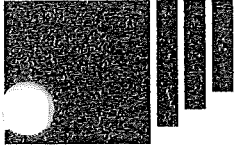


**RESALE  
CERTIFICATE**



**CREST PROPERTY MANAGEMENT CO. INC.**  
5525 TWIN KNOLLS ROAD, SUITE 326  
COLUMBIA, MD 21045  
410/730-2800 • Fax 410/720-0013

*"We Manage to Please"*

**CONDOMINIUM ASSOCIATION DISCLOSURES & RESALE CERTIFICATE**

Association: Twin Knolls Professional Center, A Condominium

Address: 5501 Twin Knolls Road Ste.111, Columbia MD 21045

Seller:

The above referenced condominium association is managed by:

Crest Property Management Co., Inc.  
5525 Twin Knolls Road, Suite 326  
Columbia, MD 21045  
410-730-2800

The quarterly common expense assessment is:	\$1421.93
Assessments for the subject unit are paid through:	11/30/17
The total amount of unpaid common expense assessment or special assessment is:	\$-0-
The total amount of unpaid late fees or interest due and payable by the selling unit owner is:	\$-0-

Additional Notes:

Effect on the proposed conveyance of any right of first refusal or other restraint on the free alienability of the unit other than any restraint created by the unit owner:

**None**

Judgments against the condominium and existence of pending suits to which the Council of Unit Owners is a party:

**None**

A policy of insurance for the benefit of the unit owners is available for inspection at the property management company listed above. A copy of the Declarations is enclosed.

**CONDOMINIUM ASSOCIATION DISCLOSURES AND RESALE**  
**CERTIFICATE**

**Page 2**

The Council of Unit Owners has knowledge of the following alteration(s) or improvement(s) to the subject unit or limited common elements assigned to the unit which are in violation of provisions of the Declaration, Bylaws, or Rules or Regulations:

**None known**

The Council of Unit Owners has knowledge of the following violation of the Health or Building Codes with respect to the subject unit, the limited common elements assigned to the unit, or any other portion of the condominium:

**None known**

Recreational or other facilities which are to be used by the unit owners or maintained by them or the Council of Unit Owners are:

**Open space**

Signed: \_\_\_\_\_  
*Patricia O'Neil*

Date: 10/17/17

**TO BE COMPLETED BY UNIT OWNER:**

The unit owner has knowledge of the following alteration(s) to the unit or to the Limited Common Elements assigned to the unit which violate any provision of the Declaration, Bylaws, or Rules and Regulations:

The Unit Owner has knowledge of the following violation of the Health or Building Codes with respect to the unit or the Limited Common Elements assigned to the unit:

The Unit Owner \_\_\_\_\_ has knowledge \_\_\_\_\_ does not have knowledge that the unit is subject to an extended Lease under Section 11-137 of the Maryland Condominium Act or under local law. If Unit Owner does have such knowledge, a copy of the Lease is hereby provided.

Signed: \_\_\_\_\_  
Unit Owner

Date: \_\_\_\_\_

# BUDGET

TWIN KNOLLS PROFESSIONAL CENTER

	2015-2016 BUDGET	EST TOTAL AS OF 10/30/16	2016-2017 BUDGET
<b>INCOME</b>			
Association Fees	\$189,787.00	\$176,763.00	\$193,404.16
Assess Collected by Attorney			
Reimbursement of Legal Fees			
Owner Late Fees/Interest Paid			
UPS		\$600.00	
<b>TOTAL INCOME</b>	<b>\$189,787.00</b>	<b>\$177,363.00</b>	<b>\$193,404.16</b>
<b>EXPENSES</b>			
<b>ADMINISTRATIVE</b>			
Audit/Tax Preparation	\$1,350.00	\$1,350.00	\$1,350.00
Bank Charges		\$39.00	\$40.00
Income Tax	\$100.00		\$100.00
Insurance	\$6,000.00	\$6,648.00	\$6,700.00
Legal	\$650.00	\$650.00	\$700.00
Management	\$8,760.00	\$8,760.00	\$8,980.00
Meeting Costs	\$1,100.00	\$750.00	\$900.00
MiscAdmin/Office Exp-Postage	\$800.00	\$600.00	\$600.00
<b>TOTAL ADMIN.</b>	<b>\$18,760.00</b>	<b>\$18,797.00</b>	<b>\$19,370.00</b>
<b>UTILITIES</b>			
Electric	\$3,000.00	\$2,700.00	\$3,000.00
Water/Sewer	\$8,500.00	\$5,544.22	\$7,500.00
<b>TOTAL UTILITIES</b>	<b>\$11,500.00</b>	<b>\$8,244.22</b>	<b>\$10,500.00</b>
<b>OPERATING</b>			
Door Lock/Wndw Rpr.	\$500.00	\$572.00	\$500.00
Electrical Repair	\$1,500.00	\$1,000.00	\$1,500.00
Electrical Supplies	\$180.00	\$129.85	\$180.00
Excess Trash Rmvl	\$150.00		\$150.00
Exterminating	\$1,200.00	\$1,314.00	\$1,200.00
Grounds/Lawn Maint	\$14,500.00	\$14,500.00	\$14,500.00
Gutter Clean/Repair	\$4,000.00	\$3,000.00	\$3,500.00
Janitorial Services	\$17,160.00	\$17,160.00	\$17,160.00
Maint./Bldg. Repair	\$5,000.00	\$5,909.00	\$5,000.00
Misc. Maintenance	\$400.00	\$400.00	\$400.00
Plumbing Repair	\$500.00	\$200.00	\$500.00
Snow Removal	\$30,000.00	\$21,039.45	\$30,000.00
Snow Rmvl. Supplies			
Storm Drain Cleaning	\$2,000.00	\$1,600.00	\$2,000.00
Sewer/Leader Line Cleaning	\$5,000.00	\$4,500.00	\$5,000.00
Trash Removal	\$15,000.00	\$17,886.00	\$17,000.00
Tree Maintenance	\$5,500.00	\$3,500.00	\$5,500.00
Watering New Plantings	\$2,000.00	\$1,530.00	\$2,000.00
Tree/Plant Removal/Rplcmnt	\$2,000.00	\$2,000.00	\$2,000.00
Reserve Study	\$2,720.00	\$2,790.00	
Window Cleaning	\$1,000.00	\$1,000.00	\$1,000.00
<b>TOTAL OPERATING</b>	<b>\$110,310.00</b>	<b>\$100,030.30</b>	<b>\$109,090.00</b>
<b>TOTAL EXPENSES BEFORE RESERVES</b>	<b>\$140,570.00</b>	<b>\$127,071.52</b>	<b>\$138,960.00</b>
OPER. RES. 3%	\$4,217.00	\$3,812.15	\$4,169.16
RPLCMT. RES.	\$45,000.00	\$45,000.00	\$50,275.00
<b>TOTAL EXPENSES</b>	<b>\$189,787.00</b>	<b>\$175,883.67</b>	<b>\$193,404.16</b>

1.9 percent increase

Completed this year: Green Roof/Gutter Replacement-Snow Damage \$9,656

TWIN KNOLLS PROFESSIONAL CENTER  
 FEES AS OF DECEMBER 1, 2016  
 BUDGET FOR 2016 - 2017

Unit No	Percent of Ownership	FY 2015 Annual Fee	FY 2015 Quarterly Fee
101	2.95	\$5,687.71	\$1,421.93
102	2.95	\$5,687.71	\$1,421.93
103	2.27	\$4,376.65	\$1,094.16
104	2.27	\$4,376.65	\$1,094.16
105	2.27	\$4,376.65	\$1,094.16
106	2.27	\$4,376.65	\$1,094.16
107	2.27	\$4,376.65	\$1,094.16
108	2.27	\$4,376.65	\$1,094.16
109	2.27	\$4,376.65	\$1,094.16
110	2.27	\$4,376.65	\$1,094.16
111	2.95	\$5,687.71	\$1,421.93
112	2.95	\$5,687.71	\$1,421.93
213	2.49	\$4,800.81	\$1,200.20
214	2.49	\$4,800.81	\$1,200.20
215	2.59	\$4,993.62	\$1,248.41
216	2.59	\$4,993.62	\$1,248.41
217	2.59	\$4,993.62	\$1,248.41
218	2.59	\$4,993.62	\$1,248.41
219	2.49	\$4,800.81	\$1,200.20
220	2.49	\$4,800.81	\$1,200.20
321	2.17	\$4,183.84	\$1,045.96
322	2.17	\$4,183.84	\$1,045.96
323	2.59	\$4,993.62	\$1,248.41
324	2.59	\$4,993.62	\$1,248.41
325	2.59	\$4,993.62	\$1,248.41
326	2.59	\$4,993.62	\$1,248.41
327	2.59	\$4,993.62	\$1,248.41
328	2.59	\$4,993.62	\$1,248.41
329	2.59	\$4,993.62	\$1,248.41
330	2.59	\$4,993.62	\$1,248.41
331	2.17	\$4,183.84	\$1,045.96
332	2.17	\$4,183.84	\$1,045.96
433	2.49	\$4,800.81	\$1,200.20
434	2.49	\$4,800.81	\$1,200.20
435	2.59	\$4,993.62	\$1,248.41
436	2.59	\$4,993.62	\$1,248.41
437	2.59	\$4,993.62	\$1,248.41
438	2.59	\$4,993.62	\$1,248.41
439	2.49	\$4,800.81	\$1,200.20
440	2.49	\$4,800.81	\$1,200.20
Total			\$48,201.00
Total Association Fees			X 4 \$192,804.00



# INSURANCE



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

02/07/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> McCabe Insurance Associates, Inc. 5501 Twin Knolls RD Suite 101 Columbia MD 21045	<b>CONTACT NAME:</b> Natalie Lopez <b>PHONE (A/C, No, Ext):</b> (443)283-0303 <b>E-MAIL ADDRESS:</b> Natalie@mccabeins.com	<b>FAX (A/C, No):</b> (410)992-4204	
	<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC#</b>
<b>INSURED</b> Twin Knolls Professional Center, A Condo 5525 Twin Knolls Road-Ste 326 Columbia MD 21045	<b>INSURER A:</b> Erie Insurance Exchange		26271
	<b>INSURER B:</b>		
	<b>INSURER C:</b>		
	<b>INSURER D:</b>		
	<b>INSURER E:</b>		


**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	N	N	Q380170185	02/01/2017	02/01/2018	EACH OCCURRENCE	\$ 1,000,000
	DAMAGE TO RENTED PREMISES (Ea occurrence)						\$ 1,000,000	
							MED EXP (Any one person)	\$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
								\$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE	N	N	Q260170431	02/01/2017	02/01/2018	EACH OCCURRENCE	\$ 1,000,000
	AGGREGATE						\$ 1,000,000	
	DED    RETENTION \$							\$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			N/A			PER STATUTE	OTH-ER
							E.L. EACH ACCIDENT	\$
							E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

**CERTIFICATE HOLDER****CANCELLATION**

Twin Knolls Professional Center c/o Crest Property Mgmt. Co., Inc. 5525 Twin Knolls Rd. Ste 326 Columbia MD 21045	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	<b>AUTHORIZED REPRESENTATIVE</b> 

Fax:

Email:

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ACORD 25 (2016/03)

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## TWIN KNOLLS PROFESSIONAL CENTER

### Parking Rules

Revised 7/29/16 – Effective 9/1/16

1. Parking areas shall be used only for parking vehicles no longer or wider than full size passenger automobiles. The Board of Directors will consider a grandfathered exception if received within 30 days subsequent to the above indicated effective date.
2. Users of the parking areas will obey all posted signs and park only in the areas designated for vehicle parking.
3. Twin Knolls Condominium Association will not be responsible for any damage to vehicles, injury to persons or loss of business property and/or personal property, all of which risks are assumed by the party using the parking areas.
4. The maintenance of vehicles in the parking areas or common areas is prohibited. The mobile replacement of glass and auto detailing are permissible exceptions if performed in the parking area adjacent to Twin Knolls Road only during normal business hours.
5. Owner shall be responsible for seeing that all its tenants, employees, agents and invitees comply with the applicable parking rules, regulations, laws and agreements.
6. Vehicles with expired registrations are not allowed on the parking lot and will be removed at the owner's expense.
7. No contractor equipment with or without wheels or treads, self-propelled or towed shall be allowed on the parking lot.
8. Parking of any type of vehicle near the dumpster that impedes the duties of the trash service is prohibited.
9. Trucks other than pickups or panel types shall be parked in those spaces adjacent to Twin Knolls Road.
10. Each condominium unit shall be restricted to no more than two (2) vehicles to be parked in the parking lot overnight. Any unit parking in excess of two (2) vehicles on the parking lot overnight shall be fined Ten Dollars (\$10.00) per vehicle in excess of two (2) for the first night. Any unit parking in excess of two (2) vehicles on the parking lot in excess of one (1) night shall be fined Twenty Dollars (\$20.00) per vehicle per night for each night thereafter.
11. Twin Knolls Condominium Association reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations, as it may deem necessary for the proper operation of the parking area.



CREST PROPERTY MANAGEMENT CO. INC.  
5525 TWIN KNOLLS ROAD, SUITE 326  
COLUMBIA, MARYLAND 21045  
410/730-2800 • 301/596-6606  
Fax 410/720-0013

*"We Manage to Please"*

#### TWIN KNOLLS RULES AND REGULATIONS

1. There will be a \$50.00 fine per occurrence for improperly disposed of trash. If legal action becomes necessary for collection of fines offenders will be responsible for any and all legal fees incurred. The principle employer of the unit will be defined as the offender.
2. Lettering on main front entrance door panels must be done in a color and style approved by the Board of Directors. Stick on numbers and letters are not acceptable unless computer generated by a professional sign lettering company and approved by the Board of Directors.
3. Each unit must have a brass name plaque outside of their entrance door. These plaques must be approved by the Board and comply with existing properly manufactured and approved plaques.
4. All smokers are responsible for proper disposal of cigarette butts. They cannot be disposed of in the shrubbery, on the sidewalks, steps or parking lot.
5. Picnicking or lunching on the grounds is not allowed unless approved by the Board.
6. Soliciting is not allowed on the premises and must not be encouraged. Police should be called immediately upon confrontation with a solicitor.
7. Delivery people will not be allowed to use hand trucks on any stairs in the complex.

# BY-LAWS

BYLAWS OF THE COUNCIL OF UNIT OWNERS OF  
TWIN KNOLLS PROFESSIONAL CENTER,  
A CONDOMINIUM

ARTICLE I

PLAN OF CONDOMINIUM UNIT OWNERSHIP

SECTION 1. CONDOMINIUM UNIT OWNERSHIP. On June 11 1981, CENTENNIAL CONTRACTORS, INC., as Declarant, executed a Declaration (to which these Bylaws are attached as Exhibit "A") in accordance with the Horizontal Property Act of the State of Maryland, creating a Condominium in Howard County, Maryland, known as TWIN KNOLLS PROFESSIONAL CENTER, A CONDOMINIUM (hereinafter sometimes referred to as the "Condominium").

SECTION 2. BYLAWS APPLICABILITY. These Bylaws are adopted by the Declarant as the governing Bylaws of the Council of Unit Owners of the Condominium (the "Council"), which Council shall be unincorporated unless, by vote of seventy-five percent (75%) of the Unit Owners, the Council elects to become a non-profit, non-stock, membership corporation whose sole members shall be Unit owners.

SECTION 3. PERSONAL APPLICATION. All present or future Unit Owners, and their tenants or employees, or any other person using the facilities of the Condominium in any manner, are subject to the provisions of the Declaration and these Bylaws.

ARTICLE II

MEMBERSHIP, VOTING, MAJORITY OF OWNERS,  
QUORUM, PROXIES

SECTION 1. MEMBERSHIP. Every person (which term shall include co-tenancies, partnerships, corporations, trusts or any other entity) who is the record owner of a Unit of the Condominium shall be a member of the Council. The foregoing is not intended to include persons who hold an interest in a Unit merely as security for the performance of an obligation. No Unit Owner, whether one or more persons, shall have more than one membership per Unit. Membership shall be appurtenant to and may not be separated from ownership of a Unit. Ownership of a Unit shall be the sole qualification for membership in the Council.

SECTION 2. VOTING RIGHTS. The Council shall have one class of voting membership which shall consist of all Unit Owners, including the Declarant. Each Unit shall be entitled to one (1) vote in the Council. When more than one person holds a membership interest in any Unit, the vote for such Unit



shall be exercised as they among themselves determine (or, absent such agreement, such vote shall be allocated equally among the Unit Owners of record) and, if only one of such persons is present, that person shall be entitled to cast such Unit's vote.

**SECTION 3. SUSPENSION OF MEMBERSHIP AND VOTING RIGHTS.** During any period in which a Unit Owner shall be in default in the payment of any regular or special assessment levied by the Council, the voting rights of such member may be suspended by the Board of Directors until such assessment has been paid. Such rights of a Unit Owner may also be suspended for a period not to exceed thirty (30) days for violation of any rules and regulations established by the Board of Directors governing the use of the Common Elements.

**SECTION 4. MAJORITY OF UNIT OWNERS.** As used in these Bylaws, the term "majority of Unit Owners" shall mean those Unit Owners (excluding Unit Owners whose voting rights have been suspended) having more than fifty percent (50%) of the votes in the Council.

**SECTION 5. QUORUM.** Except as otherwise provided in these Bylaws, the presence in person or by proxy of a "majority of Unit Owners" as defined in Section 4 of this Article shall constitute a quorum. However, if a quorum is not present, the meeting may be adjourned and a subsequent meeting called no less than two (2) nor more than thirty (30) days after the time of the originally scheduled meeting. At such subsequent meeting a quorum shall consist of the presence in person or by proxy, of Unit Owners having more than twenty-five percent (25%) of the votes in the Council.

**SECTION 6. PROXIES.** Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

### ARTICLE III

#### ADMINISTRATION

**SECTION 1. COUNCIL RESPONSIBILITIES.** All Unit Owners acting as a group shall constitute the members of the Council. The Council will have the responsibility of administering the Condominium, approving the annual budget, establishing and collecting monthly assessments and arranging for the management of the Condominium. Except as otherwise provided, decisions and resolutions of the Council shall require approval by a majority of Unit Owners.

**SECTION 2. ANNUAL MEETINGS.** The first annual meeting of the Council shall be held upon the earlier to occur of two (2) years following the date of recordation of the Declaration or within sixty (60) days after fifty-one percent (51%) of the Units have been sold by Declarant. Until such first annual meeting, the powers and responsibilities assigned by the Act to the Council are delegated to the Declarant. Annual meetings of the Council subsequent to the first annual meeting shall be held on the 1st of December of each succeeding year, unless such day shall be a holiday, in which case the meeting shall be

held on the next day not a holiday. At such meetings, there shall be elected by ballot of the Unit Owners a Board of Directors in accordance with the requirements of Sections 1 and 3 of Article IV of these Bylaws. The Unit Owners may also transact such other business of the Council 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 a majority of the Unit Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

SECTION 4. NOTICE OF MEETINGS. It shall be the duty of the Secretary to mail a notice of each annual or 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 of record, at least twenty-one (21), but not more than fifty (50) days prior to the annual meeting, and at least fifteen (15), but not more than fifty (50) days prior to a special meeting. Such notice shall be sent by United States mail, return receipt requested, to all Unit Owners of record at the address of their respective Units and to such other addresses as any of them may have designated; or such notice may be hand-delivered, provided a receipt of acceptance is obtained therefor.

SECTION 5. ADJOURNED MEETINGS. If any meeting of the Council cannot be organized because a quorum is not in attendance, the Unit Owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than two (2) nor more than thirty (30) days after the time the original meeting was called.

SECTION 6. ORDER OF BUSINESS. The order of business at all meetings of the Council shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Report of officers.
- (e) Report of committees.
- (f) Election of directors.
- (g) Unfinished business.
- (h) New business.

#### ARTICLE IV

##### BOARD OF DIRECTORS

SECTION 1. NUMBER AND QUALIFICATION. The affairs of the Council shall be governed by a Board of Directors, hereinafter

referred to as "Board", composed of five (5) persons. The initial Board of Directors, who shall serve until the first annual meeting of the Council, shall be appointed by the Declarant. The first annual meeting of the Board shall be held within ten (10) days after the first annual meeting of the Council. All Boards of Directors subsequent to the initial Board of Directors shall be elected by the Unit Owners. An elected Director need not be a Unit Owner.

SECTION 2. POWERS AND DUTIES. The Board shall have the powers and duties necessary for the administration of the affairs of the Council and may do all such acts and things, as are not by law or by these Bylaws directed to be exercised and done by the Unit Owners. The Board of Directors shall have further power:

(a) To adopt and publish rules and regulations governing the use of the Common Elements and the personal conduct of the Unit Owners, and their guests thereon, and to establish penalties for the infraction thereof;

(b) To exercise for the Council all powers, duties and authority vested in or delegated to the Council not reserved to the membership by other provisions of these Bylaws or the Declaration;

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

(d) To enter into management agreements with third parties in order to facilitate efficient operation of the Condominium. It shall be the primary purpose of such management agreements to provide for the administration of the Condominium, the maintenance, repair, replacement and operation of the Common Elements, the roof surfaces and exterior building surfaces of the Units, and the receipt and disbursement of funds as may be authorized by the Board of Directors. The terms of said management agreements shall be as determined by the Board of Directors to be in the best interests of the Council and shall be subject in all respects to the Bylaws and the Declaration. Any management contract must provide for cancellation by the Council upon thirty (30) days notice;

(e) To cause all officers or employees having fiscal responsibilities to be bonded. Such fidelity bond shall protect the Council against dishonest acts on the part of officers, directors, trustees and employees of the Council and all others who handle or are responsible for handling funds of the Council. Such fidelity bonds shall: (1) name the Council as an obligee; (2) be written in an amount equal to at least 150% of the estimated annual operating expenses of the Condominium, including reserves; (3) contain waivers of any defense based upon exclusion of persons who serve without compensation from any definition of employee or similar expression; and (4) 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 the Council and Secured Parties.

It shall be the further duty of the Board of Directors:

(a) To cause to be kept a complete record of all its acts and affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting, when such statement is requested in writing by at least one-half (1/2) of the Unit Owners who are entitled to vote;

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

(c) As more fully provided in the Declaration:

(i) to submit for approval by the Council the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period; and

(ii) to deliver written notice of each assessment to each Unit Owner or send written notice of each assessment to every Unit subject thereto at least thirty (30) days in advance of each annual assessment period;

(d) To issue, or to cause its duly authorized agent or an appropriate officer to issue, upon demand by a Unit Owner at any time, a certificate setting forth whether the assessments on such Unit Owner's Unit have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

(e) To procure and maintain insurance and perform all functions related thereto as provided for and in accordance with the terms of the Declaration.

(f) To cause the Common Elements to be maintained.

(g) To maintain a list of Secured Parties in accordance with the Declaration.

SECTION 3. ELECTION AND TERM OF OFFICE. At the first annual meeting of the Council, the term of office of two Directors shall be fixed for three (3) years. The term of office of two Directors shall be fixed at two (2) years, and the term of office of one Director shall be fixed at one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and qualify.

SECTION 4. VACANCIES. Vacancies in the Board caused by any reason other than (i) the removal of a Director by a vote of the Council or (ii) expiration of the term of office of a Director 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 at the next annual meeting of the Council.

SECTION 5. REMOVAL OF DIRECTORS. At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of the Unit Owners 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.

SECTION 6. ORGANIZATION MEETING. The first meeting of a newly elected Board shall be held within ten (10) days of the election at such place as shall be fixed by the Directors.

SECTION 7. REGULAR MEETINGS. Regular meetings of the Board 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 such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, at least fifteen (15) days but not more than fifty (50) days prior to the date named for such meeting.

SECTION 8. SPECIAL MEETINGS. Special meetings of the Board may be called by the President on fifteen (15) days written notice to each Director, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

SECTION 9. WAIVER OF NOTICE. Before or at any meeting of the Board, 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 shall be a waiver of notice by him of the time and place of the meeting.

SECTION 10. BOARD OF DIRECTORS' QUORUM. At all meetings of the Board, 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 a meeting at which a quorum is present shall be the acts of the Board. If any meeting of the Board cannot be organized because a quorum is not in attendance, the Board members who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

SECTION 11. ACTION BY DIRECTORS WITHOUT MEETING. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action, shall be signed either before or after such action by all of the Directors. Such consent shall have the same force and effect as a unanimous vote.

SECTION 12. LIABILITY OF DIRECTORS. The Directors shall not be liable to the Council or to the Unit Owners for mistakes of judgment or for negligence not amounting to willful misconduct or bad faith. The Council shall indemnify and hold



harmless each of the Directors from and against all contractual liability to others arising out of contracts made by the Board on behalf of the Council or the Unit Owners unless such contract was made in bad faith or contrary to the provisions of the Declaration or these By-Laws. The Directors shall not be personally liable for contracts made by them on behalf of the Council. The liability of any Unit Owner arising out of any contract made by the Board or arising out of the indemnification of the Directors shall be limited to that proportion of the total liability thereunder equivalent to such Unit Owner's Percentage of Ownership of Common Elements. The Council shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he is or was a Director or officer of, or agent acting for, the Council against expenses (including reasonable attorney's fees), judgments, fines and amounts paid in settlement incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association. The Council shall purchase appropriate insurance, if available, for the protection of its Directors and officers from personal liability in the management of the Council's affairs.

#### ARTICLE V

##### OFFICERS

SECTION 1. DESIGNATION. The principal officers of the Council shall be a President, a Vice President, and a Secretary/Treasurer, who shall be elected by the Board. The President and Vice President shall be elected from the Board. The Board may appoint such other officers as in its judgment may be necessary.

SECTION 2. ELECTION OF OFFICERS. The officers of the Council shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

SECTION 3. REMOVAL OF OFFICERS. Any officer may be removed, ~~either with or without cause~~, upon an affirmative vote by a majority of the members of the Board, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board, 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 Council and of the Board. He shall have the responsibility of carrying out the directives of the Board and administering the affairs of the Council, including, but not limited to, the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Council.

SECTION 5. VICE PRESIDENT. The Vice President shall perform the duties and exercise the powers of the President in his absence or disability and otherwise shall perform such duties as the Board of Directors shall prescribe.

SECTION 6. SECRETARY/TREASURER. The Secretary/Treasurer shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Council; he shall receive ballots and count votes at all meetings of the Board and the Council; he shall have charge of such books and papers as the Board may direct; and he shall have responsibility for Council funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Council. He shall be responsible for 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.

#### ARTICLE VI

##### ASSESSMENTS

Each Unit Owner is obligated to pay the assessments imposed upon him by the Council to meet common expenses, which may include a liability insurance policy premium and a fire and other hazard insurance premium, and premiums for other insurance policies carried by the Council. The assessments shall be made pro rata according to the percentage interest of the Unit owned as stipulated in the Declaration. Such assessments shall also include payments to the Reserve Fund and General Operating Reserve Account, as described in the Declaration, and management fees. Any assessment levied upon the Unit Owner, if not paid when due, together with interest and late charges, if any, actual costs of collection, and reasonable attorneys' fees, shall constitute a lien on said Unit at the time a Statement of Lien is recorded in accordance with the laws of the State of Maryland. Regular assessments shall be levied annually, and shall be payable monthly or in such installments as shall be provided by the Board, subject to acceleration of all unpaid installments in event of default, and to such delinquency charges as may be imposed by the Board. Any special assessment, designated as such by the Board, shall be due and payable when assessed. Any individual obligation of a Unit Owner to the Council shall be paid promptly as billed, subject to late charges for delinquency as determined by the Board.

#### ARTICLE VII

##### RESIDENT AGENT

The Resident Agent authorized to accept service of process in any action relating to two (2) or more Units or to the common elements as authorized by Section 11-116 of the Real Property Article of the Annotated Code of Maryland of 1974 (1980 Cum. Supp.), shall be Corporation Trust, Inc., whose address is First Maryland Building, 25 South Charles Street, Baltimore, Maryland 21201. The Board may, at its discretion, substitute another Resident Agent for the purpose of accepting such service of process as set forth above, provided that proper notification of such change be promptly filed with the Maryland Department of Assessments and Taxation.

ARTICLE VIII

AMENDMENT OF BYLAWS

These Bylaws may be amended by the affirmative vote of Unit Owners representing at least seventy-five percent (75%) of the total vote of Unit Owners in the Condominium at a meeting of the Council called for that purpose. No amendments to the Bylaws shall become effective until recorded among the Land Records of Howard County, Maryland.

ARTICLE IX

NOTICE OF CONVEYANCE OR ENCUMBRANCE

SECTION 1. NOTICE TO ASSOCIATION. A Unit Owner who conveys his unit in fee or as security for an indebtedness shall within thirty (30) days of such conveyance, give written notice to the Council through the Management Agent, if any, or the President of the Council in the event there is no Management Agent, giving the name and mailing address of the new Unit Owner or party secured, and the Council shall maintain such information in books entitled "Unit Owners" and "Secured Parties".

SECTION 2. NOTICE OF UNPAID ASSESSMENTS. The Council shall, at the request of a party secured by a Deed of Trust of a Unit, report any unpaid assessments due from the Unit Owner of the Unit.

ARTICLE X

RESOLUTION OF CONFLICT WITH STATUTE

These Bylaws are set forth to comply with the requirements of the Horizontal Property Act. In case any of these Bylaws conflict with the provisions of the Horizontal Property Act, it is hereby agreed and accepted that the Horizontal Property Act will control.

ARTICLE XI

BOOKS AND RECORDS

The Declaration, Bylaws, books, records and papers of the Council shall at all times, during reasonable business hours, be subject to inspection by any Unit Owner or Secured Party.

ARTICLE XII

COUNCIL SEAL

The Council shall have a seal in circular form having within its circumference the words: "Council of Unit Owners of Twin Knolls Professional Center, A Condominium".

ARTICLE XIII

MISCELLANEOUS

SECTION 1. FISCAL YEAR. The fiscal year of the Council shall begin on the first day of January and end on the 31st day of ~~December~~ of every year, except that the first fiscal year shall begin on the date on which the Declaration is filed for record among the Land Records of Howard County, Maryland, and shall end on the 31st day of December of that year.

SECTION 2. MAILING ADDRESS OF COUNCIL. The mailing address of the Council shall be:

CERTIFICATE OF ADOPTION:

I certify that on April 11, 1981, the above were adopted as the Bylaws of the Council of Unit Owners of Twin Knolls Professional Center, a Condominium, by CENTENNIAL CONTRACTORS, INC., as owner of all Units in the Condominium on that date.

CENTENNIAL CONTRACTORS, INC.

By: 

DECLARATION  
OF  
COVENANTS



DECLARATION OF  
TWIN KNOLLS PROFESSIONAL CENTER  
A CONDOMINIUM

THIS DECLARATION, executed this 14 day of JUNE, 1981, by CENTENNIAL CONTRACTORS, INC., a Virginia corporation, hereinafter referred to as "Declarant".

W I T N E S S E T H   T H A T :

WHEREAS, Sections 11-101 et seq., of the Real Property Article of the Annotated Code of Maryland (1974 Repl. Vol., 1980 Cum. Supp.), hereinafter referred to as the "Horizontal Property Act" or the "Act", provides that the owner of any property in the State of Maryland may subject the property to a condominium regime by recording among the land records of the county where the property is located a declaration, bylaws and condominium plat; and

WHEREAS, it is the desire and intent of the Declarant to submit the hereinafter described property to a condominium regime as provided by the Horizontal Property Act.

NOW, THEREFORE, the Declarant does hereby make, declare and publish its desire and intent to submit, and does hereby submit the land (as hereinafter described), together with all improvements now or hereafter erected thereon, to the provisions of the Horizontal Property Act, and does hereby establish a condominium regime, in accordance with the Act, to be known as TWIN KNOLLS PROFESSIONAL CENTER, A CONDOMINIUM (hereinafter referred to as the "Condominium"), upon that certain tract or parcel of land located in Howard County, Maryland (the "Land"), owned in fee by the Declarant and shown on a condominium plat (the "Plat") consisting of sheets 1 through 2 and entitled Plat of Condominium Subdivision, Twin Knolls Professional Center, recorded simultaneously herewith and incorporated herein by reference. Declarant does further hereby submit the condominium regime hereby established to the covenants, conditions and restrictions hereinafter provided, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Land and improvements thereon and which shall be binding on all parties having or acquiring any right, title or interest in the Condominium or any part thereof and shall inure to the benefit of each owner thereof.

I. DEFINITIONS: All capitalized terms used in this Declaration and the exhibits hereto are intended to be consonant with the meanings ascribed to them by the Act or this Declaration.

II. DESCRIPTION: Declarant has constructed on the Land four (4) buildings containing forty (40) units, numbered 1 through 40, inclusive. The Plat contains the diagrammatic plans of each building, of the common elements, and of each unit within the Condominium.

Each Unit Owner shall own an undivided percentage interest ("Percentage Interest") in the Common Elements equal to that

set forth in Article V B, hereof. A Unit Owner's Percentage Interest may not be separated from the Unit to which it appertains, and such Percentage Interest shall be deemed to be conveyed or encumbered, and to otherwise pass with, the Unit whether or not expressly mentioned or described in a conveyance or other instrument describing the Unit.

Each Unit Owner, by acceptance of a deed therefor, agrees that he has had full opportunity to inspect and examine the Unit thus acquired by him and waives any claim or demand which he might otherwise have had against the Declarant or any other person whomsoever as a result of any discrepancy between (i) the Unit as it then exists, and (ii) as it is described in this Declaration, the exhibits attached hereto, and the architectural plans and specifications therefor.

### III. HORIZONTAL AND VERTICAL BOUNDARIES:

#### A. All Units shall have the following boundaries:

1. Upper and Lower Boundaries: The plane which coincides with the upper surface of the floor slab constitutes the lower horizontal boundary of the Units. The plane which coincides with the upper surface of the finished ceiling materials constitutes the upper boundary of the Units.

2. Perimeter Boundaries: The planes which coincide with the interior surface of perimeter masonry walls of the Units shall constitute the vertical boundaries of the Units; provided, however, that with respect to perimeter walls dividing Units that are non-masonry, the vertical boundary shall be the plane which coincides with center line of such non-masonry wall. Units shall be deemed to include windows, window frames, screens, doors, door frames and trim included in such walls, including screens and storm windows and doors, if present.

#### B. Party Walls.

1. Each wall which is built as a part of the original construction of the Units, and is used as the perimeter boundary dividing two Units, as shown on the Plat, shall constitute a "Party Wall." To the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to Party Walls.

2. The Owners of contiguous Units who share a Party Wall shall both equally have the right to use such wall provided that such use by one Owner does not interfere with the use and enjoyment of the same by the other Owner.

3. In the event that any Party Wall is damaged or destroyed (including deterioration from ordinary wear and tear and the passage of time):

(a) through the act of an Owner or any of his agents or guests or invitees (whether or not such act is negligent or otherwise culpable), such Party Wall shall be rebuilt or repaired, subject to the provisions of Article XIII

hereof, without cost to the other adjoining Unit Owner Owners.

(b) other than by the act of an Owner, his agents, guests or invitees, it shall be the obligation of all Owners whose Units adjoin such Party Wall to rebuild and repair such wall at their joint and equal expense, subject to the provisions of Article XIII hereof.

4. Notwithstanding any provision herein, no Unit Owner shall impair or weaken the structural integrity of any Party Wall without the prior consent of all Owners of any interest therein and the Board of Directors of the Council.

5. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the Unit and shall pass to such Owner's successors in title.

6. Any Unit Owner who owns contiguous Units may remove or alter any non-load bearing Party Wall between such Units with the prior approval of the Board of Directors of the Council of Unit Owners, which approval shall not be unreasonably withheld or delayed.

7. In the event of any dispute arising concerning a Party Wall, or any of the provisions of this Article, such dispute shall be submitted to a local chapter of the American Arbitration Association for resolution, according to its Commercial Arbitration rules. Each party shall have the right to choose one arbitrator, and such arbitrators shall choose one additional arbitrator. The decision of the panel of three arbitrators shall be by a majority of all the arbitrators.

#### IV. COMMON ELEMENTS; ITEMS EXCLUDED FROM COMMON ELEMENTS

A. The Common Elements consist of all portions of the Condominium other than the Units, and include the General Common Elements and the Limited Common Elements.

1. The General Common Elements are identified on the Plat and include, without limitation, (i) the Land; (ii) the several buildings, including the foundations, roofs, slabs, perimeter bearing walls and structural interior walls, the floor and ceiling joists, roof trusses, all other structural portions of the buildings, and all spaces between the upper level of the finished ceiling of the Units and the slab above the Unit; (iii) pipes, water mains, wires, conduits, air ducts, lateral serving stacks, public utility lines and meters not owned by utility suppliers, and other service installations regardless of location, which serve or provide service for more than one Unit or serve the Common Elements; (iv) all roadways, pathways, sidewalks and all means of pedestrian and vehicular ingress and egress to and from the Land; (v) all trees, shrubbery, lawns and gardens; (vi) any and all other items or things of common use or necessary to the existence, upkeep, use and safety of the several buildings and other Condominium property; and (vii) all parking areas.

2. The Limited Common Elements of the condominium consist of the entryways identified on the Plat, which entryways are reserved for and limited to the exclusive use of the

Unit Owners whose units are served by a given entryway. For purposes of description, the term "entryway" encompasses those areas shown on the Plat, such as entrances, hallways, stairwells, and doorsteps serving a particular group of units.

B. The Common Elements shall not include any of the following items, which shall be deemed to be owned individually by each Unit Owner: (i) all non-structural interior partition walls located within the boundaries of the Unit (excepting such part as may comprise part of the Common Elements), and all Party Walls and Party Fences; (ii) the decorated portions of all Units including, among other things and as appropriate, wallpaper, paint, interior brick surface, lath, wallboard, plaster, carpeting, floor and wall tiles and other floor and wall coverings, and all other finishing materials, including finished ceiling materials; all windows and doors, to Units, and screen doors and window screens; (iv) all light fixtures, and any and all electrical installations and fixtures within the boundaries of the Unit, any and all outlets, switches, lampholders, or other electrical service terminals, wherever located, which exist for the exclusive use of such Unit, and all wiring and conduits running from any circuit breaker panel to any such installation or fixture; (v) all range hoods or bath fans for such Unit, and all duct work connecting the same to any common exhaust duct serving such Unit as well as other Units; (vi) all bathroom and kitchen plumbing fixtures and connections thereto for such Unit, such as sinks, faucets, commodes, bathtubs, shower stalls, hot or cold water pipes or drain pipes connecting any of the same with any common water or drain pipes serving such Unit as well as other Units.

C. If any chutes, flues, ducts, conduits, wires, bearing walls, bearing columns, or any other apparatus lies partially within and partially outside of the designated boundaries of a Unit, any portions thereof serving only that Unit shall be deemed a part of that Unit, while any portions thereof serving more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements.

V. COMMON ELEMENTS OWNERSHIP AND MAINTENANCE:

A. Each Unit Owner and the Council of Unit Owners of Twin Knolls Professional Center (the "Council") may use the Common Elements for the purposes for which they are intended, but no such use shall enter or encroach upon the lawful rights of other Unit Owners.

B. Each Unit's undivided Percentage Interest in the Common Elements, Common Expenses, and Common Profits is allocated, according to relative area in square feet of Units, as follows:

Percentage Interest In  
Common Elements, Profits  
and Expenses

<u>Unit No.</u>	
1.....	2.95
2.....	2.95
3.....	2.27
4.....	2.27
5.....	2.27
6.....	2.27
7.....	2.27
8.....	2.27
9.....	2.27
10.....	2.27
11.....	2.95
12.....	2.95
13.....	2.49
14.....	2.49
15.....	2.59
16.....	2.59
17.....	2.59
18.....	2.59
19.....	2.49
20.....	2.49
21.....	2.17
22.....	2.17
23.....	2.59
24.....	2.59
25.....	2.59
26.....	2.59
27.....	2.59
28.....	2.59
29.....	2.59
30.....	2.59
31.....	2.17
32.....	2.17
33.....	2.49
34.....	2.49
35.....	2.59
36.....	2.59
37.....	2.59
38.....	2.59
39.....	2.49
40.....	2.49

C. The use of the Common Elements shall be limited to Unit Owners in residence, to their tenants in residence, and to their guests and invitees. The use of the Common Elements shall be governed by the Bylaws and rules and regulations adopted from time to time by the Council.

D. The Common Elements shall remain undivided and no Unit Owner may bring any action for partition or division of these Common Elements except as provided herein.

E. The Council shall be empowered to assign from time to time up to two (2) parking spaces for the exclusive use of each Unit.



VI. ADMINISTRATION OF THE CONDOMINIUM; VOTES IN COUNCIL: The administration of the Condominium shall be conducted in accordance with the provisions of this Declaration, the Bylaws of the Council, attached hereto as Exhibit "A", and such rules and regulations as the Council shall from time to time adopt. Each Unit shall be entitled to one (1) vote in the affairs of the Council.

VII. GOVERNING DOCUMENTS: All Unit Owners and their tenants, guests and invitees, shall comply with the provisions of this Declaration, the Bylaws, and the rules, regulations, decisions and resolutions of the Council as each may be properly amended from time to time. Failure to comply with such provisions, Bylaws, rules, regulations, decisions or resolutions shall be grounds for an action to recover damages or for injunctive relief. All leases of Units in the Condominium must be in writing and shall expressly be subject to the provisions of this Declaration.

VIII. EASEMENTS:

A. Enjoyment of General Common Elements. Every Unit Owner shall have a right and easement of enjoyment in and to the Common Elements and such easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions: (a) the rights of Unit Owners to the use of Limited Common Elements, in accordance with Article V hereof; (b) the right of the Council to make reasonable rules governing the use of the Common Elements, and (c) the right of the Council to suspend the voting rights of a Unit Owner (i) for any period during which any assessment against a Unit remains unpaid or (ii) for any infraction of its published rules and regulations or Bylaws. A tenant occupying a Unit shall have the right of enjoyment of the Common Elements to the same extent as the Unit Owner of that Unit.

B. Encroachments and Support. Each Unit and the Common Elements shall be subject to an easement for encroachments created by construction, settling and overhangs as designed or constructed by the Declarant. In the event that any building containing Units is partially or totally destroyed and then rebuilt, the Owners of the Units so affected agree that minor encroachments of parts of the adjacent Units or Common Elements due to construction shall be permitted and that a valid easement for said encroachments and the maintenance thereof shall exist. Every portion of a Unit contributing to the support of another Unit shall be burdened with an easement of support for the benefit of such other Unit.

C. Easement for Utilities. There is hereby established a blanket easement upon, across, over and under all of the Units and Common Elements for ingress, egress, installation, replacement, repair and maintenance of all utilities including, but not limited to, water, sewer, telephone and electricity. By virtue of this easement, it shall be expressly permissible for each utility company and/or the Declarant to install and maintain lines and other necessary equipment on the Condominium property and to affix and maintain utility wires, circuits and conduits on, above, across and under the roofs and exterior walls of the Units. Notwithstanding anything to the

contrary contained in this Article, no sewers, electrical lines, water lines, or other utilities may be installed, relocated on or in the Condominium except as initially installed or located unless thereafter approved by the Declarant (if the Declarant then owns any Units) or the Council. The easements provided for in this Article shall in no way affect any other recorded easement on the Condominium. The Council shall have the right to grant specific easements, rights-of-way, licenses and similar interests affecting the Common Elements if the grant is approved by (i) seventy-five percent (75%) of the Unit Owners, (ii) the Declarant, if the Declarant is the owner of a Unit, and (iii) the holders of seventy five percent (75%) of the first mortgages on Units (based on one vote per mortgage owned); provided, however, that the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Elements by the Condominium shall not require the approval of such mortgage holders.

D. Easement for Repairs and Construction. The Declarant and its successors and assigns (for so long as Declarant is a Unit Owner) and the Council, or its designee, shall have the right to enter any Unit or the Common Elements when necessary to carry out any repair, maintenance, landscaping, or construction for which the Declarant or the Council is responsible, including work necessary or desirable in the opinion of Declarant for Declarant to complete the original construction of the Condominium, or for which any Unit Owner is responsible and has not completed after the appropriate notice from the Council. The entry by the Council or the Declarant into Units shall be made with as little inconvenience to the Unit Owner as practicable and any damage caused shall be repaired at the expense of the Council unless the entry is made to perform any obligation for which the Unit Owner is responsible, in which event the entry and all work shall be done at the risk and expense of the Unit Owner.

E. Other.

1. There is hereby granted a blanket easement to the Council, its directors, officers, agents, and employees, to any professional Manager employed by or on behalf of the Council, and to all policemen, firemen, ambulance personnel and all similar persons to enter upon the Condominium in the exercise of the functions provided by this Declaration, Bylaws and Rules of the Council, in the event of emergencies, and in the performance of governmental functions.

2. The rights of exercising the easements provided by this Article shall be exercised only during reasonable hours and then whenever practicable only after advance notice to the Unit Owner or tenant directly affected thereby when not an emergency situation or a governmental function.

3. The Declarant, its successors or assigns, and its duly authorized agents and employees, shall have a right of ingress and egress over the Common Elements as necessary for its construction and development of the Condominium, and for sale of its Units.

4. The Declarant, its successors or assigns, and its duly authorized agents, representatives and employees

reserve the right to maintain sales offices and model units within the Condominium, so long as no more than two Units are so utilized as sales offices or model units at any one time. Declarant shall have the right to change those Units so utilized as sales offices and model units as development and sales within the Condominium shall progress. Declarant shall also have the right to place advertising and informational signs within the Condominium and on the Common Elements, to utilize parking and the Common Elements for prospective purchasers and sales, and to conduct sales and development activities. Whenever possible, Declarant shall take reasonable steps to assure that sales and development activities do not unnecessarily interfere with the utilization of Common Elements by other Unit Owners.

X. RESTRICTIVE COVENANTS: The Declarant hereby imposes the following restrictive covenants upon the Condominium:

A. Units may be utilized only for nonresidential purposes, excluding retail sales activities, which retail activities are hereby expressly prohibited.

B. No Unit Owner or other occupant of the condominium shall use the Common Elements for the storage of any materials whatsoever, except as authorized by the Council.

C. A Unit Owner shall have the absolute right to lease the Unit, provided the lease is made subject to the provisions of the Declaration, the Bylaws of the Council, the rules and regulations adopted from time to time by the Council, and all covenants, conditions, and restrictions of record affecting the Land.

D. No Unit Owner or other occupant of the Condominium shall post any advertisements, posters, or signs of any kind in or on the Condominium, or within any Unit which is visible from outside each Unit, except as authorized by the rules of the Council. The foregoing covenant shall not apply to the business activities, signs and billboards of the Declarant, its agents or employees during Declarant's construction and sales period.

E. No drapes, blinds, shutters, shades, screens, or similar devices shall be attached to or hung in, or used in connection with, any window or door of any Unit or any portion of the Common Elements, except for white or off-white, thin-line venetian blinds as originally installed in Units by Declarant, and except for drapes backed in white or off-white to match such venetian blinds. These drapes and venetian blinds may not be removed (except for replacement) and the color may not be changed, without the prior written consent of the Council. The Council may establish reasonable and uniform regulations permitting the placement and maintenance of such types and colors of drapes, blinds, shades, screens or shutters as are aesthetically suitable and appropriate to the design and function of the Condominium.

F. No noxious or offensive activity shall be carried on in any Unit or any portion of the Common Elements, nor shall anything be done or be permitted to remain in any Unit or appurtenance which may be or become a danger, nuisance or

annoyance to any other Unit Owner. Owners and occupants of the Condominium shall exercise care not to disturb other occupants in the reasonable use of their Units.

G. Nothing shall be hung or shaken from or spread upon any window, porch, stoop or exterior portion of a Unit, or in or upon a Common Element.

H. All garbage and trash must be deposited in receptacles which shall not be permitted to remain in public view. If receptacles are provided by the Council for the collection of trash and garbage, such receptacles must be utilized.

I. No animal shall be kept or maintained in any Unit without the written consent of the Council.

J. No alteration or addition ~~to the exterior of a Unit or appurtenance shall be made without the prior written approval of the Council.~~

K. No Unit Owner shall install any electrical or telephone wire, television antenna, air conditioning unit, or similar equipment on the exterior of any Unit in such a fashion that it protrudes through the roof or any wall or window of a Unit, without the prior written approval of Council.

L. No Unit Owner shall alter or paint the exterior of any Unit, including Unit doors, without the prior written approval of the Council.

M. Parking by Unit Owners, tenants, employees and invitees on the Common Elements shall be according to the rules of the Council.

N. Notwithstanding any provisions contained herein to the contrary, it shall be expressly permissible for the Declarant, its agents or employees, to maintain, during the period of construction and sale of the Units, upon such portion of the Condominium as the Declarant may deem necessary, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the construction and sale of Units, including, without limitation, a storage and construction yard, signs, models, and construction equipment, and a sales or business office.

O. The Council, or any Unit Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges imposed by this Declaration or the Exhibits hereto, or hereafter imposed by an amendment thereto. Failure by the Council or by any Unit Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter, and the invalidation of one or more of the restrictions, conditions, covenants, or reservations herein shall not affect the right to enforce the remaining restrictions.

#### XI. MANAGEMENT:

A. Establishment of Assessments. At its first annual meeting, the Council shall adopt an annual budget,

establish an annual assessment, and commence collecting the annual assessment in monthly installments from the Unit Owners to provide for the maintenance of the Common Elements and the payment of other common expenses. Monthly assessment payments shall commence on the first day of the month following the month of the first annual meeting. Assessments made by the Council shall be in amounts sufficient to meet the Council's estimate of expenses set forth in an operating budget, including expenses necessary for management, operations and maintenance, reserves required by this Declaration, and all other common expenses. In the event the initial assessment or any subsequent assessments shall prove to be insufficient to meet the actual operating expenses and the reserve funds established pursuant to paragraphs C and D hereunder, the Board of Directors of the Council shall have the right and obligation to enact a new schedule of assessments to eliminate such insufficiency. If at any time the Unit Owner of a condominium Unit fails to pay his monthly assessment, as provided in the Bylaws, the Council will initiate appropriate action to collect the assessment.

**B. Liability for Assessments.**

1. The assessments and other charges imposed by the Council, in accordance with the provisions of this Declaration and the Bylaws, shall constitute a lien upon each Unit superior to all other liens, other than liens for real estate taxes, and liens of mortgages or deeds of trust on Units recorded prior to the recordation of a statement of condominium lien pursuant to section 11-110 of the Act, and liens or assessments arising pursuant to instruments recorded among the Land Records of Howard County prior to the date of this Declaration. Each Unit Owner shall be personally liable for all such assessments and other charges imposed by the Council which may be due but unpaid at the time he acquires a Unit and for which a Statement of Condominium Lien has been recorded, and each Unit Owner shall be personally liable for all assessments, or installments thereof, coming due while he is the Owner of a Unit. The Council may impose a penalty, which may include all costs of collection, reasonable attorneys' fees, and interest, upon any assessment not paid when due.

2. No Unit Owner may exempt himself from liability for payment of assessments, or for the cost of the maintenance and operation of the Common Elements, by the abandonment of his Unit or of the Common Elements.

3. Until the first annual meeting of the Council of Unit Owners, there shall be no assessment upon any Unit of the Condominium. In lieu of such assessment, the Declarant hereby agrees to pay for all operating and maintenance expenses of the Condominium until the first annual meeting. In consideration of such promise, and in lieu of an annual assessment payable monthly, each Unit Owner hereby covenants and agrees to reimburse the Declarant for the Unit Owner's proportionate share of the reasonable common costs and expenses incurred by the Declarant in operating and maintaining the Condominium. Said payment shall be made on the first day of each and every month in accordance with a schedule of charges to be established by Declarant prior to the sale and conveyance of the first unit to a member of the general public. During the period when the Declarant is paying all operating expenses of

the Condominium and is entitled to reimbursement, the reimbursement payments shall constitute a lien on each Unit as provided for in Paragraph XI E hereof, which lien shall be enforceable by Declarant

C. Reserve Fund. The Council shall, at its first annual meeting, establish and commence maintaining a reserve fund for the purpose of effecting replacement of structural elements and mechanical equipment of the Condominium, excluding, however, all appliances and accessories belonging to a Unit. Payments into the reserve fund shall be made monthly, commencing with an initial payment on the first day of the first month following the month of the first annual meeting.

D. General Operating Reserve Account. In addition to the reserve fund, the Council shall, at its first annual meeting, establish and maintain a general operating reserve account and shall pay quarterly thereafter into such account a sum equivalent to not less than three percent (3%) of the total annual assessments chargeable to the Unit Owners in the Condominium. The obligation to make payments into the general operating reserve account shall begin as of the first day of the first month following the first annual meeting. Upon accrual in the said general operating reserve account of an amount equal to twenty-five percent (25%) of the current annual amount of assessments chargeable to the Unit Owners, the quarterly deposits may, by appropriate action of the Council, be discontinued and no further deposits need be made into such general operating reserve account so long as the twenty-five percent (25%) level is maintained, and provided further that upon such reduction below such twenty-five percent (25%) level, the quarterly deposits shall forthwith be made at the three percent (3%) rate until the twenty-five percent (25%) level is restored. The general operating reserve escrow account shall remain in a special account segregated from the other funds of the Council and shall at all times be under the control of the Council. The general operating reserve account as herein provided is intended to provide a measure of financial stability during periods of special stress and may be used to meet deficiencies from time to time as a result of delinquent assessments from Unit Owners and for other contingencies. Reimbursement shall be made to the account upon the payment of delinquencies for which funds were withdrawn from the account:

E. Special Assessments. The Council may at any time levy special assessments for the purpose of defraying the cost of any unexpected repair or other non-recurring contingency, or to pay for any capital improvement, or to meet any deficiencies incurred in the operation and maintenance of the Condominium. Special assessments for construction of new capital improvements (e.g., not involving repair or replacement of the existing portions of the Condominium) which cost in the aggregate in any one year more than twenty thousand dollars (\$20,000), must be approved by Unit Owners having seventy-five percent (75%) of the votes in the Council.

F. Books and Documents. All of the books and documents of the Council and all of its property shall be subject to inspection and examination by the Unit Owners and Secured Parties (as hereinafter defined) or their duly authorized agents, at all reasonable times. The Council shall maintain operating reports, certified financial reports and copies of minutes of all meetings of the Council, its Board of Directors and committees.

XII. PROVISIONS FOR PROTECTION OF SECURED PARTIES

A. Secured Parties. The Council shall maintain a file of persons or entities who are beneficiaries or holders of first deeds of trust or first mortgages on Units within the Condominium ("Secured Parties"). Secured Parties shall also include any governmental agency or private entity that has insured or acquired an interest in such a first deed of trust. This file shall include the name of the borrower, name and address of the Secured Party, the legal description of the Unit encumbered by the mortgage or deed of trust, and recording information concerning the instrument of encumbrance. All Unit Owners who mortgage their Units shall promptly provide the foregoing information to the Council.

B. The Council shall provide the following notices to all Secured Parties:

1. Written notification thirty (30) days prior to the date of any meeting of the Council or the Board of Directors to consider any proposed change in the Declaration, Bylaws, or Plat, or any proposed change in the manager of the Condominium.

2. If requested by a Secured Party, written notification of any default in payment of assessments, fees or charges due by the Owner of the mortgaged Unit which is not cured within thirty (30) days from its due date.

3. Written notification if a Unit or any portion of the Common Elements becomes subject to a condemnation or eminent domain proceeding.

4. Written notice, with a right to attend, of all annual meetings of the Council.

C. A Secured Party who acquires title to a Unit by foreclosure of a first mortgage or first deed of trust, or sale or transfer of title in lieu of foreclosure, shall take title to the Unit free of any claims or liens for unpaid assessments or charges against the Unit which accrued prior to the time the Secured Party acquired title to such foreclosed Unit, except for claims or liens for a pro rata reallocation of such assessments or charges to all Units, including the foreclosed Unit.

D. Unless all Secured Parties have given their prior written approval, the Council shall not, except as provided in this Declaration:

(1) by act or omission, seek to abandon or terminate the condominium regime;

(2) change the pro rata interest or obligations of any Unit for purposes of (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of ownership of each Unit in the Common Elements;

(3) partition or subdivide any Unit;

(4) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements



(provided, however, that the granting of easements . . . public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium shall not be deemed a transfer within the meaning of this clause);

(5) use hazard insurance proceeds for losses to the Condominium (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such improvements; or

(6) fail to utilize professional management for the Condominium.

E. Notwithstanding any other provision of this Declaration, no provision of this Declaration or the Bylaws shall be construed to grant to any Unit Owner, or to any other party, any priority over any rights of any Secured Party pursuant to their mortgages in the case of the distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Units or the Common Elements or any portions thereof.

F. Failure by a Unit Owner to cure a default in payment of dues, fees, or other payments due to the Council within thirty (30) days of written notice of such default shall, in addition to any and all other rights and remedies of the Council, allow the Secured Party, at its option, to accelerate the payment of the indebtedness secured by the Unit.

G. Violation. Upon a violation by the Council of any of the provisions of this Declaration or the Bylaws, a Secured Party may give written notice of such violation to the Council by certified mail. If the violation is not corrected to the satisfaction of the Secured Party within fifteen (15) days after the date such notice is mailed or within such additional period of time as is set forth in the notice, the Secured Party may, without further notice, declare a default under this Declaration and may apply to any state or federal court for specific performance, injunctive relief, or damages arising from the violation of the Declaration, and may seek such other relief as may be appropriate.

### XIII. MAINTENANCE, REPAIR AND INTERNAL CHANGES OF UNITS.

A. Every Unit Owner must promptly perform all maintenance and repair work within his own Unit which, if omitted, would result in harm or damage to the Common Elements or other Unit Owners.

B. All the repairs of internal installations within a Unit serving such Unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps, as well as repairs of all other accessories belonging to a Unit shall be at the Unit Owner's individual expense.

C. A Unit Owner shall reimburse the Council for any expenditures incurred in excess of insurance proceeds in repairing or replacing any Common Element damaged through his negligence or failure to promptly perform all maintenance and repair work within his Unit, or which is his responsibility.

D. A Unit Owner shall not make structural modifications or structural alterations to his Unit without first obtaining the prior approval of the Council in writing, which approval shall not be unreasonably withheld. The Council shall have the obligation to approve or disapprove a request for approval within thirty (30) days after such request is received by the President or the Board of Directors of the Council, and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration, which may then be completed in accordance with the submitted proposals as if Council's consent had been given, subject, however, to the rights of any mortgagee of the Unit. In no event, however, shall any alteration or modification be made which could adversely affect the structural integrity of the Condominium. The Council may adopt reasonable rules governing the construction to be performed by the Unit Owner so as to protect other Unit Owners from unreasonable interference.

#### XIV. INSURANCE.

A. The Council shall obtain and maintain at all times insurance against loss by fire, with an endorsement for extended coverage and additional extended coverage, including vandalism and malicious mischief, windstorm, and other hazards covered by such extended coverage endorsements, for the full insurable replacement cost of the Condominium, based on the then existing and applicable building code requirements, as determined in accordance with the appraisal of a qualified appraiser appointed from time to time by the Council for this purpose, with no more than three (3) years between appraisals. The policy or policies of insurance shall contain a "condominium property endorsement" for each Unit Owner and for the lender or lenders having first mortgages or deeds of trust upon any Unit or Units, or upon all or part of the Common Elements.

B. The insurance shall meet the following criteria:

1. All policies shall be written with a company licensed to transact business in the State of Maryland and holding a financial size rating of "X" or larger and a policy holder's rating of at least "A", in Best's Key Rating Guide, Property - Casualty Reports or comparable ratings in any successor thereto;

2. The Council or its designee shall have the exclusive authority to adjust losses under the insurance policies, with the consent and approval of the Secured Party or Parties (if any) having a security interest in any damaged Unit or Common Element;

3. In no event shall the insurance coverage obtained and maintained by the Council be brought into contribution with insurance purchased by individual Unit Owners or Secured Parties;

4. Each Unit Owner may obtain additional insurance at his own expense upon his Unit, provided that no Unit Owner shall maintain insurance coverage which will decrease the amount which the Council may realize under any insurance policy which it may have in force on the Condominium at any particular time. Each Unit Owner shall file with the

Council a copy of each individual policy of insurance purchased by the Unit Owner within thirty (30) days after its purchase. Each Unit Owner shall also notify the Council of all improvements made by him to his Unit having a value in excess of \$1,000.00;

5. The insurance carrier shall waive subrogation as to any claim or claims against the Council, its agents or employees, the Unit Owners and their respective agents, employees, and guests, other than independent contractors;

6. Each of the policies of insurance obtained by the Council shall contain provisions (i) that they may not be cancelled, invalidated or suspended on account of the conduct of one or more of the individual Unit Owners; (ii) that they may not be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Council without prior demand in writing that the Council cure the conduct of such officer or employee with appropriate time to effect such cure; and (iii) if the Council fails to cure the conduct of the officer or employee within the allotted time, the policies may still not be cancelled, accepted for surrender, or substantially modified without at least thirty (30) days prior written notice to the insured parties, including all Secured Parties and Unit Owners;

7. Provision shall be made for the issuance of a certificate of insurance to each Unit Owner and Secured Party, if any, if requested, which shall specify the proportionate amount of fire and extended coverage insurance attributable to the Unit in question.

C. The Council in its sole discretion may from time to time designate not less than three Unit Owners or an attorney licensed to practice in the State of Maryland, or a bank or trust company authorized to do business in the State of Maryland, as an Insurance Trustee. The Council shall be responsible for fees and expenses of the Insurance Trustee which shall constitute a common expense of the Condominium. The Insurance Trustee shall be empowered to employ the services of an architect, appraiser and building estimator in carrying out his responsibilities.

D. The Council shall also obtain and maintain a public liability insurance policy covering all Common Elements and all damage or injury caused by the negligence of the Council or any of its agents or employees, including the Manager, which policy limit shall be at least One Million Dollars (\$1,000,000.00) single limit as respects bodily injury and property damage. The Council shall be empowered to obtain and maintain such additional insurance, in such amounts, as it deems prudent, including fidelity coverage against dishonest acts on the part of persons handling funds belonging to the Council, and shall maintain workmen's compensation insurance as required by law for employees of the Council, if any.

E. The premiums for insurance coverage shall be a common expense of the Condominium to be paid by monthly assessments levied by the Council against each of the Unit Owners in accordance with their respective Percentage Interest; provided, however, that during the period when Declarant is paying the operating expenses of the Condominium pursuant to

Article XI hereof, the initial purchaser of a Unit shall reimburse the Declarant at closing for such Unit's pro-rata portion of annual premiums paid by Declarant, adjusted between the Declarant and Unit purchaser as of the closing date.

F. All insurance policies procured for the Condominium shall provide that coverage shall not be prejudiced by (a) any act or neglect of the Unit Owners when such act or neglect is not within the control of the Council, or (b) a failure of the Council to comply with any warranty or condition with regard to any portion of the premises over which the Council has no control. All policies shall provide coverage that 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 insured parties named thereon, including Secured Parties. All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Council, any Unit Owner and/or their respective agents, employees or tenants and of any defenses based upon co-insurance or upon invalidity arising from the acts of the insured.

XV. REPAIR OR RECONSTRUCTION.

A. If less than two-thirds (2/3rds) of the then replacement cost of the Condominium shall be damaged by fire or any other disaster, then the Condominium shall be rebuilt or repaired. If such damage shall affect more than two-thirds (2/3rds) of the Condominium, then reconstruction shall not be compulsory without the unanimous consent of all of the Owners.

B. Any reconstruction or repair of the Condominium, including any Unit located therein, shall be substantially in accordance with the Declaration and the original plans and specifications for the Condominium unless the Owners shall unanimously decide otherwise.

C. Each Owner shall be responsible for the reconstruction, repair or replacement of the interior of his Unit, including but not limited to the floor coverings, wall coverings, window shades, draperies, interior walls, furniture, furnishings, decorative light fixtures, ceilings, and all appliances located therein. Each Owner shall also be responsible for the costs, not otherwise covered by insurance carried by the Council, of any reconstruction, repair or replacement of any portion of the Condominium necessitated by his negligence or misuse or the negligence or misuse by his guests, agents, employees or contractors. In the event that damage to all or any part of the interior of a Unit is covered by insurance held by the Council for the benefit of a Unit Owner, then such Owner shall begin reconstruction or repair of such damage upon receipt of the insurance proceeds or any portion thereof from the Council, subject to the rights of the Council to supervise, approve or disapprove such reconstruction or repair during the course thereof. In the event that damage to all or any part of the interior of an Owner's Unit is not covered by insurance held by the Council for the benefit of such Owner, then such Owner shall begin reconstruction or repair of his Unit within sixty (60) days after the date of such damage, subject to the right of the Council to supervise, approve or disapprove such reconstruction or repair during the course thereof.

Responsibility for the repair or reconstruction of part, all shall be governed by the provisions of Article III B hereof.

D. As soon as possible after the occurrence of a casualty which causes damage to any part of the Condominium for which the Council has insurance coverage (hereinafter referred to as the "Casualty"), the Council shall obtain reliable and detailed cost estimates of the following:

(a) The cost of restoring all damage caused by the Casualty to the Common Elements (hereinafter referred to as the "Common Element Costs"); and

(b) The cost of restoring that part of the damage caused by the Casualty to each Unit which is or would be covered by insurance held by the Council without regard to the policy limits of such insurance (hereinafter referred to as the "Unit Costs").

All insurance proceeds available to the Council with respect to the Casualty shall be held by the Insurance Trustee and shall first be applied to the payment of the actual Common Element Costs and the balance thereof, if any, shall thereafter be applied to the payment of the actual Unit Costs. However, if such insurance proceeds are not sufficient to cover such estimated costs, then an assessment shall be made against the Owners by the Council in the following manner:

(i) All Owners shall be assessed on the basis of their Percentage Interest for the payment of the estimated Common Element Costs not otherwise paid for by insurance held by the Council.

(ii) Each Owner of a damaged Unit shall be assessed an amount equal to the difference between his estimated Unit Costs and a sum calculated by multiplying the amount, if any, of the remaining insurance proceeds held by the Council with respect to the Casualty by a fraction, the numerator of which is his estimated Unit Costs and the denominator of which is the total of all of the estimated Unit Costs.

XVI. EMINENT DOMAIN: In the event of any taking of any Unit in the Condominium by eminent domain, the Owner and the Secured Party of such Unit shall be divested of all interest in the Condominium if such Owner shall vacate his Unit by virtue of such taking. If any repair or rebuilding of the remaining portions of the Condominium is required as a result of such taking, a majority of the remaining Owners shall determine by vote or written consent whether to rebuild or repair the Condominium or to take such other action as such remaining Owners deem appropriate. If no repair or rebuilding shall be required or shall be undertaken, the remaining portion of the Condominium shall be resurveyed and the Declaration and Plat shall be amended to reflect such taking and to proportionately readjust the percentages of ownership of the remaining Owners based upon a continuing total ownership of the Condominium Project of one hundred percent (100%).

XVII. AMENDMENT OF DECLARATION: This Declaration may be amended only upon the written consent of all Unit Owners and

all holders of mortgages or deeds of trust on Condominium Units. Such amendment shall be effective only upon the recordation of the amendment among the Land Records of Howard County, Maryland.

XVIII. EXISTING COVENANTS AND CONDITIONS. This Declaration is recorded, and the Condominium is established, subject to the operation and effect of all covenants, conditions and restrictions recorded prior to the date hereof, including, but not limited to the General and Special Covenants of the Twin Knolls South Commercial Area and the Deed, Agreement and Declaration dated December 13, 1966, by and between the Columbia Park and Recreation Association, Grantor, and C. Aileen Ames, Grantee, recorded among the Land Records of Howard County, Maryland in Liber 463, Folio 158.

WITNESS the following signature and seal:

CENTENNIAL CONTRACTORS, INC.

By: [Signature]  
President

(Corporate Seal)  
ATTEST:

June 11, 1981

By: [Signature]  
Secretary

STATE OF ~~MARYLAND~~ <sup>VIRGINIA</sup> )  
COUNTY OF HOWARD ) ss:

I, the undersigned Notary Public in and for the State and County aforesaid, do hereby certify that Peter Scamardo and Patricia R. Scamardo, whose names, as President and Secretary, respectively of CENTENNIAL CONTRACTORS, INC., are signed to the foregoing Declaration bearing date on the 11<sup>th</sup> day of June, 1981, have acknowledged the same before me in my County and State aforesaid to be the act and deed of said corporation.

GIVEN under my hand and seal this 11<sup>th</sup> day of June, 1981.

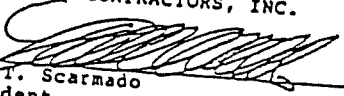
[Signature]  
Notary Public

My Commission expires: 4/12/85

AFFIRMATION OF DEVELOPER

I hereby affirm under penalty of perjury that the notice requirements of Section 11-102 of the Real Property Article, if applicable, have been fulfilled.

CENTENNIAL CONTRACTORS, INC.

By:   
Pete T. Scarmado  
President