

MARYLAND HOMEOWNERS ASSOCIATION ACT DISCLOSURE STATEMENT
RIDGE FOREST GLEN HOMEOWNERS ASSOCIATION, INC.

This Disclosure Statement ("Disclosure") is delivered to you by NVR, Inc., a Virginia corporation, t/a Ryan Homes ("Vendor"), as a purchaser of a lot in the subdivision known as Ridge Forest Glen (the "Development"), pursuant to Section 11B-105 of the Maryland Homeowners Association Act (the "Act"). In addition to the Disclosure, you are receiving copies of the documents referred to in this Disclosure.

Words used in this Disclosure with a first capital letter are defined to mean the same as the Declaration of Covenants, Conditions, Restrictions dated June 21, 2002 and recorded among the Land Records of Anne Arundel County, Maryland in Liber 11880, folio 262 et seq. (hereinafter referred to as the "Declaration").

The "Plat" as used herein means and refers to all plats recorded or intended to be recorded among the Land Records of Anne Arundel County for the Development and as defined and described in the Declaration, as more fully outlined below.

1. The name, principal address and telephone number of the Declarant and Vendor:

Declarant:

Route 100 - Ridge Road, LLC
14159 Mariah Court, #3
Chantilly, Virginia 21051

(703) 449-8093

Vendor:

NVR, Inc.
Ryan Homes
2200 Defense Highway
Suite 107
Crofton, Maryland 21114

(410) 793-0060

2. The name of the Homeowners Association is Ridge Forest Glen Homeowners Association, Inc., a Maryland corporation. The name of the Maryland resident agent for the Homeowners Association is Renee J. VanHouten, 1520 Nicolay Way, Baltimore, Maryland 21221.

3. The Development is located in Anne Arundel County. It is contemplated that there will be sixty-three (63) Lots with common areas as shown on the plats entitled, "RIDGE FOREST GLEN" recorded among the Land Records of Anne Arundel County in Plat Book 249, pages 42 through and including 44 and Plat Nos. 13019 through and including 13021 (collectively, the "Plat"). Declarant does not own any property contiguous to the Development which is to be dedicated to public use other than roadbeds.

4. The Development will not be a part of another development.

5. The Declarant has reserved the right to annex additional property to the Development in accordance with the provisions of the Declaration (see Article III of the Declaration).

6. Attached hereto are copies of (a) the Association's Articles of Incorporation filed with the State Department of Assessments and Taxation of Maryland (the "Articles of Incorporation"), and (b) the Association's By-Laws, as adopted by its Board of Directors (the "By-Laws"), each as amended through the date hereof. The obligations set forth in the Declaration, Articles of Incorporation and the By-Laws are enforceable against the Owners and their respective tenants.

7. The Association will own and maintain all real property from time to time constituting the Common Areas (as such term is defined in the Declaration) and improvements thereon, in accordance with the provisions of the Declaration. The Association does not presently intend to lease any real property.

8. A copy of the proposed annual budget for the Association is attached hereto.

9. The anticipated initial maximum mandatory fees or assessments to be paid by Owners of Lots within the Development for the use, maintenance and operation of Common Areas and for other purposes related to the Association is Two Hundred Fifty Dollars (\$250.00) per year. Declarant and Vendor are only obligated to pay one-fourth (1/4th) of the amount of the assessment applicable for each Lot owned by them.

Article VIII of the Declaration provides, generally, for assessments to be levied against the Owners and their Lots and, *inter alia*, sets forth the following information: (a) when assessments will be levied against the Owners or their Lots; (b) the procedure for increasing or decreasing assessments; (c) how assessments and delinquent charges will be collected; (d) whether unpaid assessments are a personal obligation of the Owners; (e) whether, and if so at what rate, unpaid assessments bear interest; (f) whether an unpaid assessment may be enforced by imposing a lien on a Lot pursuant to the Maryland Contract Lien Act; and (g) whether Owners will be assessed late charges or attorneys' fees for collecting unpaid assessments, and any other consequences of the nonpayment of assessments.

From and after such date, the maximum Annual Assessment may be increased each year by not more than ten percent (10%) of the maximum Annual Assessment for the previous year without a vote of the membership of the Association and may be increased above the ten percent (10%) limitation specified 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. Annual Assessments shall commence as to each Lot at the time of conveyance of said Lot to an Owner other than Declarant.

The Board of Directors determines the amount of the assessments at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. Written notice of the annual assessments shall be sent to all Owners.

Any assessment or portion thereof not paid within thirty (30) days after the due date

shall be delinquent and shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum and be subject to a late charge of Ten Dollars (\$10.00) per month, or ten percent (10%) of the assessment, whichever is greater. The Association shall have the immediate right to institute suit for collection of the sum due, with interest thereon at the highest rate allowed by law, accounting from the date of default and to collect reasonable attorney's fees and the right to give written notice to the defaulting Owner in accordance with the provisions of the Maryland Contract Lien Act of an intention to create a lien, and thereafter, to file a statement of lien against the Lot of the defaulting Owner, under the provisions of the Maryland Contract Lien Act. By acceptance of any title to or ownership of a Lot, the Owner shall be deemed to have expressly authorized enforcement and foreclosure of the lien by the Association in the same manner and subject to the same requirements as the foreclosure of mortgages or deed of trust on real property. The Association shall have the right to both institute suit for collection of unpaid assessments and to enforce the lien of such assessment. Unpaid assessments together with interest, costs and reasonable legal fees shall be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

At settlement for each Lot, each Owner (other than Declarant and Vendor) shall pay the sum equal to One Hundred Dollars (\$100.00) for the purpose of start-up expenses and operating contingencies. The foregoing sum is in addition to any pro rata amount due for annual assessments for the current fiscal year.

10. The zoning and other land use requirements affecting the Development can be found on the Plats, Anne Arundel County Code and other applicable law. Information regarding the zoning and other land use requirements affecting the Development is available at the Anne Arundel County Planning and Code Enforcement, Heritage Office Complex, 2664 Riva Road, Annapolis, Maryland 21401 (410) 222-7450.

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

- (i) Declarant and Vendor are each provided a weighted vote of three (3) votes per Lot owned by them until the Class B Membership converts at the time specified in the Declaration.
- (ii) Declarant and Vendor have reserved certain rights and easements described in the Declaration.
- (iii) Declarant and Vendor are not required to pay the full amount of Assessments, as more fully provided in the Declaration.
- (iv) Declarant and Vendor are exempt from the provisions of the Declaration pertaining to architectural review and use restrictions.

12. Route 100-Ridge Road, LLC, as developer and Cypress Utility District, LLC ("Utility Company") have recorded covenants against the Lots comprising the Property for the costs of installation of sewer and water facilities (the "Facilities Covenants"). The purpose of the Facilities Covenants is to establish a set of annual charges against the Lots (the "Facilities Charges"), in the amount of Three Hundred Seventy Five Dollars (\$375.00) payable annually on January 1 to the Utility

Company at 14159 Mariah Court, #3 Chantilly, Virginia 21051 (hereinafter called "lienholder") from the date of Transfer (as such term is defined in the Facilities Covenants) for each Lot and continuing for a period of thirty (30) years. There may be a right of prepayment or discount for early payment which may be ascertained by contacting the lienholder. The fee or assessment is a contractual obligation between the lienholder and each owner of this property that runs with the land, and is not in any way a fee or assessment by Anne Arundel County.

The Facilities Covenants are attached hereto.

13. Attachments:

- (a) Declaration of Covenants, Conditions and Restrictions dated June 21, 2002 and recorded among the Land Records of Anne Arundel County at Liber 11880, folio 262 et seq.;
- (b) By-Laws;
- (c) Articles of Incorporation;
- (d) Budget; and
- (e) Declaration of Water and Sewer Facilities Charges.

The Buyer acknowledges receipt of a copy of the Articles of Incorporation, By-Laws, Declaration, Budget and all other disclosures required by the Act relating to the Lot and the Association, to which he or she will become obligated upon becoming an Owner of the Lot.

Date

Buyer

Date

Buyer

RIDGE FOREST GLEN HOMEOWNERS ASSOCIATION, INC.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (the "Declaration") made this 21st day of June, 2002, by ROUTE 100-RIDGE ROAD, LLC, a Maryland limited liability company (the "Declarant").

RECITALS

A. The Declarant is the owner of certain land (the "Land") in Anne Arundel County, Maryland (the "County"), shown on the plat entitled, "Ridge Forest Glen", and record among the Land Records of the County (the "Land Records"), in Plat Book No. 248, Folio 42.

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:

Stamp: RECORDING FEE 75.00, TOTAL 80.00, RESERVE FEE 02000, JUN 21 2002, 02:36 PM

Stamp: 02 JUN 21 2002

ARTICLE IDEFINITIONS

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 Ridge Forest Glen Homeowners Association, Inc.

1.2 "Builder" shall mean any person or entity other than the Declarant, which shall, in the ordinary course of such person's business, construct a dwelling on a Lot and sell or lease it to another person to occupy as such person's residence.

1.3 "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, reserved open space areas A-E and buffer area, recreation areas, maintenance areas, non-tidal wetlands, areas A & B forest conservation areas 1-6 shown on the plat (as hereinafter defined), those areas designated as, "Homeowners Association Area" on the Plat, and any other real property Association acquires a right of use for the benefit of the Association and its members, saving and excepting, however, so much of the Land previously conveyed or to be conveyed to the County.

1.4 "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.

1.5 "Declarant" shall mean and refer to Route 100-Ridge Road, LLC and any successor or assign thereof 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.

1.6 "Development Period" shall mean the time between the date of recordation of this Declaration among the Land Records and the date on which the last Lot is sold to a Class A member.

1.7 "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.

1.8 "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.

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

1.10 "Plat" shall mean and refer to the plat entitled, "Ridge Forest Glen" and recorded among the Land Records of the County in Plat Book 249, Folio 42 and 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.

1.11 "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.

1.12 "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 entireties, 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.

1.13 "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, scrubbery, 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, (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, which 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. The initial members of the Architectural Review Committee are Charles S. Krockner, Lawrence C. Lauffer and Ronald Airey. 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 2.3 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, in duplicate, showing the nature, kind, shape, dimensions, material, floor plans, color scheme, location, proposed topographical changes, together with the estimated costs of the Alterations or construction, 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 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 by registered or certified mail or in person. In the event the Architectural Review Committee fails to approve or disapprove any plans within sixty (60) days of receipt thereof, such plans shall be deemed approved. 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 six (6) months following the date of approval and completed within twelve (12) 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 reasonable 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 the 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. 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 detached dwelling, and no other purposes, except such purposes as may be specifically reserved in the succeeding sections of this Declaration.

2.4 **SWIMMING POOLS.** Only one (1) in ground swimming pool may be constructed on each Lot provided approval is first obtained under this Article II. No above ground or other type of pool shall be permitted on any Lot; provided, however, that the foregoing shall not apply to children's portable pools which are stored in a non-visible area when not in use.

2.5 **TEMPORARY STRUCTURES.** No Structure of a temporary character, trailer, basement, tent, 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 garden sheds, greenhouses or other similar accessory structures approved in advance by the Architectural Review Committee. All sheds shall be attached to the dwelling on the Lot and shall be of materials harmonious with the exterior of the dwelling.

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 AND WALLS.** Except for fences which may be installed and/or constructed by the Declarant or Builder during the Development Period, no fence, wall or other similar enclosure may be built on any Lot, except a rear yard fence, which includes a side yard fence on a corner Lot. The rear yard fence shall not extend forward of the front foundation wall, shall not exceed six (6) feet in height, and shall not impede surface drainage. The height restriction shall apply to enclosures of patios and open gardens, privacy screens and work area screens, but shall not apply to retaining walls required by topography, where such enclosures are approved in advance by the Architectural Review Committee; provided they do not extend beyond the minimum building lines to any Lot line, and provided that they are located to the rear of the front face of the Structure. No fences, walls or hedges shall be erected or placed nearer to any street Lot line than the minimum building line. All gates must open inward onto a Lot and shall not open onto another Lot or the Common Areas. All fences and walls (except such fences and walls as may be installed and/or constructed by Declarant or Builder or simultaneously with the initial construction of a dwelling on a Lot by Declarant or Builder in accordance with plans and specifications approved by Declarant) must receive the prior written approval of the Architectural Review Committee. Any fence or wall shall be decorative in character (rail, picket, or similar material), and not of chain link or chicken wire.

2.11 **NEAT APPEARANCE.** Record 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 seeding, watering and mowing of all lawns and yards, keeping all sidewalks, if any, neat, clean and in good repair, and free of ice and snow, the pruning and cutting of all trees and shrubbery and the painting (or other appropriate external care) of all 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 an Lot, nor shall anything be done or placed thereof 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, which create an annoyance or nuisance to the Community.

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 pet's waste from any other Lot and the Common Areas.

2.14 VEHICLES.

(a) Other than private passenger vehicles, vans, trucks or permitted commercial vehicles in regular operation, no other motor vehicles or inoperable, unlicensed, junk or junked cars or other similar machinery or equipment of any kind or nature (except for such equipment and machinery as may be reasonable, customary and usual in connection with the use and maintenance of any Lot) shall be kept on the Property or repaired on any portions of the Property except in emergencies. For the purposes hereof, a vehicle shall be deemed inoperable unless it is licensed, contains all parts and equipment, including properly inflated tires, and is in such good condition and repair as may be necessary for any person to drive the same on a public highway.

(b) No commercial vehicles over 3/4 ton rated capacity ("Commercial Vehicles") shall be left parked on any part of the Property, including, without limitation any street or Lot, longer than is necessary to perform the business function of such vehicle in the area, it being the express intention of this restriction to prevent the parking of Commercial Vehicles upon the Property, including, without limitation, the streets or Lots in the Community, for a time greater than that which is necessary to accomplish the aforesaid business purpose.

(c) Trailers, boats, buses, campers and tractors shall not be parked, stored, maintained or repaired on any Lot except in a garage and unless approval from the Architectural Review Committee has been obtained.

(d) Notwithstanding the above, during construction of dwellings, the Declarant and Builder may maintain Commercial Vehicles and trailers on the Property for purposes of construction and for use as a field or sales office.

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 an 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 or 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.** Except for entrance signs, directional signs, signs for traffic control or safety, community "theme areas", or as provide in section 2.6 of this Article II, no signs or advertising devices of any character shall be erected, posted or displayed upon, in or about any Lot or Structure during the Development Period. The provisions and limitations of this subsection shall not apply to any signs used by the Declarant or Builder during the Development Period nor to any institutional first Mortgagee of any Lot who comes into possession of the Lot by reason of any proceeding, arrangement, assignment or deed in lieu of foreclosure.

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. Current copies of any lease 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 BUFFER EASEMENTS AND FOREST RETENTION 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 Buffer Easement" or "Forest Retention Area" 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.

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 (a) building material during the course of construction of any approved dwelling or other permitted Structure, and (b) firewood, which shall be cut and neatly stored at least six (6) inches off the ground and twelve (12) inches away from any wooden structure. 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 pickup 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, metal 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 unreasonably change, obstruct or retard direction of 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.** No Lot, road, sidewalk or other Common Area may be used for the establishment and operation of a "Family Day Care Home", as such term is defined in Section 11B-111.1 of the Real Property Article of the Annotated Code of Maryland, as amended from time to time (the "Code"). Notwithstanding the foregoing, the prohibition against the use of a Lot as a Family Day Care Home may be eliminated by the affirmative vote of Record Owners having at least fifty-one percent (51%) of the total number of votes then held by all of the Record Owners, in the manner provided in the By-Laws of the Association. In the event the Association approves the use of Family Day Care Homes as herein above provided, each Family Day Care Home and Day Care Provider shall otherwise comply with all of the provisions of Section 11b-111.1 of the Code.

2.25 **STORM WATER FACILITY MAINTENANCE.** The Association shall be responsible for the maintenance of such facilities in accordance with the rules and regulations of the County.

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 provided that the annexations is in accordance with the general plan heretofore approved. The general plan of development is shown on the Plat, but the plan shall not bind the Declarant, its successors or assigns, to make the proposed additions, or to adhere to the plan in any subsequent development of the land shown thereon.

(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. In no event, however, shall such supplemental declaration revoke, modify or add to the Covenants established by this Declaration for the Property as of the date hereof.

3.3 DEANNEXATION.

(a) Provided there are Class B members, the Declarant may deannex any property (excluding, however, any Common Area conveyed to the Association by the Declarant) from the Property for a period of five (5) 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.

(b) So long as any Lot is encumbered by a deed of trust or mortgage which is guaranteed by the Federal Housing Administration and/or Veterans Administration, as the case may be, no deannexation shall be made pursuant to this Section, or otherwise, except following a determination by the Federal Housing Administration and/or Veterans Administration, that the deannexation is not contrary to a general plan for the development of the Property previously approved by the Federal Housing Administration and/or Veterans Administration, or, if no such general plan was approved by the Federal Housing Administration and/or Veterans Administration, except following the prior written approval of the Federal Housing Administration and/or Veterans Administration.

ARTICLE IVMEMBERSHIP 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 and Builder, which shall each initially be a 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 and Builder. The Class B member shall be entitled to three (3) votes per Lot for each Lot owned by it in all proceedings in which actions shall be taken by the members of the Association

(a) 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, 2009; or (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 members of the Association. If after such conversion Additional Property is made subject to the Declarant, then the Class B members shall be reinstated until December 31, 2011, 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 VDECLARANT'S RESERVED RIGHTS AND OBLIGATIONS

5.1 RESERVED RIGHTS OF DECLARANT. The Association shall hold the

Common Areas conveyed to it pursuant to Article VI hereof and each Owner shall own its Lot subject to the following:

(a) The reservation to Declarant, its successors and assigns, of non-exclusive easements and rights of way over those strips or parcels of land designated or to be designated on the Plat as "Drainage and Utility Easement", "Sewer Easement", "Drainage and Sewage Easement", and "Open Space", or otherwise designated as an easement area over any road or Common Areas on the Property, and over ten (10) foot wide strips of land running along the front, rear, side and other Lot lines of each Lot, except for the common side lines on the lots, for the purposes of proper surface water drainage, for ingress and egress, for the installation, construction, maintenance, reconstruction and repair of public and private utilities to serve the Property and the Lots therein, including but not limited to the mains, conduits, lines, meters and other facilities for water, storm sewer, sanitary sewer, gas, electric, telephone, cable television, and other public or private services or utilities deemed by Declarant necessary or advisable to provide service to any Lot, or in the area or on 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 thereon, which openings and excavations shall be restored in a reasonable period of time, and for such alterations of the contour of the land as may be necessary or desirable to effect such purposes. Within the aforesaid easement areas, no Structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or change the direction of the flow of drainage channels or obstruct or retard the flow of water through drainage channels. The reserved easement areas of each Lot and all improvements therein, except improvements for which a public authority or utility company is responsible, shall be maintained continuously by the Record Owner of the Lot.

(b) The reservation to Declarant and its successors and assigns, of a non-exclusive easement and right-of-way in, through, over and across the Common Areas for all other purposes reasonably related to the completion of development of the project and the provision of utility services, and related services and facilities.

(c) The designation of streets, avenues, roads, courts and places upon the Plat is for the purpose of description only and not dedication, and the rights of the Declarant in and to the same are specifically reserved, and the Declarant hereby reserves unto itself, and its successors and assigns, the right to grade, re-grade and improve the streets, avenues, roads, courts and places as the same may be located on the Plat, including the creation or extension of slopes, banks, or excavation in connection therewith and in the construction of and installation of drainage structures therein. The Declarant further reserves unto itself, and its successors and assigns, the bed, in fee, of all streets, avenues and public highways in the Community, as shown on the Plat.

(d) Declarant further reserves unto itself, and its successors and assigns, the right to grant easements, rights-of-way and licenses to any person, individual, corporate body or municipality, to install and maintain pipelines, underground or above-ground lines, with the appurtenances necessary thereto for public utilities, or quasi-public utilities or to grant such other licenses or permits as the Declarant may deem necessary for the improvement of the Community in, over through, upon and across any and all of the roads, streets, avenues, alleys, and open space and in, over, through, upon and across each and every Lot in any easement area set forth in this Declaration or as shown on the Plat.

(e) Declarant further reserves unto itself and its successors and assigns, the right to

dedicate all of said road, streets, alleys, rights-of-way or easements, including easements in the areas designated as "open space" and stormwater management reservation, to public use all as shown on the Plat. No road, street, avenue, alley, right-of-way or easement shall be laid out or constructed through or across any Lot or Lots in the Community except as set forth in this Declaration, or as laid down and shown on the Plat, without the prior written approval of the Architectural Review Committee.

(f) Declarant hereby grants to the County, and its agents and contractors, a non-exclusive easement and right-of-way in, through, over and across the Common Areas for all purposes reasonably associated with the inspection, operation, installation, construction, reconstruction, maintenance or repair of any storm water management facilities constructed upon the Property; and with respect to any storm water management facility not dedicated to and accepted by the County for maintenance, in the event that after reasonable notice to the Association by the County the Association shall fail to fulfill any obligation imposed upon it to maintain such facility in accordance with applicable law and regulations, then the County may perform all necessary repair and/or maintenance work and assess the Association for the cost of the work and any applicable penalties.

(g) Declarant further reserves unto itself and its successors and assigns, the right at or after the time of grading of any street 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 any Structure built on such Lot, but Declarant shall not be under any obligation or duty to do such grading or to maintain any slope. Similarly, Declarant reserves the right unto itself, and its successors and assigns, and, without limitation, the Association, to enter on any Lot during normal business hours for the purpose of mowing the lawn thereon and trimming such greenery as Declarant deems appropriate, but Declarant shall be under no obligation to do so. No right shall be conferred upon any Record Owner by the recording of any plat relating to the development of the Property in accordance with such plat, Declarant expressly reserving unto itself the right to make such amendments to any such plat or plats as shall be advisable in its best judgment and as shall be acceptable to public authorities having the right to approval thereof.

(h) Declarant further reserves unto itself, for itself and its successors and assigns, and any Builder the right, notwithstanding any other provision of the Declaration, to use any and all portions of the Lots, other than those Lots conveyed to Record Owners, 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 or Builders activities or construction, and notwithstanding any provisions of this Declaration, none of the Declarant's or Builder'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 successors and assigns, and any Builder, to store materials, construction debris and trash during the construction period on the Lots (other than Common Areas) without keeping same in containers.

5.2 **INCORPORATION BY REFERENCE; FURTHER ASSURANCES.** Any and all grants made to the Association with respect to any of the Common Areas and all grants made with respect to any Lots shall be conclusively deemed to incorporate the foregoing reservations, whether or not specifically set forth in such instruments. At the request in writing of any party hereto, any other party shall from time to time execute, acknowledge and deliver such further assurances of such

reservations as may be necessary.

ARTICLE VI

COMMON AREAS

6.1 **GRANT OF COMMON AREAS.** The Association shall take title to the Common Areas that is part of the Property free and clear of all encumbrances except this Declaration not later than the date the first Lot is conveyed to a Record Owner (other than the Declarant or Builder). 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 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 exclusively 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, and any area dedicated to public or governmental entity if such entity fails to properly maintain such area, as from time to time improved, together with any items of personal property placed or installed thereon, all at its own cost and expense, 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 Common Areas, which proportionate share shall be determined based on the ration which the number of Lots owned by the member bears to the total number of Lots then laid out or established on the Property.

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 (excluding the Declarant if the Declarant is a Class A member) 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, now or at any time hereafter, encroaches upon an adjoining Lot or any Structure encroaches upon any Common Areas, whether such encroachment is attributable to construction, settlement or shifting of the Structure or any other reason whatsoever beyond the control of the Board of Directors or any Record Owner, there shall forthwith arise, without the necessity of any further or additional act or instrument, a good and valid easement for the maintenance of such encroachment, for the benefit of the Record Owner, its heirs, personal representatives and assigns, to provide for the encroachment and non disturbance of the Structure. Such easement shall remain in full force and effect so long as the encroachment shall continue. 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

COVENANT FOR ASSESSMENT

8.1 COVENANT FOR 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 charge, for capital improvements, 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 twelve percent (12%) per annum, and cost and reasonable attorney's 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 attorney's fees, however, shall not pass to the Record Owner's successor or successors in the 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 of 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 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 the 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 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 shall be the aggregate of Two Hundred Fifty Dollars and no cents (\$250.00) for each Lot, payable at the rate of One Hundred Twenty-five Dollars and no cents (\$125.00) semi-annually.

(b) From and after such date, the maximum Annual Assessment may be increased each year by not more than ten percent (10%) 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 ten percent (10%) 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) Neither the Declarant or Builder, nor any Lot to which the Declarant or Builder hold record title, shall be exempt from any assessment hereunder; however, notwithstanding anything elsewhere set forth herein, the following allowance shall be made by the Association to the Declarant in each instance: Annual Assessments or charges made or levied against any Lot to which the Declarant or Builder hold record title shall equal twenty-five percent (25%) of the Annual Assessment or charge made or levied against any other Lot laid out on the Property, to the end and intent that the Declarant or Builder shall not pay more, or less, than twenty-five percent (25%) of the per Lot Annual Assessment established by the Association under this Section for so long as there is not dwelling constructed thereon that is being used for residential purposes.

(e) 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 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 NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 8.3 AND 8.4. Written notice of any meetings of members of the Association called for the purpose of taking any action authorized under Sections 8.3 and 8.4 of this Article shall be sent to all members not less than thirty (30) days, nor more than sixty (60) days, in advance of the meeting. At the first such meeting called, the presence at the meeting of members or of proxies, entitled to cast sixty percent (60%) of all of the votes of each class of members entitled to be cast at such a meeting shall be necessary and sufficient to constitute a quorum. If the required quorum is not present, another meeting may be called subject to the notice requirements, and the required quorum at any subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

8.6 COMMENCEMENT DATE OF ANNUAL ASSESSMENTS.

(a) The Annual Assessments as to any Lot shall commence on the earlier of (i) the date the Lot is conveyed to any person or entity other than the Declarant or Builder or (ii) the date a Use and Occupancy Permit is issued by the proper authorities of the County to the Declarant or Builder. The Annual Assessments shall be due and payable on a semiannual basis on the first (1st) calendar day of each month in each semi-annual period.

(b) The due date of any special assessment under Section 8.4 shall be fixed in the resolution authorizing such special assessment.

8.7 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 operation 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 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. 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.

8.8 **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.

8.9 **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 twelve percent (12%) per annum, and shall be subject to a late charge of Ten Dollars (\$10.00) per month until paid, 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 cost of preparing the 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 attorney's 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.

8.10 **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 become due prior to such sale or transfer. Such sale or transfer shall not relieve such Lot from liability for any assessments thereafter becoming due, not from the lien of any such future assessments.

8.11 **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, cost of collection, late charges permitted by law, and attorney's fees provided for herein or awarded by a court for breach of any of the covenants herein.

8.12 **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.

8.13 **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 semi-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, and 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.

8.14 **INITIAL CAPITAL CONTRIBUTION.** At settlement for each Lot, the sum of One Hundred Dollars and no cents (\$100.00) shall be collected from each prospective member of the Association (other than the Declarant of Builder) 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 of 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 Five Hundred Thousand Dollar (\$500,000.00) 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) Worker's 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 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 By-Laws 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 of 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 improvement 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 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.

10.2 INSPECTION; STATEMENT AND NOTICE. A Mortgagee shall, upon delivery of a written request to the Association, be entitled to

- (a) inspect the Association's books and records during normal business hours;
- (b) receive an annual financial statement of the Association within ninety (90) days after the end of any fiscal year of the Association;
- (c) be given timely written notice of all meetings of the membership, and designate a representative to attend all such meetings;
- (d) be given timely written notice of the occurrence of any substantial damage to or destruction of the Common Areas, or if the Common Areas is made the subject of any condemnation or eminent domain proceeding or the acquisition thereof is otherwise sought by any condemning authority; and
- (e) be given timely written notice by the Association of failure to pay assessments by the Record Owner of such Mortgagee's Lot which is not cured within thirty (30) days after such default commences, but the failure to give such notice shall not affect the ability of the lien for any assessments levied pursuant to this Declaration.

10.3 APPROVAL BY FEDERAL HOUSING ADMINISTRATION AND VETERANS ADMINISTRATION. Until the Class B membership terminates pursuant to the provisions of Article IV, Section 4.3, the consent or approval of the Federal Housing Administration and/or the Department of Housing and Urban Development (the "Federal Agencies") shall be obtained with respect to any of the following actions taken while a Mortgage is in effect which is insured or guaranteed by such entity:

- (a) a dedication of any portion of the Common Areas to public use;
- (b) an amendment of this Declaration; and
- (c) annexation of additional properties.

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 attorney's 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.

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, servitude's, 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 mail shall include all genders and the singular shall include the plural.

11.9 **AMENDMENT.**

(a) Subject to the provisions of Section 10.3, for so long as 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. 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 the instrument in 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.

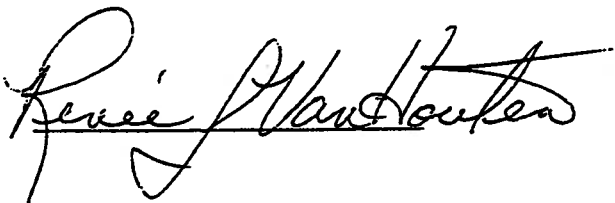
(b) An amendment or modification shall be effective when executed by the President or Vice-President and Secretary or Assistant Secretary of the Association who shall certify that the amendment or modification has been approved as herein above provided. The amendment shall be recorded in the Land Records of the County. Unless a later date 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 on 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.

(c) Anything set forth above to the contrary notwithstanding, the 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, all as from time to time amended or supplemented only if one of the Federal Agencies or any successor agencies thereto shall require such action as a condition precedent to the approval by such agency of the Property or any part thereof or any Lot thereof, for federally approved mortgage financing proposed under applicable Federal Agency programs.

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

WITNESS / ATTEST:

DECLARANT:
ROUTE 100-RIDGE ROAD, LLC
a Maryland limited liability company
By: Krockter Land Development, LLC,
a Virginia limited liability company,
Managing Member

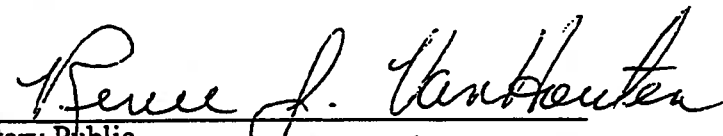


By: 
Name: Charles S. Krockter
Title: Managing Member

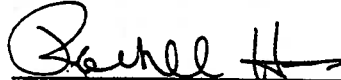
STATE OF Maryland, CITY/COUNTY OF Baltimore TO WIT:

I HEREBY CERTIFY that on this 21st day of June, 2002 before, me, the subscriber, a Notary Public of the State of Maryland, personally appeared, Charles S. Krockter, Managing Member of Krockter Land Development, LLC, Managing Member of ROUTE 100-RIDGE ROAD, 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.


Notary Public
My Commission Expires: April 11, 2005

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 Maryland or by or on behalf of one of the parties named in the above instrument.



Rachel M. Hess, Esq.

CONSENT AND AGREEMENT OF TRUSTEES AND BENEFICIARY

SCOTT NICHOLSON and JOHN A. SCALDARA, JR., and the COLUMBIA BANK, who are, respectively, the Trustees and the Beneficiary under that certain Indemnity Deed of Trust dated _____, _____, and recorded among the Land Records of Anne Arundel County, Maryland, in the Liber _____ at folio _____, et seg., hereby join in the foregoing Declaration for the express purpose of subordinating all of their respective right, title and interest under such Deed of Trust in and to the real property described in Exhibit "A" such to the operation and effect of such Declaration.

Nothing in the foregoing provisions of this Consent and Agreement of Trustees and Beneficiary shall be deemed in any way to create between the person named in such Declaration as "the Declarant" and any of the undersigned, any relationship of partnership or joint venture, or to impose upon any of the undersigned any liability, duty or obligation whatsoever.

IN WITNESS WHEREOF, each of the said Trustees and Beneficiary has executed and sealed this Consent and Agreement of Trustees and Beneficiary or caused it to be executed and sealed on its behalf by its duly authorized representatives, this 21st day of June, 2002.

WITNESS / ATTEST:

Leri J. Conce

Leri J. Conce

[Signature] (SEAL)
Scott C. Nicholson, Trustee

[Signature] (SEAL)
John A. Scaldara, Jr., Trustee

BENEFICIARY:
THE COLUMBIA BANK

By: [Signature] (SEAL)
SCOTT C. NICHOLSON
EXECUTIVE VICE PRESIDENT

Leri J. Conce

STATE OF Maryland : COUNTY OF Anne Arundel : TO WIT:

I HEREBY CERTIFY that on this 21st day of June, 2002, before me a Notary Public for the state aforesaid, personally appeared Scott Nicholson, Trustee, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed it as Trustee for the purposes therein set forth, and that it is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

Leri J. Conce (SEAL)
Notary Public

My commission expires on: 7-31-05

STATE OF Maryland ~~Anne Arundel~~ : COUNTY OF Anne Arundel : TO WIT:

I HEREBY CERTIFY that on this 21st day of June, 2002, before me a Notary Public for the state aforesaid, personally appeared John A. Scaldara, Jr., Trustee, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed it as Trustee for the purposes therein set forth, and that it is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

Terri J. Gonce (SEAL)
Notary Public

My commission expires on: 7-31-05

STATE OF Maryland : COUNTY OF Anne Arundel : TO WIT:

I HEREBY CERTIFY that on this 21st day of June, 2002 before me a Notary Public for the state aforesaid, personally appeared Scott C. Nicholson, who acknowledged himself to be the Executive Vice President of The Columbia Bank, Beneficiary, and that he / she, being authorized to do so, executed this Consent and Agreement of Trustees and Beneficiary for the purposes contained therein by signing the on behalf of the Corporation, in my presence.

Terri J. Gonce (SEAL)
Notary Public

My commission expires on: 7-31-05

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 4th Tax Assessment District of Anne Arundel County, Maryland and more fully described as follows:

Lots numbered 1 through and including 63 and those areas depicted as "OPEN SPACE 'A'", "OPEN SPACE 'B'", "OPEN SPACE 'C'", "OPEN SPACE 'D'" and "OPEN SPACE 'E'" as well as any active recreation areas and passive recreation areas, Forest Conservation areas, and One Hundred (100) Year Flood Plain Dedication 1 through and including 6, all as shown on the Plats entitled, "Ridge Forest Glen" recorded among the Land Records of Anne Arundel County, Maryland, in Book ~~248~~, pages 42 through and including 44 and Plat Nos. 13019 through and including 13021.

BY - LAWS

RIDGE FOREST GLEN HOMEOWNERS ASSOCIATION, INC.

ARTICLE I NAME AND LOCATION

The name of the Corporation is RIDGE FOREST GLEN HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the Association shall be located at 1520 Nicolay Way, Baltimore, Maryland 21221, 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 Ridge Forest Glen 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 collectively mean and refer to Route 100-Ridge Road, 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 defined), 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 June 21 2002, applicable to the Properties and heretofore recorded among the Land Records of Anne Arundel County, Maryland, in Liber 11880, Folio 262, et seq. and any additions, amendments or modifications 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 Area.

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 a 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 Anna Arundel County (the "County") described in the Declaration of Covenants, Conditions and Restrictions referred to the Article II, Section 4 hereof, and such additions thereto as many 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 MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at 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 by the Board of Directors, or upon written request of the Members who are (i) entitled to vote one-fourth (1/4) of all the votes of the Class A membership, or (ii) entitled to vote one-fourth (1/4) 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 one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, 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 and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed initially by a board of three (3) Directors, who need not be members of the Association. A majority of the entire Board of Directors is authorized to increase the number of Directors to a maximum of nine (9).

Section 2. Term of Office. From and after the first annual meeting of the Members, the term of office of the Directors shall be staggered. At the first annual meeting 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.

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 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 at 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 approval of all the Directors. Any action so approved shall have the same effect as though taken at a closed meeting of the Directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nomination Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a Member of the Board of Directors, and two (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 or non-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, 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 DUTIES OF THE BOARD OF DIRECTORS

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

(a) adopt and publish rules and regulations governing the use of the Common Area, 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 any recreational facilities located on any Common Area 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 provision of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, 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-fourth (1/4) of the Class A Members or of the Class B Members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (i) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
 - (ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;
 - (iii) 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 of law against the Owner personally obligated to pay the same;
- (d) issue, or cause an appropriate officer to issue, upon demand by any person, certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard insurance on property owned by the 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 Area and any other areas shown on the Plat that may be owned by governmental 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 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 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 as the Board may, from time to time, determine

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of 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, deeds and other written instruments and shall co-sign all checks and promissory notes.

(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.

(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.

(d) **Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all 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 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**

Each officer and Director of the Association, in consideration of his or her services, shall be indemnified by the Association to the extent permitted by law against expenses and liabilities reasonably incurred by him or her in connection with the defense of any action, suit or proceeding, civil or criminal, to which he or she may be a party by reason of being or having been a Director or officer of the Association. The foregoing right to indemnification shall be exclusive of any other rights to which the Director or officer or person may be entitled by law or agreement or vote of the Members or otherwise.

ARTICLE X **COMMITTEES**

The Association shall appoint an Architectural Review Committee, as provide 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**

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 the date of delinquency at the rate of twelve percent (12%) per annum, and shall be subject to a late charge of Ten Dollars (\$10.00) per month 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. 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 Area or abandonment of the Owner's Lot.

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, except that the Federal Housing Administration or the Veterans Administration or the Department of Housing and Urban Development, or any successor agencies thereto, shall have the right to veto amendments while there is a Class B membership if any such agency or any successor agencies thereto have approved the Properties, any part thereof, or any Lot, for federal mortgage financing.

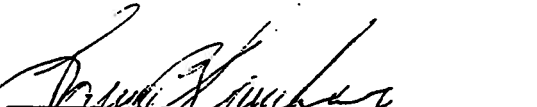
Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

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 Ridge Forest Glen Homeowners Association, Inc., have hereunto set our hands this 21st day of JUNE, 2002.


Charles S. Krocker


Lawrence C. Lauffer


Ronald Airey

CERTIFICATION

I, THE UNDERSIGNED, do hereby certify that I am the duly elected and acting secretary of Ridge Forest Glen Homeowners Association, Inc., a Maryland corporation, and that the foregoing By-Laws constitute the original By-Laws of said Corporation, as duly adopted by unanimous written consent to the Board of Directors there of on the 21st day of JUNE, 2002

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of Corporation this 21st day of JUNE, 2002



ARTICLES OF INCORPORATION

RIDGE FOREST GLEN HOMEOWNERS ASSOCIATION, INC.

THIS IS TO CERTIFY:

FIRST: The undersigned, Charles S. Krockner, Managing Member of Krockner Land Development, LLC., whose post office address is 14159 Mariah Court, Chantilly, Virginia 20151, being at least eighteen years of age, is hereby forming a non-stock not-for-profit corporation under and by virtue of the general laws of the State of Maryland.

SECOND: The name of the Corporation (which is hereinafter called the "Corporation") is:

RIDGE FOREST GLEN HOMEOWNERS ASSOCIATION, INC.

THIRD: The purposes for which the Corporation are formed are as follows:

To organize and operate a real estate management association exclusively to provide for the acquisition, construction, management, maintenance, care and preservation of the open spaces, common area and facilities within those certain tracts of property described in paragraph (a) of this Article Third, and to promote the recreation, health, safety and welfare of the residents within the said described property, and any addition thereto as may hereafter be brought within the jurisdiction of this Corporation, no part of the net earnings of which is to inure to the benefit of, or be distributeable to, any director, officer, or member of the Corporation, or any other individual, so that no pecuniary gain or profit to the members thereof is contemplated, and for such general purposes, and limited to those purposes, the Corporation shall have the following powers:

(a) To acquire, own, hold, preserve, develop, improve, build upon, manage, operate and maintain open space tracts or areas and common or recreational areas, property, facilities and real estate, whether fee simple or leasehold, and whether improved or unimproved, all designed for the common use, benefit, enjoyment, recreation, health, safety and welfare of the record owner or owners of each lot now or hereafter laid out or established within the parcel of land located in the Third Election District of Anne Arundel County, Maryland, shown on the plat entitled, "Ridge Forest Glen", intended to be recorded among the Land Records of Anne Arundel County (the "County"), Maryland.

As of the date hereof, the aforesaid parcel includes those residential lots, open spaces and common areas as is more particularly described in Exhibit A to the Declaration of Covenants, Conditions, and Restrictions, hereinafter called the "Declaration", made by Route 100-Ridge Road, LLC, and recorded or intended to be recorded among the Land Records of the County, as the same may hereafter from time to time be amended, or extended to any additional properties, said Declaration, made a part hereof, by reference thereto, as fully, and to the same extent as though incorporated herein, being applicable to the Community (as hereinafter defined) and such additions thereto as may hereafter be brought within the jurisdiction of the Corporation. The aforesaid lots, open spaces and common areas are hereinabove and hereinafter referred to as the "Community".

(b) To exercise all the powers, rights and privileges and to perform all the duties and obligations of the Corporation, as the same are set forth in the Declaration.

(c) To establish, fix, make, impose, levy, collect and enforce payment of, by any lawful means all charges or assessments pursuant to the terms of the Declaration; to pay

all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including all licensed, taxes or governmental charges levied or imposed against the property of the Corporation.

(d) To purchase, lease, option, or otherwise acquire, own, hold, preserve, develop, improve, build upon, manage, operate, maintain, convey, sell, exchange, rent, lease, dedicate for public use, or in any manner transfer or dispose of any real or personal property in connection with the affairs of the Corporation.

(e) To borrow or to raise money for any of the purposes of the Corporation, and to issue bonds, debentures, notes, or other obligations of any nature, and in any manner permitted by law, for money so borrowed or in payment for property purchased, or for any other lawful consideration, and, upon authorization of two-thirds (2/3) of the Class A members in the Corporation (except the Declarant if the Declarant is a Class A member) to secure the payment of the money borrowed and of the interest thereon, by mortgage upon, or pledge or conveyance or assignment interest of, the whole or any part of the property of the Corporation.

(f) To dedicate, sell or otherwise transfer all or any part of the common areas, property and facilities of the Corporation to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed upon by the members, provided, however, that no such dedication, sale or transfer shall be effective unless approved in writing by two-thirds (2/3) of the Class A members in the Corporation (except the Declarant if the Declarant is a Class A member) to secure the payment of the money borrowed and of the interest thereon, by mortgage upon, or pledge or conveyance or assignment in trust of, the whole or any part of the property of the Corporation.

(g) To participate in mergers and consolidations with other nonprofit organizations, organized for the same purpose, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the members of each class of the Membership in the Corporation, voting separately thereon.

(h) To annex to the Community, at any time, and from time to time, other and additional residential property, open space and common area, provided that any annexation of such other addition residential property, open space and common area shall have the assent of two-thirds (2/3) of each Class of members of the Corporation, voting separately thereon.

(i) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Maryland by law may now or hereafter have or exercise.

The Corporation is formed under the articles, conditions and provisions expressed herein and in the general laws of this State. In no event, however, shall the Corporation: (i) carry on any propaganda or otherwise attempt to influence any legislation or any public administrative action; (ii) participate or intervene in any political campaigning on behalf of any candidate for public office, by any means, including the publication or distribution of any statement for or against any candidate; (iii) carry on any activity not permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501 (C) or 528 of the Internal Revenue Code of 1986, as amended to date, or corresponding provision of any future United States Internal Revenue Law; or (iv) invest in or use any property in such a manner as to jeopardize the exemption of the Corporation from taxation under the aforesaid Section 501 (c) or 528 of the Internal Revenue Code of 1989, as now in force or hereafter amended.

FOURTH: The post office address of the principal office of the Corporation in this

State is 1520 Nicolay Way, Baltimore, Maryland 21221. The name and post office address of the Resident Agent of the Corporation in this State is Renee J. VanHouten, 1520 Nicolay Way, Baltimore, Maryland 21221. Said resident agent is a citizen of the State of Maryland and actually resides therein.

FIFTH: The Corporation is not authorized to issue any capital stock. Each record owner, as hereinafter defined, of a lot now or hereafter laid out or established in the Community, or in any part of such additional property that may be brought within the jurisdiction of the Corporation shall be a member of the Corporation. Each member shall be designated either a Class A member or a Class B member. A description of each class of Membership, with the voting rights and powers of each class, is as follows:

(a) **Class A member:** Except for the Declarant and Builder (as such terms are defined in the Declaration), who shall each initially be the Class B members, a Class A member shall be a record owner holding title to one or more lots laid out in the Community, or in any part of such additional property that may be brought within the jurisdiction of the Corporation. Each Class A member shall be entitled to one (1) vote per lot, for each such lot owned by such member, in all proceedings in which action shall be taken by members of the Corporation.

(b) **Class B members:** The Class B members shall be the Declarant and Builder. The Class B members shall be entitled to three (3) votes per lot, for each such lot owned by such member, in all proceedings in which the action shall be taken by members of the Corporation.

(c) **Conversion:** The Class B Membership shall be converted to a Class A Membership upon the earlier to occur of (i) December 31, 2009; or (ii) at such time as the total number of votes entitled to be cast by Class A members of the Corporation equals or exceeds the total number of votes entitled to be cast by the Class B members of the Corporation. After such conversion, if additional property is made subject to the Declaration then the Class B Membership of the Class B members shall be reinstated until December 31, 2011, 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 term "record owner", as used in these Articles, means and includes the person, firm, corporation, trustee, or legal entity, or the combination thereof, including contract sellers, holding the record title to a lot in the Community or located on any part of such additional property that may be brought within the jurisdiction of the Corporation and subjected by covenants of record to a lien for charges and assessments levied by the Corporation, as said lot is now or may from time to time hereafter be created or established, either in his, her, or its own name, or as joint tenants, tenants in common, tenants by the entireties, or tenancy 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 lot, whether in a real property tenancy, partnership relationship, or single record owner and shall be or become a single member of the Corporation by virtue of ownership of such lot. The term "record owner", however, shall not include any contract purchaser, nor the owner of any redeemable ground rent issuing out of any lot, nor shall it include any mortgagee, trustee or other grantee named in any mortgage, deed of trust, or other security instrument covering any lot, designed solely for the purpose of securing performance of an obligation or payment of a debt. Membership in the Corporation shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Corporation shall become and be a member of the Corporation.

If any single Membership in the Corporation is comprised of two (2) or more persons, firms, corporations, trustees or other legal entities, or any combination thereof, then each constituent may cast such portion of the vote of the member as shall equal his, her or its proportionate interest in the lot to lots held by said member, provided, however, that if only one (1) votes, he, she or it may cast the entire vote of the member and such act shall bind all.

SIXTH: The affairs of the Association shall be managed initially by a Board of Three (3) directors, which number may be increased or decreased pursuant to the By-Laws of the Corporation, but shall never be less than three (3) nor more than nine (9); and the names of the directors who shall act until the first annual meeting or until their successors are duly chosen and qualified are Charles S. Krockner, Lawrence C. Lauffer and Ronald Airey. No Director need be a member of the Corporation.

From and after the first annual meeting of members, the term of office of the Directors shall be staggered. At the first annual meeting, 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 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.

SEVENTH: The duration of the Corporation shall be perpetual. The Corporation, however, may be dissolved under and in accordance with the laws of the State of Maryland, provided such dissolution first be authorized, in writing, signed by to less than two-thirds (2/3) of the members of the Corporation, or, if there be more than one class of members then by not less than two thirds (2/3) of each class of members of the Corporation, computed separately. Upon any dissolution of the Corporation, after discharge of all corporate liabilities, the Board of Directors shall dispose of all assets of the Corporation, by dedication thereof to any appropriate public agency to be used for purposes similar to those for which the Corporation was formed. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned, if practicable, to any nonprofit corporation, association, trust or other organization as shall at the time qualify as an organization or organizations exempt from taxation under Sections 501 (c) or 528 of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue law, as the Board of Directors may determine, preferably to a semi-public agency, to be used in furthering, facilitating or effectuating purposes similar to those for which the Corporation was formed.

EIGHTH: Amendment of these Articles shall require the assent of two-thirds (2/3) of the entire Membership, provided, however, that the Federal Housing Administration, the Veterans Administration or the Department of Housing and Urban Development (collectively the "Federal Agencies"), or any successor agencies thereto, shall have the right to veto amendments while there is a Class B Membership if any such agency or any successor agencies thereto have approved the Community, or any part thereof, or any Lot, for federal financing by one of the Federal Agencies.

NINTH: As long as there is a Class B member, if any of the Federal Agencies or any successor agencies thereto, whether public or private, approve the Community or any part thereof or any lot therein for federally approved mortgage financing, the following actions will require the prior approval of the Federal Agencies: annexation of additional properties; mergers and consolidations; mortgaging of or dedication of any of the Common Area; dissolution; and amendment of these Articles.

TENTH: No director or officer of the Corporation shall be liable to the Corporation or to its members for money damages except (a) to the extent that it is proved that such director

or to its members for money damages except (a) to the extent that it is proved that such director or officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (b) to the extent that a judgment or other final adjudication adverse to such director or officer is entered in a proceeding based on a finding in the proceeding that such director's or officer's action, or failure to act, was (i) the result of active and deliberate dishonesty or (ii) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding.

ELEVENTH: Each officer and director of the Association, in consideration of his or her services, shall be indemnified by the Association to the extent permitted by law against expenses and liabilities reasonably incurred by him or her in connection with the defense of any action, suit or proceeding, civil or criminal, to which he or she may be a party by reason of being or having been a director or officer of the Association. The foregoing right to indemnification shall be exclusive of any other rights to which the director or officer or person may be entitled by law or agreement or vote of the members or otherwise.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation and acknowledged the same to be my act on this 21st day of June, 2002.

WITNESS:

Route 100-Ridge Road, LLC
a Maryland limited liability company
By: Krocker Land Development, LLC
a Virginia limited liability company
Managing Member

Renee J. VanHouter

Charles S. Krocker
Charles S. Krocker, Managing Member

Renee J. VanHouter
Renee J. VanHouter
Registered Agent

CORPORATE CHARTER APPROVAL SHEET

** EXPEDITED SERVICE **

** KEEP WITH DOCUMENT **

DOCUMENT CODE 02 BUSINESS CODE 04

= _____

Close _____ Stock _____ Nonstock

P.A. _____ Religious _____

Merging (Transferor) _____

Surviving (Transferee) _____



1000361987172412

ID # D06873517 ACK # 1000361987172412
LIBER: B00396 FOLIO: 1377 PAGES: 0005
RIDGE FOREST GLEN HOMEOWNERS ASSOCIATIO
N, INC.

05/24/2002 AT 01:09 P WO # 0000608248

New Name _____

FEES REMITTED

Base Fee: 20
Org. & Cap. Fee: 20
Expedite Fee: 70
Penalty: _____
State Recordation Tax: _____
State Transfer Tax: _____
1 Certified Copies
Copy Fee: 12
Certificates
Certificate of Status Fee: _____
Personal Property Filings: _____
Other: _____
TOTAL FEES: 122

_____ Change of Name
_____ Change of Principal Office
_____ Change of Resident Agent
_____ Change of Resident Agent Address
_____ Resignation of Resident Agent
_____ Designation of Resident Agent
and Resident Agent's Address
_____ Change of Business Code
_____ Adoption of Assumed Name
_____ Other Change(s)

Credit Card _____ Check _____ Cash _____

Documents on _____ Checks

Approved By: 14

Sealed By: _____

COMMENTS:

Code _____
Attention: Renee K. Van Houten
Renee K. Van Houten
Mail to Address: 1700 Ridge Rd, LLC
1520 Nicolay, N.Y.
Raite NY 11221

Stamp Work Order and Customer Number Here

STATE OF MONTANA
DEPT OF REVENUE AND TAXATION
COUNTY OF BROWN
MONTANA STATE HOUSE 100 S. W. 2ND
DATE: 05-24-2002 AT: 09 PM
UNIT: FOLIO: B00396

**RIDGE FOREST GLEN
HOMEOWNERS ASSOCIATION, INC.
(63 SINGLE FAMILY UNITS)**

OPERATING BUDGET

<u>LOTS</u>	<u>20 LOTS</u>	<u>63 TOTAL</u>
	PHASE I (1ST YEAR) EXPENSES (ANNUAL)	PHASE II EXPENSES (ANNUAL)
LIABILITY INSURANCE	\$ 500.00	\$ 1,500.00
ADMINISTRATION	\$ 200.00	\$ 600.00
LEGAL / ACCOUNTING	\$ 500.00	\$ 1,500.00
REPAIR MAINTENANCE ENTRY	\$ 200.00	\$ 750.00
OPEN SPACE MAINT / GRASS CUTTING	\$2,000.00	\$ 6,000.00
STORMWATER POND MAINT	\$1,000.00	\$ 3,000.00
MISCELLANEOUS	\$ 600.00	\$ 2,400.00
	<hr/>	<hr/>
TOTAL	\$5,000	\$15,750.00

ANNUAL ASSESSMENT WILL BE \$250.00 PER LOT

AN INITIAL CAPITAL CONTRIBUTION OF \$100.00 WILL BE ASSESSED AND COLLECTED AT SETTLEMENT.

**DECLARATION OF WATER AND SEWER
FACILITIES CHARGES**

THIS DECLARATION is made this 27 day of January, 2003. by
ROUTE 100-RIDGE ROAD, LLC, a Maryland limited liability company ("Developer") and CYPRESS
UTILITY DISTRICT, LLC, a Maryland limited liability company ("Utility Company").

WITNESSETH:

WHEREAS, Developer, by Deed dated June 7, 1999, recorded among the Land Records of Anne Arundel County in Liber 9243, folio 238; Deed dated January 11, 2000, recorded among the Land Records of Anne Arundel County in Liber 9611, folio 675; and Deed dated January 26, 2000, recorded among the Land Records of Anne Arundel County in Liber 9611, folio 750, is the owner of the land described on the subdivision plats entitled, "Ridge Forest Glen", which plats are recorded among the Plat Records of Anne Arundel County in Plat Book 249, Pages 42 through and including 44, Plat Numbers 13019 through and including 13021; and

WHEREAS, it is the intention of Developer to provide the above described lots (hereafter called the "Lots") with sewer and water pipes in the streets, connections from the pipes in the street to each individual lot, and transmission lines to any sewage treatment area, installed or to be installed by the Developer or its appointees, successors, assigns, or agents, and maintained by the respective owners of the Lots except as otherwise provided herein until such time as Anne Arundel County agrees to accept responsibility for same; all of such pipes, connections and transmission lines being hereafter collectively referred to as the "Facilities"; and

WHEREAS, Anne Arundel County has not provided and will not provide all of the necessary public improvements and facilities for public water and sewer service to the Lots; therefore, the Developer entered into a written agreement with Anne Arundel County (the "County") to construct the Facilities in accordance with the County's specifications at no cost to the County and, upon completion, to connect the Facilities to the water and sewer systems of the County; and

WHEREAS, Developer has covenanted and agreed to establish charges upon the Lots whereby the costs of the construction and installation incurred for the Facilities shall be paid to the Utility Company or its designee by the owner or owners of each of the Lots, their respective representatives, heirs, successors and assigns, in annual installments over a period of thirty (30) years, as provided for in herein; such payments to be known as "Facilities Charges"; and

WHEREAS, the maintenance after construction of said pipes and connections, insofar as they are located within the streets and are not located within an individual lot, is to be the responsibility of the County in accordance with the terms of the agreement between the County and Developer, as may be amended from time to time; and

WHEREAS, the water and sewer service to be supplied to the Lots and used by the owners of the Lots shall be furnished by the County, and the County shall bill for user charges for the use of the utilities to the individual lot owners from time to time; and

WHEREAS, in order to make the covenant and agreement to pay the Facilities Charges a covenant and agreement running with the land and binding upon the parties hereto and each of their respective heirs, personal representatives, successors, assigns, and transferees in title, Declarant has made and established this Declaration establishing that the Lots hereinafter described are subject to the covenants and agreements hereinafter set forth, all as part of and in furtherance of the general scheme of development of Lots in Ridge Forest Glen.

NOW, THEREFORE, WITNESSETH:

That for and in consideration of the premises and the performance of the covenants, agreements, conditions, and charges by the respective parties as hereinafter set forth, Developer and Utility Company do hereby grant, covenant and agree as follows:

1. Declarant, as the record fee simple owner, does hereby declare that all of the following described lots of ground are subject to the covenants, agreements, conditions, and charges hereinafter set forth, said lots of ground being designated as follows:

BEING KNOWN AND DESIGNATED as Lot Nos. 1 through and including 63, as shown on the plats entitled, "Ridge Forest Glen", which plats are recorded among the Plat Records of Anne Arundel County in Plat Book 249, Pages 42 through and including 44, Plat Numbers 13019 through and including 13021.

BEING the same property which by Deed dated June 7, 1999, recorded among the Land Records of Anne Arundel County in Liber 9243, folio 238; Deed dated January 11, 2000, recorded among the Land Records of Anne Arundel County in Liber 9611, folio 675; and Deed dated January 26, 2000, recorded among the Land Records of Anne Arundel County in Liber 9611, folio 750, was granted and conveyed unto the Developer.

2. The following covenants, agreements, conditions, and charges shall be binding upon the Developer and Utility Company and their respective successors and assigns, and upon each of the Lot owners, their respective heirs, personal representatives, successors and assigns, and upon all the land included as aforesaid.

3. Each of the Lots shall be subject to this Declaration and the annual Facilities Charges, representing annual charges for the construction and installation of water and sewer pipes in the streets, connections from the pipes in the street to each individual lot, transmission lines to any sewerage treatment area and any other treatment facility to be used in connection therewith, which Facilities Charges shall constitute a lien or encumbrance on the land with respect to which said charge is made.

4. By acceptance of title to any of the land or Lots included in the aforesaid development, the owner from the time of acquisition of title thereto, save and except Developer, which is expressly excluded from the covenant to pay charges as provided for herein, shall be held to have covenanted and agreed to pay to the Utility Company, its successors and assigns, all charges provided for in this Declaration due and unpaid at the time the lot owner acquires title, and all charges thereafter falling due as long as said lot owner shall hold title of record, without the right in any event to reimbursement from the Developer, its successors and assigns, for charges which the lot owner may pay in advance. A certificate in writing, signed by a representative of the Utility

Company, its successors or assigns, will be given on request to any lot owner liable for said charges, setting forth the status of such charges with respect to the lot in question and in reference to which an inquiry is made.

5. The Facilities Charges shall commence on the date of "Transfer" (as hereafter defined) of each Unit and continue for a period of thirty (30) Years on an annual basis. As used herein, the term "Transfer" shall mean (i) the sale, transfer, disposition or lease of any Unit by NVR, Inc., its successors or assigns (the "Builder") to some other unaffiliated party or parties, including, without limitation, any foreclosures by any party holding a mortgage or deed of trust encumbering a Unit or Units or any deed or deeds in lieu of foreclosure; and in the case any Unit which is being used by the builder as a model unit, "Transfer" shall mean the act of the Unit being put into use as a model lot. All such annual charges shall be due and payable in advance on the first day of January each year, commencing as aforesaid. A statement will be provided by the Declarant or its assignee prior to January 1 of each year of the payment amounts and due dates.

6. The annual Facilities Charges, payable by the owner on each Lot during the thirty (30) year period, shall be Three Hundred Seventy-Five Dollars (\$375.00) per annum and each of the Lots subject to this Declaration shall be liable for this annual charge which covers both the water pipes and sewer pipes.

7. All Facilities Charges payable in accordance with this Declaration shall be payable to the Utility Company, its successors, assigns, and designees, in accordance with billings issued from time to time by the Utility Company, its successors, assigns, and designees, at 14159 Mariah Court, #3, Chantilly, VA 21051, or such other address as is used by the Utility Company from time to time. Failure to receive a Facilities Charges bill shall not relieve an owner of his/her/its liability to pay said assessments or interest.

8. If any such charges remain unpaid for thirty (30) days after becoming due, there shall be a late charge of ten percent (10%) of the unpaid charge, plus interest of one and one-half percent (1-1/2%) per month on the unpaid charge from the due date until paid. The Utility Company may collect the delinquent charges and interest by a contract action at law, including action under the

Maryland Contract Lien Act, or by a bill in equity to enforce such charges together with interest at the aforesaid rate and attorney's fees of at least Five Hundred Dollars (\$500.00) or as actually expended, whichever is greater, and any judgment or decree obtained, where the defendants have been served by summons or subpoena, shall have the force and effect of a judgment in personam. The Utility Company may sue or file a bill in equity to enforce such charges, interest, and attorneys' fees against the owner of record at the time such charge became due, or the owner of record at the time such suit is filed or any owner of record between such dates, and publication thereof shall be notice to all persons having any interest in the property. After written notice thereof to all affected owners and parties as well as any creditors holding security interests of record on the property, the Utility Company may accelerate the remaining Facilities Charges and declare them to be due and owing in their entirety thirty (30) days after such written notice. If the full amount of said Facilities Charges are not paid within thirty (30) days thereafter, then the entire balance remaining due may be collected by the Utility Company, its successors and assigns. In that regard, the Utility Company retains a power of sale of the property hereby encumbered and may upon such default and acceleration sell the property, and any parties affected hereby consent to the passage of a decree for the sale of the land and premises and improvements at public auction pursuant to the then applicable rules of procedure for the Circuit Courts of Maryland relating to sales of property and foreclosure of mortgages and other security devices.

9. Any sale, lease, mortgage, disposition, or transfer of the Lots shall be made or operate subject to the aforesaid covenants, agreements, conditions, and charges and, thereupon, all the covenants, agreements, conditions, and charges herein contained shall run with and bind the land, each and all of the above-mentioned Lots and premises and every part thereof, Developer, its successors and assigns, and the present and future owners of each of the Lots and each of their respective personal representatives, executors, administrators, heirs, successors, and assigns.

10. The Utility Company shall have the right to assign, pledge or in any other fashion encumber to or designate any party its right to collect any of the charges set forth herein, without notice or consent from the lot owners. The term "Utility Company" as used in this Declaration shall

be deemed to include any such assignee, designee, agent, or successor.

11. Pursuant to the Anne Arundel County Code, Article 17, Section 1-103, each lot owner shall receive an annual statement indicating the annual amount due, the remaining term and the total balance of the amount due; and each lot owner shall have the right to prepay all or any part of the Facilities Charges by discounting the annualized payments at an interest rate of 6% to determine equivalent present worth, and no prepayment penalty shall be assessed against such lot owner.

12. Should any provision of this Declaration be held to violate any applicable law or be deemed unenforceable for any reason, the invalidity or unenforceability of any such provision shall not invalidate or render unenforceable any other provision hereof and all other provisions shall remain in full force and effect.

13. Each conveyance of a Lot, or of any interest in the Lot, by the Developer or any successor owner of a Lot shall be deemed to be subject to this Declaration, whether or not the deed conveying the Lot or any mortgage affecting Lot shall so state.

14. The initial contract covering the sale of a home on any Lot, and every subsequent contract for sale of a home on any Lot is intended to contain the required statutory notice under Section 1-103 (c) of the Anne Arundel County Code, as amended from time to time. It shall be the responsibility of the seller in each such contract to include such notice in the contract. The current form of said notice is as follows:

"NOTICE TO PURCHASERS OF REAL ESTATE IN ANNE ARUNDEL COUNTY"

This property is subject to a fee or assessment which purports to cover or defray the cost of installing or maintaining all or part of the public water or wastewater facilities constructed by the developer of the Ridge Forest Glen subdivision. This fee or assessment is \$375.00 payable annually in the month of January to Cypress Utility District, LLC, 14150 Mariah court, Suite 3, Chantilly, Virginia 20151-9998 (hereinafter called "lienholder") until the date which is thirty (30) years from the date of Transfer (as such term is defined in the Declaration of Water and Sewer Facilities Charges encumbering the Ridge Forest Glen subdivision). There may be a right of prepayment or discount for early payment which may be ascertained by contacting the lienholder. The fee or assessment is a contractual obligation between the lienholder and each owner of this property and is not in any way a fee or assessment by Anne Arundel County."

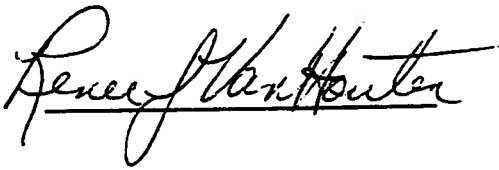
Each owner, by acceptance of a deed hereafter conveying any Lot to it, whether or not so expressed in such Deed or other conveyance shall be deemed to have covenanted and agreed to pay the Utility Company, or its successors or assigns, the Facilities Charges established by this Declaration.

15. The Developer, from time to time, shall have the right, without obtaining the consent from the lot owners, by instrument duly recorded among the Land Records of Anne Arundel County which need only be signed by the Developer and the holder of any mortgage or similar lien on the Lots then owned by the Developer which are affected by the modification, to modify the provisions of this Declaration insofar as they relate to such Lots which, at the time of the recording of such modification, are owned by the Developer; except that if the modification is required by the Veterans Administration, or the Federal Housing Administration, or any successor agencies thereto as a condition of the approval by such agency of the Lots or any portion thereof, for federally approved mortgage financing purposes under applicable Veterans Administration, Federal Housing Administration, or similar programs, the modifications may relate to all Lots, and the consent to the modification by any lot owner or of the holder of any lien on such Lot(s) shall not be required.

16. The WHEREAS clauses contained herein form a substantive part of this Declaration.

WITNESS the hands and seals of the parties by their authorized members.


WITNESS:

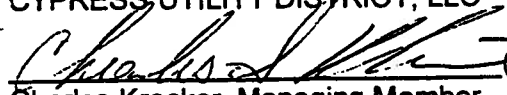


DEVELOPER:
ROUTE 100-RIDGE ROAD, LLC
By: Krocker Land Development, LLC, Managing
Member



(SEAL)
Charles Krocker, Managing Member

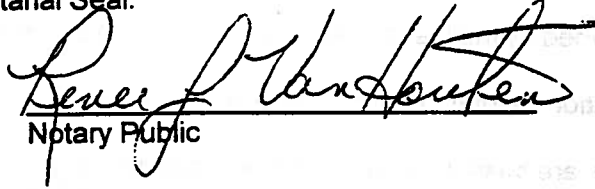


UTILITY COMPANY:
CYPRESS UTILITY DISTRICT, LLC
 (SEAL)
Charles Krocker, Managing Member

STATE OF MARYLAND, County OF Balto, to wit:

I HEREBY CERTIFY that on this 22nd day of January, 2003, before me, the subscriber, a Notary Public of the State of Maryland aforesaid, personally appeared Charles Krock, who acknowledged himself to be the Managing Member of Krock Land Development, LLC, Managing Member of ROUTE 100-RIDGE ROAD, LLC, and Managing Member of CYPRESS UTILITY DISTRICT, LLC, and that he, as such Managing Member being authorized so to do, executed the within Declaration for the purposes therein contained, by signing in my presence the name of the companies by himself as such Managing Member.

WITNESS my hand and Notarial Seal.

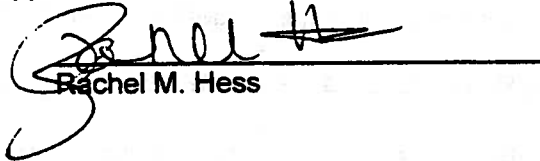

Notary Public

My Commission Expires: 4/11/05

RENEE J. VAN HOUTEN
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires April 11, 2005

CERTIFICATION

I hereby certify that the foregoing Declaration was prepared by the undersigned attorney admitted to practice before the Court of Appeals of Maryland.


Rachel M. Hess

CONSENT AND AGREEMENT OF TRUSTEES AND BENEFICIARY

SCOTT C. NICHOLSON and JOHN A. SCALDARA, JR., Trustees, and THE COLUMBIA BANK, who are, respectively, the Trustees and the Beneficiary under that certain Indemnity Deed of Trust and Security Agreement dated January 11, 2001 and recorded among the Land Records of Anne Arundel County, Maryland, in Liber Book 10141, page 029 et seq. (the "Deed of Trust") from Route 100-Ridge Road, LLC hereby join in the foregoing Declaration of Water and Sewer Facilities Charges for the express purpose of subordinating all of their respective right, title and interest under such Deed of Trust in and to the real property described in the Declaration to the operation and effect thereto.

Nothing in the foregoing provisions of this Consent and Agreement of Trustees and Beneficiary shall be deemed in any way to create between the person named in such Declaration as "the Developer" and any of the undersigned any relationship of partnership or joint venture, or to impose upon any of the undersigned any liability, duty or obligation whatsoever.

IN WITNESS WHEREOF, the Trustees and Beneficiary have executed and sealed this Consent and Agreement of Trustee and Beneficiary or caused it to be executed and sealed on its behalf by its duly authorized representatives, this 27 day of January, 2003.

WITNESS:

Cathy A. Hazy

Scott C. Nicholson (SEAL)
Scott C. Nicholson, Trustee

WITNESS:

Cathy A. Hazy

John A. Scaldara, Jr. (SEAL)
John A. Scaldara, Jr., Trustee

ATTEST:

Cathy A. Hazy

BENEFICIARY:
THE COLUMBIA BANK
By: Scott C. Nicholson (SEAL)
SCOTT C. NICHOLSON
EXECUTIVE VICE PRESIDENT

STATE OF Maryland : COUNTY OF Carroll : TO WIT:

I HEREBY CERTIFY that on this 27 day of January 2003, before me, a Notary Public for the state aforesaid, personally appeared Scott C. Nicholson, Trustee, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed it as Trustee for the purposes therein set forth, and that it is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

Cathy A. Hazy
Notary Public
My commission expires on _____

*Cathy A. Hazy, Notary Public
Carroll County
State of Maryland
My Commission Expires March 1, 2004*

STATE OF Maryland : COUNTY OF Carroll : TO WIT:

I HEREBY CERTIFY that on this 27 day of January 2003, before me, a Notary Public for the state aforesaid, personally appeared John A. Scaldara, Jr., Trustee, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed it as Trustee for the purposes therein set forth, and that it is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

*Cathy A. Hazy, Notary Public
Carroll County
State of Maryland
My Commission Expires March 1, 2004*

Cathy A Hazy
Notary Public

My commission expires on _____

STATE OF Maryland : COUNTY OF Carroll : TO WIT:

I HEREBY CERTIFY, that on this 27 day of January 2003, before me, the subscriber, a Notary Public of the state aforesaid, personally appeared Scott Nicholson, who acknowledged himself to be the CVP of The Columbia Bank, Beneficiary, and that he/she, being authorized to do so, executed this Consent and Agreement of Trustees and Beneficiary for the purposes contained therein by signing the on behalf of the Corporation, in my presence.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

*Cathy A. Hazy, Notary Public
Carroll County
State of Maryland
My Commission Expires March 1, 2004*

Cathy A Hazy
Notary Public

My commission expires on _____

AFTER RECORDATION, PLEASE RETURN TO:

Rachel M. Hess, Esquire
20 Crossroads Drive
Suite 215
Owings Mills, Maryland 21117