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1984 SEP 19 A 10:07

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ARTICLES OF INCORPORATION

OF

MANOR HOUSE CONDOMINIUM ASSOCIATION, INC.

THIS IS TO CERTIFY:

That I, Lynn T. Krause, whose address is 156 South Street, Annapolis, Maryland 21401, being at least twenty-one (21) years of age, do hereby declare myself as incorporator with the intention of forming a corporation under and by virtue of the General Laws of the State of Maryland, and for such purposes do hereby make, execute and adopt the following Articles of Incorporation:

ARTICLE I. The name of this Corporation shall be:

MANOR HOUSE CONDOMINIUM ASSOCIATION, INC.

ARTICLE II. The period of existence and duration of the life of this Corporation shall be perpetual, subject to the right of the unit owners to terminate the condominium as provided in the Master Deed subjecting the condominium property to the terms and provisions of the Maryland Condominium Act, Title 11 of the Real Property Article of the Annotated Code of Maryland, hereinafter referred to as the "Act."

ARTICLE III. The principal office for the transaction of business of this Corporation shall initially be located in the County of Anne Arundel, State of Maryland, at: 124 Route 3, South, P. O. Box 703, Millersville, Maryland 21108.

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

Lynn T. Krause, Esq.
156 South Street
Annapolis, Maryland 21401

42638146



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E. ADRIAN COLLISON
CLERK

KRAUSE EXHIBIT HIZER
156 SOUTH STREET
ANNAPOLIS, MD 21401
(301) 263-0220

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

(a) To promote the social and general welfare and the common good of the unit owners and/or members of Manor House Condominium Association, Inc. in connection with the operation, maintenance, and management of the Condominium pursuant to and in conformity with the Act, on a non-profit basis in Anne Arundel County, State of Maryland.

(b) The Corporation is irrevocably dedicated to and operated exclusively for non-profit purposes, and no part of the income or assets of the Corporation shall be distributed to, nor inure to the benefit of, any individual.

(c) Pursuant to and in conformity with the requirements of the Act, and in a manner consistent with a certain Master Deed relating thereto and heretofore recorded among the Land Records for Anne Arundel County, Maryland, said condominium project being located in Anne Arundel County, hereinelsewhere called the "Condominium" and identified as follows:

MANOR HOUSE CONDOMINIUM

For the general purposes of aforesaid, and limited to those purposes, this Corporation shall have the following powers:

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

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

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

(d) to exercise and perform, without limitation, all of the powers, functions and duties of the Council of Unit Owners of the Condominium hereinabove referred to in a manner consistent with the provisions of the Act, the aforesaid Master Deed and its exhibits, if any; and

(e) to do and perform any and all acts and things which a nonstock corporation organized and existing under the general laws of the State of Maryland is or may be empowered to do, without limitation or restriction of any kind (including, by way of example rather than of limitation, and all acts and things which such a corporation is or may be empowered to do under the provisions of Title 2, Section 2-103 and Title 5, Section 5-202 of the Corporations and Associations Article of the Annotated Code of Maryland, as from time to time amended; and

(f) in the event of the dissolution of the Corporation or the winding up of its affairs, the Corporation's property shall not be conveyed or distributed to any individual, or to any organization created or operated for profit, but shall be conveyed or distributed only to an organization or organizations created and operated for non-profit purposes similar to those of the Corporation; provided, however, that the Corporation shall at all times have the power to convey by deed, deed of trust, or mortgage any or all of its property in order to secure financing necessary or reasonably appropriate to carry out its purposes and objects.

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

ARTICLE VI. The Corporation shall be a membership corporation. Every person, group of persons, corporation, partnership, trust or other legal entity or any combination thereof, who is a record owner of a fee interest in any condominium unit in the condominium, including the developer/builder of the condominium, its successors or assigns, shall be a member of this Corporation; provided, however, that any such legal entity, or any combination thereof, who holds such interest solely as security for the performance of an obligation shall not be a member by reason only of such interest.

The property, voting and other rights and privileges of membership, the liability of each member for assessments for common expenses, and the method of collection thereof, shall be as set forth in the Master Deed relating to the Condominium and exhibits thereto, if any.

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

ARTICLE VIII. In the event any member sells, assigns, or otherwise transfers of record the fee interest in any condominium unit in which he holds the interest required for membership, such member shall at the same time, assign the membership in this Corporation appurtenant to such condominium unit to the transferee of the condominium unit and deliver it to him for transfer on the books of the Corporation. The foregoing requirement shall not obtain in the event a condominium unit is transferred as aforesaid solely as security for the performance of an obligation. Except as provided in these Articles membership shall not be transferable.

ARTICLE IX. The number of Directors of this Corporation shall be five (5), except for the Directors who shall be called the Initial Directors and who shall act as such Initial Directors

until the first annual meeting, or until such time as their successors are duly chosen and qualified, which Initial Directors shall be five (5) in number and are:

<u>NAME</u>	<u>ADDRESS</u>
Joseph Sidoti	P. O. Box 703 Millersville, Maryland
Thomas Tydings	P. O. Box 703 Millersville, Maryland
Anthony Figlio	107 Ridgely Avenue Annapolis, Maryland
Lawrence B. Goldstein	107 Ridgely Avenue Annapolis, Maryland
Lee Chellis	107 Ridgely Avenue Annapolis, Maryland

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

ARTICLE X. The Corporation shall indemnify every officer and Director of the Corporation against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or Director in connection with any action, suit or other proceeding (including settlement of any such suit or proceeding, if approved by the then Board of Directors of the Corporation) to which he may be made a party by reason of being or having been an officer or Director of the Corporation whether or not such person is an officer or Director at the time such expenses are incurred. The officers and Director of the Corporation shall not be liable to the members of the Corporation for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of the Corporation shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Corporation and the Corporation shall indemnify and forever hold each such officer and Director free and harmless against any and

all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or Director of the Corporation, or former officer or Director of the Corporation may be entitled.

The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Corporation and the Condominium. No contract or other transaction between the Corporation and one or more of its Directors, or between the Corporation and any corporation, firm or association in which one or more of the Directors of this Corporation are directors or officers or are pecuniarily or otherwise interested, is voidable unless any of the conditions specified in any of the following paragraphs exist:

(a) the fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the Minutes, and the Board authorizes, approves, or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

(b) the fact of the common directorate or interest is disclosed or known to the members, or a majority thereof, and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

(c) the contract or transaction is commercially reasonable to the Corporation at the time it is authorized, ratified, approved or executed.

Common or interested Directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or any committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize any contract or transaction with like force and effect as if he were not such Director or officer of such other corporation, or not so interested.

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ARTICLE XI. The Corporation reserves the right to amend, change, or repeal any of the provisions contained in these Articles of Incorporation in the manner now or hereafter prescribed by the laws of the State of Maryland; provided, however, that any such action shall be calculated exclusively to carry out the objects and purposes for which the Corporation is formed.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation and acknowledged the same to be my act, this 6th day of JULY, 1984.

Witness

Walter D. HoldenLynn T. Krause

(SEAL)

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STATE DEPARTMENT OF
ASSESSMENTS AND TAXATION
APPROVED FOR RECORD

TIME 10:04 MO. DAY YEAR 9-19-81

20	BOLUS TAX
24	RECORDING FEE
	LIMITED FEE
	OTHER
144	TOTAL CASH PAID BY
	CHECK TO 920

(52)

(Condo)

Non-Stock

Lynn T. Krause
75 Franklin St
Annapolis, MD 21401

EXHIBIT "B"

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MANOR HOUSE CONDOMINIUM ASSOCIATION, INC.

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EXHIBIT "B"

BY-LAWS

FOR

MANOR HOUSE CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

Name and Location

Section 1. Name and Location. The name of the Council of Unit Owners is as follows:

COUNCIL OF UNIT OWNERS OF MANOR HOUSE CONDOMINIUM ASSOCIATION

Its principal office is located at 124 MD Route 3 South,
P. O. Box 703, Millersville, Maryland 21108.

ARTICLE II

Definitions

Section 1. Declaration. "Declaration," as used herein, means that certain Declaration made the 6th day of July, 1984, by the Declarant therein identified, pursuant to Title 11, Section 11-101, et seq., Real Property Article, Annotated Code of Maryland (1981 Rep. Vol.), as amended, hereinafter referred to as the "Condominium Act," by which certain described premises (including land) are submitted to a condominium property regime and which Declaration is recorded among the Land Records for Anne Arundel County, Maryland, immediately prior hereto and to which these By-Laws are appended as an Exhibit.

Section 2. Mortgagee. "Mortgagee," as used herein, means the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the condominium units in the condominium. "Mortgage," as used herein, shall include deed of trust. "First mortgage," as used herein, shall mean a mortgage with priority over other mortgages. As used in these By-Laws, the term "mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees. As used in these By-Laws, the term "institutional mortgagee" or "institutional holder" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), all corporations and any agency or department of the United States Government or any state or municipal government.

Section 3. Other Definitions. Unless it is plainly evident from the context that a different meaning is intended, all other terms used herein shall have the same meaning as they are defined to have in the Declaration or in Title 11, Section 11-101, et seq., Real Property Article, Annotated Code of Maryland (1983 Rep. Vol.). In addition, all of the various definitions detailed in Article I of the Declaration are incorporated herein by reference as if each and every definition were set out fully herein.

ARTICLE III

Membership

Section 1. Members. Every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who holds legal title to a unit, including the Developer for each unsold but platted unit, within the condominium shall be a member of the Council of Unit Owners of Manor House Condominium (also referred to herein as "Council"); provided, however, that any person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who holds such interest solely as security for the performance of an obligation shall not be a member of the Council by reason only of such interest.

Section 2. Membership Certificates. In the event the Board of Directors considers it necessary or appropriate to issue membership certificates or the like, then each such membership certificate shall state that the Council is organized under the laws of the State of Maryland, the name of the registered holder or holders of the membership represented thereby, and shall be in such form as shall be approved by the Board of Directors. Membership certificates shall be consecutively numbered, bound in one or more books, and shall be issued therefrom upon certification as to the transfer of title to the condominium unit to which such membership is appurtenant. Every membership certificate shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary of the Council, or the Declarant if the Council has not yet been organized, and shall be sealed with the seal of the Council if any. Such signatures and seal may be original or facsimile.

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

ARTICLE IV

Meeting of Unit Owners

Section 1. Place of Meeting. Meetings of the unit owners shall be held at the principal office of the Council of Unit Owners or at such other suitable place within the State of Maryland reasonably convenient to the unit owners as may from time to time be designated by the Board of Directors.

Section 2. Organization and Annual Meetings. The organizational meeting of the unit owners shall be held at such time as the Developer and the Board of Directors shall determine, but, in any event, within six (6) months from the date of the filing of the Declaration and these By-Laws, or within (60) days from the date that fifty percent (50%) of the total intended units in the condominium have been conveyed by the Developer to the initial purchasers of such units, whichever date shall first occur. Thereafter, the annual meetings of the unit owners shall be held on the 1st day of February of each succeeding year or a date as close to this date as may be convenient and as directed by the Board of Directors. At such meeting there shall be elected by ballot of the unit owners a Board of Directors in accordance with the requirements of Article V of these By-Laws. The unit owners may also transact such other business of the Council of Unit Owners as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the unit owners as directed by resolution of the Board of Directors, or upon a Petition signed by unit owners representing at least twenty percent (20%) of the total votes of the unit owners having been presented to the Secretary; provided, however, that except upon resolution of the Board of Directors, no special meeting of the unit owners shall be called prior to the first annual meeting of unit owners as hereinabove provided for. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No other business shall be transacted at a special meeting except as specifically stated in the notice.

Section 4. Roster of Unit Owners. The Council shall maintain a current roster of the names and addresses of each unit owner to which written notice of meetings of the Council shall be delivered or mailed. Each unit owner shall furnish the Council with his name and current mailing address.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to mail or otherwise deliver a notice of each annual and special meeting of the Council, stating the purpose thereof as well as the time and place where it is to be held, to each unit owner at his address as it appears on the roster of unit owners, maintained by the Council, or if no such address appears, at his last known place of address or at his condominium unit, at least fifteen (15) but not more than forty five (45) days prior to such meeting. Notice by either such method shall be considered as notice served and proof of such notice shall be made by the affidavit of the person giving such notice. Attendance by a unit owner at any annual or special meeting shall be a waiver of notice by him of the time,

place and purpose thereof. Notice of any annual or special meeting of the unit owners may also be waived by any unit owner either prior to, at or after any such meeting.

Section 6. Quorum. The presence, either in person or by proxy, of unit owners representing at least twenty percent (20%) of the total votes of the Council shall be requisite for, and shall constitute a quorum for the transaction of business at all meetings of members.

Section 7. Adjourned Meetings. If any meeting of unit owners cannot be organized because a quorum has not attended, the unit owners who are present, either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time not less than thirty (30) days from the time the original meeting was called. Additional notice for this meeting shall be given as soon as possible but not less than ten (10) days from the date of the meeting in accordance with Section 5 of this Article with the quorum requirement for this subsequent meeting to be fifty percent (50%) of the quorum requirement for the previous meeting. This adjournment and dropping of quorum requirement procedure by fifty percent (50%) may continue until such time as a quorum can be achieved by the Council.

Section 8. Voting. At every meeting of the unit owners, the owners of each unit shall be permitted to cast only one (1) vote per unit with the Declarant having the number of votes for each unit as provided in the Declaration, for each such unit owned by the Developer and yet unsold, but recorded and platted. The votes of the unit owners representing fifty-one percent (51%) of the votes of the unit owners including the Declarant present and voting, in person or by proxy, shall decide any questions brought before such meeting, unless the question is one upon which, by express provision of the Condominium Act, or of the Articles of Incorporation of the Council of Unit Owners, or of the Declaration or of these By-Laws, a different vote is required, in which case such express provision shall govern and control. In the event any condominium unit is owned by a corporation, then the vote appurtenant to such condominium unit shall be cast by a person designated in a certificate signed by the president or any vice president and attested by the secretary or an assistant or an assistant secretary of such corporation and filed with the Secretary of the Council prior to such meeting. Any such certificate shall remain valid until revoked or superceded in writing. The vote appurtenant to any condominium unit which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and, unless any objection or protest by any other trustee or partner is noted at such meeting, the Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. No unit owner shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors who is shown on the books or management accounts of the Council of Unit Owners to be more than sixty (60) days delinquent in any payment due to the Council of Unit Owners.

Section 9. Proxies. A unit owner may appoint any other unit owner, his tenant, mortgagee or the Declarant or the Management Agent if any, as his proxy. Any proxy must be in writing and must be filed with the Secretary in form approved by the Board of Directors at or before the appointed time of each meeting.

Unless limited by its terms, any proxy shall continue until revoked by a written notice or revocation filed with the Secretary or by the death of the unit owner; provided, however, that no proxy is effective for a period in excess of one hundred eighty (180) days unless granted to a mortgagee or lessee of the condominium unit to which the vote is appurtenant.

Section 10. Rights of Mortgagees. Any mortgagee of any condominium unit in the condominium who desires notice of the annual and special meetings of the unit owners shall notify the Secretary to that effect by Registered Mail-Return Receipt Requested. Any such notice shall contain the name and post office address of such mortgagee and the name of the person to whom notice of the annual and special meetings of the unit owners should be addressed. The Secretary of the Council shall maintain a roster of all mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the unit owners to each such mortgagee, in the same manner, and subject to the same requirements and limitations as are provided in this Article for notice to the members. Any such mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the unit owners and such representative may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting address the unit owners present at any such meeting. Such representative shall have no voting rights at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the unit owners upon request made in writing to the Secretary.

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

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

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

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

Section 13. Inspectors of Election. The Board of Directors may, in advance of any annual or special meeting of the unit owners, appoint an uneven number of one or more inspectors of election to act at the meeting and at any adjournment thereof. In the event inspectors are not so appointed, the Chairman of any annual or special meeting of unit owners shall appoint such inspectors of election. No officer or Director of the Council and no candidate for Director of the Council shall act as an inspector of election at any meeting of the unit owners if one of the purposes of such meeting is to elect Directors.

ARTICLE V

Directors

Section 1. Number and Qualification. The affairs of the Council shall be governed by a Board of Directors composed of five (5) natural persons, all of whom after the first organizational meeting of the Council shall be unit owners, but may also include officers, directors, or partners of the Declarant. To be eligible for membership on the Board of Directors, a representative of a corporate Condominium Unit Owner must be either an officer or director of said corporate Condominium Unit Owner.

Section 2. Initial Directors. The initial Directors shall be selected by the Declarant and need not be unit owners. The names of the Directors who shall act as such from the date upon which the Declaration is recorded among the Land Records of Anne Arundel County, Maryland, until the first organizational meeting of the Council or until such time as their successors are duly chosen and qualified are as follows:

Joseph Sidoti	P. O. Box 703 Millersville, Maryland
Thomas Tydings	P. O. Box 703 Millersville, Maryland
Anthony Figlio	107 Ridgely Avenue Annapolis, Maryland
Lawrence B. Goldstein	107 Ridgely Avenue Annapolis, Maryland
Lee Chellis	107 Ridgely Avenue Annapolis, Maryland

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

To provide for the

(a) care, upkeep and surveillance of the condominium and its general and limited common elements and services in a manner consistent with law and the provisions of these By-laws and the Declaration; and

(b) establishment, collection, use and expenditure of assessments and carrying charges from the unit owners, the filing and enforcement of Statements of Condominium Liens in a manner consistent with law and the provisions of these By-laws and the Declaration; and

(c) designation, hiring and dismissal of the personnel necessary for the good working order of the condominium and for the proper care of the common elements and to provide services for the project in a manner consistent with the law and the provisions of these By-Laws and the Declaration; and

(d) promulgation and enforcement of such rules and regulations and such restrictions on or requirements as may be deemed proper respecting the use, occupancy and maintenance of the condominium and the use of the general and limited common elements and as are designated to prevent unreasonable interference with the use and occupancy of the condominium and of the general and limited common elements by the unit owners and others, all of which shall be consistent with law and the provisions of these By-Laws and the Declaration; and

(e) to enter into agreements whereby the Council acquires leaseholds, memberships and other possessory or use interests in real or personal property for the purpose of promoting the enjoyment, recreation or welfare of the unit owners and to declare expenses incurred in connection therewith to be common expenses of the Council; and

(f) to purchase insurance upon the condominium in the manner provided for in these By-Laws; and

(g) to repair, restore or reconstruct all or any party of the condominium after any casualty loss in a manner consistent with law and the provisions of these By-Laws; and

(h) to lease, grant licenses, easements, rights-of-way and other rights to use in all or any part of the common elements of the condominium; and

(i) to purchase condominium units in the condominium and to lease, mortgage or convey the same, subject to the provisions of these By-Laws and the Declaration; and

(j) to appoint the members of the Architectural Control Committee provided for in Article XI of these By-Laws and to appoint the members of such other committees as the Board of Directors may from time to time designate.

Section 4. Management Agent. The Board of Directors may employ for the Council a management agent or manager (the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. Any management agreement entered into by the Council shall provide, inter alia, that such agreement may be terminated for cause upon ninety (90) days written notice thereof. The term of any such management agreement shall not exceed two (2) years; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive two or less year periods.

Section 5. Election and Term of Office. The term of the Directors named herein shall expire when their successors have been elected at the first organizational meeting of unit owners and are duly qualified. The election of Directors shall be by ballot, unless balloting is dispensed with by the unanimous consent of the unit owners present at any meeting, in person or by proxy. At the first organizational meeting of the unit owners, the term of office of the two (2) Directors receiving the greatest number of votes shall be fixed for three (3) years. The term of office of the Director receiving the third greatest number of votes shall be fixed for two (2) years and the term of office of the other Directors shall be fixed for one (1) year. Directors shall hold office until their successors have been elected and hold their first regular meeting.

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

Section 7. Removal of Directors. At an annual meeting of unit owners, or at any special meeting duly called for such purposes (but only at or after the first organizational meeting of unit owners, as hereinabove provided for) any Director may be removed with or without cause by the affirmative of the majority of the unit owners in the Council, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting. The term of any Director who becomes more than sixty (60) days delinquent in payment of any assessments or carrying charges due the Council may be terminated by resolution of the remaining Directors and the remaining Directors shall appoint his successor as provided in this Article.

Section 8. Compensation. Except for those Directors named as such in this Article as initial Directors, and any of their successors elected prior to the first organizational meeting of the Council, no remuneration shall be paid to any Director who is also a unit owner for services performed by him or her for

the Condominium in any other capacity unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors before the services are undertaken, according to Section 2-419 of the Corporations and Associations Article of the Annotated Code of Maryland, as may be amended from time to time. Directors may be reimbursed for their actual out of pocket expenses necessarily and reasonably incurred in connection with their services as Directors.

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

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

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

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

Section 13. Quorum. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at any meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time.

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

Section 15. Fidelity Bonds. The Board of Directors may require that all officers, Directors and employees of the Council regularly handling or otherwise responsible for the funds of the Council shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty in accordance with the requirements of Article XII of these By-Laws. The premiums on such bonds or insurance shall be paid by the Council.

ARTICLE VI

Officers

Section 1. Designation. The principal officers of the Council shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. Prior to the first organizational meeting of unit owners, the officers of the Council need not be unit owners. The Directors may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgment may be necessary. The offices of Secretary and Treasurer may be filled by the same person.

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

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

Section 4. President. The President shall be the chief executive officer of the Council. He shall preside at all meetings of the unit owners and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of a corporation, including, but not limited to, the power to appoint such committees from among the unit owners from time to time as he may, in his discretion, decide are appropriate to assist in the conduct of the affairs of the Council. The President shall count the votes at all meetings of the unit owners.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also assist the President generally and shall perform such other duties as shall from time to time be delegated to him by the Board of Directors.

Section 6. Secretary. The Secretary or a specially selected recording secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the unit owners for the recording of the resolutions of the Council. The Secretary shall give notice of all annual and

special meetings of the unit owners in conformity with the requirements of these By-Laws. The Secretary shall have custody of the seal of the Council, if any. The Secretary shall have charge of the membership transfer books and of such other books and papers as the Board of Directors may direct and he shall, in general, perform all of the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for funds and securities of the Council and shall be responsible for keeping, or causing to be kept, full and accurate accounts of all receipts and disbursements in books belonging to the Council. He shall be responsible for causing the deposit of all monies and other valuable effects in the name, and to the credit, of the Council in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE VII

Liability and Indemnification of Officers and Directors

Section 1. Liability and Indemnification of Officers and Directors. The Council may indemnify every officer and Director of the Council against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or Director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Council) to which he may be made a party by reason of being or having been an officer or Director of the Council, whether or not such person is an officer or Director of the Council at the time such expenses are incurred. The officers and Directors of the Council shall not be liable to the unit owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers with respect to any contract or other commitment made by them, in good faith, on behalf of the Council or the condominium (except to the extent that such officers or Directors may also be owners of condominium units) and the Council shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall be in addition to and not exclusive of any other rights to which any officer or Director of the Council, or former officer or Director of the Council may be entitled under the laws of the State of Maryland.

Section 2. Common or Interested Directors. The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Council and the condominium. No contract or other transaction between the Council and one or more of its Directors, or between the Council and any corporation, firm or association (including the Declarant) in which one or more of the Directors of the Council are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or their votes are counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

(a) the fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the minutes, and the Board of Directors authorizes, approves, or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

(b) the fact of the common directorate or interest is disclosed or known to the unit owners, or a majority thereof, and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose of; or

(c) the contract or transaction is commercially reasonable to the Council at the time it is authorized, ratified, approved or executed.

Common or interested Directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize any contract or transaction with like force and effect as if he were not such director or officer of such corporation or not so interested.

ARTICLE VIII

Assessments and Carrying Charges for Common Expenses

Section 1. Annual Assessments and Carrying Charges. Each unit owner shall pay to the Council of Unit Owners, in advance, a monthly sum (hereinsewhere sometimes referred to as "assessments" or "carrying charges") equal to one-twelfth (1/12) of the unit owner's proportionate share (determined in accordance with the percentage interests in common expenses and common profits of the condominium set forth on "EXHIBIT C" attached to the Declaration) of the sum required by the Council, as estimated by its Board of Directors, to meet its annual expenses, including, but in no way limited to, the following:

(a) the cost of all operating expenses of the condominium and services furnished, including charges by the Council for facilities and services furnished by it; and

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

(c) the amount of all taxes and assessments levied against the Council or upon any property which it may own or which it is otherwise required to pay, if any; and

(d) the cost of fire and extended liability insurance on the project and the cost of such insurances as the Council of Unit Owners may obtain; and

(e) the cost of furnishing electricity, garbage and trash collection services, and other utility services to the common elements, to the extent furnished by the Council; and

(f) the cost of funding contributions to the "Paid-in-Surplus" account of the Council and the cost of funding all reserves established by the Council, including, when appropriate, a general operating reserve and a reserve for replacements; and

(g) the estimated cost of repairs, maintenance and replacements of the common elements of the condominium to be performed by the Council.

The Board of Directors shall determine the amount of the assessments at least annually, but may do so at more frequent intervals should circumstances so require.

The Board of Directors of the Council shall fix the amount of the assessment against each condominium unit for each annual assessment period at least thirty (30) days in advance of the commencement of such period. Written notice of the assessments shall be thereupon sent to the unit owners. The omission of the Board of Directors, before the expiration of any annual assessment period, to fix assessments for that or the next such period shall not be deemed a waiver or modification in any respect of the provisions of this Article, or a release of any unit owner from the obligation to pay the assessment, or any installment thereof, for that or any subsequent assessment period; but the assessment fixed for the preceding period shall continue until a new assessment is fixed. No unit owner may exempt himself from liability for assessments or carrying charges by a waiver of the use or enjoyment of any of the common elements or by abandonment of any condominium unit belonging to him.

Prior to the organizational meeting of the Council as detailed herein, the monthly assessment per unit shall be Forty and 00/100 Dollars (\$40.00) with an initial capital contribution due from each owner at the time of the conveyance of such unit or units purchased by such owner in the amount of One Hundred Fifty and 00/100 Dollars (\$150.00) to be collected at settlement and remitted to the Declarant. This amount shall be held by the Declarant in separate accounts solely for the benefit of the Council until the first organizational meeting at which time such sums as may remain in these accounts following the payment of the various expenses which are the obligation of the Council to pay have been paid during this pre-organizational period. The Declarant's obligation to pay these monthly assessments on any units owned by the Declarant shall commence at such time as a Use and Occupancy permit is obtained for any such unit.

Section 2. Budget. The Board of Directors, with the assistance and counsel of the Management Agent, if any, shall prepare and adopt a budget for each annual assessment period which shall include estimates of the funds required by the Council to meet its annual expenses for that period. The budget herein required to be prepared and adopted by the Board of Directors shall be in a format consistent with the classification of the accounts of the Council, as hereinafter in these By-Laws provided for, and shall provide for sufficient estimates on a monthly basis, to permit comparison to and analysis of deviations from the various reports of the actual results of operations and the actual financial condition of the Council, on both a current bases and for prior corresponding periods, all in accordance with generally accepted accounting practices, consistently applied. Copies of the budget shall be available for examination by the unit owners and by their duly authorized agents and attorneys, and to the institutional

holder of any first mortgage of any condominium unit in the condominium and by their duly authorized agents and attorneys during normal business hours for purposes reasonably related to their respective interests.

Section 3. Special Assessments. In addition to the regular assessments authorized by this Article, the Council may levy in any assessment year a special assessment or assessments, applicable to that year only, for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the condominium, including the necessary fixtures and personal property related thereto, or for such other purposes as the Board of Directors may consider appropriate; provided, however, that any such special assessment shall have the assent of a majority of unit owners present and voting in person or by proxy at a meeting called for the purpose of passing on this special assessment at which meeting a quorum must be present.

Section 4. Reserve for Replacements and General Operating Funds.

(a) The Council shall establish and maintain a reserve fund for replacement by the allocation and payment monthly to such reserve fund to be designated from time to time by the Board of Directors.

(b) The Council shall establish and maintain a general operating reserve by the allocation and payment monthly to such general operating reserve fund of an amount equivalent to not less than three percent (3%) of the monthly assessments chargeable to the unit owners in the condominium pursuant to the provisions of these By-Laws. The general operating reserve is intended to provide a measure of financial stability for the condominium and may be used to meet deficiencies from time to time and for other contingencies.

(c) The proportionate interest of any unit owner in any reserve accounts established by the Council shall be considered an appurtenance of his condominium unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the condominium unit to which it appertains and shall be deemed to be transferred with such condominium unit wherever such unit is conveyed.

Section 5. Non-Payment of Assessments - Statement of Condominium Lien. Any assessment levied pursuant to the Declaration or these By-Laws and any installment thereof which is not paid within fifteen (15) days from the date when due shall be deemed delinquent and shall entitle the Council to assess a late penalty in the amount of Fifteen Dollars (\$15.00) or one-tenth (1/10th) of the total amount of any delinquent assessment or installment, whichever is greater, together with interest thereon in the amount of twelve percent (12%) per annum to bear interest from the date of the delinquency, until paid, actual costs of collection, which costs shall include actual attorney's fees, if any, incurred by the Council, all of which sums shall constitute a lien on the unit against which it is assessed. This lien, however, shall be effective only after a Statement of Condominium Lien is recorded among the land records for Anne Arundel County, Maryland, in a form that complies with the provisions of the Condominium Act. On full

payment of the assessment and other charges, attorney's fees, interest, and cost of collection for which the lien is claimed, the unit owner shall be entitled to reportable satisfaction of the lien, at the cost of the unit owner.

Upon recordation of the Statement of Condominium Lien as aforesaid, the lien shall bind the condominium unit described in the Statement of Condominium Lien in the hands of the unit owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the unit owner to pay the assessment shall, however, remain his personal obligation for the statutory period and a suit to recover a money judgment for non-payment of any assessment levied pursuant to the Declaration or these By-Laws, or any installment thereof, may be maintained without foreclosing or waiving the lien established by the Statement of Condominium Lien to secure payment of such assessment. Upon full payment of the amount for which the lien is claimed the unit owner shall be entitled to a recordable satisfaction of the lien.

The Board of Directors may bring an action at law against the unit owner personally obligated to pay the assessment and various other charges or may after the recordation of the Statement of Condominium Lien provided for in this Article and in the Condominium Act, foreclose the lien against the condominium unit or units then belonging to said unit owner in the same manner, and subject to the same requirements, now or hereafter provided for the foreclosure of mortgages or deeds of trust containing a power of sale or an assent to a decree in the State of Maryland and as provided in the Condominium Act. In either event, an action at law or by a foreclosure sale, the various costs of the foreclosure allowed by the applicable laws may be collected by the Council and reasonable attorney's fees of not less than twenty percent (20%) of the sum claimed shall be collected in addition to any other sums that may be allowed by the Maryland laws applicable to the aforementioned foreclosures. Suit for any deficiency following foreclosure may be maintained in the same proceeding. No suit at law or foreclosure action may be brought until the notices required by the Condominium Act have been sent to the unit owner involved.

In the event any proceeding to foreclose the lien for any assessment due the Council pursuant to this Article is commenced with respect to any condominium unit, then the Council shall be entitled to the appointment of a receiver to collect any rents that may be due from such unit. These remedies are deemed to be cumulative and not exclusive.

The Board of Directors may post a list of members who are delinquent in the payment of any assessment or other fees which may be due the Council, including any installment thereof which becomes delinquent, in any prominent location within the condominium.

Section 6. Priority of Lien. The lien established by the recordation of a Statement of Condominium Lien, as in this Article provided, shall have preference over any other assessments, liens, judgments or charges of whatever nature, except the following:

(a) the general and special assessments for ad valorem real estate taxes on the condominium unit; and

(b) the lien of any bona fide deed of trust, mortgage, or other encumbrance duly recorded on the condominium unit prior to the recordation of the Statement of Condominium Lien, or duly recorded on the condominium unit after receipt by the holder or any such mortgage (or the holder of the indebtedness or note secured thereby) of a certificate or statement in writing signed by an officer or agent of the Council stating the payments on account of all assessments levied by the Council against the condominium unit were current as of the date of recordation of such deed of trust, mortgage instrument or other encumbrance.

The lien established by the recordation of a Statement of Condominium Lien, as in this Article provided, shall be subordinate to the lien of any deed of trust, mortgage, or other encumbrance duly recorded on the condominium unit and made in good faith and for value received; provided, however, that such subordination shall apply only to assessments, and installments thereof, which have become due and payable prior to a sale or transfer of the condominium unit pursuant to a foreclosure or any deed, assignment or other proceeding or arrangement in lieu of foreclosure. Any holder of any deed of trust, mortgage or other encumbrance duly recorded on the condominium unit and made in good faith and for value received who comes into possession of the condominium unit pursuant to a foreclosure or any deed, assignment or other proceeding or arrangement in lieu of foreclosure, and any other purchaser at a foreclosure sale, shall take the condominium unit free of any claims for unpaid common expense assessments and carrying charges levied against the condominium unit which accrue prior to the time such holder comes into possession of the condominium unit or prior to the foreclosure sale, except for claims for a proportionate share of such unpaid common expense assessments and carrying charges resulting from a reallocation of such unpaid common expense assessments or carrying charges among all of the condominium units in the condominium. Such foreclosure, deed, assignment or other proceeding or arrangement in lieu of foreclosure shall not relieve the mortgagee in possession or the purchaser at any foreclosure sale from any liability for any common expense assessments and carrying charges thereafter becoming due, or from the lien established by the recordation of a Statement of Condominium Lien with respect to any common expense assessments and carrying charges thereafter becoming due.

No amendment to this Section shall affect the rights of the holder of any such deed of trust, mortgage or other encumbrance recorded prior to the recordation of such amendment unless the holder of such deed of trust, mortgage or other encumbrance shall join in the execution of such amendment.

Section 7. Subordination and Mortgagee Protection.

(a) Notwithstanding any other provision hereof to the contrary, the lien of any assessment levied pursuant to these By-Laws upon any unit in the Regime shall be subordinate to and shall in no way affect the rights of the holder of any indebtedness secured by any recorded first mortgage, meaning a mortgage with priority over other mortgages, upon such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such unit pursuant to a decree of foreclosure or any other proceeding in

lieu of foreclosure. Such sale or transfer shall not relieve the purchaser at such sale of the unit from liability for any assessment thereafter becoming due, nor from the lien of any such subsequent assessment, which lien, if claimed, shall have the same effect, and be enforced in the same manner as provided herein.

(b) No amendment to this section shall affect the rights of the holder of any such mortgage or the indebtedness secured thereby recorded prior to recordation of such amendment, unless the holder thereof or of the indebtedness secured thereby shall join in the execution of such amendment.

Section 8. Acceleration of Installments. Upon default in the payment of any one or more monthly installments of any assessment levied pursuant to the Declaration or these By-Laws, or any other installment thereof, the entire balance of said assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

Section 9. Assessment Certificates. The Council shall, upon demand at any time, furnish to any unit owner liable for any assessment levied pursuant to the Declaration or these By-Laws (or any other party legitimately interested in the same) a certificate in writing signed by an officer or agent of the Council setting forth the status of said assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of payment or any installment of any assessment therein stated to have been paid. A reasonable charge may be levied in advance by the Council for each certificate so delivered, except that no charge shall be levied against any institutional mortgagee of any condominium unit in the condominium who requests such a certificate.

Section 10. Assessment for Water and Sewerage Fees. The Developer, its successors and assigns, shall own, manage, and operate a private corporation solely for the purposes of owning and maintaining certain water and sewerage lines to the various units and common areas. The cost of maintaining these lines and the costs of furnishing water and sewerage to the units and common areas shall be borne by the various unit owners in the same proportion that the unit owners pay for annual assessments as defined in this Article. These charges shall like the annual and special assessments be considered a lien on the respective units as well as the common areas and enforceable in the same manner as a failure to pay the annual and special assessments as stated in this Article by the corporation maintaining these lines and furnishing these services.

ARTICLE IX

Use Restrictions

Section 1. Office Use. As stated in the Declaration, the buildings and each of the units are intended and restricted for use as professional offices, administrative offices, and other non-manufacturing uses, unless otherwise approved by a two-thirds (2/3) vote of the Council.

Section 2. Prohibited Uses and Nuisances. Except for the activities of the Declarant and its agents in connection with the construction of the condominium, and except as may be reasonable and necessary in connection with the maintenance, improvement, repair or reconstruction of any portion of the condominium by the Declarant or the Council:

(a) no noxious or offensive trade or activity shall be carried on within the condominium or within any condominium unit, nor shall anything be done therein or thereon which may be or become an annoyance to the neighborhood or the other unit owners. No nuisances shall be permitted within the condominium, nor shall any use or practice be permitted which is or becomes a source of annoyance to the unit owners or which interferes with the peaceful use and possession thereof by the unit owners.

(b) there shall be no obstruction of any of the common elements. Nothing shall be stored upon any of the common elements, excepting those areas designated for storage of personal property by the owners of the condominium units.

(c) nothing shall be done or maintained in any condominium unit or upon any of the common elements which will increase the rate of insurance on any condominium unit or the common elements, or result in the cancellation, thereof, without the prior written approval of the Board of Directors. Nothing shall be done or maintained in any condominium unit or upon the common elements which would be in violation of any law. No waste shall be committed upon any of the common elements.

(d) no structural alteration, construction, addition or removal of any condominium unit or the common elements shall be commenced or conducted except in strict accordance with the provisions of these By-Laws.

(e) the maintenance, keeping, breeding, boarding and/or raising of animals, livestock or poultry of any kind, regardless of number, shall be and is hereby prohibited within any unit or upon any of the common elements, with this provision to prohibit the keeping of domestic dogs, cats, or caged birds as domestic pets. This provision shall not be construed as to prohibit the use and maintenance of a seeing eye dog by any person having impaired eye sight.

(f) except as hereinelsewhere provided, no junk vehicle or other vehicle on which current registration plates are not displayed, trailer, truck, camper, camp truck, house trailer, boat or the like shall be kept upon any of the general common elements, nor shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out on any of the common elements or within or upon any condominium unit.

(g) no burning of any trash and no unreasonable or unsightly accumulation or storage of litter, new or used building materials or trash of any other kind shall be permitted within any condominium unit or upon any of the common elements. Trash and garbage containers not approved by the Board of Directors shall not be permitted to remain in public view except on days of collection. All refuse shall be

deposited with care in containers or trash chutes designated for such purpose during such hours as may from time to time be designated by the Board of Directors.

(h) no structure of a temporary character, trailer, tent, shack, barn or other outbuilding shall be maintained upon any common elements at any time. Outdoor clothes dryers or clothes lines shall not be maintained upon any of the common elements at any time. No clothing, laundry or the like shall be hung from any part of any condominium unit or upon any of the common elements or from or upon any balcony or patio.

(i) no outside television or radio aerial or antenna, or other aerial or antenna, for reception or transmission, shall be maintained upon any condominium unit or upon any of the common elements without the prior written consent of the Board of Directors.

(j) nothing shall be stored upon any balcony or patio, nor shall the cooking or preparation of food be permitted upon any balcony or upon any portion of the general common elements of the project, except with the consent of the Board of Directors.

(k) no unlawful use shall be made of any condominium unit or any portion of the common elements and all laws, zoning and other ordinances, regulations of governmental and other municipal bodies and the like shall be observed at all times.

(l) there shall be no violation of any rules for the use of the common elements, or other "house rules," which may from time to time be adopted by the Board of Directors and promulgated among the unit owners by them in writing, and the Board of Directors is hereby and elsewhere in these By-Laws authorized to adopt and promulgate such rules.

(m) the sidewalks, entrances, elevators, vestibules, stairways, corridors, halls, landings and lobbies must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the units in the building.

(n) water closets and other water apparatus in the building shall not be used for any purpose other than those for which they were designed, nor shall any sweeping, rubbish, rags or other articles be thrown into same. Any damage resulting from misuse of any water closets or other apparatus in a unit shall be repaired and paid for by the owner of such unit.

(o) except for such signs as may be posted by the Developer for promotional purposes, no signs of any character shall be erected, posted or displayed by any condominium unit owner upon any condominium unit or upon any part of the common elements, except that each unit owner shall be permitted to maintain an identification sign on the entrance door to the unit which shall be approved and installed by the Board of Directors, but at the expense of the unit owner, in order to assure uniformity of such signs throughout the condominium building.

Section 3. Enforcement. All of the aforesaid restrictions shall be held and construed to run with and bind the land submitted to the Condominium Regime by the Declaration, and each condominium unit located thereon, and all owners and

occupants of such units, their respective personal representatives, heirs, successors and assigns. Said restrictions shall inure to the benefit of and be enforceable by the Declarant, the Council of Unit Owners, the Board of Directors, or any owner against anyone violating or attempting to violate any of the said restrictions. Enforcement may be by appropriate legal proceedings, either an action at law for damages, or a suit in equity to enjoin a breach or violation, or enforce performance of any restrictions, or a combination thereof, with the court to award reasonable attorney's fees and costs of any such legal action to the party bringing such enforcement action.

ARTICLE X

Management

Section 1. Management and Common Expenses. The Council acting through its Board of Directors shall manage, operate, and maintain the Condominium Regime, and for the benefit of the units and the unit owners thereof, shall enforce the provisions hereof and may pay out of the common expense fund, herein elsewhere provided for, the following, which itemization shall not act as a limitation on the Council:

(a) The cost of providing water, sewer, and other necessary utility services for the common elements, and to the extent that the same are not separately metered or billed to each unit, for the units.

(b) The cost of fire and extended liability insurance on the common elements and the cost of such other insurance as the Council may purchase.

(c) The cost of providing such legal and accounting services as may be considered necessary to the operation of the Condominium.

(d) The cost of painting, maintaining, replacing, repairing and landscaping the general and limited common elements and such furnishings and equipment for the general and limited common elements as the Board of Directors shall determine are necessary and proper, and the Board of Directors shall have the exclusive right and duty to acquire the same; provided, however, that nothing herein contained shall require the Council to paint, repair, or otherwise maintain the interior of any unit or any fixtures or equipment located therein.

(e) The cost of any and all other materials, supplies, labor, services, maintenance, repairs, taxes, assessments or the like which the Council is required to secure to pay for by law, or otherwise, or which in the discretion of the Board of Directors shall be necessary or proper for the operation of the general and limited common elements; provided, however, that if any of the aforementioned are provided or paid for the benefit of a particular unit or units, the cost thereof shall be specially assessed to the unit owner or owners thereof in the manner provided in subsection (f) of Section 1 of this Article.

(f) The cost of the maintenance or repair of any unit in the event such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the

general and limited common elements or to preserve the appearance or value of the Condominium or is otherwise in the interest of the general welfare of all unit owners; provided, however, that no such maintenance or repair shall be undertaken without a resolution by the Board of Directors and not without reasonable written notice to the unit owner of the unit proposed to be maintained; and, provided further, that the cost thereof shall be assessed against the unit on which such maintenance or repair is performed, and when so assessed, a statement for the amount thereof shall be rendered promptly to the then unit owner of said unit at which time the assessment shall become due and payable and a continuing lien and obligation of said unit owner in all respects as provided in Article VIII of these By-Laws.

(g) Any amount necessary to discharge any lien or encumbrance levied against the condominium, or any portion thereof which may in the opinion of the Board of Directors constitute a lien against any of the general or limited common elements rather than the interest of the unit owner of any individual condominium unit.

Section 2. Duty to Maintain. Except for maintenance requirements herein imposed upon the Council, if any, the unit owner of any unit shall at his or her own expense maintain the unit and any and all equipment, appliances, or fixtures therein situate and its other appurtenances in good order, condition and repair, and in a clean and sanitary condition, and shall do all redecorating, painting and the like which may at any time be necessary to maintain the good appearance of the unit and such appurtenances. The owner of any condominium unit shall also at his or her own expense keep any limited common elements which may be appurtenant to such condominium unit and reserved for his or her exclusive use in a clean, orderly, and sanitary condition.

Section 3. Easements for Utilities and Related Purposes. The Council through its Board of Directors is authorized and empowered to grant, and shall from time to time grant such licenses, easements and/or rights of ways for sewer lines, water lines, electrical cables, gas lines, storm drains, underground conduits and/or such other purposes related to the provision of public utilities to the Condominium Regime, as may be considered necessary and appropriate by the Board of Directors for the orderly maintenance, preservation and enjoyment of the general and limited common elements or for the preservation of the health, safety, convenience and/or welfare of the unit owners and the Developer.

Section 4. Council of Unit Owners as Attorney-in-Fact. The Council is hereby irrevocably appointed as attorney-in-fact for the owners of all of the condominium units in the condominium, and for each of them to manage, control and deal with the interests of such unit owners in the common elements of the condominium so as to permit the Council to fulfill all of its powers, functions and duties under the provisions of the Condominium Act, the Declaration, and the By-Laws, and to exercise all of its rights thereunder and to deal with the condominium upon its destruction and the proceeds of any insurance indemnity, as hereinelsewhere provided. The foregoing shall be deemed to be a power of attorney coupled with an interest and the acceptance by any person or entity of

any interest in any condominium unit shall constitute an irrevocable appointment of the Council as attorney-in-fact as aforesaid.

Section 5. Management Agent. The Council may by contract in writing delegate any of its ministerial duties, powers or functions to the Management Agent. The Council and the Board of Directors shall not be liable for any omission or improper exercise by the Management Agent of any such duty, power or function so delegated.

Section 6. Windows and Doors. The owner of any condominium unit shall, at his or her own expense, clean and maintain both the interior and exterior surfaces of all windows of such condominium unit and shall, at his or her own expense, clean and maintain the interior surface of all entry doors of the condominium unit. Notwithstanding the provisions of this Section, the Board of Directors may resolve to clean the exterior surfaces of all windows in the condominiums at common expense in accordance with a schedule to be determined by the Board of Directors.

Section 7. Access at Reasonable Times. The Council shall have an irrevocable right and an easement to enter condominiums for the purpose of making repairs to the common elements when the repairs reasonably appear necessary for public safety or to prevent damage to other portions of the condominium. Except in cases involving manifest damage to public safety or property, the Council shall make a reasonable effort to give notice to the owner of any condominium unit to be entered for the purpose of such repairs. No entry by the Council for the purpose specified in this Section may be considered a trespass. An owner shall and does hereby grant such right of entry to any person authorized by the Council of the condominium in case of any emergency originating in, or threatening the unit, whether the owner is present at the time or not.

Section 8. Limitation of Liability. The Council or the private utility furnishing such services shall not be liable for any failure of water supply or other services to be obtained by the Council or any unit owner or paid out of the common expenses, or for injury or damage to persons or property caused by the elements or by the unit owner of any unit, or any other person, or resulting from electricity, water, snow, or ice which may leak or flow from any portion of the general or limited common elements or from any pipe, drain, conduit, appliance or equipment. The Council shall not be liable to the unit owner of any unit for loss or damage by theft or otherwise of articles which may be stored upon any of the general or limited common elements. No diminution or abatement of Common Expense Assessments, as hereinelsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making or repairs or improvements to the general or limited common elements or from any action taken by the Council to comply with any law, ordinance, or with the order or directive of any municipal or other governmental authority.

Section 9. Books and Accounts. The books and accounts of the Council shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices, consistently applied. These books and accounts, and all other records maintained by the Council shall be available for examination by any individual unit owner and their duly

authorized agents or attorneys, during normal business hours, and for purposes reasonably related to their respective interests and after reasonable notice.

Section 10. Auditing. At the close of each fiscal year, the books and accounts of the Council shall be audited by an independent certified public accountant or public accountant, chosen by the Board of Directors, whose reports shall be prepared in accordance with generally accepted auditing practices, consistently applied. Based upon such report, the Council may furnish any unit owner, any mortgagee requesting the same, or any other individual, including prospective purchasers, with this annual financial statement, which is to be prepared within ninety (90) days following the end of each fiscal year.

ARTICLE XI

Architectural Control

Section 1. Architectural Control Committee. Except for the construction of the condominium by the Declarant or its agents and any improvements to any condominium unit or to the common elements accomplished concurrently with said original construction, and except for purposes of proper maintenance and repair or as otherwise in the Condominium Act or these By-Laws provided, it shall be prohibited for any unit owner to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, shades, screens, awnings, patio covers, decorations, fences, walls, aerials, antennas, radio or television broadcasting or receiving devices, slabs, sidewalks, curbs, gutters, patios, balconies, porches, driveways, walls or to make any change or otherwise alter (including any alteration in color) in any manner whatsoever the exterior of any condominium unit or upon any of the common elements within the project or to combine or otherwise join two or more condominium units except at the time of original purchase from the Developer, or to partition the same after combination, or to remove or alter any window or exterior doors of any condominium unit, or to make any change or alteration within any condominium unit which will alter the structural integrity of any building or otherwise affect the property, interest or welfare of any other unit owner, materially increase the cost of operating or insuring the condominium or impair any easement, until the complete plans and specifications, showing the location, nature, shape, change (including, without limitation, any other information specified by the Board of Directors or its designated committee) shall have been submitted to and approved in writing as to safety, the effect of any such alterations on the costs of maintaining and insuring the condominium and harmony of design, color and location in relation to surrounding structures and topography, by the Board of Directors of the Council of Unit Owners, or by an Architectural Control Committee designated by the Board of Directors.

Section 2. Architectural Control Committee - Operation. The Architectural Control Committee shall be composed of an uneven number of three (3) or more natural persons designated from time to time by the Board of Directors of the Council and such persons shall serve at the pleasure of the Board of Directors. In the event the Board of Directors fails to appoint an

Architectural Control Committee, then the Board of Directors shall constitute the Committee. The affirmative vote of a majority of the members of the Architectural Control Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article.

Section 3. Approvals, Etc. Upon approval of the Architectural Control Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of such Committee and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. In the event the Architectural Control Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within sixty (60) days after such plans and specifications (and all other materials and information required by the Architectural Control Committee) have been submitted to it in writing, then approval will not be required and this Article will be deemed to have been fully complied with.

Section 4. Limitations. Construction or alterations in accordance with plans and specifications approved by the Architectural Control Committee pursuant to the provisions of this Article shall be commenced within six (6) months following the date upon which the same are approved by the Architectural Control Committee (whether by affirmative action or by forbearance from action, as in Section 3 of this Article provided), and shall be substantially completed within twelve (12) months following the date of commencement, or within such longer period as the Architectural Control 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 Control Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required. There shall be no deviations from plans and specifications without the prior consent in writing of the Architectural Control Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the Architectural Control Committee to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance.

Section 5. Rules and Regulations, Etc. The Architectural Control Committee may from time to time adopt and promulgate such rules and regulations regarding the form and content of plans and specifications to be submitted for approval and may publish such statements of policy, standards, guidelines and establish such criteria relative to architectural styles or details, or other related matters, as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this Article or any other provision or requirement of these By-Laws. The Architectural Control Committee may charge and collect a reasonable fee for the examination of any plans and specifications submitted for approval pursuant to the provisions of this Article. The decisions of the Architectural

Control Committee shall be final except that any unit owner who is aggrieved by any action or forbearance from action by the Architectural Control Committee may appeal the decision of the Architectural Control Committee to the Board of Directors of the Council, and, upon the request of such unit owner, shall be entitled to a hearing before the Board of Directors.

ARTICLE XII

Insurance

Section 1. Insurance. The Board of Directors shall obtain and maintain to the extent reasonably available at least the following, except with respect to paragraph (a) of this Section 1 which shall be mandatory, to the extent reasonably available:

(a) That required by Section 11-114, as may be amended from time to time, of the Condominium Act including public liability insurance with a "Severability of Interest" endorsement in such amounts and in such forms as may be considered appropriate by the Board of Directors (but not less than One Million Dollars [\$1,000,000.00]) covering all claims for bodily injuries and/or property damage arising out of a single occurrence including but not limited to water damage, legal liability, liability for property of others, and any and all other liability incident to the ownership and/or use of the Condominium Regime or any portion thereof. Notice is hereby given that such public liability insurance has been arranged by the Declarant effective as of the date of recordation hereof; and

(b) Workmen's compensation insurance to the extent necessary to comply with any applicable law; and

(c) Adequate fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees and employees of the Condominium and all others who handle or are responsible for handling funds of the Condominium. Such fidelity bonds shall meet the following requirements:

(i) All such fidelity bonds shall name the Condominium as an obligee;

(ii) Such fidelity bonds shall be written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating budget of the Condominium, including reserves, unless a greater amount is required by any Mortgagee;

(iii) Such fidelity bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and

(iv) Such bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to all Mortgagees of units in the Condominium.

(d) Casualty or physical damage insurance in an amount equal to the full replacement value (i.e., one hundred percent (100%) of "replacement costs" exclusive of land, foundation, and excavation) of the Condominium (including all building service equipment and the like) with an "Agreed Amount Endorsement" or its equivalent, a "Demolition Endorsement" or its equivalent, a "Condominium Replacement Cost Endorsement" or its equivalent, and a "Contingent Liability from Operation of Building Laws Endorsement" or its equivalent, without deduction or allowance for depreciation, as determined annually by the Board of Directors with assistance of the insurance company affording such coverage, such coverage to afford protection against at least:

(i) Loss or damage by fire and other hazard covered by the standard extended coverage endorsement; and

(ii) Such other risks as shall customarily be covered with respect to project similar in construction, location and use, including, but not limited to sprinkler leakage, debris removal, cost demolition, vandalism, malicious mischief, windstorm, water damage, boiler and machinery explosion or damage, and such other insurance as the Board of Directors may from time to time determine.

(e) A "Legal Expense Indemnity Endorsement" or its equivalent affording protection for the officers and Directors of the Council for expenses and fees incurred by them in defending any suit or settling any claim, judgment or cause of action to which any such officer or Director shall have been made a party by reason of his or her services as such.

Section 2. Limitations. Any insurance obtained pursuant to the requirements of this Article shall be subject to Section 11-114(c) of the Condominium Act and the following provisions:

(a) All policies shall be written or reinsured with a company or companies licensed to do business in the State of Maryland and holding a rating of A/AAAA, or better in the current edition of "Best's Insurance Guide."

(b) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors, as a Trustee for the unit owners, or its authorized representative, including any Trustee with which the Council may enter into any Insurance Trust Agreement, or any successor Trustee, each of which shall be herein elsewhere referred to as the "Insurance Trustee."

(c) In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article be brought into contribution with insurance purchased by the unit owners or their mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Council pursuant to the requirements of this Article shall exclude such policies from consideration.

(d) Such policies shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the building, whether or not within the control or knowledge of the Board of Directors and shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the

Board of Directors or any unit owner, and/or their respective agents, employees, tenants, mortgagees, or invitees or by reason of any act of neglect or negligence on the part of any of them.

(e) All policies shall provide that such policies may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and all mortgagees of the units.

(f) All policies of casualty insurance shall provide that, notwithstanding any provision thereof which gives the carrier the right to elect, to restore damage in lieu of making a cash settlement, such option shall not be exercisable in such event or when in conflict with the provisions of any Insurance Trust Agreement to which the Council may be a party, these By-Laws or the provisions of the Condominium Act.

(g) All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Council, the Board of Directors, the unit owners and/or their respective agents, employees or tenants, and of any defenses based upon co-insurance or invalidity arising from the non-malicious act of the insured.

Section 3. Individual Policies. Recommendation of Declaration. Notice to Board of Directors. The owner of any condominium unit (including the holder of any mortgage thereon) may obtain additional insurance (including a "Condominium Unit Owner Endorsement" or its equivalent, for improvements and betterments to the condominium unit made or acquired at the expense of the owner) at his or her own expense. Such insurance shall be written by the same carrier as that purchased by the Board of Directors pursuant to this Article or shall provide that it shall be without contribution as against the same. Such insurance shall contain the same waiver of subrogation provision as that set forth in Section 2(g) of this Article. The Declarant recommends that each owner of a condominium unit in the condominium obtain, in addition to the insurance hereinabove provided to be obtained by the Board of Directors, a plate glass damage policy and a "Tenant's Policy" or its equivalent, to insure against loss or damage to personal property used or incidental to the occupancy of the condominium unit, vandalism or malicious mischief, theft, personal liability and the like. Such later policy should include a "Condominium Unit-Owner's Endorsement" or its equivalent, covering losses to improvements and betterments to the condominium unit made or acquired at the expense of the unit owner. The owner of any condominium unit shall notify the Board of Directors in writing of any and all improvements and betterments made to the condominium unit at the expense of such unit owner, the value of which is in excess of One Thousand Dollars (\$1,000.00).

Section 4. Endorsements, Etc. The Board of Directors at the request of any unit owner or at the request of the mortgagee of any unit shall promptly obtain and forward to such unit owner or mortgagee (a) an endorsement to any of the policies aforementioned in this Article showing the interest of such unit owner or mortgagee as it may appear; (b) certificates of

insurance relating to any such policies; and (c) copies of any such policies, duly certified by the insurer or its duly authorized agent.

ARTICLE XIII

Casualty Damage - Reconstruction or Repair

Section 1. Use of Insurance Proceeds. In the event of damage or destruction by fire or other casualty the same shall be promptly repaired or reconstructed or an option exercised according to Section 11-114 of the Condominium Act in substantial conformity with the original plans and specifications with the proceeds of insurance available for that purpose, if any.

Section 2. Proceeds Insufficient. In the event that the proceeds of insurance are not sufficient to repair damage or destruction by fire or other casualty, or in the event such damage or destruction is caused by any casualty not herein required to be insured against, then the repair or reconstruction of the damage may be accomplished promptly by the Council as either a common expense pursuant and subject to such controls as mortgagees, as defined in Section 4 of this Article may require or the repair or reconstruction of any unit shall be accomplished promptly by the Council if it shall so determine in its sole discretion at the expense of the unit owner of the affected unit. The ratable share of the expense of such repairs or reconstruction may be assessed, and the lien for the same shall have all the priorities provided for in Article VIII of these By-Laws. In the event that the proceeds of casualty insurance are paid to any Insurance Trustee pursuant to the requirements of Section 4 of this Article, then all funds collected from the unit owners of the condominium units pursuant to this Section 2 shall likewise be paid over to such Insurance Trustee and shall be disbursed by such Insurance Trustee in accordance with the provisions of Section 4 of this Article.

Section 3. Restoration Not Required. In the event more than two-thirds (2/3) of the entire Condominium Regime, as then constituted, is substantially damaged or destroyed by fire or other casualty, and all unit owners of the Condominium Regime, as then constituted do not promptly resolve to proceed with repair or reconstruction then, and in that event, the Condominium Regime, as then constituted, shall be deemed to be owned in common by the unit owners of all of the units in the same proportions as that previously established for ownership or appurtenant undivided interests in the general and limited common elements, and the Condominium Regime, as then constituted shall be subject to termination in which event the net proceeds of sale, together with the net proceeds of any insurance paid to the Council, as then constituted, or the unit owner in common shall be considered as one fund and shall be divided among the unit owners of all the units in the same proportion as that previously established for ownership of appurtenant undivided interests in the general and limited common elements after first paying out of the share of the unit owner of any unit to the extent such share is sufficient for the purpose, all liens upon said unit.

Section 4. Insurance Trustee. In the event the cost of reconstruction or repair (as estimated by the Board of Directors) shall exceed an amount equal to five percent (5%) of the full replacement value of the condominium as estimated by the Board of Directors and the insurer pursuant to the requirements of Section 1(a) of Article XII of these By-Laws for the period during which such loss was sustained, and the institutional holder or holders of any mortgages or other obligations secured by any condominium unit or units in the aggregate principal sum of more than Five Hundred Thousand Dollars (\$500,000.00) (hereinafter in this Section 4 called the "Mortgagee") shall so require all proceeds of insurance to be paid over to a trust company or bank (the "Insurance Trustee") having trust powers and authorized to engage in trust business in the jurisdiction wherein the condominium is located, and having a construction loan department, through which such trust fund shall be administered, selected by the Board of Directors, and shall be paid out from time to time as the reconstruction or repair progresses in accordance with the provisions of an Insurance Trust Agreement satisfactory in form and substance to the mortgagee and which shall contain, inter alia, the following provisions:

(a) The reconstruction or repair shall be in the charge of an architect or engineer who may be an employee of the Council of Unit Owners and hereinafter in this Section 4 called the "architect."

(b) Prior to the commencement of the reconstruction or repair, other than such work as may be necessary to protect the condominium from further damage, the mortgagee shall have approved in the plans and specifications for such reconstruction or repair, which approval shall not be unreasonably withheld or delayed.

(c) Unless otherwise required by the mortgagee, each request for an advance of the proceeds of insurance shall be made to the mortgagee at least ten (10) days prior to delivery to the Insurance Trustee and shall be accompanied by a certificate from the architect to the effect that (i) all work then completed has been performed in accordance with the plans and specifications and all building codes or similar governmental requirements, and (ii) the amount requested to be advanced is required to reimburse the Council for payments previously made by the Council or is due to the contractor responsible for the restoration or repair, or to subcontractors, materialmen, laborers, engineers, architects or to other persons responsible for services or materials in connection with such restoration or repair, or for fees or the like necessarily incurred in connection with the same, and (iii) when added to amounts previously advanced by the Insurance Trustee, the amount requested to be advanced does not unreasonably exceed the value of the work done and materials delivered to the date of such request; and (iv) funds remaining available to the Insurance Trustee for the purpose are sufficient to complete the reconstruction or repair.

(d) Each request for an advance of the proceeds of insurance shall, if required by the mortgagee, be accompanied by satisfactory waivers or liens covering that portion of the repair or reconstruction for which payment or reimbursement is being requested, together with appropriate evidence from a title insurance company or the like to the effect that there

has not been filed with respect to the condominium any mechanic's or other lien, or notice of intention to file the same which has not been dismissed or satisfied or record.

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

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

(g) The provisions of this Article XIII shall be deemed to relate to only the common elements of the condominium.

(h) Upon completion of the reconstruction or repair and payment in full of all amounts due on account thereof any proceeds of insurance then in the hands of the Insurance Trustee shall be paid to the Council and shall be considered as one fund and shall be divided in the same proportion as that established in the Declaration or ownership of appurtenant undivided interests in the common elements after first paying out of the share of the owner of any condominium unit to the extent such payment is required by any lien and to the extent the same is sufficient for the purpose, all liens upon said condominium unit in accordance with the priority of interest in each unit.

ARTICLE XIV

Parking

Section 1. General Requirements. All parking areas within the condominium shall be considered part of the general common elements. There shall be no specific parking spaces assigned to any particular condominium unit. No vehicle belonging to any unit owner, or to any guest or employee of any unit owner, shall be parked in a manner which unreasonably interferes with or impedes ready vehicular access to any other parking space. Nothing shall be stored upon any parking space nor shall the same be permitted to accumulate trash or debris.

Each unit owner shall comply in all respects with such supplementary rules and regulations which are not inconsistent with the provisions of these By-Laws which the Board of Directors may from time to time adopt and promulgate with respect to parking and traffic control within the condominium and the Board of Directors is hereby, and elsewhere in these By-Laws authorized to adopt such rules and regulations.

ARTICLE XV

Eminent Domain

Section 1. Eminent Domain. The proceeds of any award or claim for damages, direct or consequential, in connection with any taking through eminent domain or other taking of a unit in the condominium or portion thereof or the common elements or

any portion thereof or for any conveyance in lieu of condemnation are assigned and shall be paid (up to the amount of their first mortgage lien) to an institutional holder of a first mortgage lien on such units affected thereby. With respect to the proceeds of any award or claim for damages in connection with a condemnation or taking of the common elements or any portion thereof such proceeds are assigned and shall be paid to the institutional holder of first mortgages affected thereby in accordance with the undivided percentage interest pertinent to such unit.

ARTICLE XVI

Amendment

Section 1. Amendments. These By-Laws may be amended by the affirmative vote of unit owners representing two-thirds (2/3) of the total votes of the Condominium Regime as then constituted at any meeting of the unit owners duly called for such purposes in accordance with the provisions of Section 11-104 of the Real Property Article of the Annotated Code of Maryland, (1981 Rep. Vol.), as may be amended, effective only upon the recordation among the Land Records of Anne Arundel County, Maryland, of an amendment to these By-Laws setting forth such amendments to these By-Laws and the applicable provisions of the statute aforesaid. Amendments may be proposed by the Board of Directors or by Petition signed by twenty-five percent (25%) of the unit owners of the Condominium Regime as then constituted. A description of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment is to be voted upon. The recordation of any such amendment shall be accompanied by a certificate in writing of the President of the Council stating that the amendment was approved as provided in this Article.

ARTICLE XVII

Mortgagees

Section 1. Change in Percentage Interests in Common Expenses. The consent of all mortgagees obtained in advance in writing is mandatory if the Council should adopt any change in the pro-rata interest of the unit owners in the common elements of the Condominium.

Section 2. Right to Inspect Books. All mortgagees shall have the right to inspect the books of the Condominium, obtain financial statements, and review budgets of the Condominium.

Section 3. Rental by Mortgagee. All mortgagees shall have the right notwithstanding any provision herein to the contrary to rent any units which such mortgagee or mortgagees may own through foreclosure sale or voluntary sale subject to same restrictions as owners.

Section 4. Notice of Loss or Taking. The Board of Directors shall notify all mortgagees in writing whenever (a) damage to a unit covered by a mortgage exceeds Three Thousand Dollars (\$3,000.00); and (b) damage to common areas and related facilities exceed Ten Thousand Dollars (\$10,000.00).

Section 5. Rights of Mortgagees. Any mortgagee of any condominium unit in the condominium who desires notice of the regular and special meetings of the Board of Directors shall notify the Secretary to that effect by Certified Mail, Return Receipt Requested. Any such notice shall contain the name and post office address of such mortgagee and the name of the person to whom notice should be addressed. The Secretary of the Council shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each regular or special meeting of the Board of Directors to each such institutional mortgagee in the same manner and subject to the same requirements and limitations as are otherwise provided in the Article for notice to the members of the Board of Directors, the expenses of said services to be paid by the Council. Any such mortgagee shall be entitled to designate a representative to attend any regular or special meeting, address the members of the Board of Directors and may upon request being made to the chairman in advance of the meeting address the members of the Board of Directors present at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the Board of Directors upon request made in writing to the Secretary.

ARTICLE XVIII

Compliance - Interpretation - Miscellaneous

Section 1. Compliance. These By-Laws are set forth in compliance with the requirements of Section 11-101, et seq. of the Real Property Article of the Annotated Code of Maryland, (1981 Rep. Vol.), as amended.

Section 2. Conflict. These By-Laws are subordinate and subject to all provisions of the Declaration and to the provisions of Section 11-101, et seq. of the Real Property Article of the Annotated Code of Maryland, (1981 Rep. Vol.), as amended. All of the terms hereof, except where clearly repugnant to the context shall have the same meaning as in the Declaration or the aforesaid statute. In the event of any conflict between these By-Laws and the Declaration, the provisions of the Declaration shall control in the event of any conflict between these By-Laws and the applicable Sections of the Real Property Article, the provisions of the statute control.

Section 3. Notices. Unless another type of notice is hereinelsewhere specifically provided for any and all notices called for in the Declaration and in these By-Laws shall be given in writing.

Section 4. Availability. The Council shall be required to make available to unit owners, lenders and the holders and insurers of the first mortgage on any unit current copies of the Declaration, By-Laws and other rules governing the condominium, and other books, records and financial statements of the condominium. The Council also shall be required to make available to prospective purchasers current copies of the Declaration, By-Laws, other rules governing the condominium, and the most recent annual audited financial statement, if such

is prepared. "Available" shall at least mean available for inspection upon request during normal business hours or under other reasonable circumstances.

Section 5. Severability. In the event any provision or provisions of these By-Laws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

Section 6. Waiver. No restriction, condition, obligation or provisions of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section 7. Captions. The captions contained in these By-Laws are for convenience and ease of use only and are not part of these By-Laws and are not intended in any way to limit or enlarge the terms and provisions of these By-Laws.

Section 8. Gender, Etc. Whenever in these By-Laws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

WITNESS, on this 11 day of July, 1984, the hands and seals of MANOR HOUSE JOINT VENTURE, a Maryland Joint Venture.

MANOR HOUSE JOINT VENTURE

By: CHATHAM DEVELOPMENT CORPORATION,
a Maryland corporation,
General Partner

By [Signature] (SEAL)
Witness Its President
JOSEPH SIDOTI, JR.

By: DIVINITY COVE SERVICE CORPORATION
a Maryland corporation,
General Partner


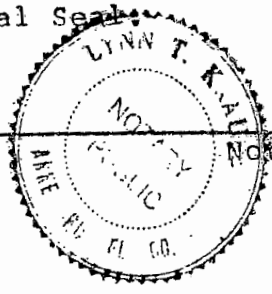
Eunice B. Earle
Witness

By [Signature] (SEAL)
Its President

STATE OF MARYLAND)
) To-Wit:
COUNTY OF ANNE ARUNDEL)

I HEREBY CERTIFY, that on this 5th day of JULY, 1984, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared JOSEPH SIDOTI, JR., President of Chatham Development Corporation, general partner of Manor House Joint Venture, known to me to be the person whose name is subscribed to the within instrument and he acknowledged the same to be the act and deed of the said corporation as general partner.

As witness my hand and Notarial Seal.

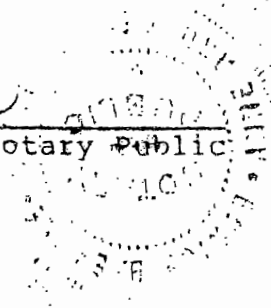
  Notary Public

My commission expires:
7-1-86

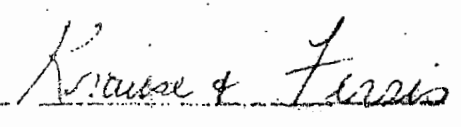
STATE OF MARYLAND)
) To-Wit:
COUNTY OF ANNE ARUNDEL)

I HEREBY CERTIFY, that on this 6th day of JULY, 1984, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared LAWRENCE B. GOLDSTEIN, President of Divinity Cove Service Corporation, general partner of Manor House Joint Venture, known to me to be the person whose name is subscribed to the within instrument and he acknowledged the same to be the act and deed of the said corporation as general partner.

As witness my hand and Notarial Seal.

Eunice B. Earle  Notary Public

My commission expires:
7-1-86



AMENDMENT TO BY-LAWS

OF

BOOK 4550 PAGE 494

MANOR HOUSE CONDOMINIUM ASSOCIATION, INC.

THIS AMENDMENT to the By-Laws of Manor House Condominium Association, Inc., is made this 3rd day of February, 1988.

WHEREAS, pursuant to the Notice Provisions for Special Meetings of the Council of Unit Owners of the Manor House Condominium Association, Inc. ("Condominium Association"), notice was duly given that a special meeting of the Council of Unit Owners was to be held on February 3, 1988, at Unit 4-B, Building 3, in the Manor House Condominium, and

WHEREAS, in the Notice for the aforementioned special meeting, a By-Law Amendment was proposed to all of the owners of units in the condominium with the language of such amendment being detailed in said notice, and

WHEREAS, at this special meeting, a quorum of unit owners was present and the below recited By-Law Amendment was passed by the requisite affirmative vote of two-thirds (2/3) of the total votes of the Condominium Regime as then constituted pursuant to Article XVI, Section 1, of the By-Laws of the Condominium Association, said original By-Laws being recorded among the Land Records of Anne Arundel County at Liber 3756, folio 397.

RECORD FEE 14.0

POSTAGE .5

NOW, THEREFORE, the Manor House Condominium Association, Inc., hereby declares its By-Laws to be amended as follows: 02/19

1. Article IX, Section 1, of the original By-Laws recorded among the Land Records of Anne Arundel County at Liber 3756, folio 397 shall be deleted and in its place substituted the following provision:

"Section 1. General Use. Each of the units are intended and restricted for use as professional offices, administrative offices, and other non-manufacturing uses including, but not limited to, retail, non-profit, educational, and sales uses, unless otherwise approved by a two-thirds (2/3) vote to the Council. Nothing contained on the condominium plat which may be construed as indicating a use or a potential use for any of the units shall required that any of the units are to be used

in conformance with such indicated use or potential use and that only the provisions of this Declaration and the By-Laws shall govern and control the uses which are allowed in such units. Notwithstanding anything in the Declaration or the By-Laws to the contrary, signs for any unit which front on Crain Highway used for retail or restaurant purposes shall be restricted only to those signs which are permitted by the laws and regulations of Anne Arundel County."

WITNESS the hands and seals of the President and Secretary, respectively, of the Manor House Condominium Association, Inc., on the day and year first above written.

ATTEST:

MANOR HOUSE CONDOMINIUM
ASSOCIATION, INC.

Lael Bosworth (SEAL)
LAEL BOSWORTH, Secretary

Ira L. Snyder (SEAL)
IRA L. SNYDER, President

STATE OF MARYLAND)
) To-wit:
COUNTY OF ANNE ARUNDEL)

I HEREBY CERTIFY that on this 18th day of February, 1988, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared IRA L. SNYDER, who acknowledged himself to be the President of Manor House Condominium Association, Inc., and that he, as such President, being authorized to do so, executed the foregoing Amendment to By-Laws of Manor House Condominium Association, Inc., for the purposes herein contained by signing, in my presence, the name of Manor House Condominium Association, Inc., by himself as President.

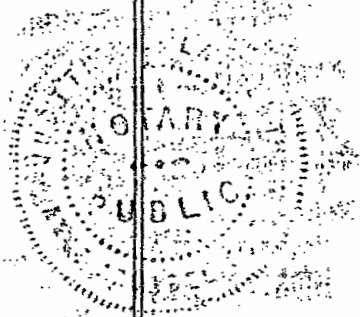
John H. Lamb
Notary Public

My Commission Expires: 7/1/90

STATE OF MARYLAND)
) To-wit:
COUNTY OF ANNE ARUNDEL)

I HEREBY CERTIFY that on this 12th day of February, 1988, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared LAEL BOSWORTH, who acknowledged herself to be the Secretary of Manor House Condominium Association, Inc., and that she, as such Secretary, being authorized to do so, executed the foregoing Amendment to By-Laws of Manor House

Condominium Association, Inc., for the purposes herein contained
by signing, in my presence, the name of Manor House Condominium
Association, Inc. by herself as Secretary.



Quinn D. Yarnall
Notary Public

My Commission Expires: 7/1/90

Mail to *Michaelson*

SECOND AMENDMENT TO BY-LAWS

OF

MANOR HOUSE CONDOMINIUM ASSOCIATION, INC.

THIS SECOND AMENDMENT to the By-Laws of Manor House
 Condominium Association, Inc. is made this 29th day of June,
 1989.

RECORD FEE 14.00
 POSTAGE .50
 #623720 C345 R01 T09#3

WHEREAS, pursuant to the notice provisions for Special
 Meetings of the Council of Unit Owners of the Manor House
 Condominium Association, Inc., notice was duly given that a
 special meeting (the "Special Meeting") of the Council of Unit
 Owners was to be held on June 29, 1989, at 1412 N. Crain Highway,
 Suite 2-B, Glen Burnie, Maryland 21061; and

07/25/8
 H. ERLE SCHAFER
 AA CO. CIRCUIT COURT

WHEREAS, in the notice for the aforementioned special
 meeting, a By-Law Amendment was proposed to all of the owners of
 units in the condominium with the language of such amendment
 being detailed in said notice; and

WHEREAS, at this special meeting, a quorum of unit owners
 was present and the By-Law Amendment set forth below was passed
 by the requisite affirmative vote of unit owners representing
 two-thirds (2/3) of the total votes of the Condominium Regime as
 then constituted pursuant to Article XVI, Section 1, of the By-
 Laws of the Condominium Association, said original By-Laws being
 recorded among the Land Records of Anne Arundel County at Liber
 3756, folio 397, and said By-Laws being previously amended
 pursuant to an Amendment to By-Laws recorded among the Land
 Records aforesaid at Liber 4550, folio 494.

1452

NOW, THEREFORE, the Manor House Condominium Association, Inc., hereby declares its By-Laws to be amended as follows:

The last sentence of Section 1, Article VIII of the original By-Laws recorded among the Land Records of Anne Arundel County at Liber 3756, folio 397, which reads "The Declarant's obligation to pay these monthly assessments on any units owned by the Declarant shall commence at such time as a Use and Occupancy permit is obtained for any such unit," is hereby deleted in its entirety.

IN WITNESS WHEREOF, Manor House Condominium Association, Inc., has caused this Second Amendment to By-Laws of Manor House Condominium Association, Inc. to be duly executed and sealed as of the day and year first above written.

ATTEST:

MANOR HOUSE CONDOMINIUM
ASSOCIATION, INC.

Rhoda S. Dali
Rhoda Falah, Secretary
S.R.S.

By: Rowland A. Brengle, Jr. (SEAL)
Rowland A. Brengle, Jr.
President

STATE OF MARYLAND)

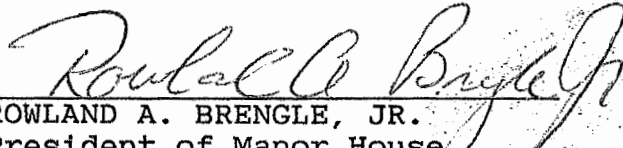
County of Baltimore) SS:

I HEREBY CERTIFY that on this 30th day of June, 1989, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Rowland A. Brengle, Jr., who acknowledged himself to be the President of Manor House Condominium Association, Inc., and that he, as such President, being authorized to do so, executed the foregoing Second Amendment to By-Laws of Manor House Condominium Association, Inc., for the purposes therein contained by signing, in my presence, the name of Manor House Condominium Association, Inc., by himself as President.


Shirley K. Jones
Notary Public

My Commission Expires: 7/1/90

I HEREBY CERTIFY on this 29th day of June, 1989, that I am the President of Manor House Condominium Association, Inc., and that the foregoing Second Amendment to By-Laws of Manor House Condominium Association, Inc., was approved as provided in Article XVI of the By-Laws for Manor House Condominium Association, Inc., as recorded in the Land Records of Anne Arundel County at Liber 3756, folio 397.


 ROWLAND A. BRENGLE, JR.
 President of Manor House
 Condominium Association, Inc.

I HEREBY CERTIFY on this 29th day of June, 1989, that I am the person specified in the By-Laws for Manor House Condominium Association, Inc., as recorded in the Land Records of Anne Arundel County at Liber 3756, folio 397 (the "By-Laws"), as the person to count votes of the unit owners at the above-referenced Special Meeting, and that the foregoing Second Amendment to By-Laws of Manor House Condominium Association, Inc., was approved by unit owners having the required percentage of votes as required by the By-Laws and Section 11-104 of the Real Property Article of the Annotated Code of Maryland.


 RHODA SALAH
 Secretary of Manor House
 Condominium Association, Inc.

11471-1
 Second Amendment

Mailed

Please return to:

Brent C. Shaffer, Esquire
 Semmes, Bowen & Semmes
 250 W. Pratt Street
 Baltimore, MD 21201

X

THIRD AMENDMENT TO BY-LAWS
OF
MANOR HOUSE CONDOMINIUM ASSOCIATION, INC.,

THIS THIRD AMENDMENT TO BY-LAWS ("AMENDMENT") is made as of NOVEMBER 30, 1994 by MANOR HOUSE CONDOMINIUM ASSOCIATION, INC., a Maryland corporation ("CORPORATION").

RECITALS

A. Pursuant to the Master Deed and Declaration dated July 6, 1984 and recorded among the Land Records of Anne Arundel County, Maryland ("LAND RECORDS") at Liber 3756, folio 373, et. seq. ("DECLARATION"), the therein-described "Declarant" established a condominium regime that is identified as the Manor House Condominium ("CONDOMINIUM").

B. The CONDOMINIUM is governed, in part, by the DECLARATION and the By-Laws for the CORPORATION which are recorded among the LAND RECORDS at Liber 3756, folio 397, et. seq. ("ORIGINAL BY-LAWS").

C. The ORIGINAL BY-LAWS previously have been amended by the following (together with the ORIGINAL BY-LAWS, collectively, "AMENDED BY-LAWS"): (i) the Amendment to By-Laws of the CORPORATION dated February 3, 1988 and recorded among the LAND RECORDS at Liber 4550, folio 494, et. seq.; and (ii) the Second Amendment to By-Laws of the CORPORATION dated June 29, 1989 and recorded among the LAND RECORDS at Liber 4896, folio 494, et. seq. 20.00
2.00

D. Pursuant to the AMENDED BY-LAWS' notice provisions for Special Meetings of the Council of Unit Owners of the CORPORATION ("COUNCIL"), notice was duly given ("NOTICE") that a Special Meeting of the COUNCIL was to be held on NOV. 29, 1994, at 1412 North Crain Highway, Suite 2-B, Glen Burnie, Maryland 21061 ("MEETING").

E. As more fully described in the NOTICE, the terms of this AMENDMENT were proposed to all of the unit owners of the CONDOMINIUM (collectively, "OWNERS") and the OWNERS were made aware that a vote would be taken at the MEETING with respect to the passage of this AMENDMENT to the AMENDED BY-LAWS.

F. At the MEETING, a quorum of OWNERS was present and this AMENDMENT was passed by the requisite affirmative vote of OWNERS representing two-thirds (2/3) of the total votes of the CONDOMINIUM as then constituted pursuant to Article XVI, Section 1 of the AMENDED BY-LAWS. #669150 C766 R01 T12:56
01/11/95
DUCKWORTH
COURT

NOW, THEREFORE, in consideration of the premises, covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the CORPORATION, by and through the authority of the COUNCIL and the requisite affirmative vote of the OWNERS, hereby declares the AMENDED BY-LAWS to be amended as follows:

1. Insurance. Paragraph (a) of Section 2 of Article XII of the AMENDED BY-LAWS is amended and restated in its entirety as follows:

"(a) All policies shall be written or reinsured with a company or companies licensed to do business in the State of Maryland and holding a rating of B+ or better in the current edition of Best's Insurance Guide. In the event that either -- (i) Best's Insurance Guide is discontinued or alters its method for rating insurance companies, or (ii) the Board of Directors of the Council determines that the Council can not afford to obtain insurance from a company or companies holding such a rating of B+ or better -- then all policies shall be written or reinsured with a company or companies licensed to do business in the State of Maryland and holding what the Board of Directors of the Council deems to be an appropriate rating as described in either the current edition of Best's Insurance Guide or such succeeding or similar publication."

2. Assessments And Carrying Charges For Common Expenses. The opening clause of Section 1 of Article VIII of the AMENDED BY-LAWS [which clause precedes but does not include the lettered subsections (a), (b), (c), etc. of Section 1 of Article VIII of the AMENDED BY-LAWS] is amended and restated in its entirety as follows:

"Section 1. Annual Assessments and Carrying Charges. Each unit owner shall pay to the Council of Unit Owners, in advance, a monthly sum (herein referred to as the "assessments" or "carrying charges") equal to one-twelfth (1/12) of each unit's proportionate share of the assessments or carrying charges (as determined in accordance with the terms and provisions of Exhibit "X" which are attached hereto and made a part hereof as if set forth in their entirety herein) that the Board of Directors of the Council of Unit Owners estimates is needed to satisfy the annual expenses which are expected to be incurred by the Council of Unit Owners, including but not limited to the following: . . ."

3. No Other Modifications. Other than the foregoing, all other terms and conditions of the AMENDED BY-LAWS shall remain unchanged and in full force and effect.

4. Incorporation. The terms and conditions of the AMENDED BY-LAWS are incorporated by reference herein and made a part hereof, as if fully set forth in their entirety.

5. Binding Effect. This AMENDMENT shall be binding upon and inure to the benefit of the successors and assigns of the CORPORATION.

6. Choice Of Law. The laws of the State of Maryland (excluding, however, conflict of law principles) shall govern and be applied to determine all issues relating to this AMENDMENT and the rights and obligations pertaining hereto, including but not limited to the validity, construction, interpretation, and enforceability of this AMENDMENT and its various provisions and the consequences and legal effect of all transactions and events which resulted in the execution of this AMENDMENT or which occurred or were to occur as a direct or indirect result of this AMENDMENT having been executed.

IN WITNESS WHEREOF, the CORPORATION has executed this AMENDMENT as of the date first above written (notwithstanding the actual date of execution and delivery hereof).

WITNESS/ATTEST

Margaret K. Lambert

MANOR HOUSE CONDOMINIUM ASSOCIATION, INC.,
A Maryland Corporation

By:

Dr. Richard Handelman (SEAL)
Dr. Richard Handelman,
President of the Council of Unit
Owners

ACKNOWLEDGMENT

STATE OF MARYLAND, CITY/COUNTY OF Anne Arundel, TO WIT:

I HEREBY CERTIFY that on this 20th day of December, 1994, before me, the undersigned Notary Public of the State of Maryland, personally appeared Dr. Richard Handelman, and acknowledged himself to be the President of the Council of Unit Owners of MANOR HOUSE CONDOMINIUM ASSOCIATION, INC., a Maryland corporation, and that he as such President of the Council of Unit Owners, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of MANOR HOUSE CONDOMINIUM ASSOCIATION, INC., by himself as President of the Council of Unit Owners.

IN WITNESS MY Hand and Notarial Seal.

Margaret K. Lambert (SEAL)
NOTARY PUBLIC

My Commission Expires:

August 1, 1997

EXHIBIT "X"

EXPLANATORY NOTE:

All terms that appear in all capital letters in this Exhibit "X" shall have the respective meanings as provided in the Recital paragraphs of the Third Amendment to By-Laws to which this Exhibit "X" is attached and made a part of.

**CALCULATING EACH UNIT'S PROPORTIONATE SHARE
OF THE ASSESSMENTS OR CARRYING CHARGES**

The following terms and provisions shall determine each unit owner's proportionate share of the assessments or carrying charges that the Board of Directors of the Council of Unit Owners estimates is needed to satisfy the annual expenses which are expected to be incurred by the Council of Unit Owners:

A. Existing Units:

For those units that are in existence as of the effective date of this AMENDMENT and the owners of which have been paying assessments or carrying charges prior to the effective date of this AMENDMENT (collectively, "EXISTING UNITS"), the proportionate share of the assessments or carrying charges for each of the unit owners of the EXISTING UNITS shall be determined in accordance with the percentage interests in the common elements, expenses and profits of the CONDOMINIUM set forth on Exhibit "C" attached to the DECLARATION. Since, as of the effective date of this AMENDMENT, there are -- (i) forty-eight (48) EXISTING UNITS, and (ii) each of the unit owners of the EXISTING UNITS has an identical percentage interest in the common elements, expenses and profits of the CONDOMINIUM -- each of those unit owners' current proportionate share of the assessments or carrying charges is an amount equal to one-forty eighth (1/48) thereof. If, however, any other units are, subsequent to the effective date of this AMENDMENT, constructed or otherwise added to the CONDOMINIUM (collectively, "FUTURE UNITS"), or the owners of the FUTURE UNITS are otherwise required to pay a portion of the assessments or carrying charges pursuant to the terms of the DECLARATION or the BY-LAWS, then the proportionate share of the assessments or carrying charges for the owners of the EXISTING UNITS shall be recalculated pursuant to the terms hereinafter described.

B. Future Units:

If there are any FUTURE UNITS, then the proportionate share of the assessments or carrying charges for each of the owners of the FUTURE UNITS shall be calculated as follows:

- (1) For the owner of each of the FUTURE UNITS that is comprised of 850 square feet or less, their proportionate share of the assessments or carrying charges shall be determined in accordance with the percentage interests in the common elements, expenses and profits of the CONDOMINIUM set forth on Exhibit "C" attached to the DECLARATION (except as may be modified by the terms hereinafter described).
- (2) For the owner of each of the FUTURE UNITS that is comprised of more than 850 square feet -- while the percentage interests in the ownership of the common elements of the CONDOMINIUM for such owners (including any voting rights provided for in the DECLARATION and the BY-LAWS) continue to be as set forth on Exhibit "C" attached to the DECLARATION and are unaffected by the terms of this AMENDMENT - - their proportionate share of the assessments or carrying charges shall be determined by treating such unit owners as if they owned (i) two "units" if the size of their actual FUTURE UNIT is between 851 and 1,700 square feet, (ii) three "units" if the size of their actual FUTURE UNIT is between 1,701 and 2,550 square feet, (iii) four "units" if the size of their actual FUTURE UNIT is between 2,551 and 3,400 square feet, etc.

C. Examples:

If there are any FUTURE UNITS, then the following hypothetical examples are intended to demonstrate how all of the unit owners' proportionate share of the assessments or carrying charges shall be calculated:

- (1) Hypothetical number of units = 60, comprised of the 48 EXISTING UNITS plus 12 FUTURE UNITS and each of the FUTURE UNITS is comprised of 850 square feet or less.

Under this example, each of the 60 unit owners would own 1/60 of the common elements and common profits of the CONDOMINIUM. Likewise, each of the 60 unit owners' proportionate share of the assessments or carrying charges would be equal to 1/60 of the amount thereof.

- (2) Hypothetical number of units = 60, comprised of the 48 EXISTING UNITS plus 12 FUTURE UNITS that are of the following sizes: (i) 4 FUTURE UNITS that are comprised of 850 square feet or less, (ii) 2 FUTURE UNITS between 851 and 1,700 square feet, (iii) 2 FUTURE UNITS between 1,701 and 2,550 square feet, (iv) 2 FUTURE UNITS between 2,551 and 3,400 square feet, and (v) 2 FUTURE UNITS between 6,801 and 7,650 square feet.

Under this example, each of the 60 unit owners would own 1/60 of the common elements of the CONDOMINIUM. Conversely, their proportionate share of the assessments or carrying charges would be as follows:

each of the owners of the 48 EXISTING UNITS would pay an amount equal to 1/88 thereof;

each of the owners of the 4 FUTURE UNITS that are comprised of 850 square feet or less would also pay an amount equal to 1/88 thereof;

each of the owners of the 2 FUTURE UNITS between 851 and 1,700 square feet would pay an amount equal to 2/88 thereof;

each of the owners of the 2 FUTURE UNITS between 1,701 and 2,550 square feet would pay an amount equal to 3/88 thereof;

each of the owners of the 2 FUTURE UNITS between 2,551 and 3,400 square feet would pay an amount equal to 4/88 thereof; and

each of the owners of the 2 FUTURE UNITS between 3,401 and 7,650 square feet would pay an amount equal to 9/88 thereof.

The preceding hypotheticals are intended as examples only, and are not to limit the terms of this AMENDMENT.

PLEASE RETURN TO:

MR. ROWLAND BREngle
c/o COMPUTER STAFFING SERVICES
CHATHAM EXECUTIVE PARK, SUITE 2B
1412 N. CRAIN HIGHWAY
GLEN BURNIE, MARYLAND 21061

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MASTER DEED AND DECLARATION
FOR MANOR HOUSE CONDOMINIUM

THIS MASTER DEED AND DECLARATION, is made this 6th day of July, 1984, by MANOR HOUSE JOINT VENTURE, a Maryland Joint Venture, CHATHAM DEVELOPMENT CORPORATION, a Maryland Corporation, and DIVINITY COVE SERVICE CORPORATION, a Maryland Corporation, hereinafter called the "Declarant".

W I T N E S S E T H

WHEREAS, the Declarant is the owner in fee simple of all that property described in Exhibit "A", attached hereto and made a part hereof, and the building constructed or to be constructed thereon (hereinafter referred to as the "Property"), located in Anne Arundel County, State of Maryland; and,

WHEREAS, it is the expressed desire and intention of the Declarant to establish a Condominium pursuant to the Real Property Article of the Annotated Code of Maryland, Section 11-101, et. seq., (as amended), hereinafter called the "Act", and to sell and convey the units constructed or to be constructed on said property, together with the percentage interest in the Common Elements of the Condominium, subject to the various covenants, conditions, restrictions, uses, limitations, obligations, easements, charges, and liens as hereinafter set forth, each of which is for the benefit of the Property and Unit Owners (as later defined) from time to time; and,

WHEREAS, simultaneously with the recordation hereof, the Declarant has filed for record in the Land Records of Anne Arundel County, State of Maryland, various Condominium Plats entitled "CHATHAM EXECUTIVE PARK, A CONDOMINIUM", (hereinafter collectively referred to as the "Condominium Plat"), which Plats combined with this Master Deed and Declaration, (hereinafter referred to hereafter as the "Declaration"), and subsequently recorded By-Laws, establishes a Condominium Regime as therein set forth containing various buildings and having a

total of 101 units; and,

WHEREAS, the Declarant hereby desires and intends, by the recordation of this Declaration, Plats and Condominium Plat and By-Laws to submit the Property and all appurtenances thereunto appertaining to a Condominium Regime established under the Act.

NOW, THEREFORE, the Declarant hereby declares that all of the Property and all of the appurtenances thereunto appertaining shall be held, conveyed, divided or subdivided, leased, rented and occupied, improved and encumbered, subject to this Declaration, the By-Laws of Manor House Condominium Association, Inc attached hereto and made a part hereof as Exhibit "B", the Condominium Plat, all of which shall be deemed to run with and be binding on the Property and the Units and shall inure to the benefit of and be enforceable by the Declarant, and any person acquiring or owning an interest in the Property and the Units, including a person, group of persons, corporations, partnership, trusts or other legal entities, or any combination thereof.

ARTICLE I

Section 1. Definitions. Unless the context shall plainly require otherwise, the following words when used in this Declaration and any and all Exhibits hereto, shall have the following meanings:

(a) "The Act" or the "Condominium Act" means Real Property Article, Annotated Code of Maryland, Section 11-101, et. seq., as amended from time to time.

(b) "Condominium" or "The Condominium Project" means the Property subject to the Condominium Regime established under the Act pursuant to this Declaration.

(c) "Unit" or "Condominium Unit" means a three dimensional area, as hereinafter and on the Condominium Plat described and identified, and includes all improvements contained within the space except as expressly excluded in this Declaration or on the Condominium Plat. Unless otherwise designated on the Condominium Plat as a Common Element, mechanical equipment, heating and air conditioning units, and mechanical devices located within the Unit are part of the Unit, including also doors, windows and screens incident to the sole use of the Unit and shall be considered as part of the Unit.

(d) "Common Elements" means both general common elements and limited common elements and as hereinafter and on the Condominium Plat described and identified, and shall include all of the Condominium except the Condominium Units, or otherwise excluded expressly from the Condominium.

(e) "Unit Owner" or "Owner" means any person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who holds legal title to a Unit within the Condominium, provided, however, that any such person, group of persons, corporation, partnership, trust or other legal entity or any combination thereof, who holds such interest solely as security for the performance of an obligation shall not be a unit owner by reason only of such interests.

(f) "Council of Unit Owners" or "Council" means all of the unit owners in the Condominium.

(g) "Common Expenses and Common Profits" means the expenses and profits of the Council Of Unit Owners.

(h) "Declarant" means the Declarant who joins in this Declaration to submit the land described in Exhibit "A" to the Condominium Regime for the purposes of complying with the Act, also referred to as the "Developer".

Section 2. Other Definitions. Unless it is plainly evident from the context that a different meaning is intended, all other terms used in this Declaration and attached By-Laws shall have the same meaning as they are defined to have in the Act or in the By-Laws attached hereto.

Section 3. The name by which the Condominium is to be identified is "Manor House Condominium".

ARTICLE II

Section 1. Property Subject To Declaration. The property which is the subject of this Declaration is that described on Exhibit "A", together with the improvements now or thereafter to be erected on said property.

Section 2. Condominium Plat. The Condominium Plat, as the same made from time to time be amended pursuant to the provisions of this Declaration, is incorporated herein by reference and made a part of this Declaration.

Section 3. Phased Development. Is intended that the development of the Condominium shall occur in up to nine phases, with the improvements being constructed at various times not necessarily in consecutive phase order as the phases may be numbered on the Condominium Plat at and various times by the Declarant. As these additional phases are constructed the percentage interests in the Condominium as described on the attached

Exhibit "C" which exhibit is incorporated herein by reference, shall vest immediately and absolutely, without the necessity of any separate conveyance of such percentage interests.

Section 4. Description Of The Condominium Unit. Except for Unit 100, the historic Manor House and Unit 101, which units are described in subsection (g) hereof, the general description and number of each Condominium Unit in the Condominium, including its perimeters, approximate dimensions, floor area, identifying numbers or letters, location and other such data as may be sufficient to identify it with reasonable certainty, are set forth on the Condominium Plat.

(a) Each unit shall consist of an enclosed space, and such other appurtenances as may be hereinafter described designated as a single office unit.

(b) The lower boundary of any first floor (ground floor) unit in the project is a horizontal plane, the elevation of which coincides with the elevation of the upper surface of the concrete, brick and/or masonry subfloor of the lower most floor of the unit.

(c) For second floor units, the bottom of such unit shall be the horizontal plane which coincides with the lowest plane of the wooden subflooring of the unit.

(d) The top of the first floor or ground level units shall consist of a horizontal plane the elevation of which coincides with the uppermost elevation of the acoustic tile or masonry drywall ceiling of the unit extended to intersect the lateral or perimetrical boundaries of such unit. For any second floor unit the top of said unit consists of a horizontal plane coinciding with the uppermost elevation of the ceiling drywall or plaster, extended to intersect the lateral or perimetrical boundaries of such unit.

(e) The lateral or perimetrical boundaries of any such Condominium Unit whether first floor or ground floor or second floor units are vertical planes which coincide with the outermost surface of the perimeter drywall or plaster (to include windows and doors), extended to intersect the upper and lower boundaries of each such Condominium Unit and to intersect the other lateral or perimetrical boundaries thereof.

(f) Also considered to be part of the unit are the various items described in the definitional section of the Declaration as part of the unit and the declaration contained in Section 11-103 of the Act as may be consistent with the definition of a Unit and description of such unit as contained in this Declaration.

(g) Unit 100, the historic Manor House and Unit 101 shall consist of an enclosed space, the outermost boundary of which with respect to the vertical walls shall be the plane contiguous to the outermost surface of each of the exterior walls, the bottom most boundary of such units shall consist of a horizontal plane which shall pass through a level three feet below the lowest elevation of the slab or foundation upon which the unit rests, with the uppermost elevation consisting of a horizontal plane passing through a point 10 feet above the highest most point of the roof. The uppermost and lowermost plane of the units shall be extended to intersect with the vertical perimetrical planes of the units which also shall be extended to coincide with or to intersect with the uppermost and lowermost planes of the units so as to create an enclosed whole.

Section 5. Easements. Each Condominium Unit shall be subject to an easement to the owners of all of the other condominium units to and for the unobstructed and uninterrupted use and maintenance and repair of any and all pipes, ducts, flues, chutes, conduits, cables, wires, wire outlets, utility lines and the like, and any other common elements located within or accessible only from any particular condominium unit, and for support.

ARTICLE III

Section 1. General Common Elements. The general common elements mean all of the common elements except the limited common elements as hereinafter set forth, and shall include the following:

(a) The property (other than units and limited common elements) as described on Exhibit "A".

(b) Streets, paths and other property designated on the Condominium Plat as General Common Elements.

(c) All other elements and devices of the Condominium rationally of common use and necessary to the existence, safety and upkeep of the Condominium.

Section 2. Limited Common Elements. The limited common elements of the Condominium include those common elements designated as Limited Common Elements on the Condominium Plat, including but not limited to the hallways serving second floor end units only, electrical and water meters serving particular units and the electrical and water lines from such meters into the unit but located outside the physical perimeters of such unit. Additional limited common elements shall be any floor or stairway coverings which may be placed on any hallways and stairways serving second floor end units with these floor coverings to be maintained by the unit owner installing same, as well as such unit owner's heirs, personal representatives, successors and assigns.

Section 3. Covenant Against Partition. The common elements shall remain undivided. No owner of any unit or any other person shall bring any action for partition or divisions thereof except as may be provided for in the Act.

Section 4. Easements. The common elements of the Condominium shall be subject to mutual rights of access, use and enjoyment by all of the unit owners, provided, however, that any

portions of the common elements designated as limited common elements are reserved for the exclusive use of the owner or owners of the Condominium unit or units to which they are adjacent or to which they are declared to be appurtenant by designation on the Condominium Plat.

ARTICLE IV

Section 1. The Condominium Units. Each Condominium unit shall have all of the incidents of real property.

Section 2. Undivided Percentage Interests In Common Elements. Each unit owner shall own an undivided percentage interest in the common elements equal to that set forth on Exhibit "C", attached hereto and incorporated herein. These percentage interests shall not be separated or severed from the unit to which they appertain and shall be deemed conveyed or encumbered with the unit even though such percentage interests are not expressly mentioned or described in the instrument conveying title to or encumbering said unit. Furthermore, in accordance with Section 11-107 of the Act, as may be amended from time to time, a unit owner may grant, by Deed, a part of his unit and incorporate it as part of another unit, in which said conveyance he shall grant a portion of his percentage interest unto his grantee and the said grant shall be evidenced by an amendment to the within Declaration specifically describing the portion of the unit granted and percentage interest reallocated and the new percentage interest of the grantor and grantee. Also, a unit owner may subdivide his unit into two or more units provided the original percentage interests and votes appurtenant to the original unit are allocated to the units resulting from the subdivision and the said subdivision is evidenced by an amendment to the Declaration and Condominium Plat describing the units resulting from the subdivision and the percentage interests and votes allocated to each unit. This transfer or subdivision may be made without consent of all of the unit owners if the amend-

ment to the Declaration and Condominium Plat is executed by the unit owners of the units involved and by the personal entity designated in the By-Laws to be in charge of the administration of the Condominium. Provided, however, that said subdivision or transfer shall not be made unless there is obtained prior written approval of no fewer than one hundred percent (100%) of the first mortgagees or beneficiaries under first Deeds of Trusts of the units affected by the subdivision or transfer. Further, nothing contained in this Declaration, By-Laws or Condominium Plat, shall prevent a unit owner of one or more adjacent units from making such passageways or connections between such units as to utilize one or more of these adjacent units at the same time, there being no necessity whatsoever to obtain any prior approval of any other unit owners or to file any amendment to the Declaration, Condominium Plat or By-Laws in the event of such action by a unit owner to connect two or more of his adjacent units.

ARTICLE V

Section 1. Encroachments. In the event any portion of the common elements encroaches upon any Condominium unit, or in the event any Condominium unit encroaches upon any other Condominium unit or any common element, as a result of settlement, shifting or the dually authorized construction or repair of any building, a valid easement for the encroachment and for the maintenance of same shall exist so long as the building stands.

In the event any portion of the Condominium is partially or totally damaged or destroyed by fire or other casualty, or as a result of condemnation or eminent domain proceedings, and then repaired or reconstructed as authorized in the By-Laws and the Condominium Act, encroachments of any portion of the common elements upon any Condominium unit or of any Condominium unit upon any other Condominium unit or any portion of the common elements due to such repair or reconstruction shall be permitted, and valid easements for such encroachments and the maintenance of the same shall exist so long as the building stands.

For all purposes incident to the interpretation of Deeds, the Condominium Plat and all other instruments of title relating to any Condominium unit in the Condominium project, the existing physical boundaries of any Condominium unit constructed or re-constructed in substantial conformity with the Condominium Plat shall be conclusively presumed to be its boundaries, regardless of the shifting, settling or lateral movement of any building and regardless of minor variations between the physical boundaries shown on the Condominium Plat and those of any Condominium unit.

Section 2. Easements.

(a) Each Unit shall be subject to the irrevocable right and easement of the Council of Unit Owners to enter any Unit or Units to make repairs to Common Elements when said repairs reasonably appear to be necessary for public safety or to prevent damage to other portions of the Condominium. Except in cases involving manifest danger to public safety or property, the Council of Unit Owners shall make a reasonable effort to give notice to the Owner of any Unit that the same is to be entered for the purpose of such repairs. No entry by the Council of Unit Owners for the purposes herein specified may be considered as trespass.

(b) Each Unit and the Common Elements appurtenant thereto shall be subject to a perpetual easement in favor of the Unit Owners of all of the other Units and to the Council of Unit Owners to and for unobstructed and uninterrupted use, repair, maintenance, installation of any pipe, cable, wire or other conduit of liquids or energy supplying water, sewerage, telephone, radio, television, electricity, heat, steam, air-conditioning, or similar service of any kind and other Common Elements, located within or accessible only from any particular Unit.

(c) The easements herein granted shall inure to the benefit of the Declarant until such time as the Declarant has

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substantially completed construction of the improvements on the Property.

(d) The Council of Unit Owners shall have the right to grant specific easements, rights-of-ways, licenses and similar interests affecting the Common Elements if the grant is approved by the affirmative vote of a majority of the unit owners and, if a limited common element is affected thereby all of the Unit Owners to which such limited common element is appurtenant and their mortgagees.

(e) Until Declarant has completed sale of all of the Units which are a part of the planned improvements on the Property, the Declarant shall have the right to enter onto said Property for purposes of exhibiting unsold Units for transacting sales of said Units and execution of Contracts for the sale of the same.

(f) Declarant further reserves unto itself, its successors and assigns, a pedestrian and vehicular non-exclusive easement over all of the common elements of the Condominium for purposes of access, the storage of building supplies and materials and equipment and, without any limitation, for any and all purposes of access, the storage of building supplies and materials and equipment and, without any limitation, for any and all purposes related to the completion of the marketing, construction, rehabilitation, and repair of the Condominium.

(g) Declarant further reserves an easement for the benefit of Anne Arundel County, Maryland, and its agencies for the installation use and maintenance of water meters located or that may be located within the Condominium units or in the common elements.

Section 3. General Covenants. The Property hereby submitted to the Act is subject to all covenants, conditions,

easements, rights of way, liens and restrictions now placed of record affecting the Property or any portion thereof, if any.

ARTICLE VI

Section 1. Voting Rights. The Council of Unit Owners shall have two classes of voting membership:

Class A. Class A Members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any lot.

Class B. The Class B Member(s) shall be the Declarant (as defined in the Declaration) and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier;

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) four (4) years from the date of recordation of the Declarant.

With respect to the Class A membership, if a unit shall have more than one natural person or other business entity as owner and if agreement as to voting cannot be reached between those persons or entities, then the one vote to which that unit is entitled shall be cast in fractional shares on each such question for which agreement is not reached.

ARTICLE VII

Use.

(a) The buildings and each of the units are intended and restricted as to use, and shall be used only for the purposes which are consistent with and appropriate to the design of the building. The units shall be used for professional offices, administrative offices, and other non-manufacturing uses unless otherwise approved by a two-thirds (2/3rds) vote of the Council of Unit Owners. The use of said units is further subject to any restrictions set forth in the By-Laws in addition to and without limitation of the foregoing.

(b) Units may not be sublet to any more than four (4) businesses and/or legal entities per unit. This limitation as to subletting may be amended on a case by case basis by application of the unit owner and subtenants to the Board of Directors which may extend the number of subtenants allowed in any unit.

(c) No owner of a unit shall do or suffer or permit to be done anything in any unit which would impair the soundness of Unit Owners. The use of said units is further subject to the restrictions set forth in the By-Laws in addition to and without limitation of the foregoing.

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(d) No unit shall be used for the purpose of operating therein a public restaurant, bar, or cabaret, or otherwise for the sale to the public for consumption on the premises of food or drink, except for the Manor House Restaurant which is intended for such use and which is clearly so shown on the Condominium Plat.

(e) No owner of a unit shall do or suffer or permit to be done anything in any unit which would impair the soundness or safety of the property, or which would increase the rate or result in the cancellation of insurance applicable to the property, or which would be noxious or offensive or an interference with the peaceful possession and proper use of other units, or which would require any alteration of or addition to any of the common elements to be in compliance with any applicable law or regulation, or which would otherwise be in violation of law.

(f) No owner of a unit shall, without the written approval and consent of the Declarant, place or suffer to be placed or maintained:

(i) on any exterior door, wall or window of the unit, or upon any door, wall or window of the common element any sign or advertising matter; or,

(ii) any decoration, lettering or advertising matter on the glass of any window or door of the unit; or,

(iii) any advertising matter within the unit which shall be visible from the exterior thereof.

(iv) The permission of the Declarant shall be required for all of the foregoing so long as there remain any unsold units or units to be constructed in the Condominium as shown on the Condominium Plat, the Board of Directors of the Council of Unit Owners shall establish and provide reasonable and uniform regulations permitting the placement and maintenance by each unit of identifying signs and insignia of such sizes and materials and in

such locations as shall be architecturally suitable and appropriate to the design and function of the property.

ARTICLE VIII

Other Land Owned by Declarant. Nothing contained herein shall be deemed or construed to dedicate to private or public use or to create a general scheme of development in or to vest rights and/or benefits with respect to any other land or improvements owned or hereafter required by the Declarant or its successors. Nothing construed herein shall prevent the Declarant from subjecting any property contiguous to the Property that the Declarant may own at this time or may thereafter acquire, to the terms and provisions of this Declaration, By-Laws and Condominium Plat. The Declarant expressly reserves unto itself the right to subject such contiguous property to these provisions and incorporate such property into this Condominium Regime amending the percentage interests in the common expenses and common profits in a reasonable pro rata manner based on the addition of such extra units as may be added to the Condominium.

ARTICLE IX

Section 1. Termination and Waiver. Each unit owner of the Condominium covenants and agrees that abandonment or termination of the Condominium Regime shall be in accordance with Section 11-123 of the Act, as may be amended from time to time. Any such termination agreement to be effective must be recorded among the LandRecords of Anne Arundel County.

Section 2. Amendment. Except as otherwise provided in the Act or in this Declaration, this Declaration may be amended in the following manner:

(a) For so long as the Declarant shall own all of the Units, Declarant shall have the sole right to amend this Declaration (including any amendments altering the percentage of

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ownership in common elements) which amendment need only be signed and acknowledged by the Declarant and recorded among the Land Records of Anne Arundel County. Such amendment shall specifically refer to the recording date identifying this Declaration; however, if one or more units is sold but title is not yet transferred, Seller must give such Buyer or Buyers all such amendments and rights as may be required by the Act.

(b) An amendment or amendments to this Declaration may be proposed by the Board of Directors, acting upon a vote of the majority of the Board of Directors, or by the Unit Owners holding a majority of votes of the Units in the Council of Unit Owners or by instrument in writing signed by them. Upon any amendment or amendments to this Declaration being proposed by said Board of Directors or any Unit Owner, such proposed amendment or amendments shall be transmitted to the President of the Council, or other officer of the Council in the absence of the President, who shall thereupon call a special meeting of the Council of Unit Owners for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him/her of the proposed amendment or amendments; notice of such special meeting, stating the time and place thereof, and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed not less than fifteen (15) days, nor more than forty-five (45) days before the date set for such special meeting. If mailed such notice shall be deemed to be properly given when deposited into the United States mail addressed to the Unit Owner at his or her post office address as it appears on the books of the council, the postage thereon prepaid. Any Unit Owner may, by

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written waiver of notice signed by such Unit Owner, waive such notice and such waiver, when filed in the records of the meeting, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting the amendment or amendments proposed must be approved by an affirmative vote of all Unit Owners of the Regime as then constituted and all mortgagees then holding mortgages on Units in order for such amendment or amendments to become effective. Thereupon such amendment or amendments of this Declaration shall be transcribed and certified by the President and Secretary for the Council as having been duly adopted, and the original or an executed copy of such amendment or amendments so certified and executed with the same formalities as a deed shall be recorded in the Land Records of Baltimore County, Maryland, such amendment or amendments to specifically refer to the recording data identifying the Declaration. Hereafter, a copy of said amendment or amendments in the form in which the same were placed of record by the officers of the Council shall be delivered to all of the Unit Owners and mailed to the mortgagees listed in the Registry to be maintained pursuant to the By-Laws.

(c) Anything in subparagraph (b) to the contrary notwithstanding, no amendments to this Declaration shall alter or amend any rights granted to Declarant under the provisions of subparagraph (a) above unless the Declarant shall consent in writing to such amendment.

(d) Any amendments must be approved by Anne Arundel County for County requirements or regulations prior to recording.

ARTICLE X

Section 1. Water and Sewer Service. All water and sewerage services to the individual units shall be billed to the individual unit owners by a private utility company, which company shall also operate and maintain the master water meter to the Condominium complex.

Section 2. Easements For Service. The Condominium hereby grants to the private utility company, which shall be an incorporated entity, owned and operated by the Declarant, its successors and assigns, easements for the purposes of maintenance, operation and repair of the master water meter to the Condominium, and for the purposes of reading the various meters servicing the individual Condominium units.

Section 3. Charges. The private utility company may impose reasonable charges for their services as well as the cost of water and sewerage services, upon the unit owners, which charges shall be billed on a periodic basis and which shall be charges on each unit in the same manner and in the same fashion as regular condominium assessments, with the remedies for the non-payment of such charges being the same as those allowable for the non-payment of condominium assessments.

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ARTICLE XI

Section 1. Invalidity. The invalidity of any provisions of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability of effect of the remainder of this Declaration, and in such event, all of the other provisions of Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

Section 2. Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 3. Compliance. This Declaration is set forth in compliance with the requirements of the Act. In the event of any conflict between the Condominium Act and this Declaration, unless it is clear that such conflict was allowed by the Act and this Declaration was intended to control, the provisions of the Condominium Act shall control.

Section 4. Captions. The captions and Table of Contents contained in this Declaration are not part of this Declaration, and are not in any way intended to limit or enlarge the terms and provisions of this Declaration but only aid in its labeling and organization.

Section 5. Gender, and Number. Whenever in this Declaration the context so requires, the singular number shall include the plural and the vice versa, and the use of any gender shall be deemed to include all genders.

Section 6. Construction and Enforcement. The provisions hereof shall be liberally construed to facilitate the purpose of creating a uniform plan for a Condominium. Enforcements of these covenants and restrictions, this Declaration and of the By-Laws shall be by any proceeding at Law or in Equity by and Unit Owner or by the Council of Unit Owners in its own name, for such person or persons violating or attempting to violate any covenant, condition or restriction or provision of this Declaration or the By-Laws. This action may be either to restrain/or enjoin such violations/or to recover damages. The failure or forbearance by any Unit Owner or the Council of Unit Owners to enforce any covenant, restriction or provision of this Declaration or By-Laws, shall in no event be deemed a waiver of the right to do so thereafter. There shall be and hereby created and declared to be a conclusive resumption that any violation or attempted violation cannot be adequately remedied by action at Law or exclusively by recovery of damages. In the event that any such action is brought by any Unit Owner or the Council of Unit Owners, in addition to such damages or relief that may be sought in such action, such Unit Owner and/or the Council of Unit Owners shall be entitled to reasonable attorney's fees and expenses of suit for the taking of such legal action.

Section 7. Expandable Condominium Provision. In the event that any improvement in any phase of the Property is not completed or if any additional phase or phases are not added to the Condominium Regime described in the Declaration, the Developer, its successors or assigns, shall not make any conveyance of any portion of the property shown on the Condominium Plat not in the Condominium Regime described in the Declaration until it shall have made such conveyances and taken all other actions as may be required in order to assure that all phases of the property are in compliance with the applicable laws and regulations of Anne Arundel County, Maryland.

IN WITNESS WHEREOF, the undersigned have caused these presents to be executed, and deliver these presents as their act and deed on the day and year first above written.

MANOR HOUSE JOINT VENTURE

By: CHATHAM DEVELOPMENT CORPORATION
General Partner

Witness

President
JOSEPH SIDOTI, JR.

By: DIVINITY COVE SERVICE CORPORATION
General Partner

Witness

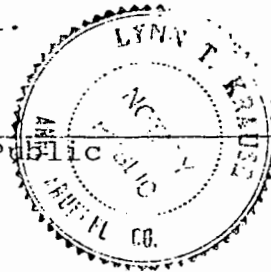
President

STATE OF MARYLAND
COUNTY OF ANNE ARUNDEL to wit:

I hereby certify, that on this 5th day of JULY 1984 before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared JOSEPH SIDOTI, JR. President of Chatham Development Corporation, General Partner of Manor House Joint Venture, known to me to be the person whose name is subscribed to the within instrument and he acknowledged the same to be the act and deed of said Corporation as General Partner.

As witness my hand and Notarial Seal.

Notary Public



My Commission expires:

STATE OF MARYLAND
COUNTY OF ANNE ARUNDEL to wit:

I hereby certify, that on this 6th day of JULY 1984 before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared LAWRENCE B. EARLE President of Divinity Cove Service Corporation, General Partner of Manor House Joint Venture, known to me to be the person whose name is subscribed to the within instrument and he acknowledged the same to be the act and deed of said Corporation, as General Partner.

As witness my hand and Notarial Seal.

Notary Public

Eunice B. Earle

My Commission expires:

McCRONE

Engineers • Land Planners • Land Surveyors

BOOK 3756 PAGE 394 REPLY TO: Annapolis

July 6, 1984

DESCRIPTION OF 6.199 ACRES ±
 THE CHATHAM DEVELOPMENT CORPORATION PROPERTY
 CRAIN HIGHWAY AT GOVERNOR RITCHIE HIGHWAY
 5TH DISTRICT, A.A. CO., MD.

BEGINNING for the same at a concrete monument found in the West side of Crain Highway as shown on Maryland State Road Commission Plat No. 2768, said point being the same as the point of beginning for Parcel 1 of a conveyance from Anne Stoll Koch to Chatham Development Corp. by deed dated April 15, 1982 and recorded among the Land Records of Anne Arundel County, Maryland in Liber 3485 folio 343

THENCE from said point of beginning so fixed and running with part of said West side of Crain Highway the following four courses and distances:

1. South 02° 39' 49" West, 422.76 feet to a concrete monument found
2. South 87° 30' 21" East 31.0 feet to a pipe found
3. South 02° 29' 39" West 292.77 feet to a pipe set
4. South 04° 19' 50" West 322.24 feet to intersect the Northeast side of Furnace Branch Road

THENCE leaving said Crain Highway and running with the existing said right of way of Furnance Branch Road North 44° 12' 10" West 326.02 feet to the edge of an existing cemetery lot

THENCE with part of said cemetery the following two courses and distances:

5. North 47° 11' 49" East 147.37 feet to a concrete monument found
6. North 87° 06' 11" West 189.78 feet to a concrete monument found

ANNAPOLIS
 Annapolis 267-8621
 Baltimore 269-0531
 Washington 261-2605

CENTREVILLE
 758-2237

CHESTERTOWN
 778-3272
 Balto. 269-5488

DENTON
 479-3606

EASTON
 822-3322
 Baltimore
 269-7676
 Cambridge
 228-1292

ELKTON
 398-1550

LEONARDTOWN
 475-5522
 Washington Area
 870-2282

PRINCE FREDERICK
 535-4510
 Washington 855-1798