception of the Declarant, every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who is a record owner of a fee interest in any lot which is part of the premises described in Article II of the Declaration, or which otherwise becomes subject by the covenants set forth in the Declaration to assessments by the Association, shall be a Class A member of the Association; provided, however, that any such person, group of persons, corporation, partnership, trust or other legal entity who holds such interest solely as security for the performance of an obligation shall not be a Class A member solely on account of such interest. Each Class A member shall be entitled to one (1) vote for each lot in which such member holds the interest required for Class A membership.

(b) There shall be 615 Class B memberships in the Association. The Class B member shall be the Declarant, its nominee or nominees, and shall include every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who shall obtain any Class B membership by specific assignment from the Declarant. Each Class B member shall be entitled to one (1) vote for each Class B membership which it holds. Each Class B membership shall lapse and become a nullity on the first to happen of the following events:

- (i) thirty (30) days following the date on which the total authorized, issued and outstanding Class A memberships equal 110; or
- (ii) on January 1, 1994; or
- (iii) upon the surrender of said Class B memberships by the then holders thereof for cancellation on the books of the Association.

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

The members of the Association shall have no preemptive rights, as such members, to acquire any memberships of this Association that may at any time be issued by the Association except as may be specifically provided in this Article.

Section 2. Membership Certificates. In the event the Board of Directors considers it necessary or appropriate to issue membership certificates or the like, then each such membership certificate shall state that the Association is organized under the laws of the State of Maryland, the name of the registered holder or holders of the membership represented thereby, and shall be in such form as shall be approved by the Board of Directors. Membership certificates shall be consecutively numbered, bound in one or more books, and shall be issued therefrom upon certification as to the transfer of title to the lot to which such membership is appurtenant. Every membership certificate shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary and shall be sealed with the corporate seal. Such signatures and seal may be original or facsimile.

Section 3. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates previously issued by the Association and alleged to have been destroyed or lost, upon the making of an affidavit of the fact by the person claiming the membership certificate to be lost or destroyed. When authorizing such issuance of a new certificate or certificates, the Board of Directors may, in its discretion, and as a condition precedent to the issuance thereof, require the registered holder or holders of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and to give the Association a bond in such sum as the Board of Directors may require as indemnity against any claim that may be made against the Association on account of the issuance of such new certificate.

Section 4. Liquidation Rights. In the event of any voluntary or involuntary dissolution of the Association each Class A member of the Association shall be entitled to receive out of the assets of the Association available for distribution to the members an amount equal to that proportion of such assets which the number of Class A memberships held by such member bears to the total number of Class A memberships of the Association then issued and outstanding.

#### ARTICLE IV

##### Meeting of Members

Section 1. Place of Meeting. Meetings of the memberships shall be held at the principal office or place of business of the Association or at such other suitable place within the State of Maryland which is reasonably convenient to the membership and as may from time to time be designated by the Board of Directors.

Section 2. Annual Meetings. The first annual meeting of the members of the Association shall be held at such time and place as may be designated by the Board of Directors; provided, however, that the first annual meeting of members shall be held within twelve (12) months from the date of filing of the Articles of Incorporation of the Association with the State Department of Assessments and Taxation of Maryland. Thereafter, the annual meetings of the members shall be held during the month of April of each succeeding year. At such meeting there shall be elected by ballot of the members a Board of Directors in accordance with the requirements of Article V of these By-Laws. The members may also transact such other business within the powers of the Association as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the members as directed by resolution of the Board of Directors or upon a petition signed by at least twenty-five percent (25%) of each class of the then members, having been presented to the Secretary; provided, however, that except upon resolution of the Board of Directors or upon a petition signed by a majority of the then members of the Association having been presented to the Secretary, no special meeting of the members shall be called either (a) prior to the first annual meeting of members as hereinabove provided for; or (b) to consider any matter which is substantially the same as a matter voted upon at any special meeting of the members held during the preceding twelve (12) months. The Secretary shall inform the members who petition for a special meeting of the reasonably estimated cost of preparing and mailing a notice of the special meeting and, upon payment of the estimated cost to the Association, shall notify each member entitled to notice of the meeting. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meeting. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the time and place where it is to be held, to each member of record, at his address as it appears on the membership books of the Association or, if no such address appears, at his last known place of address, at least ten (10) but not more than ninety (90) days prior to such meeting. Notice by either such method shall be considered as notice served. The purpose of the meeting shall be stated if the meeting is a special meeting or if notice of the purpose is required by the provision of any law. Attendance by a member at any meeting of the members shall be a waiver of notice by him of the time, place and purpose thereof. Notice of any annual or special meeting of the members of the Association may also be waived by any member either prior to, at or after any such meeting.

Section 5. Roster of Membership. The Board of Directors of the Association shall maintain a current roster of the names and addresses of each member to which written notice of meetings of the members of the Association shall be delivered or mailed. Each unit owner shall furnish the Board of Directors with his name and current mailing address.

Section 6. Quorum. A quorum is deemed present throughout any meeting of the members if at least twenty-five percent (25%) of the then members of the Association are present, either in person or by proxy, when the meeting is called to order.

Section 7. Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time not more than forty-eight (48) hours from the time the original meeting was called.

Section 8. Voting. At every meeting of the members, each Class A member shall have the right to cast one (1) vote for each Class A membership which he owns on each question and each Class B member shall have the right to cast one (1) vote for each Class B membership which he owns on each question. The vote of the members representing fifty-one percent (51%) of the total of the votes of the then members present at the meeting, in person or by proxy, calculated as aforesaid, shall be necessary to decide any question brought before such meeting, unless the question is one upon which, by the express provision of law or of the Articles of Incorporation, or of the Declaration or of these By-Laws, a different vote is required, in which case such express provision shall govern and control. The vote for any membership which is owned by more than one person may be exercised by any of them present at any meeting unless any objection or protest by any other owner of such membership is noted at such meeting. In the event all of the co-owners of any membership who are present at any meeting of the members are unable to agree on the manner in which the votes for such membership shall be cast on any particular question, then such vote shall not be counted for purposes of deciding that question. In the event any membership is owned by a corporation, then the vote for any such membership shall be cast by a person designated in a certificate signed by the President or any Vice President of such corporation and attested by the Secretary or an Assistant Secretary of such corporation and filed with the Secretary of the Association, prior to or during the meeting. Any such certificate shall remain valid until revoked or superseded in writing. The vote for any membership which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and, unless any objection or protest by any other such trustee or partner is noted at such meeting, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. No Class A 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.

Whenever in these By-Laws any action is required to be taken by a specified percentage of "each class of the then members" of the Association, then such action shall be required to be taken separately by the specified percentage of the votes of the then outstanding Class A members of the Association and the specified percentage of the votes of the then outstanding Class B members of the Association. Whenever in these By-Laws any action is required to be taken by a specified percentage of "both classes of the then members" of the Association or a specified percentage of the "then members" of the Association, then such action shall be required to be taken by a specified percentage of the votes of the then outstanding cumulative membership of the Association.

Section 9. Proxies. A member may appoint any other member or the Declarant or the Management Agent as his proxy. Any proxy must be in writing and must be filed with the Secretary in form approved by the Board of Directors at or before the appointed time of each meeting. Unless limited by its terms, any proxy shall continue until revoked by a written notice of revocation filed with the Secretary or by the death of the member; provided, however, that no proxy shall be effective for a period in excess of one hundred eighty (180) days unless granted to a mortgagee or lessee of the lot to which the votes are appurtenant.

Section 10. 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 and may, upon his request made to the Chairman in advance of the meeting, address the members present 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.

Section 11. Order of Business. The order of business at all annual meetings of the members shall be as follows:

- (a) Roll call and certificate of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of minutes of preceding meeting, if any.
- (d) Reports of officers, if any.
- (e) Reports of committees, if any.
- (f) Unfinished business.
- (g) New business.
- (h) Election or appointment of inspectors of election.
- (i) Election of directors.
- (j) Adjournment.

In the case of special meetings, items (a) through (d) shall be applicable and thereafter the agenda shall consist of the items specified in the notice of the meeting.

Section 12. Rules of Order and Procedure. The rules of order and all other matters of procedure at all annual and special meetings of the members shall be determined by the Chairman of such meeting.

Section 13. Inspectors of Election. The Board of Directors may, in advance of any annual or special meeting of the members appoint an uneven number of one or more inspectors of election to act at the meeting and at any adjournment thereof. In the event inspectors are not so appointed, the Chairman of any annual or special meeting of members shall appoint such inspectors of election. Each inspector so appointed, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector of election at such meeting. The oath so taken shall be filed with the Secretary of the Association. No officer or Director of the Association, and no candidate for Director of the Association, shall act as an inspector of election at any meeting of the members if one of the purposes of such meeting is to elect Directors.

## ARTICLE V

### Directors

Section 1. Number and Qualifications. The affairs of the Association, shall be governed by the Board of Directors composed of an uneven number of at least three (3) natural persons and not more than seven (7) natural persons, a majority of whom (after the lapse of all of the Class B memberships as provided for in Article III of these By-Laws) shall be members of the Association.

Prior to the lapse of all of the Class B memberships as provided for in Article III of these By-Laws, the number of Directors shall be determined, from time to time, by a vote of the initial Directors hereinafter named. Thereafter, the number of Directors shall be determined by a vote of the members at the annual meeting of members and the number of Directors may be changed by a vote of the members at any subsequent annual or special meeting of the members; provided, however, that (a) the limitations of this Section shall continue to apply; and (b) no such change shall operate to curtail or extend the term of any incumbent Director.

Section 2. Initial Directors. The initial Directors shall be selected by the Declarant and need not be members of the Association. The names of the Directors who shall act as such from the date upon which the Articles of Incorporation of the Association are accepted for record by the State Department of Assessments and Taxation of Maryland, and until the first annual meeting of the members or until such time as their successors are duly chosen and qualified, whichever shall last occur, are as set forth in the Articles of Incorporation of the Association.

Section 3. Powers and Duties. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Declaration or these By-Laws directed to be exercised and done by the members. The powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

(a) to provide for the care, upkeep and surveillance of the common areas and community facilities and services in a manner consistent with law and the provisions of these By-Laws and the Declaration; and

- (b) to provide for establishment, collection, use and expenditure of assessments and carrying charges from the members and for the assessment, the filing and enforcement of liens therefor in a manner consistent with law and the provisions of these By-Laws and the Declaration; and
- (c) to provide for designation, hiring and dismissal of the personnel necessary for the good working order and proper care of the common areas and community facilities and to provide services for the project in a manner consistent with law and the provisions of these By-Laws and the Declaration; and
- (d) to provide for promulgation and enforcement of such rules and regulations and such restrictions on or requirements as may be deemed proper respecting the use, occupancy and maintenance of the common areas and community facilities as are designated to prevent unreasonable interference with the use of the common areas and community facilities by the members and others, all of which shall be consistent with law and the provisions of these By-Laws and the Declaration; and
- (e) to authorize, in their discretion, the payment of patronage refunds from residual receipts when and as reflected in the annual report; and
- (f) to enter into agreements whereby the Association acquires leaseholds, memberships and other possessory or use interests in real or personal property for the purpose of promoting the enjoyment, recreation or welfare of the members and to declare expenses incurred in connection therewith to be common expenses of the Association; and
- (g) to purchase such policies of insurance as shall from time to time be considered appropriate by the Board of Directors including, without limitation, casualty insurance, public liability insurance, workmen's compensation insurance to the extent necessary to comply with any applicable law, so-called "legal expense indemnity insurance" affording protection 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 or cause of action to which any such officer or Director shall have been made a party by reason of his or her service as such, fidelity coverage and the like; and
- (h) to repair, restore or reconstruct all or any part of the common areas and community facilities after any casualty loss in a manner consistent with law and the provisions of these By-Laws and to otherwise improve the common areas and community facilities; and
- (i) to lease, grant licenses, easements, rights-of-way and other rights of use in all or any part of the common areas and community facilities; and
- (j) to purchase lots and to lease, mortgage or convey the same, subject to the provisions of these By-Laws and the Declaration; and
- (k) to appoint the members of the Architectural and Environmental control Committee provided for in the declaration.
- (l) to appoint the members of the Maintenance Sub-Committee of the Architectural and environmental Control Committee which shall carry out those responsibilities of the Architectural and Environmental Control Committee which pertain principally to the maintenance and upkeep of the common areas of the Association determined by the Board of Directors.

(m) to appoint the members of the Community Relations Committee which shall perform such duties as the Board of Directors shall from time to time direct.

(n) to appoint the members of the Nominating Committee as provided for in the by-laws.

(o) to appoint the members of such other committees as the Board of Directors may from time to time designate.

Section 4. Management Agent. The Board of Directors may, in its discretion, 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, (a) that such agreement may be terminated for cause by either party upon thirty (30) days written notice thereof to the other party; and (b) that such agreement may be terminated by either party, with or without cause and without payment of any termination fee, upon ninety (90) days written notice to the other party. The term of any such management agreement shall not exceed one year; provided, however, that the term of any such agreement may be renewable by mutual agreement of the parties for successive one-year periods.

Section 5. Election and Term of Office. The election of Directors shall be by secret written ballot, unless balloting is dispensed with by the unanimous consent of the members present at any meeting, in person or by proxy. There shall be no cumulative voting. At all annual meetings after the first, the term of office for the Director receiving the greatest number of votes shall be three years. The term of office for the Director receiving the second greatest number of votes shall be two years. All other Directors elected shall serve for one year. Directors shall hold office until their successors have been elected and hold their first regular meeting.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the membership shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall be a Director until a successor is elected by the members at the next annual meeting to serve out the unexpired portion of the term. Vacancies in the Board of Directors caused by an increase in the number of Directors shall be filled by a vote of the majority of the entire Board of Directors; and each person so elected shall be a Director until a successor is elected by the members at the next annual meeting.



Section 7. Resignation and Removal of Directors. Any Director may resign at any time upon written notice to the Board of Directors. At an annual meeting of members, or at any special meeting duly called for such purpose (but only after the lapse of all of the Class B memberships as provided for in Article III of these By-Laws) any Director may be removed with or without cause by the affirmative vote of the majority of the members present and voting, in person or by proxy, and a successor may then and there be elected by the members to fill the vacancy thus created. Any Director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting. The term of any Director who is a Class A member of the Association and who becomes more than sixty (60) days delinquent in payment of any assessments or carrying charges due the Association may be terminated by resolution of the remaining Directors and the remaining Directors shall appoint his successor as provided in this Article.

Section 8. Compensation. No compensation shall be paid to Directors for their services as Directors. After the first annual meeting of the members, no remuneration shall be paid to any Director who is also a member for services performed by him for the Association in any other capacity unless a resolution authorizing such remuneration shall have also been adopted by the Board of Directors before such services are undertaken. Directors may be reimbursed for their actual out-of-pocket expenses necessarily incurred in connection with their services as Directors.

Section 9. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board of Directors shall be present at such first meeting.

Section 10. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least six (6) days prior to the day named for such meeting.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice of each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least one-third (1/3) of the Directors.

Section 12. Waiver of Notice. Before, at or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by him of the time, place and purpose thereof. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 13. Quorum. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at any meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 14. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 15. Rights of Mortgagees. Any institutional mortgagee of any lot who desires notice of the regular and special meetings of the Board of Directors 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 regular and special meetings of the Board of Directors 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 regular or special meeting of the Board of Directors 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 of the Board of Directors. Any such institutional mortgagee shall be entitled to designate a representative to attend any regular or special meeting of the Board of Directors and such representatives may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the members of the Board of Directors present at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the Board of Directors upon request made in writing to the Secretary.

Section 16. Fidelity Bonds. The Board of Directors shall require that all officers, Directors and employees of the Association regularly handling or otherwise responsible for the funds of the Association shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty. The premiums on such bonds or insurance shall be paid by the Association.

Section 17. Nominating Committee. The Board of Directors shall appoint a Nominating Committee from the members of the Association which shall solicit candidates to fill vacancies on the Board of Directors caused by expiration of terms of office, resignation, or removal. The Nominating Committee shall consist of not less than three and not more than five members of the Association, none of which may be a member of the Board of Directors while serving on the Nominating Committee shall be eligible for nomination to the Board of Directors.

## ARTICLE VI

### Officers

Section 1. Designation. The principal officers of the Association shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer, all of whom shall be elected by a Board of Directors. Except for the President, the officers of the Association need not be Directors. Prior to the lapse of all of the Class B memberships as provided in Article III of these By-Laws, the officers of the Association need not be members of the Association. Thereafter, except for the President, the officers of the Association need not be members of the Association. The Board of Directors may appoint as assistant secretary and an assistant treasurer and such other officers as in their judgment may be necessary. A person may hold more than one office but may not serve concurrently as both President and Vice President or as President and Secretary.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board of Directors.

Section 3. Resignation - Removal of Officers. Any officer may resign at any time upon written notice to the Board of Directors. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the members and of 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.

Section 5. Vice President. 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 shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also assist the President generally and shall perform such other duties as shall from time to time be delegated to him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association. The Secretary shall give notice of all annual and special meetings of the members of the Association in conformity with the requirements of these By-Laws. The Secretary shall have custody of the seal of the Association, if any. The Secretary shall have charge of the membership roster and of such other books and papers as the Board of Directors may direct and he shall, in general, perform all of the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for funds and securities of the Association and shall be responsible for keeping, or causing to be kept, full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for causing 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.

## ARTICLE VII

## Liability and Indemnification of Officers and Directors

Section 1. Liability and 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 named defendant or respondent in any threatened, pending or completed action, suit or proceeding by reason of service in that capacity, whether civil, administrative or investigative, 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 Section 1 is against judgments, penalties, fines, settlements and reasonable expenses 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 indemnity pursuant to the provisions of this Section 1 shall 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 indemnity did not meet the requisite standard of conduct set forth in this Section 1.

A person who is or was an officer or Director of the Association is not indemnified under the provisions of this Section 1 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 Section 1 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 (1975 Repl. Vol.) as from time to time amended or superseded.

Section 2. Determination that Indemnification is Proper. Indemnification under Section 1 of 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 Section 1 of 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 (1975 Repl. Vol.) as from time to time amended or superseded.

Section 3. Payment of Expenses in Advance of Final Disposition of Action. 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 Section 1 of this Article, upon receipt by the Association of:

(a) 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 Section 1 of this Article has been met; and

(b) 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 Section 1 of this Article has not been met. The undertaking required by this subparagraph (b) 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.

Determinations and authorizations of payments under this Section 3 of Article VII shall be in the manner specified in Section 2-418(e) of Title 2, Corporations and Associations Article, Annotated Code of Maryland (1975 Repl. Vol.) as from time to time amended or superseded.

Section 4. General Provisions. 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 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.

Section 5. Provisions of this Article Not Exclusive. The provisions of this Article do not limit the power of the Association to pay or reimburse expenses incurred by any person who was or 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.

Section 6. Insurance. 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.

Section 7. Report to Members. 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 with the notice of the next annual meeting of members or prior to the next annual meeting of the members.

Section 8. Interested Director Transactions. The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Association and the project. 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 ratifies 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:

(a) 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

(b) the fact of the common directorship or interest is disclosed or known to the members 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

(c) the contract or transaction is fair and reasonable to the Association at the time it was authorized.

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 members, 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 a manner provided for in subparagraphs (a) or (b) of this Section 8, 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.

This Section 8 does not apply to the fixing by the Board of Directors of reasonable compensation for a Director, whether as a Director or in any other capacity.

#### ARTICLE VIII

##### Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January every year, except for the first fiscal year of the Association which shall begin on the date when the Articles of Incorporation of the Association are accepted for record by the State Department of Assessments and Taxation of Maryland. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should the practice of the Association subsequently dictate.

Section 2. Principal Office - Change of Same. The principal office of the Association shall be as set forth in Article I of these By-Laws. The Board of Directors, by appropriate resolution, shall have the authority to change the location of the principal office of the Association from time to time.

Section 3. 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 accounts, 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 common areas and community facilities, services required or provided with respect to the same and any other expenses incurred by the Association. The amount of any assessment or portion of any assessment, required for payment of any capital expenditures or reserves of the Association may be credited upon the books of the Association to the "Paid-in-Surplus" account as a capital contribution by the members.

Section 4. Review. At the close of each fiscal year, the books and records of the Association shall be reviewed by an independent Certified Public Accountant whose report shall be prepared in accordance with generally accepted review 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 5. 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 or attorneys, and to the holder of any first mortgage on any lot and its and their duly authorized agents or attorneys, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice.

Section 6. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Association by either the President or a Vice President, and all checks shall be executed on behalf of the Association by such officers, agents or other persons as are from time to time so authorized by the Board of Directors.

Section 7. Seal. The Board of Directors may provide a suitable corporate seal containing the name of the Association, which seal shall be in the charge of the Secretary. If so directed by the Board of Directors, a duplicate seal may be kept and used by the Treasurer or any assistant secretary or assistant treasurer.

## ARTICLE IX

### Amendment

Section 1. Amendments. Subject to the other limitations set forth in these By-Laws, these By-Laws may be amended by the affirmative vote of members representing sixty-seven percent (67%) of the then members of record at any meeting of the members duly called for such purpose in accordance with the provisions and requirements of these By-Laws.

Section 2. Proposal of Amendments. Amendments to these By-Laws may be proposed by the Board of Directors of the Association or by petition signed by at least twenty-five percent (25%) of the total votes of the members, which petition shall be delivered to the Secretary. A description of any proposed amendment shall accompany the notice of any annual or special meeting of the members at which such proposed amendment is to be considered and voted upon.

## ARTICLE X

### Mortgages - Notice - Other Rights of Mortgagees

Section 1. Notice to Board of Directors. Any owner of any lot in the project who mortgages such lot shall promptly notify the Board of Directors of the name and address of his mortgagee and, if requested so to do, shall file a conformed copy of such mortgage with the Board of Directors. The Board of Directors shall maintain a suitable roster pertaining to such mortgages.

Section 2. Consents. Any other provision of these By-Laws or of the 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 institutional holders of all first mortgages of record on the lots:

(a) abandon, partition, subdivide, encumber, sell or transfer any of the common areas and community facilities; provided, however, that the granting of rights-of-way, easements and the like for public utilities or for other purposes consistent with the use of the common areas and community facilities by the members of the Association shall not be considered a transfer within the meaning of this Section; or



- (b) abandon or terminate the Declaration; or
- (c) modify the method of determining and collecting common expense assessments or other assessments as provided for in the Declaration; or
- (d) resolve to use the proceeds of casualty insurance for any purpose other than the repair, replacement or reconstruction of the common areas and community facilities; or
- (e) modify or amend any material or substantive provision of the Declaration or these By-Laws.

Section 3. Casualty Losses. In the event of damage or destruction to the common areas or community facilities by fire or other casualty, the same shall be promptly repaired, replaced or reconstructed in substantial conformity with the original plans and specifications for the common areas and community facilities with the proceeds of insurance available for that purpose, if any. In the event that the proceeds of insurance are not sufficient to repair damage or destruction of the common areas or community facilities caused by fire or other casualty, or in the event such damage or destruction is caused by any casualty not insured against, then and in either of those events, upon resolution of the Board of Directors, the repair, replacement or reconstruction of the damage shall be accomplished promptly by the Association at its common expense. The Association shall not use the proceeds of casualty insurance received as a result of damage or destruction of the common areas or community facilities for purposes other than the repair, replacement or reconstruction of the common areas and community facilities without the prior written consent and approval of the institutional holders of all first mortgages of record on the lots. In the event of substantial damage or destruction to any part of the common areas and community facilities, the Board of Directors of the Association 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 these By-Laws shall entitle any member of the Association to any priority over the holder of any first mortgage of record on his lot with respect to the distribution to such member of any insurance proceeds paid or payable on account of any damage or destruction of any of the common areas or community facilities.

Section 4. Condemnation or Eminent Domain. In the event any portion of the common areas or community facilities is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors of the Association shall give prompt written notice of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the lots. No provision of these By-Laws shall entitle any member of the Association 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 award or settlement relating to a taking of any of the common areas and community facilities.

ARTICLE XI

Interpretation - Miscellaneous

Section 1.      Conflict.    These By-Laws 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 By-Laws and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between these By-Laws and the Articles of Incorporation of the Association, the provisions of the Articles of Incorporation shall control.

Section 2.      Notices.    Unless another type of notice is herein-elsewhere specifically provided for, any and all notices called for in these By-Laws shall be given in writing.

Section 3.      Severability.    In the event any provision or provisions of these By-Laws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provision hereof which can be given effect.

Section 4.      Waiver.      No restriction, condition, obligation or provisions of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section 5.      Captions.    The captions contained in these By-Laws are for convenience only and are not a part of these By-Laws and are not intended in any way to limit or enlarge the terms and provisions of these By-Laws or to aid in the construction thereof.

Section 6.      Gender, etc.    Whenever in these By-Laws 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.

RESOLUTION OF THE BOARD OF DIRECTORS  
FLINTS GROVE HOMEOWNERS ASSOCIATION, INC.

LATE CHARGES AND INTEREST  
TO BE ASSESSED AGAINST DELINQUENT ACCOUNTS

# 376  
CHECK MS CRT 50.0  
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The Board of Directors of Flints Grove Homeowners Association, Inc. (the "Corporation"), a corporation organized in the State of Maryland, on this 26<sup>th</sup> day of February, 1994, duly approved a resolution as follows:

WHEREAS, Article VII, Section 1 of the Declaration authorizes the Board of Directors to impose interest on assessments not paid within ten (10) days after they are due; and

WHEREAS, Article VII, Section 1 of the Declaration authorizes the Board of Directors to subject a delinquent member to a late charge,

BE IT RESOLVED, that

1. Any assessment, which is not paid within ten (10) days after it is due, shall bear interest from January 1 of the year it is assessed, at the maximum legal rate permitted in the State of Maryland; and

2. Any assessment, which is not paid by January 31 of the year it is assessed, shall result in a late charge to the member of Ten Dollars (\$10) per month for each month the assessment remains unpaid.

**FILED**

APR 25 1994

Clerk of the Circuit Court  
Montgomery County, MD.

I, Phillip Asbury, President, certify under the penalties of perjury that to the best of my knowledge, information and belief, the foregoing resolution is true in all material respects.

FLINTS GROVE HOMEOWNERS  
ASSOCIATION, INC.

BY: Phillip Asbury  
Phillip Asbury, President

Date: February 26, 1994

Date forwarded to Depository for Land Records of Montgomery  
County, Maryland

\_\_\_\_\_  
Patricia Hancock  
Secretary

I, Patricia Hancock, Secretary, do hereby certify  
that on the 26th day of February, 1994, a copy was  
filed with the Depository.

FLINTS GROVE HOMEOWNERS ASSOCIATION, INC.

April 1994

STATEMENT ON ASSOCIATION FEES AND ASSESSMENTS

Flints Grove Homeowners Association, Inc. addresses these issues in its Declaration, recorded at Liber 5844, Folio 26 on March 18, 1982, its Bylaws and its Resolution on Interest and Late Charges which are included in this filing.

1. When assessments will be levied against owners of lots:

As soon as a party becomes an owner of a lot, that party becomes responsible for maintenance assessments. Any party who is an owner of a townhouse lot shall be assessed townhouse maintenance assessments. See Declaration, Articles V and VI.

2. The procedure for increasing or decreasing assessments:

The amount of the assessments is set by the Board of Directors after an annual operating budget is prepared for the Association. See Declaration, Articles V and VI.

3. How delinquent fees will be collected:

Assessments will be paid annually and be due on January 1 of each year. Owners are notified by mail before the due date.

4. Personal obligation for unpaid assessments:

Unpaid assessments shall be the personal obligation of the parties that own the lot. See Declaration Article VII.

5. Interest on unpaid assessments:

Assessments which are not paid within 10 days of the date due shall bear interest at the maximum legal rate. See Declaration, Article VII, Resolution of the Board of Directors on Late Charges and Interest.

6. Imposing liens on the property:

A lien in the amount of the delinquent assessments, interest, costs and reasonable attorneys fees of not less than 20% of the sum claimed may be imposed on the property by the Association. See Declaration, Article VII, Resolution of the Board of Directors on Late Charges and Interest.

FILED


APR 25 1994

Clerk of the Circuit Court  
Montgomery County, Md.

7. Assessing late charges, attorneys fees and costs of collection:

A suit in the amount of the delinquent assessments, interest, costs and reasonable attorneys fees of not less than 20% of the sum claimed may be brought against the owner(s) of the property by the Association. See Declaration, Article VII, Resolution of the Board of Directors on Late Charges and Interest.

Submitted by:

  
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