

CC&Rs-Condo Declaration
The Fields at Perry Hall Homeowners Association Inc.

THE FIELDS AT PERRY HALL HOMEOWNERS ASSOCIATION, INC.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS and RESTRICTIONS (the "Declaration") made this 11th day of November, 2004, by THE FIELDS AT PERRY HALL, LLC, a Maryland limited liability company (the "Declarant").

RECORDING FEE 50.00
TOTAL 50.00
Res# DA06 Rcpt # 87177
SN DC Blk # 385
Jul 05, 2005 02:57 PM

RECITALS

A. The Declarant is the owner of certain land (the "Land") located in the eleventh (11th) Election District of Baltimore County, Maryland (the "County"), shown on the plats entitled, "THE FIELDS @ PERRY HALL", recorded among the Land Records of the County in Plat Book Nos. S.M. 75, folio 134-138 et seq. and S.M. 76, folio 103.

B. It is the intention of the Declarant to develop the Land as a residential community, and to insure therefor a uniform plan and scheme of development, and unto that end the Declarant has adopted, imposed and subjected the property hereinafter described to certain covenants, conditions, restrictions, easements, charges and liens (collectively, the "Covenants"), as set forth herein for the following purposes:

(1) To insure uniformity in the development of the Lots (as hereinafter defined) in the Community (as hereinafter defined).

(2) To facilitate the sale by the Declarant, its successors and assigns, of the land in the Community by reason of its ability to assure such purchasers of uniformity.

(3) To make certain that the Covenants shall apply uniformly to all Lots for the mutual advantage of the Declarant, the Record Owners and any Mortgagee (as such capitalized terms are defined herein) and to all those who may in the future claim title through any of the above.

(4) To provide for the benefit of the Record Owners, the preservation of the value and amenities in the Community, and the maintenance of certain reserved open spaces and common areas, including but not limited to easements, charges and liens, herein below set forth, and for the creation of an association to be delegated and assigned the powers of maintaining and administering the Common Areas (as hereinafter defined), and enforcing all applicable covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; which association shall be incorporated under the laws of the State of Maryland, as a nonprofit corporation, for the purpose of exercising the functions as aforesaid.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

THAT the Declarant does hereby establish and impose upon the Property (as hereinafter defined), the Covenants for the benefit of and to be observed and enforced by the Declarant, its successors and assigns, as well as by all purchasers of Lots, to wit:

ARTICLE I
DEFINITIONS

The following words when used in this Declaration (unless the context otherwise requires) shall have the following meanings:

1.1 "Association" shall mean and refer to The Fields at Perry Hall Homeowners Association, Inc.

1.2 "Common Areas" shall mean and refer to those areas of land, intended to be devoted to the common use and enjoyment of the Record Owners of the Lots, including, but not limited to, those areas depicted as, "H.O.A. Common Area", "H.O.A. Open Space – Active", "H.O.A. Open Space – Passive", and "H.O.A. Common Area & Sign Easement", as shown on the Plat (as such term is defined herein) and any other real property or other facilities which the Association owns and/or in which the Association acquires a right of use for the benefit of the Association and its members (including, without limitation, those areas utilized for entrance monuments serving the Community located on Lots), saving and excepting, however, so much of the Land previously conveyed or to be conveyed to the County.

1.3 "Community" shall mean and refer to all of the land hereby made subject to this Declaration by an instrument in writing, duly executed and recorded among the Land Records and any Additional Property (as hereinafter defined) that may hereafter expressly be made subject to this Declaration by an instrument in writing, duly executed and recorded among the Land Records.

1.4 "Declarant" shall mean and refer to The Fields at Perry Hall, LLC, a Maryland limited liability company and its successors and assigns to whom it shall expressly (a) convey or otherwise transfer all of its right, title and interest in the Property as an entirety, without reservation of any kind; or (b) transfer, set over and assign all of its right, title and interest under this Declaration, or any amendment or modification thereof, as Declarant,

1.5 "Development Period" shall mean the time commencing on the date of recordation of this Declaration among the Land Records and ending on the date the last Lot is conveyed to a Class A member.

1.6 "Lot" and/or "Lots" shall mean and refer to those portions of the Property that are subdivided parcels of land shown and defined as lots or plots of ground (exclusive of the Common Areas) and designated by numerals on the Plat, on which a dwelling is proposed to be constructed, however, with the exclusion of Lots 1, 47 and 48, upon which Lots dwellings or structures already exist and will remain, and are not subject to the provisions of this Declaration.

1.7 "Mortgage" means any mortgage or deed of trust encumbering any Lot or any or all of the Common Areas, and any other security interest existing by virtue of any other form of security instrument or arrangement, provided that such mortgage, deed of trust or other form of security instrument, and an instrument evidencing any such other form of security arrangement, has been recorded among the Land Records.

1.8 "Mortgagee" means the person secured by a Mortgage.

1.9 "Plat" shall mean collectively the plats entitled, "FINAL PLAT ONE (A Resubdivision of Plat No. S.M. 56-129) THE FIELDS @ PERRY HALL", "FINAL PLAT TWO (A Resubdivision of a Portion of Plat No. S.M. 56-129) THE FIELDS @ PERRY HALL", "FINAL PLAT THREE (A Resubdivision of a Portion of Plat No. S.M. 56-129) THE FIELDS @ PERRY HALL", "FINAL PLAT FOUR (A Resubdivision of a Portion of Plat No. S.M. 56-129) THE FIELDS @ PERRY HALL", "FINAL PLAT FIVE (A Resubdivision of a Portion of Plat No. S.M. 56-129) THE FIELDS @ PERRY HALL", and "FINAL PLAT SIX – THE FIELDS @ PERRY HALL", recorded among the Land Records of the County in Plat Book Nos. S.M. 75, folio 134, et seq. and S.M. 76, folio 103, also to include any plats recorded among the Land Records in substitution therefor or amendment thereof, plus any plats hereafter recorded among the Land Records of any Additional Property that may hereafter expressly be made subject to this Declaration by an instrument in writing, duly executed, and recorded among the Land Records.

1.10 "Property" shall mean and refer to all of the real property described in Exhibit "A" attached hereto, and any additional land at such time as it is hereafter expressly made subject to this Declaration by an instrument in writing, duly executed and recorded among the Land Records.

1.11 "Record Owner" or "Owner" shall mean, refer to and include the person, firm, corporation, trustee, or legal entity, or the combination thereof, including contract sellers, holding the fee simple record title to a Lot, as said Lot is now or may from time to time hereafter be created or established, either in his, her, or its own name, as joint tenants, tenants in common, tenants by the entirety, or tenants in co-partnership, if the Lot is held in such real property tenancy or partnership relationship. If more than one (1) person, firm, corporation, trustee, or other legal entity, or any combination thereof, hold the record title to any one (1) Lot, whether it is in a real property tenancy, or partnership relationship, or otherwise, all of the same, as a unit, shall be deemed a single Record Owner and shall be or become a single member of the Association by virtue of ownership of such Lot. The term "Record Owner," however, shall not mean, refer to or include any contract purchaser, nor the owner of any redeemable ground rent issuing out of any Lot, (but shall instead mean the holder of the leasehold interest that is subject to redemption under Title 8 of the Real Property Article, Annotated Code of Maryland) nor shall it include a Mortgagee.

1.12 "Structure" means any thing or device the placement of which upon the Property (or any part thereof) may affect the appearance of the Property (or any part thereof) including, by way of illustration and not limitation, any building, trailer, garage, porch, shed, greenhouse, bathhouse, coop or cage, covered or uncovered patio, clothesline, radio, television or other antenna or "dish", fence, sign, curbing, paving, wall, roadway, walkway, exterior light, landscape, hedge, trees, shrubbery, planting, signboard or any temporary or permanent living quarters (including any house trailer), or any other temporary or permanent improvement made to the Property or any part thereof. "Structure" shall also mean (i) any excavation, fill, ditch, diversion, dam or other thing or device which affects or alters the natural flow of surface waters from, upon or across the Property, or which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across the Property, and (ii) any change in the grade of the Property (or any part thereof) of more than six (6) inches from that existing at the time of first ownership by a Record Owner hereunder other than the Declarant.

ARTICLE II

COVENANTS, CONDITIONS AND RESTRICTIONS

2.1 ADMINISTRATION; ARCHITECTURAL REVIEW COMMITTEE. The Architectural Review Committee, whose members shall be appointed by the Declarant during the Development Period and thereafter by the Board of Directors of the Association (the "Architectural Review Committee"), shall have all the rights, powers and duties granted to it pursuant to this Declaration. The Architectural Review Committee shall at all times be comprised of at least three (3) members. At any time, or from time to time, during the Development Period, the initial members of the Architectural Review Committee may be replaced for any reason (including death or resignation) with other individuals selected by the Declarant in its sole discretion. During the Development Period or until their successors are duly chosen and elected, the initial three (3) members of the Architectural Review Committee shall be Thomas Dunn, John Berger and Dennis Kelleher. All questions shall be decided by a majority of the members of the Architectural Review Committee, and such majority shall be necessary and sufficient to act in each instance and on all matters. Each member of the Architectural Review Committee, now or hereafter appointed, shall act without compensation for services performed pursuant to this Declaration. The Declarant hereby grants to the Architectural Review Committee, its successors and assigns, the right to establish architectural design criteria for the Community (the "Design Guidelines") and rules and regulations pertaining to the use of the Lots, which shall be made available to all members, and to waive such portion or portions of the Covenants numbered 2.4 through 2.23 of this Article II as the Architectural Review Committee, in its sole discretion, may deem advisable and in the best interests of the Community.

2.2 ARCHITECTURAL REVIEW.

(a) No Structure (other than construction or development by, for or under contract with Declarant) shall be constructed on any Lot nor shall any addition (including awnings and screens), change, or alteration therein or thereto (including any retreatment by painting or otherwise of any exterior part thereof unless the original color and material are used) (collectively, "Alterations") be made to the exterior of any Structure and/or contour of any Lot, nor shall any work be commenced or performed which may result in a change of the exterior appearance of any Structure until the plans and specifications, showing the nature, kind, shape, dimensions, material, floor plans, color scheme, location, proposed topographical changes, the proposed construction schedule, and a designation of the party or parties to perform the work, have been submitted to and approved in writing by the Architectural Review Committee, its successors and assigns, and until all necessary permits and any other governmental or quasi-governmental approvals have been obtained. The approval of the Architectural Review Committee of any Structure or Alterations shall in no way be deemed to relieve the Record Owner of any Lot from its obligation to obtain any and all permits and approvals necessary for such Structure or Alterations.

(b) The Architectural Review Committee shall consider applications for approval of plans and specifications upon the basis of conformity with this Declaration, applicable law and the design guidelines, if any, and shall be guided by the extent to which such proposal will insure conformity and harmony in exterior design and appearance, based upon, among other things, the following factors: the quality of workmanship; nature and durability of materials; harmony of external design with existing structures; choice of colors; changes in

topography, grade elevations and/or drainage; the ability of the party or parties designated by the Record Owner to complete the Structure or Alterations proposed in accordance with this Declaration, including, without limiting the foregoing, factors of public health and safety; the effect of the proposed Structure or Alterations on the use, enjoyment and value of other neighboring properties, and/or on the outlook or view from adjacent or neighboring properties; and the suitability of the proposed Structure or Alterations with the general aesthetic appearance of the surrounding area.

(c) The Architectural Review Committee shall have the right to refuse to approve any such plans or specifications, including grading and location plans, which are not suitable or desirable in its opinion, for aesthetic or other considerations. Written requests for approval, accompanied by the foregoing described plans and specifications or other specifications and information as may be required by the Architectural Review Committee from time to time shall be submitted to the Architectural Review Committee by registered or certified mail or in person. The Architectural Review Committee shall make reasonable efforts to approve or disapprove any plans within sixty (60) days of receipt thereof; provided, however, that plans and specifications which have not been approved or rejected within one hundred twenty (120) days shall be deemed approved. Notwithstanding the foregoing, all approvals must be in writing. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the Architectural Review Committee to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance. The Architectural Review Committee shall have the right to charge a reasonable processing fee for such requests, which shall be retained by the Association and not the Architectural Review Committee.

(d) Construction of Alterations in accordance with plans and specifications approved by the Architectural Review Committee pursuant to the provisions of this Article II shall be commenced within three (3) months following the date of approval and completed within six (6) months of commencement of the Alterations, or within such other period as the Architectural Review Committee shall specify in its approval. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Architectural Review Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required. After construction, all Structures and Alterations shall be maintained continuously in strict conformity with the plans and specifications so approved and all applicable laws.

(e) If any Structure is altered, erected, placed or maintained on any Lot other than in accordance with approved plans and specifications therefor and applicable law, such action shall be deemed to be a violation of the provisions of this Declaration and, promptly after the Association gives written notice thereof to its Record Owner, such Structure shall be removed or restored to its condition prior to such action, and such use shall cease, so as to terminate such violation. If within thirty (30) days after having been given such notice, such Record Owner has not taken reasonable steps to terminate such violation, any agent of the Association may enter upon such Lot and take such steps as are reasonably necessary to terminate such violation. Such Record Owner shall be personally liable to the Association for the cost thereof, to the same extent as he is liable for an assessment levied against such Lot, and, upon the failure of the Record Owner to pay such cost within ten (10) days after such Record Owner's receipt of written demand therefor from the Association, the Association may establish a lien therefor upon such Lot in accordance with and subject to the provisions of this Declaration applicable to an assessment lien.

(f) Any member of the Architectural Review Committee, upon the occurrence of a violation of the provisions of this Declaration, and after the Association or the Architectural Review Committee gives written notice thereof to the Record Owner of the applicable Lot, at any reasonable time, may enter upon and inspect any Lot and the exterior of any Structure thereon to ascertain whether the maintenance, construction or alteration of such Structure or Alteration are in accordance with the provisions hereof.

(g) Upon completion of construction of any Structure or Alteration in accordance with the provisions hereof, the Architectural Review Committee, upon request of the applicant shall issue a Certificate of Compliance ("Certificate") identifying such Structure and the Lot on which such Structure is placed, and stating that the Structure has been completed pursuant to the terms hereof. The Certificate shall be retained in the records of the Association. Any Certificate issued pursuant hereto shall be prima facie evidence of the facts therein stated, and as to any title insurer, such Certificate shall be conclusive evidence that all Structures on the Lot noted in the Certificate complies with the provisions hereof.

2.3 **LAND USE.** The Lots, except as hereinafter provided, shall be used for private and residential purposes only and in no event shall any dwelling be used at any time for any commercial purpose, provided, however, that the foregoing shall not preclude "No-impact home based businesses" as more fully described below. None of the Lots shall at any time be used for apartments or other types of multiple housing units; it being the intention of the Declarant that each and every one of the Lots be used solely for one (1) single family dwelling, and no other purposes, except such purposes as may be specifically reserved in the succeeding sections of this Declaration.

Notwithstanding anything herein to the contrary, pursuant to Section 11 B-111.1 of the Real Property Article of the Annotated Code of Maryland (the "Code"), "No-impact home-based businesses" (as described herein and in the Code) are not allowed on any Lot; provided, however, to the extent this prohibition cannot be enforced under applicable Maryland law, then No-impact home-based businesses shall be permitted upon the Lots subject to the following requirements:

(a) Owners shall notify the Association before operating a No-impact home-based business.

(b) No-impact home-based businesses are expressly prohibited in any Common Areas.

(c) No-impact home-based business signs are expressly prohibited from being displayed upon any Lot or in any Common Areas.

(c) Such additional requirements as may be specified by the Board of Directors of the Association, to the extent permitted by applicable law. The foregoing provisions of this Section are intended to be a restatement of the provisions of Section 11B-111.1 of the Code, and any future amendments or modifications thereto shall be deemed incorporated by reference herein as a part hereof.

For purposes hereof, a "No-impact home-based business" means a business that:

- (a) Is consistent with the residential character of the dwelling;
- (b) Is subordinate to the use of the dwelling for residential purposes and requires no external modifications that detract from the residential appearance of the dwelling;
- (c) Uses no equipment or process that creates noise, vibration, glare, fumes, odors, or electrical or electronic interference detectable by neighbors or that causes an increase of common expenses that can be solely and directly attributable to a No-impact home-based business; and
- (d) Does not involve use, storage, or disposal of any grouping or classification of materials that the United States Secretary of Transportation or the State of Maryland or any local governing body designated as a hazardous material.

2.4 **SWIMMING POOLS.** No above-ground pools are allowed; provided, however, in-ground pools, spas, Jacuzzis or children's pools are permitted if approved in advance by the Architectural Review Committee.

2.5 **TEMPORARY STRUCTURES.** No Structure of a temporary character, trailer, basement, tent, shed, shack, garage, or other outbuildings shall be used on any Lot at any time as a residence, either temporarily or permanently. Nothing in this Declaration shall be deemed to prohibit an Owner from placing upon its Lot reasonably sized greenhouses approved in advance by the Architectural Review Committee. In addition, portable basketball apparatus may be located on a Lot if the Owner of said Lot obtains the prior written approval of the Architectural Review Committee as provided herein and further provided that such apparatus is stored in a garage when not in use. Neither portable nor permanent basketball apparatus shall be located in any Common Areas, private/common driveways or roads within the Community.

2.6 **REAL ESTATE SALES OR CONSTRUCTION OFFICE.** Notwithstanding anything contained herein to the contrary, a real estate sales or construction office or a trailer and related signs, may be erected, maintained and operated on any Lot, or in any Structure now or hereafter located thereon, provided such office or trailer, and signs, are used and operated only in connection with the development and/or initial sale of any Lot or Lots, and/or the initial construction of improvements on any Lot now or hereafter laid out or created in the Community. Nothing herein, however, shall be construed to permit any real estate sales or construction office, trailer, or sign after such initial development, sales, and/or construction is completed. Except as expressly permitted herein above, neither any part of any Lot, nor any improvement now or hereafter erected on any Lot, shall be used for any real estate sales or construction office or trailer, nor shall any sign used in conjunction with such uses be erected.

2.7 **CLOTHES LINE.** No exterior clothes dryer, clothes pole or similar equipment shall be erected, installed or maintained on any Lot, nor shall articles of clothing, bedding, or similar items be hung outside.

2.8 **TRAFFIC VIEW.** No Structure, landscaping, shrubbery or any other obstruction shall be placed on any Lot so as to block the clear view of traffic on any streets, nor shall any planting be done on any corner Lots closer than twenty (20) feet from either street line that will exceed three (3) feet in height (except shade trees which shall be trimmed so that a clear view may be maintained to the height of eight (8) feet).

2.9 **FRONT LAWN.** The area within the front of a dwelling shall be kept only as a lawn for ornamental or decorative planting of grass, trees and shrubbery.

2.10 **FENCES.** Other than fences initially constructed by Declarant or approved by the Architectural Review Committee in accordance with the provisions of this Declaration, no fence shall be placed or kept on a Lot. The Architectural Review Committee may, from time to time, designate one (1) or more fence types as "standard designs" and require all Owners to solely use such standard designs.

2.11 **NEAT APPEARANCE.** Except for any maintenance and repair which the Association may be obligated to perform, Owners shall, at all times, maintain their Lots and all appurtenances thereto in good repair and in a state of neat appearance, including but not limited to, the watering all lawns and yards, and the painting (or other appropriate external care) of all Structures on the Lot, all in a manner and with such frequency as is consistent with good property management and maintenance. If, in the opinion of the Architectural Review Committee, any Record Owner fails to perform the duties imposed hereunder, the Association, on affirmative action of a majority of the Board of Directors, after fifteen (15) days written notice to such Record Owner to remedy the condition in question, and upon failure of the Record Owner to remedy the condition, shall have the right (but not the obligation), through its agents and employees, to enter upon the Lot in question and to repair, maintain, repaint and restore the Lot and the improvements or Structures thereon, and the cost thereof shall be a binding, personal obligation of such Record Owner, as an additional assessment on the Lot.

2.12 **NUISANCES.** No noxious or offensive trade or activity shall be carried on upon any Lot, nor shall anything be done or placed thereon which may become an annoyance or nuisance to the neighborhood or any adjoining property owners. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such properly maintained and operated 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 Structure constructed upon any Lot. No snowmobiles, go-carts, motorbikes, trail bikes, other loud-engine recreational vehicles or skateboard ramps shall be run or operated upon any Lot or upon any roadways serving the Property

2.13 **ANIMALS.** No animals, livestock, or poultry of any kind, including pigeons, shall be raised, bred or kept on any Lot, except that dogs, cats or any household pets, may be kept, provided that they are not kept, bred or maintained for any commercial purpose, and provided that they are kept so as to avoid becoming a nuisance to the neighborhood or to any adjoining property owners, and do not roam unattended on the Property. Household pets shall not include miniature pigs, horses or other hybrid livestock or farm animals. Pets shall be registered, licensed and inoculated as required by law. Owners shall be responsible for the immediate clean-up and removal of their pets' waste from any other Lot and the Common Areas.

2.14 **VEHICLES.**

(a) As used herein,

(i) "Vehicle" means a Commercial Vehicle, Motor Vehicle, Recreational Vehicle, automobile, Large Truck, other truck or van (in each case, as defined by

the Maryland Motor Vehicle Administration or by common usage and practice), trailer, motorcycle, bicycle, mo-ped, or other powered or unpowered vehicle.

(ii) "Commercial Vehicle" means any (1) automobile, truck or van used or designed principally for commercial, business or industrial use, or (2) taxicab or other Vehicle displaying a commercial logo, message or identification.

(iii) "Inoperable Vehicle" means any Commercial, Recreational or other Vehicle which is a junk Vehicle, or is inoperable, or lacks current, valid registration plates, or would not pass applicable state vehicular inspection criteria.

(iv) "Large Truck" means any truck or van (in each case, as defined by the Maryland Motor Vehicle Administration or by common usage and practice), or self-propelled farm or construction vehicle, which is more than 24 feet long, or has a capacity exceeding three-quarters ton.

(v) "Motor Vehicle" means a vehicle required by law to be registered with the Maryland Motor Vehicle Administration or another governmental authority or entity, or propelled by a motor.

(vi) "Recreational Vehicle" means any (1) boat, boat trailer, camp truck, camp trailer, golf cart, house trailer, personal watercraft, snowmobile, recreational bus or similar vehicle, motor home, camper van or all-terrain vehicle, or (2) other powered or unpowered vehicle designed primarily for use for sports or recreational purposes.

(b) No Vehicle shall be parked or stored in the Community other than in accordance with the provisions hereof; provided, however, any Vehicle may be kept (1) in a fully enclosed garage, or (2) elsewhere if expressly permitted by this Declaration, or (3) on a public road if permitted by law.

(c) Unless permitted by any other provision of this Declaration, no Commercial Vehicle, Inoperable Vehicle, Large Truck or Recreational Vehicle shall be parked or stored anywhere in the Community; provided, however, Commercial Vehicles may be parked or stored in on a driveway to any Lot while providing maintenance, repair or installation services on, or making a delivery to or from, such Lot.

(d) No automobile or other Vehicle shall be constructed, restored or repaired on a Lot or Common Areas at a location visible from outside a garage or other building thereon, other than minor repairs such as oil, filter, battery, belt, wiper, light and tire changes, or emergency repairs which cannot reasonably be performed elsewhere, in each case if performed (1) on a Vehicle owned by an Owner of, and customarily kept on, such Lot or Common Areas, (2) using all appropriate environmental safeguards, and (3) in a continuous and timely manner.

(e) No person shall operate a Vehicle in the Community other than in a safe and quiet manner and with due consideration for the rights of all Owners and occupants, or without holding a valid driver's license.

(f) Nothing in this Declaration shall prohibit or restrict the Declarant during the Development Period from operating, parking, maintaining or otherwise using a Vehicle anywhere in the Community.

2.15 **LIGHTING AND WIRING.** The exterior lighting on Lots shall be directed downward and shall not be directed outward from, or extend beyond, the boundaries of any Lot. All wiring on any Lot shall be underground.

2.16 **ANTENNAE.** No radio aerial, antenna or satellite or other signal receiving dish, or other aerial or antenna for reception or transmission, shall be placed or kept on a Lot outside of a dwelling, except on the following terms:

(a) An Owner may install, maintain and use on its Lot one (or, if approved, more than one) Small Antenna (as hereinafter defined) in the rear yard of a dwelling on the Lot, at such location, and screened from view from adjacent dwellings in such a manner and using such trees, landscaping or other screening material, as are approved by the Architectural Review Committee, in accordance with Article II. Notwithstanding the foregoing terms of this subsection, (i) if the requirement that a Small Antenna installed on a Lot be placed in the rear yard of a dwelling would impair such Small Antenna's installation, maintenance or use, then it may be installed, maintained and used at another approved location on such Lot where such installation, maintenance or use would not be impaired; (ii) if and to the extent that the requirement that such Small Antenna be screened would result in any such impairment, such approval shall be on terms not requiring such screening; and (iii) if the prohibition against installing, maintaining and using more than one (1) Small Antenna on a Lot would result in any such impairment, then such Owner may install on such Lot additional Small Antenna as are needed to prevent such impairment (but such installation shall otherwise be made in accordance with this subsection).

(b) In determining whether to grant any approval pursuant to this Section, neither Declarant, the Architectural Review Committee nor the Board of Directors shall withhold such approval, or grant it subject to any condition, if and to the extent that doing so would result in an impairment.

(c) As used herein, (i) "impair" has the meaning given it in 47 Code of Federal Regulations Part 1, section 1.4000, as hereafter amended; and (ii) "Small Antenna" means any antenna (and accompanying mast, if any) of a type, the impairment of the installation, maintenance or use of which is the subject of such regulation. Such antennae are currently defined thereunder as, generally, being one (1) meter or less in diameter or diagonal measurement and designed to receive certain types of broadcast or other distribution services or programming.

2.17 **SUBDIVISION.** 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; provided, however, this shall not prohibit transfers of parts of Lots between adjoining Lot owners where the transfer is not for the purpose of creating a new building Lot. 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 person for any purpose.

2.18 **SIGNAGE.** Other than signs deemed necessary and appropriate by the Declarant or its successors and assigns, and excluding directional signs, signs for traffic control or safety or customary "for sale" signs which are promptly removed after sale, no other type of business, advertising, for sale, or display signs of any character shall be placed or maintained

on any part of the Property or on any dwelling or Structure. In addition to the foregoing, no candidate sign (as such term is defined in Section 11B-111.2 of the Real Property Article, Annotated Code of Maryland, 1996 Repl. Volume, as the same may be amended from time to time), or a sign that advertises the support or defeat of any proposition, may be displayed in the Common Areas; any permissible candidate sign shall be displayed in accordance with provisions of federal, state and local law; and such signage may only be displayed no more than forty-five (45) days before the primary election, general election, or vote on the proposition and no more than seven (7) days after the primary election, general election or vote on the proposition.

2.19 **LEASE AGREEMENTS.** All lease agreements with respect to any Lot or any Structure located thereon shall be in writing and submitted to the Board of Directors of the Association for approval. The minimum term of all lease agreements shall be one (1) year, and shall state that the lease agreement shall be subject to this Declaration, Articles of Incorporation, and By-Laws of the Association. Current copies of any lease (and any extension) must be supplied to the Association. Record Owners who do not reside on their Lot must provide current addresses and phone numbers to the Association.

2.20 **FOREST CONSERVATION AND FOREST BUFFER EASEMENT AREAS.** Any portion of the Common Areas or Lots designated and shown on any recorded subdivision plat of all or a portion of the Property as forest conservation easement and forest buffer easement (collectively, the "FC/FB Areas") shall remain in a natural, undisturbed state and will not be developed, or improvements erected thereupon by the Declarant, its successors or assigns, the Association, or any Record Owner, except those of a minor nature necessary for such intended use and permitted by applicable law. Any FC/FB Areas shown on the plat are subject to protective covenants which may be found in the Land Records of Baltimore County, and which restrict disturbance and use of these areas (the "Protective Covenants"). There shall be no clearing, grading, construction or disturbance of vegetation in the FC/FB Areas except as permitted by the Baltimore County Department of Environmental Protection and Resource Management. Each Owner agrees to provide Declarant, its agents and any other party to the Protective Covenants full access to their Lot at any time for the purposes of complying with the Protective Covenants, and to otherwise comply with all provisions of the Protective Covenants.

2.21 **TRASH AND OTHER MATERIALS.** No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any Lot, except building material during the course of construction of any approved dwelling or other permitted Structures. No burning of trash shall be permitted on any Lot. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, containers may be placed in the open in accordance with local law or on any day that a pick-up is to be made at such place on the Lot as to provide access to persons making such pick-up. At all other times such containers shall be stored in such a manner so as not to be visible from the roadway or the other Lots or Common Areas. Trash shall be disposed of in hard rubber or plastic containers covered with a lid.

2.22 **NON-INTERFERENCE WITH UTILITIES.** 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 change, obstruct or retard direction or flow of any drainage channels. No poles and wires for the transmission of electricity, telephone and the like shall be placed or maintained above the surface of the ground on any Lot.

2.23 **TREE REMOVAL.** No Record Owner shall have the right to remove any of the healthy growing trees located on any of the Lots within the subdivision except upon Architectural Review Committee approval.

2.24 **FAMILY DAY CARE.** Notwithstanding anything contained herein to the contrary, an Owner may use his or her residence as a "Family day care home" ("Home") (as defined in Section 11B-111.1 of the Maryland Homeowners Association Act (the "Act")); subject to the following requirements:

(a) The Owner or day care provider (as defined in Section 11B-111.1 of the Act) operating the Home shall be registered with and have a license issued by the Department of Human Resources, in accordance with the registration and licensing provisions set forth in Title 5, Subtitle 5 of the Family Law Article. The Owner or day care provider shall furnish a copy of the license to the Architectural Review Committee prior to establishing and operating the Home and upon each renewal thereof.

(b) The Owner or day care provider shall obtain the liability insurance provided by applicable Maryland law. The Owner or day care provider may not operate the Home without the liability insurance described herein, and shall present proof of insurance to the Architectural Review Committee before establishing and operating the Home and upon any renewal of the policy.

(c) The Owner or day care provider shall pay, on a pro-rata basis with other Homes then in operation in the Community, any increase in the insurance costs of the Association attributable solely and directly to the operation of the Home, upon presentation of a statement from the Architectural Review Committee setting forth the increased costs and requesting payment of same. The increased insurance costs shall be considered an assessment against the Lot, and may be collected under the Maryland Contract Lien Act.

(d) The Owner or day care provider shall not use any of the Common Areas for any purpose directly or indirectly relating to the operation of the Home.

2.25 **DISTRIBUTION OF WRITTEN INFORMATION AND MATERIALS.** Until the Owners elect officers or a Board of Directors in accordance with Section 11B-111.3 of the Act), no Owner may distribute any written information or materials regarding the operation of or matters relating to the operation of the Association in any manner or place which the Board of Directors uses to distribute written information or materials, excluding, however, door-to-door distribution. From and after the date that the Owners elect officers or a Board of Directors, the Board of Directors may regulate the time of distribution and impose any other restrictions which are permissible under Section 11B-111.3 of the Act, as amended from time to time, and any other applicable law.

2.26 **BALTIMORE COUNTY ACCESS EASEMENT.** The duly authorized employees and representatives of Baltimore County shall have the right to enter upon the Property for the purpose of performing necessary inspection, maintenance and repair to any completed storm water management facility, and until such time as the storm water management facility is dedicated to Baltimore County, when such maintenance or repair is not satisfactorily completed by the Owner thereof within a reasonable time, to assess such Owner for the costs thereof.

ARTICLE III**PROPERTY SUBJECT TO THIS DECLARATION;
ANNEXATION AND DEANNEXATION**

3.1 **PROPERTY.** The real property which is, and shall be, transferred, held, sold, conveyed and occupied subject to this Declaration is located in the Community, and is described on Exhibit "A" attached hereto, all of which real property is referred to herein as the "Property".

3.2 **ADDITIONS TO PROPERTY.**

(a) The Declarant, its successors and assigns, shall have the right for seven (7) years from the date hereof to bring within the scheme of this Declaration additional property within the Community (the "Additional Property"), without the consent of the Class A members of the Association, which Additional Property may include Lots and/or Common Areas.

(b) The additions authorized under this subsection shall be made by filing a supplemental declaration of record with respect to the Additional Property which shall extend the scheme of the Declaration to such Additional Property, and which Additional Property shall thereupon become part of the Property. Upon the filing of any supplemental declaration, Record Owners of Additional Property shall be subject to the same obligations and entitled to the same privileges as apply to the Record Owners of the Property. Such supplemental declaration may contain such complementary additions and modifications to the Declaration as may be necessary to reflect the different character, if any, of the Additional Property not inconsistent with the scheme of this Declaration.

3.3 **DEANNEXATION.**

(a) Provided there are Class B members, the Declarant may deannex any property (excluding, however, any Common Areas conveyed to the Association by the Declarant) from the Property for a period of seven (7) years from the date of recordation of this Declaration. Such deannexed property shall no longer be subject to the covenants and restrictions of this Declaration except for any easements, rights, reservations, exemptions, power or privileges reserved to the Declarant pursuant to this Declaration which burden the deannexed property for the benefit of any property which is subject to the Declaration. Such deannexation shall be made by recording a supplementary declaration among the Land Records of the County, withdrawing the effect of the covenants and restrictions of this Declaration from the deannexed property. Such deannexed property may be utilized by the Declarant, or any successor, assign or transferee thereof, for any lawful purpose or use.

ARTICLE IV**MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION**

4.1 **MEMBERSHIP.** Every Record Owner of a Lot that is subject to assessment shall become and be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot that is subject to assessment.

4.2 **CLASSES OF MEMBERSHIP.**

(a) The Association shall have two (2) classes of voting membership:

(i) **Class A.** Except for the Declarant who shall initially be Class B member, the Class A members shall be all Record Owners holding title to one (1) or more Lots; provided, however, that any Mortgagee or any other person or entity who holds such interest solely as security for 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 per Lot, for each Lot owned by it, in all proceedings in which action shall be taken by members of the Association.

(ii) **Class B.** The Class B member shall be the Declarant. The Class B member shall be entitled to ten (10) votes per Lot for each Lot owned by it, in all proceedings in which actions shall be taken by members of the Association.

(b) If more than one (1) person, firm, corporation, trustee, or other legal entity, or any combination thereof, holds the record title to any Lot, all of the same, as a unit, and not otherwise, shall be deemed a single member of the Association. The vote of any member comprised of two (2) or more persons, firms, corporation, trustees, or other legal entities, or any other combination thereof, shall be cast in the manner provided for in the Articles of Incorporation and/or By-Laws of the Association, or as the several constituents may determine, but in no event shall all such constituents cast more than one (1) vote per Lot for each Lot owned by them.

4.3 **CONVERSION.** The Class B membership in the Association shall cease and be converted to Class A membership in the Association, upon the earlier to occur of: (i) December 31, 2010; (ii) at such time as the total number of votes entitled to be cast by Class A members of the Association equals or exceeds the total number of votes entitled to be cast by the Class B member of the Association; or (iii) upon the surrender of the Class B membership by the then Class B members on the books of the Association. If after such conversion Additional Property is made subject to the Declaration, then the Class B membership shall be reinstated until December 31, 2015, or such earlier time as the total number of votes entitled to be cast by Class A members again equals or exceeds the total number of votes entitled to be cast by the Class B members. The Declarant shall thereafter remain a Class A member of the Association as to each and every Lot from time to time subject to the terms and provisions of this Declaration in which the Declarant then holds the interest otherwise required for Class A membership.

ARTICLE V

DECLARANT'S RESERVED RIGHTS AND OBLIGATIONS

5.1 **UTILITY EASEMENTS.** Easements with respect to sanitary sewer and water, cable television, electricity, gas and telephone lines and any other like facilities shall be governed by the following:

(a) The Owner of any Lot, or the Association, shall have the right, to the extent necessary, to enter upon or have a utility company enter upon any portion of the

Property in which utility installations lie, in order to repair, replace and generally maintain said installations.

(b) The right granted in Section 5.1(a) above shall be only to the extent necessary to entitle the Owner or the Association full and reasonable use and enjoyment of the utilities and provided further that anyone exercising said right shall be responsible for restoring the surface of the easement area to its prior condition.

(c) A non-exclusive, perpetual, blanket easement over the Property for the installation and maintenance of electric, telephone, cable television, water, gas, drainage, utility, sanitary sewer lines and facilities, pressure sewers and grinder pumps, and the like, is hereby reserved by Declarant and its successors and assigns, together with the right to grant and transfer the same during such time that Declarant or its successors and assigns is the Owner of the Property.

5.2 DEVELOPMENT EASEMENTS.

(a) Easements Reserved to the Declarant.

(i) Easement to Facilitate Development. The Declarant hereby reserves to itself and its designees a non-exclusive blanket easement over and through the Property for all purposes reasonably related to the development and completion of improvements on the Property, including without limitation: (a) temporary slope and construction easements; (b) drainage, erosion control and storm and sanitary sewer easements including the right to cut or remove trees, bushes or shrubbery, to regrade the soil and to take any similar actions reasonably necessary; provided, however, that thereafter the Declarant shall restore the affected area as near as practicable to its original condition; and (c) easements for the construction, installation and upkeep of improvements (e.g., buildings, landscaping, street lights, signage, etc.) on the Property or reasonably necessary to serve the Property.

(ii) Easement to Facilitate Sales. The Declarant hereby reserves to itself and its designees the right to: a. use any Lots owned or leased by the Declarant, and any other Lot with the written consent of the Owner thereof, as models, management offices, customer service offices or sales office parking areas; b. place and maintain in any location on the Common Areas and the storm water management area, and on any Lot, street and directional signs, temporary promotional signs, temporary construction and sales offices, plantings, street lights, entrance features, "theme area" signs, lighting, stone, wood or masonry walls or fences and other related signs and landscaping features; provided however, that all signs shall comply with applicable governmental regulations and the Declarant, shall obtain the consent of the Owner of any affected Lot or of the Architectural Review Committee if the Owner does not consent; and c. relocate or remove all or any of the above from time to time in the Declarant's sole discretion.

(iii) Landscaping Easement. The Declarant hereby reserves to itself and its successors and assigns, an easement and the right to grant and reserve easements over and through the Property for the purpose of construction, installation, irrigation and maintenance of landscaping features, including without limitation, plants, trees and earth berms and other earth contouring and signs which shall include access as necessary to perform such tasks. The Owner of a Lot burdened by such an easement shall not construct any improvements within the easement without the permission of the Declarant during the

Development Period, or the Association, thereafter. Maintenance of these easement areas by the Association shall be a common expense of the Association and shall not be assessed against the Lot burdened by the easement; provided, however, the Declarant or Association, as appropriate, may require the Owner of the Lot to maintain any easement area located on such Owner's Lot.

(iv) Storm Water Management and Utility Easements. The Declarant hereby reserves to itself and its successors and assigns an easement and the right to grant and reserve easements over and through the Property for the construction and upkeep of utility facilities, including storm water retention areas. Declarant reserves unto itself and its successors and assigns to enter into agreements for the use and sharing of expenses relating to off-site storm water management facilities.

(v) Relocation Easements. The Declarant hereby reserves unto itself the right to relocate, change or modify, from time to time, any and all streets, roadways and utility easements which may be located within the Common Areas and to create new streets, roadways and utility easements therein.

(vi) Completion Easements and Rights of Declarant. Declarant further reserves unto itself, for itself and its successors and assigns, the right, notwithstanding any other provision of the Declaration, to use any and all portions of the Property, including any Common Areas which may have previously been conveyed to the Association, for all purposes necessary or appropriate to the full and final completion of construction of the Community. Specifically, none of the provisions of Article II concerning architectural control or use restrictions shall in any way apply to any aspect of the Declarant's development or construction activities and notwithstanding any provisions of this Declaration, none of the Declarant's construction activities or any other activities associated with the development, marketing, construction, sales management or administration of the Community shall be deemed noxious, offensive or a nuisance. The Declarant reserves the right for itself, and its respective successors and assigns, to store materials, construction debris and trash during the construction period on the Property without keeping same in containers.

(vii) Grading Easements. Declarant expressly reserves unto itself the right at or after the time of grading of any street or to such other Lot or any part thereof for any purpose, to enter upon any abutting Lot and grade a portion of such Lot adjacent to such street, provided such grading does not materially interfere with the use or occupancy of a dwelling built or to be built on such Lot, but said Declarant shall not be under any obligation or duty to do such grading or to maintain any slope.

(viii) Common Area Easements.

a. Utilities. The Declarant hereby expressly reserves unto itself and hereby grants to any utility company or governmental entity, to whom the Declarant may grant, convey, transfer, set over and assign the same, or any part thereof, the right to discharge surface water on and to lay, install, construct, and maintain, on, over, under or in those strips across land designated on the Plat, as "Drainage and Utility Easement," "Sewer Easement," "Drainage and Sewer Easement," "Open Space," "H.O.A. Area," "Common Area," and "Area Reserved for Future Road," or otherwise designated as an easement area, or on, over, under, or in any portion of any Common Areas, pipes, drains, mains, conduits, lines, and other facilities for water, storm sewer, sanitary sewer, gas, electric, telephone, and other public

utilities or quasi-public utilities deemed necessary or advisable to provide adequate service to any Lot now or hereafter laid out or established on the Property, or the area in which the same is located, together with the right and privilege of entering upon the Common Areas for such purposes and making openings and excavations therein, provided that same be corrected and the ground be restored and left in good condition.

b. Sediment Control Ponds/Facilities. The Declarant hereby expressly reserves unto itself the right to continue to use and maintain any sediment control ponds or facilities located on any Common Areas.

(ix) Maintenance Easements. Each Owner hereby grants an easement to the Association and its agents in order for the Association to perform any and all repair and maintenance of Lots which the Association is either required to perform hereunder or elects to perform pursuant to the provisions of this Declaration.

(b) Further Assurances. Any and all conveyances made by the Declarant to the Association or any Owner shall be conclusively deemed to incorporate these reservations of rights and easements, whether or not set forth in such grants. Upon written request of the Declarant, the Association and each Owner shall from time to time execute, acknowledge and deliver to the Declarant such further assurances of these reservations of rights and easements as may be requested.

(c) Duration and Assignment of Development Rights. The Declarant may assign its rights under this Section to, or share such rights with, one or more other persons, exclusively, simultaneously or consecutively. The rights and easements reserved by or granted to the Declarant pursuant to this shall continue for so long as the Declarant or its designees are engaged in development or sales, or activities related thereto, anywhere on the Property, unless specifically stated otherwise; provided, however, that the easements described in the following provisions of Section 5.2 (a) shall run in perpetuity: (i) c., (ii) b., (iii), (iv), (vii), (viii) a. and (ix).

(d) Association Power to Make Dedications and Grant Easements. The Declarant, on behalf of itself and its successors and assigns, hereby also grants to the Association the rights, powers and easements reserved to the Declarant by Article V hereof. These rights, powers and easements may be exercised by the Association, subject to any other provisions herein; provided, however, that the limitations on duration applicable to the Declarant shall not apply to the Association. If the Declarant or any Owner requests the Association to exercise its powers under this Section, the Association's cooperation shall not be unreasonably withheld, conditioned or delayed.

5.3 EASEMENT FOR UPKEEP. The Declarant hereby reserves unto itself and hereby grants to the Association, the managing agent and any other persons authorized by the Board of Directors, in the exercise and discharge of their respective powers and responsibilities, the right of access over and through any portion of the Property for purposes of upkeep of the Property, including, without limitation, the right to make inspections, correct any condition originating in a Lot or in the Common Areas threatening another Lot or the Common Areas, correct drainage, perform installations or upkeep of utilities, landscaping, retaining walls or other improvements located on the Property for which the Association is responsible for upkeep, or correct any condition which violates this Declaration. The agents, contractors, officers and directors of the Association may also enter any portion of the Property (excluding any improvement) in order to utilize or provide for the upkeep of the areas subject to easements

granted in this Article to the Association. Each Owner shall be liable to the Association for the cost of all upkeep performed by the Association and rendered necessary by any act, neglect, carelessness or failure to comply with this Declaration for which such Owner is responsible pursuant to this Declaration, and the costs incurred by the Association shall be assessed against such Owner's Lot in accordance with Article VIII hereof.

5.4 **EASEMENT FOR SUPPORT**. To the extent that any portion of the Property now or hereafter supports or contributes to the support of any other portion of the Property, the former is hereby burdened with an easement for the lateral and subjacent support of the latter.

5.5 **EASEMENT AND EMERGENCY ACCESS**. The Declarant, on behalf of itself and its successors and assigns, hereby reserves unto itself and grants an easement to: (1) all police, fire, ambulance and other rescue personnel over and through all or any portion of the Property for the lawful performance of their functions during emergencies; and (2) the Association, over and through all Lots, if emergency measures are required in any Lot to reduce a hazard thereto or to any other portion of the Property. The Association is hereby authorized but not obligated to take any such measures.

5.6 **EASEMENT FOR USE OF COMMON AREAS**. The Declarant hereby reserves unto itself, for so long as the Declarant is engaged in development or sales, or activities related thereto anywhere on the Property or the Declarant is an Owner and to each Owner and each person lawfully occupying a Lot, a non-exclusive right and easement of use and enjoyment in common with others of the Common Areas, provided, however, that the Declarant shall have the same right and easement of use as the other Owners. Such right and easement of use and enjoyment shall be appurtenant to each Lot, whether or not mentioned in the deed thereto. Any purported conveyance or other transfer of such rights and easements apart from the Lot to which such rights and easements are appurtenant shall be void.

5.7 **VEHICLE AND PEDESTRIAN ACCESS**. The Declarant hereby reserves to itself, for so long as Declarant is engaged in development or sales, or activities related thereto anywhere on the Property, and hereby grants to each other Owner and each person lawfully occupying a Lot a non-exclusive easement over all streets, walks and paths on the Common Areas for the purpose of vehicular or pedestrian access, ingress and egress, as appropriate, to any portion of the Property to which such person has the right to go, subject to any Rules and Regulations promulgated by the Association pursuant to this Declaration. Any purported conveyance or other transfer of such rights and easements apart from the Lot to which such right and easement are appurtenant shall be void.

5.8 **LIMITATIONS**. The rights and easements of enjoyment created hereby shall be subject (in addition to any easements granted or reserved in this Declaration or pursuant to the Articles of Incorporation and By-Laws of the Association) to all rights and powers of the Declarant and the Association when exercised in accordance with the other applicable provisions of such documents, including without limitation the Association's right to regulate the use of the Common Areas, to grant easements across the Common Areas, to dedicate portions of the Common Areas and to mortgage the Common Areas subject to the provisions of this Declaration.

5.9 **SALES OFFICE, ETC.** Nothing contained in this Declaration shall be construed to in any way limit the right of Declarant to use any Lot owned by Declarant for the purpose of a construction office, sales office, and/or for model and display purposes and for the carrying out

of the above activities, and/or storage compound and parking lot for sales, marketing, and construction.

5.10 **FOREST CONSERVATION AND FOREST BUFFER AREAS.** The Declarant, for itself, its successors and assigns, reserves a non-exclusive easement and right-of-way over any portion of the Community for the purpose of performing any activity related to the Forest Conservation and Forest Buffer Declaration and/or to perform reforestation, afforestation and any other activity which Declarant may deem desirable (collectively, the "forest activities"). The foregoing reservation by Declarant shall specifically include the right of ingress and egress and to conduct forest activities by Declarant (or any of its agents or employees) over any Lot in the Community, irrespective of whether or not the title to the Lot has been transferred to an Owner already residing on the Lot, and if ingress, egress and any forest activities are conducted by Declaration over, on and across a lot, no prior notice to the Owner shall be required.

5.11 **LOT LINES.** The Declarant, for itself, its successors and assigns, reserves the right to alter, amend, and change any Lot lines or subdivision plat prior to transfer of any Lot pursuant to a recorded subdivision plat. In addition, Declarant reserves the right to alter Lot lines between Lots owned by it at any time.

5.12 **PLAT CHANGES.** No right shall be conferred upon any Owner or Member by the recording of any plat relating to the development of the Property described herein to require the development of said Property in accordance with such plat. Declarant expressly reserves unto itself, the right to make such amendments to any such plat or plats as shall be advisable in their best judgment and as shall be acceptable to public authorities having the right to approval thereof.

ARTICLE VI

COMMON AREAS

6.1 **GRANT OF COMMON AREAS.** The Association shall take title to the Common Areas (which are intended to be owned by the Association) free and clear of all encumbrances, except this Declaration and all other matters of record when conveyed by Declarant. The Covenants are hereby imposed upon the Common Areas for the benefit of the Declarant, the Association and the Record Owners, and their respective personal representatives, successors and assigns, to the end and intent that the Association shall have and hold the said Common Areas subject to the reservations set forth in Article V hereof, and to the Covenants herein set forth.

6.2 **MEMBER'S RIGHT OF ENJOYMENT.** Every member of the Association shall have a non-exclusive right and easement for the use, benefit and enjoyment, in common with others, in and to the Common Areas and such non-exclusive right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the restrictions herein set forth. If ingress or egress to any dwelling is through the Common Areas, any conveyance or encumbrance of such area is subject to such Owner's easement. Except as otherwise permitted by the provisions of this Declaration, the Common Areas shall be retained in its natural state, and no Structure or improvement of any kind shall be erected, placed or maintained thereon. Structures or improvements designed exclusively for community use, shelters, benches, chairs or other seating facilities, fences and walls, walkways, playground equipment, game facilities, drainage and utility structures, grading and planting, may be erected,

placed and maintained thereon for the use, comfort and enjoyment of the members of the Association, or the establishment, retention or preservation of the natural growth or topography of the area, or for aesthetic reasons. No portion of the Common Areas may be used by any Record Owner or Owners for personal vegetable gardens, storage facilities or other private uses.

6.3 **NUISANCE.** No noxious or offensive activity shall be carried on upon the Common Areas nor shall anything be done thereon which will become an annoyance or nuisance to the Community.

6.4 **MAINTENANCE OBLIGATIONS OF THE ASSOCIATION.** The Association shall improve, develop, supervise, manage, operate, examine, insure, inspect, care for, repair, replace, restore and maintain the Common Areas together with any items of personal property placed or installed thereon, any area dedicated to a public or governmental entity if such entity fails to properly maintain such area, and shall levy against each member of the Association a proportionate share of the aggregate cost and expense required for the care, maintenance and improvement of the foregoing described areas, which proportionate share shall be determined based on the ratio which the number of Lots owned by the member bears to the total number of Lots then laid out or established on the Property. The foregoing obligations of the Association shall also include performing, at its own expense, any maintenance of any entrance monuments for the Community, including any such signs located within a public right-of-way or on a Lot.

6.5 **RESTRICTIONS.** The right of each member of the Association to use the Common Areas shall be subject to the following:

- (a) any rule or regulation now or hereafter set forth in this Declaration and, further, shall be subject to any rule or regulation now or hereafter adopted by the Association for the safety, care, maintenance, good order and cleanliness of the Common Areas;
- (b) the right of the Association, in accordance with its Articles of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Areas in a manner designed to promote the enjoyment and welfare of the members, and in aid thereof to mortgage any of the Common Areas;
- (c) the right of the Association to take such steps as are reasonably necessary to protect the property of the Association against mortgage default and foreclosure;
- (d) the right of the Association to suspend the voting rights and the rights to use of the Common Areas after notice and a hearing for any period not to exceed sixty (60) days for any infraction of any of the published rules and regulations of the Association or of this Declaration;
- (e) the right of the Association to dedicate or transfer all or any part of the Common Areas 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; and further subject to the written consent of the County; provided, however, that no dedication, transfer, mortgage or determination as to the purposes or as to the conditions thereof, shall be effective unless two-thirds (2/3) of the Class A members of the Association consent to such dedication, transfer, purpose and conditions; and

(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 license, right-of-way or easement shall be unreasonably and permanently inconsistent with the rights of the members to the use and enjoyment of the Common Areas.

(g) All of the foregoing shall inure to the benefit of and be enforceable by the Association and the Declarant, or either of them, their respective successors and assigns, against any member of the Association, or any other person, violating or attempting to violate any of the same, either by action at law for damages or suit in equity to enjoin a breach or violation, or enforce performance of any term, condition, provision, rule or regulation. Further, the Association and the Declarant shall each have the right to abate summarily and remove any such breach or violation by any member at the cost and expense of such member.

6.6 **DELEGATION OF RIGHT OF USE.** Any member of the Association may delegate its rights to the use and enjoyment of the Common Areas to family members who reside permanently with such member and to its tenants, contract-purchasers, invitees and guests, all subject to such reasonable rules and regulations which the Association may adopt and uniformly apply and enforce.

6.7 **RULES AND REGULATIONS.** Each Record Owner shall fully and faithfully comply with the rules, regulations and restrictions applicable to use of the Common Areas, as such rules, regulations and restrictions are from time to time adopted by the Association for the safety, care, maintenance, good order and cleanliness of the Common Areas. Further, each Record Owner shall comply with the Covenants imposed by this Declaration on the use and enjoyment of the Common Areas.

ARTICLE VII

ENCROACHMENTS

If any Structure or any part thereof, as a result of the initial construction and/or settlement and/or shifting of such Structure, encroaches upon an adjoining Lot or Common Areas, there shall arise, without the necessity of any further or additional act or instrument, an easement for the encroachment in favor of the encroaching Owner, its heirs, personal representatives, successors and assigns. Such easement shall remain in effect for so long as the encroachment shall exist. The conveyance or other disposition of a Lot shall be deemed to include and convey, or be subject to, any easements arising under the provisions of this Article without specific or particular reference to such easement.

ARTICLE VIII

ASSESSMENTS FOR MAINTENANCE

8.1 **COVENANT FOR MAINTENANCE ASSESSMENT.** The Declarant, for each Lot owned by it within the Property, hereby covenants, and each Record Owner, by acceptance of a deed hereafter conveying any such Lot to it, whether or not so expressed in such deed or other conveyance, shall be deemed to have covenanted and agreed to pay the Association (a) in advance, an annual assessment (the "Annual Assessment") equal to the

member's proportionate share of the sum required by the Association, as estimated by the Board of Directors, for Annual Assessments or charges, and (b) Special Assessments or charges, for capital improvements ("Special Assessment"), such Annual and Special assessments and charges to be established and collected as hereinafter provided. The Annual and Special Assessments or charges shall be a charge and continuing lien upon each of the Lots against which the assessment is made in accordance with the terms and provisions of the Maryland Contract Lien Act, and this Article VIII shall be construed as a real covenant running with the Land and a contract of a lien under the terms of the said Act. Such assessments or charges, together with interest at a rate of eighteen percent (18%) per annum (unless such rate of interest is not legally allowable in which event the highest rate permitted by law shall be applicable), and costs and reasonable attorneys' fees incurred or expended by the Association in the collection thereof, shall also be the personal obligation of the Record Owner holding title to any Lot at the time when the assessment fell due or was payable. The personal obligation for any delinquent assessment or charge, together with interest, costs and reasonable attorneys' fees, however, shall not pass to the Record Owner's successor or successors in title unless expressly assumed by such successor or successors.

8.2 **USE OF ASSESSMENTS.** The assessments and charges levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents of the Community, and in particular for (a) the improvement and maintenance, operation, care, services and facilities related to the use and enjoyment of the Common Areas, including fees paid to any management agent; (b) the payment of taxes on the Common Areas (except to the extent that proportionate shares of such public charges and assessments on the Common Areas may be levied against all Lots laid out on the Property by the tax collecting authority so that the same is payable directly by the Record Owners thereof, in the same manner as real property taxes are assessed or assessable against the Lots); (c) the payment of insurance premiums on the Common Areas; (d) the costs of repair, replacement and additions to the Common Areas and improvements thereon; (e) the cost of obtaining, planting and thereafter maintaining street trees throughout the Community if required by the County, whether or not such street trees are located in the Common Areas; (f) the costs of utilities and other services which may be provided by the Association for the Community as may be approved from time to time by a majority of the members of the Association; (g) the cost of labor, equipment, insurance, materials, management and supervision incurred or expended in performing all of the foregoing; and (h) the cost of funding all reserves established by the Association, including a general operating excess and a reserve for replacements.

8.3 **MAXIMUM ANNUAL ASSESSMENT.**

(a) Until January 1 of the year immediately following the conveyance of the first Lot to a Record Owner other than the Declarant, the maximum Annual Assessment for each Lot shall be the aggregate of Five Hundred Forty Dollars (\$540.00) per year, payable on a monthly basis at a charge of Forty-Five Dollars (\$45.00) per month.

(b) From and after such date, the maximum Annual Assessment may be increased each year by not more than twenty percent (20%) of the maximum Annual Assessment for the previous year without a vote of the membership of the Association.

(c) From and after such date the maximum Annual Assessment may be increased above the twenty percent (20%) limitation specified in the preceding sentence only

by a vote of two-thirds (2/3) of each class of members of the Association, voting in person or by proxy, at a meeting duly called for such purpose.

(d) The Board of Directors of the Association may fix the Annual Assessment or charges against each Lot at any amount not in excess of the maximum. Subject to the limitations set forth in this Section 8.3, and for the periods therein specified, the Association may change the maximum and the basis of the Assessments fixed by Section 8.3 hereof prospectively for any period provided that any such change shall have the assent of two-thirds (2/3) of each class of members of the Association, voting in person or by proxy, at a meeting duly called for such purposes.

8.4 **SPECIAL ASSESSMENTS.** In addition to the Annual Assessments authorized above, the Association may levy in any assessment year, a Special Assessment, applicable for that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement located on the Common Areas, including fixtures and personal property related thereto, and/or to meet any other deficit of the Association or any emergency or unforeseen expenses of the Association; provided that such Assessment shall first be approved by two-thirds (2/3) of the votes of each class of the members of the Association, voting in person or by proxy at a meeting duly called for such purpose.

8.5 **COMMENCEMENT DATE OF ANNUAL ASSESSMENTS.**

(a) The Annual Assessments as to any Lot shall commence on the date that the Lot is conveyed to any person other than the Declarant.

(b) Declarant and any Lot which the Declarant owns shall not be subject to any type of Assessment.

(c) The Annual Assessments shall be due and payable on a monthly basis on the first (1st) calendar day of each month, subject to the other provisions in this Declaration.

(d) The due date of any Special Assessment under Section 8.4 hereof shall be fixed in the resolution authorizing such Special Assessment.

8.6 **DUTIES OF THE BOARD OF DIRECTORS.**

(a) Commencing with the first fiscal year of the Association, the Board of Directors shall determine the amount of the 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 Assessments may be levied and collected on a monthly, quarterly or annual basis rather than on the semi-annual basis herein above provided for. Any member may prepay one or more installments of any maintenance assessment levied by the Association, without premium or penalty.

(b) 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 the beginning of such period and shall, at that time, prepare a roster of the Lots and the annual maintenance assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Record Owner upon reasonable notice to the Board of Directors. Written notice of the annual maintenance assessments shall thereupon be sent to all members of the Association. 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. The budget and assessments shall become effective unless a special meeting of the Association is duly held and at such special meeting the budget and the assessments are disapproved by at least a majority of the Class A members of the Association. No member may exempt itself from liability for maintenance assessments by abandonment of any Lot owned by such member or by the abandonment of such member's right to the use and enjoyment of the Common Areas.

(c) The Association shall, upon demand at any time, furnish to any Record Owner liable for assessment a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated as having been paid. A charge not to exceed ten dollars (\$10.00) may be levied in advance by the Association for each certificate so delivered.

8.7 **ADDITIONAL ASSESSMENTS.** Additional assessments may be fixed against any Lot only as provided for in this Declaration. Any such assessments shall be due as provided by the Board of Directors in making any such assessment.

8.8 **NONPAYMENT OF ASSESSMENT.** Any assessment or portion thereof not paid within thirty (30) days after the due date thereof shall be delinquent and shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum (unless such rate of interest is not legally allowable in which event the highest rate permitted by law shall be applicable), and shall be subject to a late charge of Fifteen Dollars (\$15.00) or ten percent (10%) of the assessment, whichever is greater, and the Association shall have the right to declare the entire balance of the assessment and accrued interest thereon to be immediately due and payable. The Association may bring an action at law against the Record Owner personally obligated to pay the same, and/or without waiving any other right, at equity to foreclose the lien against the Lot in the same manner and subject to the same requirements as are specified by the law of Maryland for the foreclosure of mortgages or deeds of trust containing a power of sale or an assent to a decree, and there shall be added to the amount of such assessment the reasonable costs of preparing and filing the complaint of such action, and in the event that judgment is obtained, such judgment shall include interest on the assessment as above provided, late fees and reasonable attorneys' fees to be fixed by the court together with the cost of the action. No Record Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of such Record Owner's Lot.

8.9 **SUBORDINATION OF LIEN TO MORTGAGE.** The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage(s) or

deed(s) of trust now or hereafter placed upon the Lot subject to assessment; provided, however, that the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. Such sale or transfer shall not relieve such Lot from liability for any assessments thereafter becoming due, nor from the lien of any such future assessment.

8.10 **ENFORCEMENT OF LIEN.** The Association may establish and enforce the lien for any assessment, Annual, Special, or otherwise, pursuant to the provisions of the Maryland Contract Lien Act. The lien is imposed upon the Lot against which such assessment is made. The lien may be established and enforced for damages, interest, costs of collection, late charges permitted by law, and attorneys' fees provided for herein or awarded by a court for breach of any of the covenants herein.

8.11 **EXEMPT PROPERTY.** The Common Areas and all Lots owned by the Association or dedicated to and accepted by a public authority and all property owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Maryland shall be exempt from the assessments created herein; provided, however, any Lot used for residential purposes shall be subject to assessment.

8.12 **RESERVES FOR REPLACEMENTS.**

(a) The Association shall establish and maintain a reserve fund for repairs and replacements of the Common Areas by the allocation and payment annually 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 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.

(b) 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 of the Association in any such reserves shall be considered an appurtenance of such Record Owner's Lot and shall not be separated from the Lot to which it appertains and shall be deemed to be transferred with such Lot.

8.13 **INITIAL CAPITAL CONTRIBUTION.** At settlement for each Lot, the sum equal to three (3) months of the then existing annual assessment shall be collected from each prospective member of the Association (other than the Declarant) for the purpose of start-up expenses and operating contingencies.

ARTICLE IX

INSURANCE AND CASUALTY LOSSES

9.1 **TYPES OF INSURANCE MAINTAINED BY ASSOCIATION.** The Board of Directors shall have the authority to and shall obtain the following types of insurance:

(a) insurance on all insurable improvements on the Common Areas against loss or damage by fire or other hazards, including extended coverage, vandalism, and

malicious mischief in an amount sufficient to cover the full replacement cost of such improvements in the event of damage or destruction;

(b) a public liability insurance policy covering the Association, its officers, directors and managing agents, having at least a One Million Dollar (\$1,000,000.00) limit per total claims that arise from the same occurrence, including but not limited to liability insurance for the recreational facilities located in the Community, or in an amount not less than the minimum amount required by applicable law, ordinance or regulation;

(c) workers' compensation insurance, if and to the extent required by law; and

(d) fidelity bond or bonds covering all Directors, officers, employees and other persons handling or responsible for the funds of the Association, in such amounts as the Board of Directors deems appropriate.

9.2 **PREMIUMS FOR INSURANCE MAINTAINED BY ASSOCIATION.**

Premiums for all insurance and bonds required to be carried under Section 9.1 hereof or otherwise obtained by the Association on the Common Areas shall be an expense of the Association, and shall be included in the Annual Assessments. Premiums on any fidelity bond maintained by a third party manager shall not be an expense of the Association.

9.3 **DAMAGE AND DESTRUCTION OF COMMON AREAS.**

(a) Immediately after any damage or destruction by fire or other casualty to all or any part of the insurable improvements on the Common Areas, the Board of Directors, or its agent, shall proceed with the filing and adjustment of all claims arising under the fire and extended coverage insurance maintained by the Association and obtain reliable estimates of the cost of repair or reconstruction of the damaged or destroyed improvements. Repair or reconstruction means repairing or restoring the improvements to substantially the same condition in which they existed prior to the fire or other casualty.

(b) Any damage or destruction to insurable improvements on the Common Areas shall be repaired or reconstructed unless at least seventy-five percent (75%) of the members present at a meeting of the membership held within ninety (90) days after the casualty shall decide not to repair or reconstruct.

(c) If, in accordance with subsection (b), the improvements are not to be repaired or reconstructed and no alternative improvements are authorized by the members, then and in that event the damaged Common Areas shall be restored to its natural state and maintained as an undeveloped portion of the Common Areas by the Association in a neat and attractive condition. In such event, any excess insurance proceeds shall be paid over to the Association for the benefit of the Property, which proceeds may be used and/or distributed as determined by the Board of Directors, in its discretion, or as otherwise provided in the Articles of Incorporation and/or the Bylaws of the Association.

9.4 **REPAIR AND RECONSTRUCTION OF COMMON AREAS.** If any improvements on the Common Areas are damaged or destroyed, and the proceeds of insurance received by the Association are not sufficient to pay in full the cost of the repair and reconstruction of the improvements, the Board of Directors shall, without the necessity of a vote

of the members, levy a Special Assessment against all Record Owners in order to cover the deficiency in the manner provided in Article VIII hereof. If the proceeds of insurance exceed the cost of repair, such excess shall be retained by the Association and used for such purposes as the Board of Directors shall determine.

9.5 **HAZARD INSURANCE ON IMPROVED LOTS.** Each Record Owner of an improved Lot at all times shall maintain fire and extended coverage insurance or other appropriate damage and physical loss insurance, in an amount equal to not less than one hundred percent (100%) of the current replacement value of the improvements on the Lot.

9.6 **OBLIGATION OF LOT OWNER TO REPAIR AND RESTORE.**

(a) In the event of any damage or destruction of the improvements on a Lot, the insurance proceeds from any insurance policy on an improved Lot, unless retained by a Mortgagee of a Lot, shall be applied first to the repair, restoration or replacement of the damaged or destroyed improvements. Any such repair, restoration or replacement shall be done in accordance with the plans and specifications for such improvements originally approved by the Declarant or the Architectural Review Committee; unless the Record Owner desires to construct improvements differing from those so approved, in which event the Record Owner shall submit plans and specifications for the improvements to the Architectural Review Committee and obtain its approval prior to commencing the repair, restoration or replacement. If any Mortgagee does not permit insurance proceeds to be used to restore any damaged or destroyed improvements, then the Record Owner of such Lot shall raze the improvements and return the Lot to its natural condition free of all debris.

(b) If any Record Owner of an improved Lot fails to maintain the insurance required by Section 9.5 of this Article, the Association may, but shall not be obligated to, obtain such insurance and pay any premiums required in connection with obtaining such insurance. Such Record Owner shall be personally liable to the Association for any costs incurred by the Association in obtaining such insurance, to the same extent as such Record Owner is liable for assessments levied against its Lot, and, upon the failure of the Record Owner to pay such costs within ten (10) days after such Record Owner's receipt of a written demand therefor from the Association, the Association may establish a lien therefor upon the Record Owner's Lot in accordance with and subject to the provisions of this Declaration applicable to an assessment lien.

ARTICLE X

RIGHTS OF MORTGAGEES

10.1 **GENERAL.**

(a) Regardless of whether a Mortgagee in possession of a Lot is its Record Owner, (i) such Mortgagee in possession shall have all of the rights under the provisions of this Declaration, the Plat, the Articles of Incorporation, the By-Laws and applicable law, which would otherwise be held by such Record Owner, subject to the operation and effect of anything to the contrary contained in its Mortgage, and (ii) the Association and each other Record Owner or person shall be entitled, in any matter arising under the provisions of this Declaration and involving the exercise of such rights, to deal with such Mortgagee in possession as if it were the Record Owner thereof.

(b) Any Mortgagee in possession of a Lot shall (subject to the operation and effect of the provisions of this Declaration, the Articles of Incorporation, the By-Laws and applicable law) bear all of the obligations under the provisions thereof which are borne by its Record Owner; provided, that nothing in the foregoing provisions of this Section shall be deemed in any way to relieve any Owner of any such obligation, or of any liability to such Mortgagee on account of any failure by such Record Owner to satisfy any of the same.

ARTICLE XI

MISCELLANEOUS

11.1 **TERM.** This Declaration shall run with the land and shall be binding for a period of thirty (30) years from the date this Declaration is recorded, after which time this Declaration shall automatically be extended for successive periods of ten (10) years each unless and until an instrument has been recorded, by which this Declaration, in whole or in part, is amended, modified or revoked pursuant to the provisions of Section 11.9.

11.2 **ENFORCEMENT.**

(a) Enforcement of this Declaration shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain the violation or to recover damages, or both. In acquiring title to any Lot in the Community, the purchaser or purchasers violating or attempting to violate any covenant, agree to reimburse the Association and/or any Record Owners for all costs and expenses for which it or they may incur as a result of the said violation or attempted violation, including but not limited to, court costs and attorneys' fees.

(b) These Covenants shall inure to the benefit of and be enforceable by the Association or by the Record Owner(s) of any land included in the Community and their respective legal representatives, successors and assigns, and all persons claiming by, through or under them.

(c) Notwithstanding the foregoing, neither the Association nor any person acting or purporting to act on its behalf shall (a) file or otherwise commence, or prosecute, in any jurisdiction whatsoever, any (i) civil, criminal or administrative proceeding in or with any court or administrative body or officer, or (ii) appeal of or objection to any decision or other action made or taken by any court or administrative body or officer, in any judicial or administrative proceeding, or (b) testify or submit evidence (except where required by law, subpoena or formal order of such court, administrative body or officer), or otherwise take a formal position on any issue under consideration, in any such proceeding or appeal, in all cases until such action is approved in writing by, or by the vote of, both (i) members entitled to cast at least 75 percent of the votes held by all Owners other than the Class B Member, and (ii) (if such action would be taken during the Development Period), the votes of the Class B Member holding at least 75 percent of the votes. Nothing in this subsection shall apply to a civil or administrative proceeding which the Association commences or prosecutes with a court or administrative body or officer (a) to collect an Assessment, or enforce or foreclose a lien securing an Assessment, (b) otherwise to enforce the Association's rights or another person's obligations under the Declaration, By-Laws or Articles of Incorporation on account of a default or under any other provision of such documents, or (c) any action taken by the Declarant at any

time or action undertaken by the Architectural Review Committee during the Development Period.

11.3 **NO WAIVER.** The failure or forbearance by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

11.4 **INCORPORATION BY REFERENCE ON RESALE.** In the event any Record Owner sells or otherwise transfers any Lot, any deed purporting to effect such transfer shall be deemed to contain a provision incorporating by reference the covenants, restrictions, servitudes, easements, charges and liens set forth in this Declaration, whether or not the deed actually so states.

11.5 **NOTICES.** Any notice required to be sent to any member or Record Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, by ordinary mail, postage paid, to the last known address of the person who appears as member or Record Owner on the records of the Association at the time of such mailing.

11.6 **NO DEDICATION TO PUBLIC USE.** Nothing herein contained shall be construed as a dedication to public use or as an acceptance for maintenance of any Common Areas by any public or municipal agency, authority or utility and no public or municipal agency, authority or utility shall have any responsibility or liability for the maintenance or operation of any of the Common Areas.

11.7 **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.

11.8 **CAPTIONS AND GENDERS.** 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.

11.9 **AMENDMENT.**

(a) While there is a Class B membership of the Association, this Declaration may be amended by an instrument in writing, signed and acknowledged by the Declarant and by the President or Vice-President and Secretary or Assistant Secretary of the Association after approval of the amendment at a meeting of the Association duly called for such purpose; provided, however, that Declarant shall have the absolute unilateral right, power and authority to amend, modify, revise or change any of the terms or provisions of this Declaration during the Development Period to amend, modify, revise or change any of the terms or provisions of this Declaration, and in order to accomplish any such amendment, each Owner appoints Declarant as his/her power of attorney to execute any such amendment. THIS SPECIAL POWER OF ATTORNEY SHALL BE IRREVOCABLE AND COUPLED WITH AN INTEREST.

(b) The vote (in person or by proxy) or written consent of (i) at least two-thirds (2/3) of the Class A members of the Association, if any, and (ii) the Declarant shall be

required to add to, amend, revise or modify this Declaration. Following the lapse of the Class B membership in the Association, as provided in Article IV hereof, this Declaration may be amended by an instrument in writing, signed and acknowledged by the President or Vice-President and Secretary or Assistant Secretary of the Association with the approval, in the manner set forth above, of at least two-thirds (2/3) of the Class A members of the Association at a meeting of the Association duly called for such purpose.

(c) An amendment or modification shall be effective when executed by the President or Vice-President and Secretary or Assistant Secretary of the Association who shall certify that the amendment or modification has been approved as herein above provided. The amendment shall be recorded in the Land Records of the County. Unless a later date is specified in any such instrument, any amendment to this Declaration shall become effective on the date of recording. For the purpose of recording such instrument, each Record Owner, other than the Declarant, hereby grants to the President or Vice-President and Secretary or Assistant Secretary of the Association an irrevocable power of attorney to act for and on behalf of each and every Record Owner in certifying, executing and recording said instrument. Notwithstanding anything to the contrary contained herein, in no event may any of Declarant's rights or privileges under the Articles of Incorporation or By-Laws of the Association or this Declaration be terminated, altered or amended without Declarant's prior written consent.

11.10 MODIFICATIONS OF PLAT; IRREVOCABLE LIMITED POWER OF ATTORNEY. During the Development Period, the Declarant, for itself and its successors and assigns reserves the sole and exclusive right to alter, amend and change any Lot lines as set forth on the Plat and to make any changes deemed desirable by Declarant on the Plat without obtaining the consent of any other Owner or interested party. EACH OWNER, BY ACCEPTANCE OF TITLE TO ANY LOT IN THE COMMUNITY HEREBY MAKES, CONSTITUTES AND APPOINTS DECLARANT AS OWNER'S ATTORNEY-IN-FACT TO EXECUTE SUCH INSTRUMENTS AND DOCUMENTS AS MAY BE NECESSARY TO EFFECTUATE ANY ALTERATION, AMENDMENT AND/OR CHANGE TO THE PLAT. THIS POWER OF ATTORNEY IS IRREVOCABLE. IN THE EVENT OWNER IS REQUIRED TO EXECUTE ANY DOCUMENTS IN CONNECTION WITH THIS POWER OF ATTORNEY, THE OWNER SHALL DO SO AT THE REQUEST OF DECLARANT WITHOUT DELAY. Each Owner acknowledges and agrees, by acceptance of a deed to any portion of the Property, that in no event shall any Owner have the right, directly or indirectly, to challenge, appeal, contest, participate in, protest or object to any zoning, plan or plat approvals, building permits, hearings or any other permits, special exceptions, variances or governmental approvals (collectively, "Approvals") sought by Declarant in connection with the Property. Further, Declarant shall have the absolute unilateral right, power and authority to modify, revise, amend, or change any Approvals, including, without limitation, any CRG Plan, partial final development plan, final development plan, record plat or any other governmental development or building approval for the Property (all of which shall be deemed within the meaning of "Approvals") to the extent same are desired by Declarant affecting the Property. By acquiring title to a Lot, each Owner expressly (i) consents and approves of any such modification, revisions, amendment, or change (or other Approvals), and this provision shall serve as the Owner's Affidavit of Consent, as described in the Baltimore County Zoning Commissioner's Policy Manual, Section 1B01.3.A.7.c as the same may be amended, modified or recodified, (ii) consents indicating its concurrence with the modified, revised, amended, or changed plan (or other Approvals) and declares that no public hearing is necessary, and (iii) grants and conveys to Declarant power of attorney, which shall be coupled with an interest, to consent and approve on behalf of each Owner and its

respective successors and assigns any such modifications, revision, amendment or change (or other Approvals).

11.11 **SCRIVENER'S ERROR.** Anything contained in the provisions of the Declaration to the contrary notwithstanding, the Declarant may, without obtaining the consent of any Owner, Mortgagee or other person, amend this Declaration or the Plat if such amendment is (in the Declarant's reasonable opinion) necessary to correct obvious typographical, mathematical, minor or similar errors therein.

WITNESS the hand and seal of the Declarant hereto on the day herein above first written.

WITNESS/ATTEST:

DECLARANT:

THE FIELDS AT PERRY HALL, LLC

Walter M. Rowland

By: John By (SEAL)

STATE/DISTRICT OF Maryland, CITY/COUNTY OF Frederick, TO WIT:

I HEREBY CERTIFY that on this 11th day of November, 2004, before, me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared _____, as _____, of THE FIELDS AT PERRY HALL, LLC, the Declarant named in the foregoing Declaration of Covenants, Conditions and Restrictions, and who, being authorized to do so, in my presence, signed and sealed the same and acknowledged the same to be the act and deed of the Declarant.

AS WITNESS my hand and seal.

Walter M. Rowland (SEAL)
Notary Public

My Commission Expires: 7/27/08

CERTIFICATION

The undersigned hereby certifies that the above instrument has been prepared by or under the supervision of an attorney admitted to practice before the Court of Appeals of Maryland or by or on behalf of one of the parties named in the above instrument.

Rachel M. Hess
Rachel M. Hess, Esq.

Reviewed for compliance with
Baltimore County Code
Section(s) 32-4-271(c) only.
Not reviewed for compliance
with any other Baltimore County
requirements.

Carol A. [Signature] 01-05-05
Assistant County Attorney
Baltimore County Office of Law

Exhibit "A"

DESCRIPTION OF THE PROPERTY SUBJECTED TO THE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

All of that real property situate and lying in the 11th Election District of Baltimore County, Maryland (the "County") and more fully described as follows:

Lots: Lot numbers 49 through and including 65, shown on the plat entitled, "FINAL PLAT ONE (A Resubdivision of Plat No. S.M. 56-129) THE FIELDS @ PERRY HALL", recorded among the Land Records of the County in Plat Book No. S.M. 75, folio 134; and

Lot numbers 34 through and including 46, 66 through and including 76, and 82 through and including 96, shown on the plat entitled, "FINAL PLAT TWO (A Resubdivision of a Portion of Plat No. S.M. 56-129) THE FIELDS @ PERRY HALL", recorded among the Land Records of the County in Plat Book No. S.M. 75, folio 135; and

Lot numbers 2, 33, 77 through and including 81, and 97 through and including 101, shown on the plat entitled, "FINAL PLAT THREE (A Resubdivision of a Portion of Plat No. S.M. 56-129) THE FIELDS @ PERRY HALL", recorded among the Land Records of the County in Plat Book No. S.M. 75, folio 136; and

Lot numbers 3 through and including 32, as shown on the plat entitled, "FINAL PLAT SIX - THE FIELDS @ PERRY HALL", recorded among the Land Records of the County in Plat Book No. S.M. 76, folio 103.

Common Areas: Those areas depicted as, "H.O.A. Common Area", "H.O.A. Open Space - Active", "H.O.A. Open Space - Passive", and "H.O.A. Common Area & Sign Easement", shown on the Plat and recorded among the Land Records of the County in Plat Book Nos. S.M. 75, folio 134-138, et seq. and S.M. 76, folio 103.

00212211663

AFTER RECORDATION, PLEASE RETURN TO:

RACHEL M. HESS, ESQ.
KANTOR, WINEGRAD & HESS, LLC
20 Crossroads Drive, Suite 215
Owings Mills, Maryland 21117

Bylaws

The Fields at Perry Hall Homeowners Association Inc.

THE FIELDS AT PERRY HALL HOMEOWNERS ASSOCIATION, INC.
BY-LAWS

ARTICLE I
NAME AND LOCATION

The name of the Corporation is The Fields at Perry Hall Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 40 York Road, Suite 300 Towson, MD 21204, but meetings of members and directors may be held at such places within the State of Maryland as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1: "Association" shall mean and refer to The Fields at Perry Hall Homeowners Association, Inc, its successors and assigns.

Section 2: "Common Areas" shall mean all real property owned, leased or licensed by the Association for the common use, benefit and enjoyment of the Owners.

Section 3: "Declarant" shall mean and refer to The Fields of Perry Hall, LLC, and any successors or assigns thereof to whom it shall expressly (i) convey or otherwise transfer all of its right, title and interest in the Properties (as such term is hereinafter define), or the last thereof, as an entirety, without reservation of any kind; or (ii) transfer, set over or assign all its right, title and interest under the Declaration, or any amendment or modification thereof.

Section 4: "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions dated November 11, 2004, applicable to the Properties and heretofore recorded among the Land Records of Baltimore County, Maryland, in Book 21221, Page 632, *et seq.*, and any additions, amendments or modification thereto.

Section 5. "Lot" shall mean and refer to any plot of land subject to assessment by the Association, and shown upon any recorded subdivision map or plat of the Properties, with the exception of the Common Areas and Lots 1, 47, and 48.

Section 6. "Member" or "Members" shall mean and refer to those persons entitled to membership in the Association, as provided in the Declaration.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple or leasehold title to any Lot which is part of the Properties, including contract sellers, but excluding ground rent owners and those having such interest merely as security for the performance of an obligation or payment of a debt.

Section 8. "Properties" shall mean and refer to that certain real property in Baltimore County (the "County") described in the Declaration of Covenants, Conditions and Restrictions referred to in Article II, Section 4 hereof, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 9. Any other terms used herein shall have the meanings given to them in the Declaration.

ARTICLE III
MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members and each subsequent regular annual meeting of the Members shall be held in January of each year, at a time and place within the State of Maryland selected by the Board of Directors of the Association. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or the Board of Directors, or upon written request of the Members who are (i) entitled to vote one-third (1/3) of all of the votes of the Class A membership, or (ii) entitled to vote one-third (1/3) of all of the votes of the Class B membership

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days but not more than sixty (60) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or of proxies entitled to cast fifteen percent (15%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, these By-Laws or applicable law. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote at the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, dated and filed with the Secretary at least three (3) business days prior to any regular meeting and one (1) business day prior to any special meeting. Once signed by a Member a proxy may only be modified by that Member. Any vote cast by a proxy and accepted by the Secretary shall carry the same authority and effect of a vote by the Member in person. Every proxy shall be revocable and shall automatically expire upon the earlier of conveyance by the Member of his Lot or sixty (60) days after the date it was signed. The Secretary, in his or her sole discretion reasonably exercised, may waive the prior filing of proxies requirement upon demonstration of facts or circumstances which prevented a Member's compliance or showed attempted, but unsuccessful compliance. A Member may, upon written request submitted to the Board of Directors not less than 30 days prior to any meeting, request a standing proxy that has a longer duration or is otherwise at variance with the terms above. Approval by a majority of the Directors, acting in their sole discretion, is required for Member's 30 day proxy request to be accepted.

Section 6. Rules of Procedure for Meetings. The Board of Directors, in its sole discretion and upon a majority vote of all Directors, may adopt rules of procedure governing the meetings of the Members.

ARTICLE IV
BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed by a Board of not less than three (3) directors, which number may be increased pursuant to the provisions of these By-Laws, but shall never be less than three (3) nor more than five (5) Directors. Should there come a time when the Board consists of less than three (3) Directors a meeting of Members

shall be called for the purpose of electing additional Board Members. The number of directors shall be determined from time to time by a vote of the Members at an annual or special meeting of Members.

Section 2. Term of Office. The term of office of the directors shall be staggered. At meetings held to elect directors, the members shall elect one-third (1/3) of the directors for a term of one (1) year, one-third (1/3) of the directors for a term of two (2) years and one-third (1/3) of the directors for a term of three (3) years; and at each annual meeting thereafter the members shall elect one-third (1/3) of the total number of directors for a term of three (3) years. The person receiving the highest number of votes shall receive a term three (3) year term; the person receiving the next highest number of votes shall receive a term of two (2) years; and the person receiving the least number of votes shall receive a term of one (1) year provided, however, if five (5) directors are elected, then the two (2) persons receiving the highest number of votes shall receive the three (3) year term; two (2) persons receiving the next highest number of votes shall receive a term of two (2) years each; and the person receiving the least number of votes that gets elected shall receive a term of one (1) year.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his or her successors shall be selected by the remaining Members of the Board (or by Declarant if during the Development Period) and shall serve for the unexpired term of his or her predecessor.

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

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take under Maryland law at a closed meeting by obtaining the written and/or electronic approval of all the directors. Any action so approved shall have the same effect as though taken at a closed meeting of the directors. With the approval of a Majority of the directors, the directors shall have the authority to spend up to \$2500.00 on a matter or issue without a meeting and without the approval of the Members.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall not be a Member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies. Nominations may be made from among Members of the Association.

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

ARTICLE VI
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly (except during the Development Period), at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

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

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

ARTICLE VII
POWERS, RIGHTS AND DUTES OF THE BOARD OF DIRECTORS

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

- (a) adopt and publish rules and regulations governing the use of the Common Areas, including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use of any recreational facilities located on any Common Areas of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations or any provisions of the Declaration;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) employ a manager, independent contractor, or such other individuals, entities or employees as they deem necessary and to prescribe their duties.

Section 2. Specific Right of Inspection of The Board of Directors.

Every director of the Association will have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The foregoing right of inspection includes a right to make extracts and copies of documents.

Section 3. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special

meeting when such a statement is requested in writing by one-third (1/3) of the Members who are entitled to vote;

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

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

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notices of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(3) foreclose the lien against any Lots for which assessments are not paid within thirty (30) days after the due date thereof or to bring an action at law against the Owner personally obligated to pay the same;

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

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

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

(g) cause to be maintained the Common Areas and any other areas shown on the Plat that may be owned by government entities who are not maintaining such areas.

ARTICLE VIII **OFFICERS AND THEIR DUTIES**

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

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

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

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

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

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

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of offices created pursuant to Section 4 of this Article.

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

(a) President. The President shall preside at all meetings of the Members and of the Board of Directors and shall see that orders and resolutions of the Board are carried out. The President shall have the authority to sign all leases, mortgages, deed and other written instruments and shall co-sign all checks and promissory notes written directly by the HOA.

(b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board. The Vice-President shall likewise have the authority to sign all leases, mortgages, deeds and other written instruments and co-sign all checks and promissory notes written directly by the HOA.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board. Within a reasonable time after the Annual Meeting, the Secretary shall disseminate a copy of the minutes to all Members.

(d) Treasurer. The Treasurer shall oversee that the Association's management company receives and deposits in appropriate bank accounts all monies of the Association and disburses such funds as directed by resolution of the Board of Directors; shall sign all books of account; cause an annual report of the Association's books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX **INDEMNIFICATION OF OFFICERS AND DIRECTORS**

The Association shall indemnify, defend and hold every officer and director of the Association harmless from and against any and all expenses, including counsel fees, reasonably incurred by or imposed upon an officer or director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Association), to which he may be made a party by reason of being or having been an officer or director of the Association, whether or nor such person is an officer or director at the time such expenses are incurred. The officers and directors of the Association shall not be liable to the Members of the Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The officers and directors of the Association shall have no personal liability with respect to any

contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify, defend and forever hold each such officer and director free and harmless from and against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Association or former officer or director of the Association may be entitled.

ARTICLE X COMMITTEES

The Association shall appoint an Architectural Review Committee, as provided in the Declaration; and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint such other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI BOOKS AND RECORDS

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

ARTICLE XII ASSESSMENTS

Section 1. As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the lot against which the assessment is made. Any assessments or portions thereof, which are not paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date the assessment shall bear interest from that date at the rate of eighteen percent (18%) per annum (unless such rate of interest is not legally allowable in which event the highest rate permitted by law shall be applicable), and shall be subject to a late charge of Fifteen Dollars (\$15.00) until paid or ten percent (10%) of the Assessment, whichever is greater, and the Association may declare the entire balance of the assessment immediately due and payable. If any Member's overdue assessment is more than \$200.00 Article XII Section 3 shall apply. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Areas or abandonment of the Owner's Lot.

Section 2. The Board of Directors, by majority vote, may, in its discretion reasonably exercised, decide to waive a particular interest charge and late fee in the case of financial hardship. No Member shall be entitled to receive more than 3 such late fee waivers.

Section 3. In the event any Member's assessment becomes delinquent, and until such delinquency is satisfied in full, that Member shall not be entitled to participate in the Association as an officer, board of director, standing or special committee member or any other role, except such Member shall retain the right to cast a vote as a Member at any meeting where Members may be entitled to cast a vote. The President and/or Chairman of the Board of Directors, may elect not to recognize any Member, whose assessment is then currently delinquent, when such Member requests to speak on any topic that may be raised at any meeting.

**ARTICLE XIII
AMENDMENTS**

Section 1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds (2/3) of a quorum of Members present in person or by proxy.

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

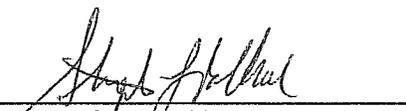
**ARTICLE XIV
MISCELLANEOUS**

The fiscal year of the Association shall be determined by the Board in its discretion.

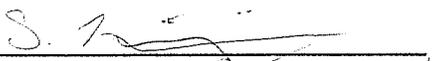
IN WITNESS WHEREOF, we, being all of the directors of The Fields at Perry Hall Homeowners Association, Inc., have hereunto set our hands this 2nd day of February, 2012.



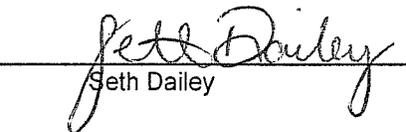
Jason Hessler



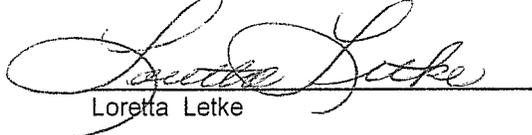
Steve Bobloch



Lauren-Prenderville Sara Leimbach



Seth Dailey



Loretta Letke

CERTIFICATION

I, THE UNDERSIGNED, do hereby certify that I am the duly elected and acting Secretary of The Fields at Perry Hall Homeowners Association, Inc., a Maryland corporation, and that the foregoing By-Laws constitute the Amended By-Laws of the said Corporation, as duly adopted by unanimous written consent of the Board of Directors thereof on this 2 day of FEBRUARY, 2011.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Corporation this 2 day of February, 2011.



Lauren-Prenderville, Secretary
Sara Leimbach

Current Unaudited Financial Documents
The Fields at Perry Hall Homeowners Association Inc.

The Fields at Perry Hall Homeowners Association, I
Income/Expense Statement
05/31/2015

Perry Hall MD 21128

Tidewater Property Management
3706 Crondall Lane
Suite 105
Owings Mills MD 21117

Description	Current Period Actual	Current Period Budget	Current Period Variance	Year-To-Date Actual	Year-To-Date Budget	Year-To-Date Variance	Yearly Budget
INCOME							
41000 Association Fees	4,410.00	4,410	0.00	22,035.00	22,050	15.00	52,920
44000 Late Charge Fees	105.00	0	(105.00)	495.00	0	(495.00)	0
45500 Interest Income	9.72	5	(4.72)	39.11	25	(14.11)	60
INCOME	4,524.72	4,415	(109.72)	22,569.11	22,075	(494.11)	52,980
EXPENSES							
ADMINISTRATIVE							
50050 Bad Debt	0.00	83	83.00	0.00	415	415.00	1,000
50300 Legal	120.00	167	47.00	58.00	835	777.00	2,000
50350 Tax Return/Audit	0.00	48	48.00	0.00	240	240.00	575
51050 Management Fee	953.58	954	0.42	4,767.90	4,770	2.10	11,443
51150 Office Expense	8.50	100	91.50	640.72	500	(140.72)	1,200
51400 Website	0.00	0	0.00	22.28	0	(22.28)	0
51800 Meeting Room	477.26	70	(407.26)	477.26	350	(127.26)	840
51850 Recreational/Social	(477.26)	333	810.26	253.95	1,665	1,411.05	4,000
51900 Donations	0.00	83	83.00	0.00	415	415.00	1,000
52550 Board Discretionary Expense	0.00	208	208.00	0.00	1,040	1,040.00	2,500
ADMINISTRATIVE	1,082.08	2,046	963.92	6,220.11	10,230	4,009.89	24,558
UTILITIES							
55000 Electric	57.92	0	(57.92)	360.17	0	(360.17)	0
56050 Utilities	0.00	83	83.00	0.00	415	415.00	1,000
UTILITIES	57.92	83	25.08	360.17	415	54.83	1,000
GROUNDS							
60400 Landscape Contract	1,666.76	875	(791.76)	5,000.28	4,375	(625.28)	10,500
61150 Open Space Maint	0.00	333	333.00	0.00	1,665	1,665.00	4,000
62650 Repairs and Maintenance	0.00	1,010	1,010.00	0.00	5,050	5,050.00	12,122
GROUNDS	1,666.76	2,218	551.24	5,000.28	11,090	6,089.72	26,622
INSURANCE/TAX							
80000 Insurance	0.00	67	67.00	809.00	335	(474.00)	800
80050 Insurance Claim	0.00	0	0.00	200.85	0	(200.85)	0
INSURANCE/TAX	0.00	67	67.00	1,009.85	335	(674.85)	800
TOTAL EXPENSES	2,806.76	4,414	1,607.24	12,590.41	22,070	9,479.59	52,980
Current Year Net Income/Loss	1,717.96	1	(1,716.96)	9,978.70	5	(9,973.70)	0

Perry Hall MD 21128

Tidewater Property Management
3706 Crondall Lane
Suite 105
Owings Mills MD 21117

ASSETS

12520	Operating Account	169,205.10	
	Subtotal Operating		169,205.10
13010	Reserve Money Markets	59,199.15	
	Subtotal Reserves		59,199.15
15000	Owner Receivables	8,360.50	
	Subtotal Other Assets		8,360.50
	Total Assets		<u>236,764.75</u>

LIABILITIES & EQUITY

CURRENT LIABILITIES

21500	Due to Reserves	8,919.96	
22500	Prepaid Owner Assessments	7,062.44	
	Subtotal Current Liabilit		15,982.40

RESERVES

33300	Reserves	144,913.09	
33315	Reserves Fence	14,000.00	
	Subtotal Reserves		158,913.09

EQUITY

33000	Retained Earnings	37,562.45	
99999	Prev Year Profit/Loss	14,328.11	
	Current Year Net Income/(Loss)	9,978.70	
	Subtotal Equity		61,869.26

	TOTAL LIABILITIES & EQUITY		<u>236,764.75</u>
--	----------------------------	--	-------------------