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BY-LAWS OF HANLON PARK CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

PLAN OF UNIT OWNERSHIP

Section 1. Unit Ownership. The project located in Baltimore City, Maryland, known as "Hanlon Park Condominium", (hereinafter referred to as the "Condominium") is submitted to the provisions of the Maryland Condominium Act of the State of Maryland (Title 11 of the Real Property Article of the Annotated Code of Maryland) (hereinafter referred to as the "Act"). The name of the Corporation is Hanlon Park Condominium Association, Inc. (hereinafter referred to as the "Association").

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium and the Association. (The term "Condominium" as used herein shall include the land, as well as the improvements thereon.) Except as otherwise provided, all terms used herein shall have the meanings accorded them in the Declaration.

Section 3. Personal Application. All present or future unit owners, tenants, or their employees, or any other person that might use the facilities of the Condominium in any manner, are subject to the regulations set forth in these By-Laws.

The mere acquisition or rental of any of the condominium units (hereinafter referred to as "units") of the Condominium or the mere act of the occupancy of any of said units will signify that these By-Laws are accepted, ratified, and will be complied with.

ARTICLE II

VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting. The number of votes to which the owner of a unit is entitled is the number of votes assigned to the unit in the Declaration.

Section 2. Majority of Owners. As used in these By-Laws the term "majority of owners" shall mean those unit owners holding more than fifty percent (50%) of the votes in accordance with the vote assignments made in the Declaration.

Section 3. Quorum. Except as otherwise provided in these By-Laws, a quorum is deemed present throughout any meeting of the Hanlon Park Condominium Association, Inc. (hereinafter referred to as the "Association") if persons entitled to cast 25 percent of the total number of votes appurtenant to all units are present in person or by proxy.

Section 4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary at or before the appointed time of each meeting. By written notice to the Secretary, a proxy may be revoked at any time at the pleasure of the unit owner or unit owners executing the proxy. No proxy shall be effective for more than one meeting, and any postponements thereof, unless the proxy shall state some longer period of duration, which in any event shall not exceed 180 days following its issuance, unless granted to a mortgagee or an authorized tenant. Such proxy shall also become void when the Secretary has received written notice, given by a responsible person who would have personal knowledge of the fact, of the death or judicially declared incompetence of the grantor of such proxy or of the recording of the transfer of title to the unit from the grantor of such proxy. In no case may any unit owner (except the Grantor, the Management Agent or any mortgagee) cast more than one vote by proxy in addition to his own vote. A proxy who is not appointed to vote as directed by a unit owner may only be appointed for purposes of meeting quorums and to vote for matters of business before the Association, other than the election of members of the Board of Directors. Only a unit owner voting in person or a proxy voting for candidates designated by a unit owner may vote for members of the Board of Directors.

ARTICLE III

ADMINISTRATION

Section 1. Association Responsibilities. The owners of the units within the Condominium will constitute the Association, a body corporate under the laws of the State of Maryland. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of votes of a quorum.

Section 2. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or such other suitable place reasonably convenient to the unit owners as may be designated by the Board of Directors.

Section 3. Annual Meetings. The initial meeting of the Association shall be held within 60 days from the date that 50% of the percentage interests in the Condominium have been conveyed by the Grantor to the initial purchasers of units. Thereafter, annual meetings of the Association shall be held on the third Monday of September each year. At such meetings there shall be elected by ballot of the unit owners, a Board of Directors in accordance with the requirements of Section 5 of Article IV of these By-Laws. The unit owners may also transact such other business of the Association as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the Secretary to call a special meeting of the unit owners as directed by resolution of the Board of Directors or upon receipt of a petition signed by unit owners entitled to cast at least 25 percent of the votes entitled to be cast at the meeting. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the unit owners present, either in person or by proxy.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to deliver in person, or send by mail, a notice of each annual or special meeting, 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 10 but not more than 90 days prior to such meeting. Notice shall be delivered or mailed to each unit owner at the address shown on the Association's roster on the date of the notice. The giving of a notice in the manner provided in this Section shall be considered notice served.

Each unit owner shall furnish the Association with his name and current mailing address. A unit owner may not vote at meetings of the Association until this information is furnished.

Section 6. Additional Meetings. If any meeting of the Association cannot be organized because a quorum has not attended, the unit owners who are present, either in person or by proxy, may call for an additional meeting pursuant to §5-206 of the Corporations and Associations Article of the Annotated Code of Maryland.

Section 7. Order of Business. The order of business at all meetings of the Association shall be as follows, unless otherwise determined by the majority vote of the unit owners present in person or by proxy and voting:

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

Section 8. Rules of Order and 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 9. 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. Each inspector so appointed, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector of election at such meeting. The oath so taken shall be filed with the Secretary of the Association. No Officer or Director of the Association, and no candidate for Director, 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.

Section 10. Mailing Address. The mailing address of the Association shall be Haulon Park Condominium Association, Inc., c/o 3305 Liberty Heights Avenue, Baltimore, Maryland 21215 or such other address as the Association or Board of Directors may from time to time designate by written notice to the unit owners and the mortgagees.

#### ARTICLE IV

##### BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of three persons. Prior to the first annual meeting of the Association, none of the Directors need be a unit owner or an officer or agent of a corporate unit owner. Commencing with and following the election of Directors held at the first annual meeting of the Association, each Director shall be a unit owner, either in his own name, or as a joint tenant, tenant in common, tenant by the entirety or co-partner if his unit is held in a real property tenancy or partnership relationship, or shall be an officer or agent of a corporate unit owner, provided, however, that for each unit owned, not more than one such tenant, co-partner, officer or agent of the unit owner holding title to the unit shall be qualified to serve as a Director. The number of Directors fixed by these By-Laws may, by the vote of a majority of owners, be increased to not more than seven (7), but never decreased below three (3).

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the unit owners.

Section 3. Other Duties. In addition to duties imposed by these By-Laws or by the resolutions of the Association, the Board of Directors shall be responsible for the following:

- (a) Care, upkeep and surveillance of the general common elements.
- (b) Collection of monthly assessments from the unit owners.
- (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the Property, including the general common elements.

Section 4. Management Agent. The Board of Directors may employ for the Association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article.

Section 5. Nomination, Election and Term of Office.

(a) On or before June 1 of each year, the Board of Directors shall appoint a nominating committee, comprised of five (5) unit owners, and shall promptly notify the Secretary of the Association, in writing, of the names of the committee members. This nominating committee shall, at least forty-five (45) days prior to the annual meeting of the Association, nominate not less than such number of candidates for membership on the Board as may be required to be filled through election at such annual meeting, and forthwith submit its nominations to the Secretary of the Association. The Secretary shall, at least thirty (30) days prior to the election, mail notice to the unit owners, in writing, of the names and addresses of the nominees submitted by the nominating committee for membership on the Board. The decision of a majority shall be reported as the decision of the nominating committee.

(b) In addition to nominations made by the nominating committee for membership on the Board of Directors, as aforesaid, nominations may be made by unit owners in the following manner: at least fifteen (15) days prior to any annual meeting of the Association, a unit owner may nominate himself or any other unit owner as candidates for membership on the Board to be filled through election, provided all nominations are reduced to writing and are accompanied by the written acceptance or acceptances of the nominee or nominees so nominated; and provided further that original copies of such nominations and such acceptances are filed with the Secretary of the Association by said date.

(c) At the first annual meeting of the Association, three (3) Directors shall be elected. The term of office of one (1) such Director shall be fixed for three (3) years, the term of office of one (1) such Director shall be fixed at (2) years, and the term of office of one (1) such Director shall be fixed at one (1) year. At the expiration of the initial or other term of office of each 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 hold their first meeting.

(d) Election materials prepared with funds of the Association, and ballots used in the election of the Board of Directors, shall list the candidates in alphabetical order, with no indicated candidate preference.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than increase in the number of Directors or the removal of a Director by vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and any vacancy on the Board of Directors by reason of an increase in the number of Directors may be filled by a majority vote of the entire Board of Directors, and in each case, each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

Section 7. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by a majority of 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 8. Notice of Meeting. The Association shall maintain a current roster of names and addresses of each unit owner to which notice of meetings of the Board of Directors shall be sent at least annually.

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

Section 10. Regular Meetings. Regular meetings of the Board of Directors shall 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 three (3) 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 to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) 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 two (2) Directors.

Section 12. Waiver of Notice. Before or at 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 shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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

Section 14. How Board Meetings to be held.

(a) A meeting of the Board of Directors may be held in closed session only for the following purposes:

- (1) Discussion of matters pertaining to employees and personnel;
- (2) Protection of the privacy or reputation of individuals in matters not related to the Association's business;
- (3) Consultation with legal counsel;
- (4) Consultation with staff personnel, consultants, attorneys, or other persons in connection with pending or potential litigation;
- (5) Investigative proceedings concerning possible or actual criminal misconduct;
- (6) Complying with a specific constitutional, statutory or judicially imposed requirement protecting particular proceedings or matters from public disclosure; or
- (7) On an individually recorded affirmative vote of 2/3 of the Board members present, for some other exceptional reasons so compelling as to override the general public policy in favor of open meetings.

(b) If an meeting is held in close session under subsection (a):

- (1) An action may not be taken and a matter may not be discussed if it is not permitted by subsection (a); and

(2) A statement of the time, place and purpose of any closed meeting, the record of the vote of each Board member by which any meeting was closed and the authority under this Section for closing any meeting shall be included in the minutes of the next meeting of the Board of Directors.

Section 15. Compensation. Except for the Association's initial Directors, and any of their successors elected prior to the Organization and First Meeting of the Association, no compensation shall be paid to Directors for their services as Directors. After the Organizational and First Meeting of the Association, no remuneration shall be paid to any Director who is also a unit owner for services performed by him 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.

#### ARTICLE V

##### OFFICERS

Section 1. Designation. The principal Officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint an assistant treasurer, and an assistant secretary, and such other Officers as in their judgment may be necessary.

Section 2. Election of Officers. The Officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board. A unit owner may nominate himself or any other unit owner to be an Officer.

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 called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association 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 an association, 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 Association.

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 of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; he shall count votes at all regular and special meetings of the Association and Board of Directors, and he shall, in general, perform all the duties incident to the office of Secretary.

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



## ARTICLE VI

## LIABILITY AND INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Limitation of Board of Director's Liability. Subject to the Corporations and Associations Article of the Annotated Code of Maryland, the Board of Directors and the members thereof in their capacity as such members and/or Officers: (a) shall not be liable for the failure of any service to be obtained and paid for by the Board of Directors hereunder, or for injury or damage to persons or property caused by the elements or by another unit owner or person on the Property, or resulting from electricity, water, rain or dust which may leak or flow from the outside or from any parts of any of the units, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless caused by willful misconduct or gross negligence of the Board of Directors; (b) shall not be liable to the unit owners as a result of the performance of their duties for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or gross negligence; (c) shall have no personal liability in contract to a unit owner or any other person or entity under any agreement, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Board of Directors or the unit owners in the performance of their duties, except to the extent that such Officers or Directors may also be unit owners; and the Association shall indemnify and forever hold each such Officer and Director free and harmless against any and all liability to others on account of any such contract or commitment; (d) shall have no personal liability in tort or otherwise to a unit owner or any other person or entity direct or imputed, by virtue of actions performed by them, except for their own individual willful misconduct or gross negligence in the performance of their duties or acts performed for them; and (e) shall have no personal liability arising out of the use, misuse or condition of the Property, or which might in any other way be chargeable against or imputed to them as a result or by virtue of their performance of their duties except for their own individual willful misconduct or gross negligence.

Section 2. Indemnification of Board Members. Subject to the Corporations and Associations Article of the Annotated Code of Maryland, each member of the Board of Directors in his capacity as a member thereof and/or Officer and his heirs, executors and administrators shall be indemnified by the unit owners against all expenses and liability, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or Officer of the Board of Directors, or any settlement thereof, whether or not he is a member of the Board and/or Officer at the time such expenses are incurred, except in such cases wherein the Board member and/or Officer is adjudged guilty of gross negligence or willful misconduct in the performance of his duties; provided, that in the event of a settlement, the indemnification shall apply only if and when the Board of Directors (with the affected member abstaining) acting upon advice of legal counsel, approves such settlement and reimbursement as being in the best interests of the unit owners. The indemnification by the unit owners set forth in this Section 2 of this Article VI shall be paid by the Board of Directors on behalf of the unit owners and shall constitute a common expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any rights to which such Board member and/or Officer may be entitled as a matter of law or agreement or vote of unit owners or of the Board of Directors or otherwise.

Section 3. Common or Interested Directors. The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Association. No contract or other transaction between the Association and one or more of its Directors, or between the Association and any corporation, firm or association, including the Grantor, in which one or more of the Directors of this Association 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 at least two 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, and 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 unit owners, or a majority thereof and noted in the minutes; 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 Association 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 which authorizes, approves or ratifies any contract or transaction, and may vote there at 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.

#### ARTICLE VII

#### OBLIGATIONS OF THE OWNERS

##### Section 1. Assessments.

(a) The fiscal year of the Association shall consist of twelve (12) calendar months, commencing on January 1. Not later than sixty (60) days prior to the commencement of each fiscal year, the Board of Directors shall prepare a proposed annual budget by estimating the total common expenses required for the operation and maintenance of the Condominium during the ensuing year, including particularly, but not by way of limitation, all sums required to provide for general expenses including labor, materials, services, utilities and insurance for the operation, administration, maintenance and care of the Property and the conveniences deemed desirable to the use and enjoyment thereof, together with a reasonable amount deemed necessary by the Board of Directors as an operating reserve for contingencies and an adequate reserve for repair and replacement of capital items including the common elements, and the income necessary to provide for the common expenses, reserves and capital items and within ten (10) days thereafter, shall mail a copy of said proposed annual budget along with written notice to each unit owner stating the aggregate estimated common expenses for the coming fiscal year and such unit owner's proportionate share thereof, based on his percentage interest in the common profits and expenses. On or about the succeeding fifteenth day of December, the Board shall finally adopt the budget at an open meeting of the Board and determine and assess the common expenses, and formally levy against each unit owner his share thereof, in accordance with his percentage interest in the common profits and expenses, by noting the assessment and levy on the books of the Association and mailing a written billing to the unit owner for the sum due by him. The failure or delay of the Board of Directors to prepare an estimate or determine the common expenses for any year, or notify any unit owner of the total common expenses of the Association, or of such unit owner's proportionate share of the common expenses, shall not in any manner constitute a waiver or release of the unit owner's obligation to pay his share of the common expenses whenever the same may be determined or assessed. In the absence of an annual determination of the common expenses or a formal assessment against the unit owners, each unit owner shall continue to pay the monthly installments due by him on the first day of each month of the last fiscal year in which an assessment or levy had been made, all subject to acceleration or modification by the Board of Directors.

(b) Any expenditure contemplated to be made other than those made because of conditions which, if not corrected, could reasonably result in a threat to the health or safety of the unit owners or a significant risk of damage to the Condominium, that would result in an increase in an amount of assessments for the current fiscal year of the condominium in excess of 15% of the budgeted amount previously adopted, shall be approved by an amendment to the budget adopted at a special meeting of the Association, upon not less than ten (10) days written notice to the unit owners.

(c) The Board of Directors shall establish and maintain a reasonable reserve operating fund and an adequate reserve repair and replacement fund. Such reserves shall be deposited in a special account, but may be invested in obligations fully guaranteed as to principal by the United States of America or the State of Maryland. Reserve funds are for the purpose of defraying extraordinary expenditures not originally included in the annual determination of common expenses; making repairs and replacement to the common elements; and paying any other costs agreed upon by a majority of unit owners. All funds assessed for payment into, or otherwise credited to, the reserve operating fund or the reserve repair and replacement fund shall be deemed contributions to the capital of the Association made or to be made by the unit owners, and same shall be shown on the balance sheet and other financial records of the Association as "paid-in-surplus", or its equivalent, to the end and intent that none of the reserve funds received or retained by the Association shall be considered as income for tax purposes.

(d) If the Board of Directors at any time determines that the common expenses assessed under Paragraph (a) of this Section 1, or the reserve funds established under Paragraph (c) of this Section 1, are inadequate, or that additional funds are otherwise required for the operation and maintenance of the Condominium, it may assess subject to paragraph (b) of this Section 1, such further sums, as common expenses, as it may deem necessary and levy the same against each unit owner in accordance with his percentage interest in the common profits and expenses.

(e) Each unit owner shall be obligated to pay to the Association, or its designee, the common expenses levied against him by the Board of Directors under the provisions of Paragraphs (a) or (c) of this Section 1, and such other charges and fines as the Board of Directors levy or impose against him, as follows:

(1) The annual assessment levied under the provisions of Paragraph (a) of this Section 1 shall be paid in twelve (12) equal successive monthly installments, each installment to be equal to one-twelfth (1/12th) of the annual assessment, commencing on the first day of January of the fiscal year for which levied, and continuing on the first day of each and every succeeding month thereafter until fully paid; provided, however, that upon default in the payment of any installment of said assessment on its due date, the Association may demand payment of the remaining annual assessment coming due within that fiscal year. A demand by the Association is not enforceable unless the Association, within fifteen (15) days of the unit owner's failure to pay a monthly installment, notifies the unit owner that if the unit owner fails to pay the monthly installment within fifteen (15) days of the notice, full payment of the remaining annual assessment will then be due and shall constitute a lien on the unit as provided in these By-laws or the Declaration.

(2) Any additional assessment levied under the provisions of Paragraph (c) or (d) of this Section 1 shall be due and payable fifteen (15) days after the date of levy of such assessment and the mailing of notice thereof to the unit owners, or at such other time or times as may be provided by the Board of Directors in making the assessment.

(3) Any other charge or fine imposed by the Board of Directors shall be due and payable fifteen (15) days after the date of imposition and mailing of notice thereof to the unit owner or at such other time or times as may be provided by the Board of Directors in imposing the charge or fine, and such charge or fine shall be considered an assessment for the purposes of this Section 1, and, to the extent permitted by law, shall be enforceable in accordance herewith.

(4) There shall be imposed on any delinquent assessment or installment, a late charge of Fifteen Dollars (\$15.00) or one-tenth (1/10th) of the total amount of the delinquent assessment or installment, whichever is greater, provided the late charge may not be imposed more than once for the same delinquent payment and may only be imposed if the delinquency has continued for at least fifteen (15) calendar days.

(g) (1) Any unpaid assessment levied against any unit owner under any of the provisions of this Section 1, together with interest thereon at the highest rate allowed by law (provided that if no maximum rate is imposed by law, the rate charged shall be eighteen percent (18%) per annum), late charges, actual costs of collection, and reasonable attorney's fees, shall constitute a lien against the condominium unit of such unit owner, if a Statement of Condominium Lien is recorded within two (2) years after the date the assessment becomes due. Such lien shall be effective against the unit from and after the time a Statement of Condominium Lien, setting forth the description of the unit, the name of the unit owner and the amount and period for which due, is signed and verified by the President or Vice-President of the Association, or by the management agent, as the agent of the Association, and recorded among the Land Records of Baltimore City.

(2) The unit owner of the unit may, before recording of the lien, obtain a hearing before the Board of Directors by requesting a hearing in writing within fifteen (15) days after notice is given, if the unit owner believes the amount stated in the written notice or in the lien are erroneous, or are otherwise not due as claimed. The lien shall state that written notice of intention to file the lien, of the amount due, and of the unit owner's right to request a hearing was given to the unit owner of the unit at the address shown on the roster maintained by the Association, by or on behalf of the Association, at least fifteen (15) days in advance of recording of said lien.

(3) Such Statement of Condominium Lien shall be sufficient for the purposes hereof, if same is in substantially the following form.

STATEMENT OF CONDOMINIUM LIEN

THIS IS TO CERTIFY that (insert name of unit owner, as same appears from Land Records of Baltimore City), Owner(s) of (insert street address and unit number of unit against which lien is to be effected) in The Hanlon Park Condominium (is) (are) indebted to the condominium association in the amount of (insert amount of all unpaid assessments levied against owner of unit involved) as of (insert month, day and year as of which sum due) for (his) (her) (their) proportionate share of common expenses of the condominium for the period from (insert date), to (insert date), plus interest thereon at the rate of (insert highest rate allowed by law), a late charge of (insert amount of late charges), costs of collection, and reasonable attorney's fees.

Written notice of intention to file this Statement of Condominium Lien, of the amount due, and of the unit owner's right to request a hearing pursuant to Section 11-110(D) of the Condominium Act was give as provided in Section 11-110(D) at least fifteen (15) days in advance of the date this Statement of Condominium Lien is being submitted for recordation.

Hanlon Park Condominium Association, Inc.

BY: \_\_\_\_\_  
Officer's Title (or Agent)  
Address  
Telephone Number

I hereby affirm under penalties of perjury that the information contained in the foregoing Statement of Condominium Lien is true and correct to the best of my knowledge, information and belief.

\_\_\_\_\_  
Officer (or Agent)

(4) If there be any default in payment of the annual assessment, an additional assessment or other charges or fines, in the manner and at the time or times provided therefor in Paragraph (e) of this Section 1, and same shall continue for a period of fifteen (15) days, the Association shall have the immediate right: (i) to institute suit for collection of the sum due, with interest thereon at the highest rate allowed by law, accounting from the date of default plus late charges, actual costs of collection and reasonable attorney's fees; and (ii) to record a Statement of Condominium Lien (after notice as hereinbefore provided) against the unit of the defaulting unit owner, and proceed forthwith or at any time after recordation of the Statement, to enforce the same through sale, foreclosure, or otherwise, as permitted under the Act.

(5) By acceptance of any title to, or ownership of, his condominium unit, the unit owner shall be deemed to have expressly authorized enforcement and foreclosure of the lien of the Statement of Condominium Lien by the Association, in the same manner, and subject to the same requirements, as the foreclosure of mortgages or deeds of trust on real property in this State, containing a power of sale or an assent to a decree, or both; provided, however, that no action may be brought to enforce the lien except after mailing ten (10) days' written notice to the defaulting unit owner, by registered mail, return receipt requested, at the address of the unit owner shown on the roster or books of the Association. Suit for any deficiency following foreclosure may be maintained in the same proceeding and suit to recover a money judgment for unpaid assessments may be maintained without waiving the lien securing the same. An action may not be brought to foreclose the lien unless brought within 3 years following the recordation of the Statement of Condominium Lien.

(6) Upon any sale hereunder of a condominium unit of a defaulting unit owner, the proceeds shall be applied as follows: first, to the payment of expenses incident to such sale, including a commission to the party making the sale; second, to the payment of the cost of any painting, papering, redecorating, floor refinishing, repair or replacement which the Board of Directors deemed necessary or advisable to render the unit marketable; third, to the payment of all claims of the Board of Directors or the Association against the defaulting unit owner, whether the same shall have matured or not and fourth, the surplus, if any, to said defaulting unit owner, or to whomever may be entitled to same.

(7) The Association shall have the right both to institute suit for collection of the unpaid assessment and to enforce the lien of such assessment against the condominium unit of the defaulting unit owner, provided there be but one satisfaction of the claim.

(8) No unit owner may vote at a meeting of the Association if the Association has recorded a Statement of Condominium Lien on his unit and the amount necessary to release the lien has not been paid at the time of the meeting.

(9) The foregoing enumeration of the rights of the Association and Board of Directors is made in furtherance, and not in limitation of, the rights and remedies conferred by law upon the Association or the Board of Directors to collect the common expenses or enforce any lien against the unit of a defaulting unit owner, and is not intended, by mention of any particular right or remedy, to limit or restrict the Association or the Board, which shall have all powers and rights necessary or convenient for collection of the common expenses.

Section 2. Maintenance and Repair.

(a) Every unit owner shall perform promptly all cleaning, maintenance, repair and replacement work upon his unit and upon any limited common element where he has the obligation to clean, maintain, repair and/or replace pursuant to Section V of the Declaration, which work, if omitted, would adversely affect the Property in its entirety or in a part belonging to other unit owners, being expressly responsible for the damages and liabilities that his failure to do so may engender. If any unit owner defaults in the performance of any of his obligations under this Paragraph (a) then the Board of Directors may, but is in no

manner required to, remedy such default, subject to all applicable provisions of the Act and the unit owner responsible therefore shall pay the cost thereof, as an additional assessment, to the Association promptly upon demand.

(b) All the repairs of internal installations of the unit such as water, light, power, sewage, telephone, air conditioners, sanitary installations, doors, windows, lamps and all other accessories belonging to the unit shall be at the unit owner's expense.

(c) A unit owner shall reimburse the Association for any expenditures incurred in cleaning, maintaining, repairing or replacing any common element damaged through his fault.

Section 3. Use of Units - Internal Changes.

(a) Each unit shall be utilized for the residential or commercial purpose assigned to said unit by the Declaration.

(b) Except as provided in Paragraph (c) of this Section 3, no unit owner, except the Grantor, shall make (i) any structural addition, alteration, or improvement to his unit or to any limited common elements which he has the right to use, or (ii) any non-structural addition, alteration, improvement or decoration to or of any limited common elements which he has the right to use, including but not limited to, the addition of awnings and screens to the window units appurtenant to his unit unless and until plans and specifications, in duplicate, showing the nature, kind, shape, height, color, materials, location and approximate cost of such addition, alteration, improvement or decoration shall have been submitted to and approved in writing by the Board of Directors, which shall have the right not to approve, for good cause, any such plans or specifications which it deems unsuitable or undesirable, whether based on aesthetic or other reasons, provided, however, that if the Board of Directors fails to deny said request within sixty (60) days after receipt of a complete set of plans and specifications, such request shall be deemed approved. The Board of Directors may delegate its authority under this Paragraph (b) to an architectural committee appointed by the Board of Directors.

(c) The Board of Directors shall adopt reasonable rules and regulations pursuant to Article VII hereof establishing general standards for the making of one or more types of non-structural additions, alterations, improvements or decorations to or of the unit or limited common elements and such rules and regulations may provide that to the extent any particular addition, alteration, improvement or decoration is made in complete compliance with such general standards, such addition, alteration, improvement or decoration may be made without the submission of plans and specifications therefor to the Board of Directors and without written approval by the Board of Directors of said plans and specifications.

Section 4. Use of Certain General Common Areas and Facilities. A unit owner shall not place or cause to be placed on the sidewalks, hallways and other common elements of a similar nature any furniture, packages or objects of any kind. Such areas shall be used for no purpose other than for formal transit through them.

Section 5. Right of Entry. The Association, or its authorized designee, shall have an irrevocable right and an easement to enter units to make repairs when the repairs reasonably appear 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 Association shall make a reasonable effort to give notice to the owner of any unit to be entered for the purpose of repair. If damage is inflicted on the common elements or any unit through which access is taken, the Association is liable for the prompt repair. An entry by the Association for the purposes specified herein may not be considered a trespass.

Section 6. Rules and Regulations.

(a) It is prohibited to hang or dust rugs, etc., from the windows, or to clean rugs, etc., by beating on the exterior part of the Property.

(b) Unit owners, residents and tenants shall place their garbage and rubbish for disposal only as the Board of Directors directs.

(c) No unit owner, resident or tenant shall install wiring for electrical or telephone installation, television antennae, machines or air conditioners, etc., on the exterior of the Property or that protrude through the walls or the roof of the Property except as authorized by the Board of Directors.

(d) No noxious or offensive trade or activity shall be carried on within the Condominium or within any unit situate thereon, nor shall anything be done therein or thereon which may be or become an annoyance to the neighborhood or the other unit owners.

(e) Nothing shall be done or maintained in any unit, or upon any general or limited common elements, which will increase the rate of insurance on any unit or general or limited 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 unit or upon general or limited common elements which would be in violation of any law. No waste shall be committed upon any general or limited common elements.

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

(g) The maintenance, keeping, 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 common elements, except that this shall not prohibit the keeping of one dog or one cat and/or caged birds as domestic pets; provided that they are not kept, bred or maintained for commercial purposes; and provided further that the keeping of such dog, cat and/or caged birds will not constitute such type of noxious or offensive activity as covered in subsection (d) of this Section. All dogs must be kept inside their respective unit owner's unit and may be walked on the common elements, only on a leash. Any such domestic pet shall not exceed thirty (30) pounds in weight and its owner shall be responsible for promptly cleaning any mess made by his pet.

(h) Except for such signs as may be posted by the Grantor for promotional purposes, and signs approved by the Board of Directors for any commercial unit, no signs of any character shall be erected, posted or displayed upon, in, from or about any unit or the general or limited common elements. The provisions of this subsection shall not be applicable to the holder of any Deed of Trust or mortgage in the process of enforcing his lien by foreclosure.

(i) 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 unit or upon any general or limited common elements.

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

(k) Between 11:00 p.m. and 9:00 a.m., there shall be no loud or unusual noises; and musical instruments, radios, televisions, record players, phonographs, hi-fi sets and amplifiers shall be used in such manner as not to disturb the other unit owners, residents or tenants.

(l) All draperies, window shades and other window treatments used within a unit must present a white exterior coloration.

Section 7. Liability Insurance. The Association shall maintain comprehensive general liability insurance coverage covering all of the common elements, any commercial space which may be owned or leased by the Association, and all public ways of the Condominium. Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction, location and use. However, such coverage shall be for at least \$1,000,000 for bodily injury, including deaths of persons, and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the Association. Such policies must provide that they may not be cancelled or substantially modified, by any party without at least thirty (30) days prior written notice to the Association and to each holder of a first mortgage on any unit in the condominium which is listed as a scheduled holder of a first mortgage in the insurance policy. The owner of each unit shall be responsible for obtaining, at the sole cost and expense of such owner, insurance which covers the legal liability of such owner for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of his unit.

Section 8. Fidelity Bonds. The Association shall maintain blanket fidelity bonds for all Officers, Directors and employees of the Association and all other persons handling, or responsible for, funds, of or administered, by the Association. If a management agent has the responsibility for handling or administering funds of the Association, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. Such fidelity bonds shall name the Association as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than a sum equal to three (3) months aggregate assessments on all units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Association as a common expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Association or insurance trustee, if any.

Section 9. Utilities. Electricity is furnished to each unit through separate meters for each unit, and the owner of each unit shall promptly pay for all electricity furnished to his unit. Water and common area electricity usage are furnished to the general common elements through separate meters designed to measure the usage of the utilities which serve the general common elements, and the Association shall pay, as a common expense, the cost of the water and common area electricity used for the general common elements.

#### ARTICLE VIII

#### RULES AND REGULATIONS

Section 1. The Board of Directors may make, promulgate and enforce compliance with such reasonable rules and regulations (hereinafter called the "Rules") relative to the operation, use and occupancy of the units, the common elements and other portions of the Condominium and to amend the same from time to time as the Board of Directors shall deem necessary or appropriate, which Rules when approved by appropriate resolutions shall be binding on the unit owners, and the tenants and occupants of units.



Section 2. The Board of Directors may make and promulgate such Rules if:

(a) Each unit owner is mailed or delivered a copy of the proposed Rule, notice that unit owners are permitted to submit written comments on the proposed Rule, and notice of the proposed effective date of the proposed Rule.

(b) Before a vote is taken on the proposed Rule, an open meeting must be held to allow each unit owner or tenant to comment on the proposed Rule.

(c) The meeting may not be held unless each unit owner receives written notice at least fifteen (15) days before the meeting, and a quorum of the Board of Directors is present.

(d) The proposed Rule must be passed at a regular or special meeting of the Board of Directors by a majority vote of those present and voting of the Board.

(e) The vote on the proposed Rule shall be final unless within fifteen (15) days after the vote to adopt the proposed Rule, 15% of the Association sign and file a Petition with the Board of Directors calling for a special meeting, a quorum of the Association attends the meeting, and at the meeting, 50% of the unit owners present and voting disapprove the proposed Rule, and the unit owners voting to disapprove the proposed Rule are more than 33% of the total votes in the Association.

(f) During the special meetings held under this Section, unit owners, tenants and mortgagees may comment on a proposed Rule.

(g) A special meeting held under paragraph "a" of this Section shall be held after the unit owners and any mortgagees have at least fifteen (15) days written notice of the meeting and between fifteen (15) and thirty (30) days after the day the Petition is given by the Board of Directors to the Resident Agent for the Condominium.

Section 3. Each unit owner or tenant may request an individual exception to a Rule adopted while the individual was a unit owner or tenant of the Condominium. The request for an individual exception shall be in writing and filed with the Board of Directors within thirty (30) days after the effective date of the Rule.

Section 4. Each Rule adopted shall state that the Rule was adopted under the provisions of Section 11-111 of the Act.

Section 5. Any Rule adopted by the Board of Directors pursuant to the procedure set forth in this Article VIII may be modified or repealed by the Board of Directors pursuant to the same procedure.

#### ARTICLE IX

##### AMENDMENT TO BY-LAWS

These By-Laws may be amended by the Association at a duly constituted meeting for such purpose and no amendment shall take effect unless approved by owners representing at least sixty-six and two-thirds percent (66 2/3%) of the total votes assigned to all units in the Condominium as shown in the Declaration.

#### ARTICLE X

##### MORTGAGEES

Section 1. Notice to Association. A unit owner who mortgages his unit shall notify the Association through the Management Agent, if any, or the President of the Association in the event there is no Management Agent, of the name and address of his mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Units".

Section 2. Notices of Action. Any holder, insurer or guarantor of a mortgage, upon written request to the Association, (such request to state the name and address of such holder, insurer or guarantor and the address of the unit), will be entitled to timely written notice of:

(a) Any proposed amendment of the condominium instruments effecting a change in (i) the boundaries of any unit or the exclusive easement rights appertaining thereto, (ii) the interests in the general or limited common elements or the liability for common expenses appertaining thereto, (iii) the number of votes in the Association appertaining to any unit or (iv) the purposes to which any unit or the common elements are restricted;

(b) Any proposed termination of the condominium regime;

(c) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any unit on which there is a mortgage held, insured or guaranteed by such eligible holder;

(d) Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of fifteen (15) days;

(e) Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

#### ARTICLE XI

##### COMPLIANCE

These By-Laws are set forth to comply with the provisions of the Act and the Declaration. In case any of these By-Laws conflict with the provisions of said statute or Declaration, it is hereby agreed and accepted that the provisions of said statute or Declaration will apply.

#### ARTICLE XII

##### MISCELLANEOUS

Section 1. Failure of Board of Directors to Insist Upon Strict Performance Is No Waiver. The failure of the Board of Directors to insist in any one or more instances upon the strict performance of any of the terms, covenants, conditions or restrictions of the Condominium's Declaration, By-Laws or Rules, or to exercise any right or option therein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition, restriction, option or right, but such term, covenant, restriction, option or right shall remain in full force and effect. The receipt by the Association of any payment of Assessments from any unit owner with knowledge of the breach of any covenant of the Declaration, By-Laws or the Rules shall not be deemed a waiver of such breach, and no waiver by the Board of Directors of any provision or the Declaration, By-Laws or the Rules shall be deemed to have been made unless expressed in writing and signed by duly authorized officers of the Association.

Section 2. Captions. Captions used in the By-Laws and the table of contents, if any, are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of the Declaration or the By-Laws.

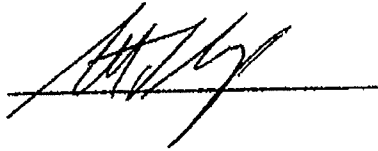
Section 3. Gender, Singular, Plural. Whenever the context so permits, the use of the plural shall include the singular and any gender shall be deemed to include all genders.

Section 4. Severability. If any provision of the By-Laws or any section, sentence, clause, phrase or word, or the application thereof in any circumstances be judicially held in conflict with the laws of Maryland, then the said laws shall be deemed controlling but the validity of the remainder of the By-Laws and the application of any such provisions, section, sentence, clause, phrase or word in other circumstances shall not be affected thereby.

WITNESS the hands of the Grantor on this 7th day of September, 1984.

WITNESS:

HFA HOMES FOR AMERICANS LIMITED  
PARTNERSHIP,  
A MARYLAND LIMITED PARTNERSHIP



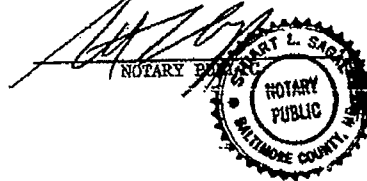
BY:   
R. DAN RITCHIE, General Partner

STATE OF MARYLAND, COUNTY OF BALTIMORE, to wit:

I HEREBY CERTIFY that on this 7th day of September, 1984, before me, the subscriber, a Notary Public for the State and County aforesaid, personally appeared R. Dan Ritchie, who acknowledged himself to be a General Partner of HFA Homes for Americans Limited Partnership, a Maryland Limited Partnership, and that he, as such General Partner, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

MY COMMISSION EXPIRES  
1 JULY 1986



RECEIVED FOR RECORD <b>SEP 10 1984</b> AT 10:00 AM M. SAME DAY RECORDED IN LIBER S.E.A. No. 275 FOLIO 2 & 8, ONE OF THE L.A. N/D RECORDS OF BALTIMORE CITY AND EXAMINED. PER _____ CLERK	148
HANSON PIERK CONDOMINIUM ASSOCIATION, INC.	FOR PLANS
BASS & DENICK, P.A. ATTORNEYS AT LAW 918 HUBBARD BUILDING BALTIMORE, MARYLAND 21202	148

CSNR # 5487 #  
 R-REC 81.00  
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 #877050 C487 R01 113+05  
 09/10/84

# Articles of Incorporation

APPROVED AND RECORDED IN THE OFFICE OF THE DEPARTMENT OF ASSESSMENTS AND TAXATION  
OF MARYLAND, SEPTEMBER 20, 1964 AT 01:15 O'CLOCK P. M. AS IN CONFORMITY  
WITH LAW AND ORDER RECORDED

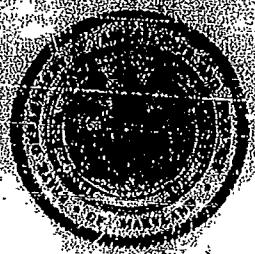
RECORDED IN LIBER *2671* FOLIO *001014* OF THE CHARTER RECORDS OF THE STATE  
DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND

BONUS TAX PAID \$ 20 RECORDING FEE PAID \$ 20 SPECIAL FEE PAID \$ \_\_\_\_\_

D1775170

TO THE CLERK OF THE CIRCUIT COURT OF BALTIMORE CITY  
IT IS HEREBY CERTIFIED THAT THE WITHIN INSTRUMENT TOGETHER WITH ALL INCORPORATIONS THEREON, HAS  
BEEN RECEIVED, APPROVED AND RECORDED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND.

AS WITNESS MY HAND AND SEAL OF THE DEPARTMENT AT BALTIMORE



A 163246

ARTICLES OF INCORPORATION

OF

HANLON PARK CONDOMINIUM ASSOCIATION, INC.

FIRST: This is to certify that the undersigned, Stuart L. Segal, whose post office address is 618 Honey Building, Baltimore, Maryland 21202, and being at least 21 years of age, is hereby forming a non-profit corporation under and by virtue of the general laws of the State of Maryland.

SECOND: The name of the corporation is HANLON PARK CONDOMINIUM ASSOCIATION, INC. (hereinafter called the "Association"). The Association shall commence business with the filing of this certificate, and have perpetual existence. The principal office of the Association will be located at 3305 Liberty Heights Avenue, Baltimore, Maryland 21215. The resident agent of the Association is R. Dan Ritchie whose post office address is 4715 Oliver Street, Riverdale, Maryland 20727. Said resident agent is a citizen of the State of Maryland and actually resides therein.

THIRD: The purpose for which the Association is formed is to provide for the operation of the condominium known as Hanlon Park Condominium (hereinafter called the "Condominium"), which Condominium was established by a Declaration and By-Laws dated September 7, 1984 and recorded among the Land Records of Baltimore City.

In the promotion of such purpose the Association shall have power:

(a) To make and establish, as provided in the By-Laws of the Condominium, reasonable rules and regulations governing the use of the Condominium, and to establish reasonable penalties for the violation thereof.

(b) To levy and collect assessments against the members to defray the common expenses of the Condominium as provided in the Declaration and in the By-Laws establishing the Condominium, including, but not limited to, the right to levy and collect assessments for the purchase of insurance on the Condominium and insurance for the protection of the Association and its members and for the purpose of acquiring, operating, leasing, managing and otherwise trading and dealing with such property, whether real or personal, including units in the Condominium which may be necessary or convenient for the operation and management of the Condominium, and in accomplishing the purposes set forth in said Declaration and By-Laws.

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(c) To maintain, repair, replace, operate and manage the common areas, including the right to reconstruct improvements after casualty and to make further improvements to the Condominium.

(d) To control the management of the Condominium and to delegate such powers and duties of the Association to such manager as may be provided for in the Declaration and By-Laws of the Association.

(e) To enforce the provisions of the Declaration, these Articles of Incorporation, the By-Laws of the Association which may be adopted, and amended from time to time, and the rules and regulations governing the use of said Condominium.

(f) To exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Association pursuant to the Declaration and the By-Laws.

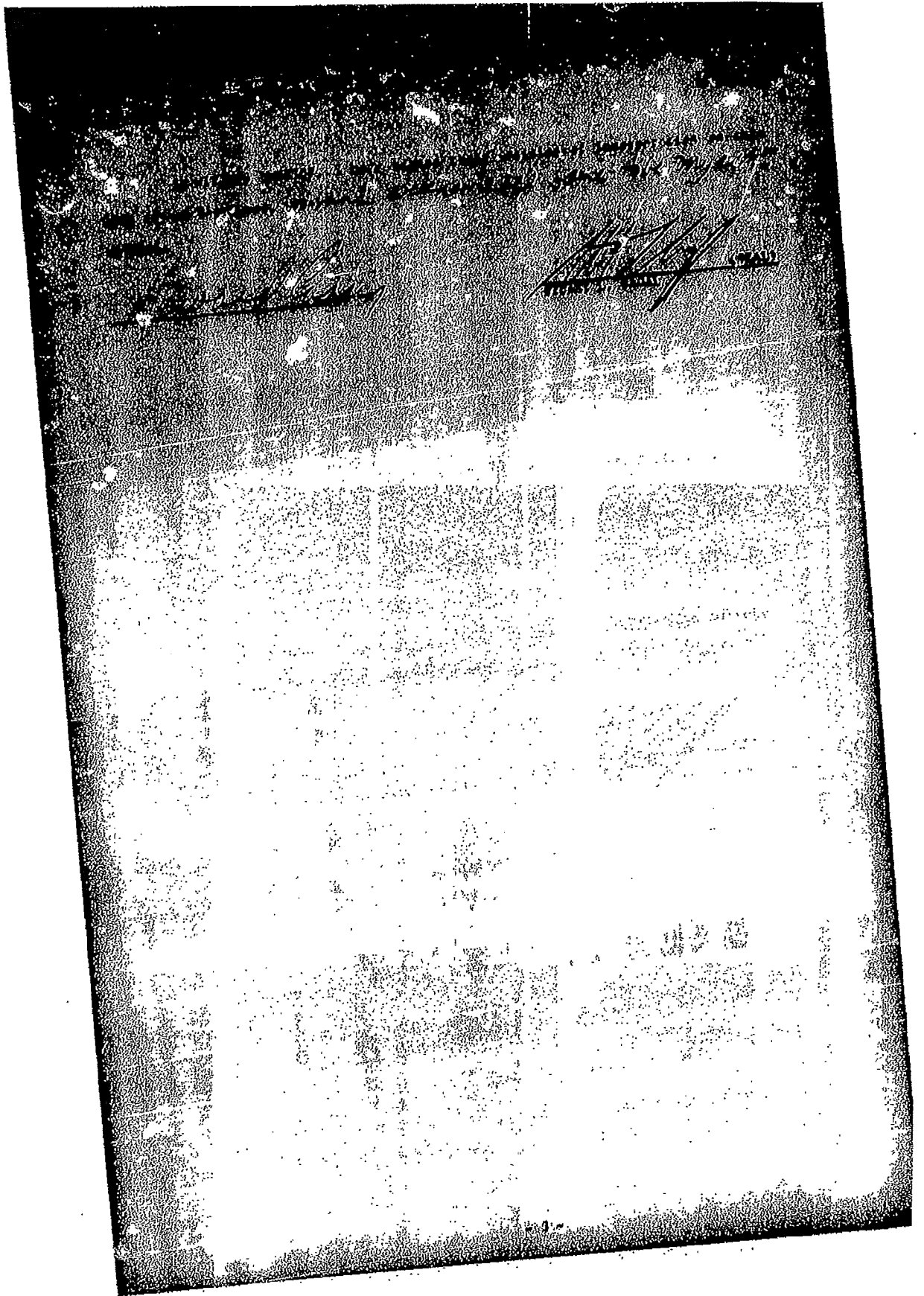
The foregoing enumeration of powers is made in furtherance, and not in limitation, of the powers conferred upon the Association by law, and is not intended by mention of any particular power to limit or restrict any lawful power to which the Association may be otherwise entitled. Subject to any limitations in this Article Third expressed, the Association shall be authorized to exercise and enjoy all powers, rights and privileges granted to, or conferred upon, corporations of a similar character by the general laws of the State of Maryland now or hereafter in force, and the power granted to a council of unit owners by the Maryland Condominium Act now or hereafter in force.

The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration and the By-Laws.

FOURTH: The number of directors of the Association shall be three (3), which number may be changed pursuant to the By-Laws of the Association, but shall never be less than three (3). The names of the directors who shall act until the first annual meeting or until their successors are duly chosen and qualify are R. Dan Ritchie, Karen L. Ritchie and Jackson F. Cronk.

FIFTH: The Association is not authorized to issue any capital stock. The membership of the Association shall consist of all the record owners, as such term is defined in the Declaration, of units now or hereafter established in the Condominium.





# By-Laws

BY-LAWS OF HANLON PARK CONDOMINIUM ASSOCIATION, INC.

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BY-LAWS OF HANLON PARK CONDOMINIUM ASSOCIATION, INC.

## ARTICLE I

## PLAN OF UNIT OWNERSHIP

Section 1. Unit Ownership. The project located in Baltimore City, Maryland, known as "Hanlon Park Condominium", (hereinafter referred to as the "Condominium") is submitted to the provisions of the Maryland Condominium Act of the State of Maryland (Title 11 of the Real Property Article of the Annotated Code of Maryland) (hereinafter referred to as the "Act"). The name of the Corporation is Hanlon Park Condominium Association, Inc. (hereinafter referred to as the "Association").

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium and the Association. (The term "Condominium" as used herein shall include the land, as well as the improvements thereon.) Except as otherwise provided, all terms used herein shall have the meanings accorded them in the Declaration.

Section 3. Personal Application. All present or future unit owners, tenants, or their employees, or any other person that might use the facilities of the Condominium in any manner, are subject to the regulations set forth in these By-Laws.

The mere acquisition or rental of any of the condominium units (hereinafter referred to as "units") of the Condominium or the mere act of the occupancy of any of said units will signify that these By-Laws are accepted, ratified, and will be complied with.

## ARTICLE II

## VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting. The number of votes to which the owner of a unit is entitled is the number of votes assigned to the unit in the Declaration.

Section 2. Majority of Owners. As used in these By-Laws the term "majority of owners" shall mean those unit owners holding more than fifty percent (50%) of the votes in accordance with the vote assignments made in the Declaration.

Section 3. Quorum. Except as otherwise provided in these By-Laws, a quorum is deemed present throughout any meeting of the Hanlon Park Condominium Association, Inc. (hereinafter referred to as the "Association") if persons entitled to cast 25 percent of the total number of votes appurtenant to all units are present in person or by proxy.

Section 4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary at or before the appointed time of each meeting. By written notice to the Secretary, a proxy may be revoked at any time at the pleasure of the unit owner or unit owners executing the proxy. No proxy shall be effective for more than one meeting, and any postponements thereof, unless the proxy shall state some longer period of duration, which in any event shall not exceed 180 days following its issuance, unless granted to a mortgagee or an authorized tenant. Such proxy shall also become void when the Secretary has received written notice, given by a responsible person who would have personal knowledge of the fact, of the death or judicially declared incompetence of the grantor of such proxy or of the recording of the transfer of title to the unit from the grantor of such proxy. In no case may any unit owner (except the Grantor, the Management Agent or any mortgagee) cast more than one vote by proxy in addition to his own vote. A proxy who is not appointed to vote as directed by a unit owner may only be appointed for purposes of meeting quorums and to vote for matters of business before the Association, other than the election of members of the Board of Directors. Only a unit owner voting in person or a proxy voting for candidates designated by a unit owner may vote for members of the Board of Directors.

ARTICLE III

ADMINISTRATION

Section 1. Association Responsibilities. The owners of the units within the Condominium will constitute the Association, a body corporate under the laws of the State of Maryland. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of votes of a quorum.

Section 2. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or such other suitable place reasonably convenient to the unit owners as may be designated by the Board of Directors.

Section 3. Annual Meetings. The initial meeting of the Association shall be held within 60 days from the date that 50% of the percentage interests in the Condominium have been conveyed by the Grantor to the initial purchasers of units. Thereafter, annual meetings of the Association shall be held on the third Monday of September each year. At such meetings there shall be elected by ballot of the unit owners, a Board of Directors in accordance with the requirements of Section 5 of Article IV of these By-Laws. The unit owners may also transact such other business of the Association as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the Secretary to call a special meeting of the unit owners as directed by resolution of the Board of Directors or upon receipt of a petition signed by unit owners entitled to cast at least 25 percent of the votes entitled to be cast at the meeting. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the unit owners present, either in person or by proxy.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to deliver in person, or send by mail, a notice of each annual or special meeting, 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 10 but not more than 90 days prior to such meeting. Notice shall be delivered or mailed to each unit owner at the address shown on the Association's roster on the date of the notice. The giving of a notice in the manner provided in this Section shall be considered notice served.

Each unit owner shall furnish the Association with his name and current mailing address. A unit owner may not vote at meetings of the Association until this information is furnished.

Section 6. Additional Meetings. If any meeting of the Association cannot be organized because a quorum has not attended, the unit owners who are present, either in person or by proxy, may call for an additional meeting pursuant to §5-206 of the Corporations and Associations Article of the Annotated Code of Maryland.

Section 7. Order of Business. The order of business at all meetings of the Association shall be as follows, unless otherwise determined by the majority vote of the unit owners present in person or by proxy and voting:

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

Section 8. Rules of Order and 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 9. 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. Each inspector so appointed, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector of election at such meeting. The oath so taken shall be filed with the Secretary of the Association. No Officer or Director of the Association, and no candidate for Director, 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.

Section 10. Mailing Address. The mailing address of the Association shall be Hanlon Park Condominium Association, Inc., c/o 3305 Liberty Heights Avenue, Baltimore, Maryland 21215 or such other address as the Association or Board of Directors may from time to time designate by written notice to the unit owners and the mortgagees.

#### ARTICLE IV

##### BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of three persons. Prior to the first annual meeting of the Association, none of the Directors need be a unit owner or an officer or agent of a corporate unit owner. Commencing with and following the election of Directors held at the first annual meeting of the Association, each Director shall be a unit owner, either in his own name, or as a joint tenant, tenant in common, tenant by the entirety or co-partner if his unit is held in a real property tenancy or partnership relationship, or shall be an officer or agent of a corporate unit owner, provided, however, that for each unit owned, not more than one such tenant, co-partner, officer or agent of the unit owner holding title to the unit shall be qualified to serve as a Director. The number of Directors fixed by these By-Laws may, by the vote of a majority of owners, be increased to not more than seven (7), but never decreased below three (3).

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the unit owners.

Section 3. Other Duties. In addition to duties imposed by these By-Laws or by the resolutions of the Association, the Board of Directors shall be responsible for the following:

- (a) Care, upkeep and surveillance of the general common elements.
- (b) Collection of monthly assessments from the unit owners.
- (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the Property, including the general common elements.

Section 4. Management Agent. The Board of Directors may employ for the Association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article.

Section 5. Nomination, Election and Term of Office.

(a) On or before June 1 of each year, the Board of Directors shall appoint a nominating committee, comprised of five (5) unit owners, and shall promptly notify the Secretary of the Association, in writing, of the names of the committee members. This nominating committee shall, at least forty-five (45) days prior to the annual meeting of the Association, nominate not less than such number of candidates for membership on the Board as may be required to be filled through election at such annual meeting, and forthwith submit its nominations to the Secretary of the Association. The Secretary shall, at least thirty (30) days prior to the election, mail notice to the unit owners, in writing, of the names and addresses of the nominees submitted by the nominating committee for membership on the Board. The decision of a majority shall be reported as the decision of the nominating committee.

(b) In addition to nominations made by the nominating committee for membership on the Board of Directors, as aforesaid, nominations may be made by unit owners in the following manner: at least fifteen (15) days prior to any annual meeting of the Association, a unit owner may nominate himself or any other unit owner as candidates for membership on the Board to be filled through election, provided all nominations are reduced to writing and are accompanied by the written acceptance or acceptances of the nominee or nominees so nominated; and provided further that original copies of such nominations and such acceptances are filed with the Secretary of the Association by said date.

(c) At the first annual meeting of the Association, three (3) Directors shall be elected. The term of office of one (1) such Director shall be fixed for three (3) years, the term of office of one (1) such Director shall be fixed at (2) years, and the term of office of one (1) such Director shall be fixed at one (1) year. At the expiration of the initial or other term of office of each 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 hold their first meeting.

(d) Election materials prepared with funds of the Association, and ballots used in the election of the Board of Directors, shall list the candidates in alphabetical order, with no indicated candidate preference.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than increase in the number of Directors or the removal of a Director by vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and any vacancy on the Board of Directors by reason of an increase in the number of Directors may be filled by a majority vote of the entire Board of Directors, and in each case, each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

Section 7. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by a majority of 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 8. Notice of Meeting. The Association shall maintain a current roster of names and addresses of each unit owner to which notice of meetings of the Board of Directors shall be sent at least annually.

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



Section 10. Regular Meetings. Regular meetings of the Board of Directors shall 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 three (3) 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 to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) 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 two (2) Directors.

Section 12. Waiver of Notice. Before or at 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 shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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

Section 14. How Board Meetings to be held.

(a) A meeting of the Board of Directors may be held in closed session only for the following purposes:

- (1) Discussion of matters pertaining to employees and personnel;
- (2) Protection of the privacy or reputation of individuals in matters not related to the Association's business;
- (3) Consultation with legal counsel;
- (4) Consultation with staff personnel, consultants, attorneys, or other persons in connection with pending or potential litigation;
- (5) Investigative proceedings concerning possible or actual criminal misconduct;
- (6) Complying with a specific constitutional, statutory or judicially imposed requirement protecting particular proceedings or matters from public disclosure; or
- (7) On an individually recorded affirmative vote of 2/3 of the Board members present, for some other exceptional reasons so compelling as to override the general public policy in favor of open meetings.

(b) If an meeting is held in close session under subsection (a):

- (1) An action may not be taken and a matter may not be discussed if it is not permitted by subsection (a); and

(2) A statement of the time, place and purpose of any closed meeting, the record of the vote of each Board member by which any meeting was closed and the authority under this Section for closing any meeting shall be included in the minutes of the next meeting of the Board of Directors.

Section 15. Compensation. Except for the Association's initial Directors, and any of their successors elected prior to the Organization and First Meeting of the Association, no compensation shall be paid to Directors for their services as Directors. After the Organizational and First Meeting of the Association, no remuneration shall be paid to any Director who is also a unit owner for services performed by him 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.

## ARTICLE V

## OFFICERS

Section 1. Designation. The principal Officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint an assistant treasurer, and an assistant secretary, and such other Officers as in their judgment may be necessary.

Section 2. Election of Officers. The Officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board. A unit owner may nominate himself or any other unit owner to be an Officer.

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 called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association 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 an association, 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 Association.

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 of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; he shall count votes at all regular and special meetings of the Association and Board of Directors, and he shall, in general, perform all the duties incident to the office of Secretary.

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

## ARTICLE VI

## LIABILITY AND INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Limitation of Board of Director's Liability. Subject to the Corporations and Associations Article of the Annotated Code of Maryland, the Board of Directors and the members thereof in their capacity as such members and/or Officers: (a) shall not be liable for the failure of any service to be obtained and paid for by the Board of Directors hereunder, or for injury or damage to persons or property caused by the elements or by another unit owner or person on the Property, or resulting from electricity, water, rain or dust which may leak or flow from the outside or from any parts of any of the units, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless caused by willful misconduct or gross negligence of the Board of Directors; (b) shall not be liable to the unit owners as a result of the performance of their duties for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or gross negligence; (c) shall have no personal liability in contract to a unit owner or any other person or entity under any agreement, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Board of Directors or the unit owners in the performance of their duties, except to the extent that such Officers or Directors may also be unit owners; and the Association shall indemnify and forever hold each such Officer and Director free and harmless against any and all liability to others on account of any such contract or commitment; (d) shall have no personal liability in tort or otherwise to a unit owner or any other person or entity direct or imputed, by virtue of actions performed by them, except for their own individual willful misconduct or gross negligence in the performance of their duties or acts performed for them; and (e) shall have no personal liability arising out of the use, misuse or condition of the Property, or which might in any other way be chargeable against or imputed to them as a result or by virtue of their performance of their duties except for their own individual willful misconduct or gross negligence.

Section 2. Indemnification of Board Members. Subject to the Corporations and Associations Article of the Annotated Code of Maryland, each member of the Board of Directors in his capacity as a member thereof and/or Officer and his heirs, executors and administrators shall be indemnified by the unit owners against all expenses and liability, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or Officer of the Board of Directors, or any settlement thereof, whether or not he is a member of the Board and/or Officer at the time such expenses are incurred, except in such cases wherein the Board member and/or Officer is adjudged guilty of gross negligence or willful misconduct in the performance of his duties; provided, that in the event of a settlement, the indemnification shall apply only if and when the Board of Directors (with the affected member abstaining) acting upon advice of legal counsel, approves such settlement and reimbursement as being in the best interests of the unit owners. The indemnification by the unit owners set forth in this Section 2 of this Article VI shall be paid by the Board of Directors on behalf of the unit owners and shall constitute a common expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any rights to which such Board member and/or Officer may be entitled as a matter of law or agreement or vote of unit owners or of the Board of Directors or otherwise.

Section 3. Common or Interested Directors. The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Association. No contract or other transaction between the Association and one or more of its Directors, or between the Association and any corporation, firm or association, including the Grantor, in which one or more of the Directors of this Association 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 at least two 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, and 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 unit owners, or a majority thereof and noted in the minutes; 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 Association 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 which authorizes, approves or ratifies any contract or transaction, and may vote there at 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.

#### ARTICLE VII

#### OBLIGATIONS OF THE OWNERS

##### Section 1. Assessments.

(a) The fiscal year of the Association shall consist of twelve (12) calendar months, commencing on January 1. Not later than sixty (60) days prior to the commencement of each fiscal year, the Board of Directors shall prepare a proposed annual budget by estimating the total common expenses required for the operation and maintenance of the Condominium during the ensuing year, including particularly, but not by way of limitation, all sums required to provide for general expenses including labor, materials, services, utilities and insurance for the operation, administration, maintenance and care of the Property and the conveniences deemed desirable to the use and enjoyment thereof, together with a reasonable amount deemed necessary by the Board of Directors as an operating reserve for contingencies and an adequate reserve for repair and replacement of capital items including the common elements, and the income necessary to provide for the common expenses, reserves and capital items and within ten (10) days thereafter, shall mail a copy of said proposed annual budget along with written notice to each unit owner stating the aggregate estimated common expenses for the coming fiscal year and such unit owner's proportionate share thereof, based on his percentage interest in the common profits and expenses. On or about the succeeding fifteenth day of December, the Board shall finally adopt the budget at an open meeting of the Board and determine and assess the common expenses, and formally levy against each unit owner his share thereof, in accordance with his percentage interest in the common profits and expenses, by noting the assessment and levy on the books of the Association and mailing a written billing to the unit owner for the sum due by him. The failure or delay of the Board of Directors to prepare an estimate or determine the common expenses for any year, or notify any unit owner of the total common expenses of the Association, or of such unit owner's proportionate share of the common expenses, shall not in any manner constitute a waiver or release of the unit owner's obligation to pay his share of the common expenses whenever the same may be determined or assessed. In the absence of an annual determination of the common expenses or a formal assessment against the unit owners, each unit owner shall continue to pay the monthly installments due by him on the first day of each month of the last fiscal year in which an assessment or levy had been made, all subject to acceleration or modification by the Board of Directors.

(b) Any expenditure contemplated to be made other than those made because of conditions which, if not corrected, could reasonably result in a threat to the health or safety of the unit owners or a significant risk of damage to the Condominium, that would result in an increase in an amount of assessments for the current fiscal year of the condominium in excess of 15% of the budgeted amount previously adopted, shall be approved by an amendment to the budget adopted at a special meeting of the Association, upon not less than ten (10) days written notice to the unit owners.

(c) The Board of Directors shall establish and maintain a reasonable reserve operating fund and an adequate reserve repair and replacement fund. Such reserves shall be deposited in a special account, but may be invested in obligations fully guaranteed as to principal by the United States of America or the State of Maryland. Reserve funds are for the purpose of defraying extraordinary expenditures not originally included in the annual determination of common expenses; making repairs and replacement to the common elements; and paying any other costs agreed upon by a majority of unit owners. All funds assessed for payment into, or otherwise credited to, the reserve operating fund or the reserve repair and replacement fund shall be deemed contributions to the capital of the Association made or to be made by the unit owners, and same shall be shown on the balance sheet and other financial records of the Association as "paid-in-surplus", or its equivalent, to the end and intent that none of the reserve funds received or retained by the Association shall be considered as income for tax purposes.

(d) If the Board of Directors at any time determines that the common expenses assessed under Paragraph (a) of this Section 1, or the reserve funds established under Paragraph (c) of this Section 1, are inadequate, or that additional funds are otherwise required for the operation and maintenance of the Condominium, it may assess subject to paragraph (b) of this Section 1, such further sums, as common expenses, as it may deem necessary and levy the same against each unit owner in accordance with his percentage interest in the common profits and expenses.

(e) Each unit owner shall be obligated to pay to the Association, or its designee, the common expenses levied against him by the Board of Directors under the provisions of Paragraphs (a) or (c) of this Section 1, and such other charges and fines as the Board of Directors levy or impose against him, as follows:

(1) The annual assessment levied under the provisions of Paragraph (a) of this Section 1 shall be paid in twelve (12) equal successive monthly installments, each installment to be equal to one-twelfth (1/12th) of the annual assessment, commencing on the first day of January of the fiscal year for which levied, and continuing on the first day of each and every succeeding month thereafter until fully paid; provided, however, that upon default in the payment of any installment of said assessment on its due date, the Association may demand payment of the remaining annual assessment coming due within that fiscal year. A demand by the Association is not enforceable unless the Association, within fifteen (15) days of the unit owner's failure to pay a monthly installment, notifies the unit owner that if the unit owner fails to pay the monthly installment within fifteen (15) days of the notice, full payment of the remaining annual assessment will then be due and shall constitute a lien on the unit as provided in these By-Laws or the Declaration.

(2) Any additional assessment levied under the provisions of Paragraph (c) or (d) of this Section 1 shall be due and payable fifteen (15) days after the date of levy of such assessment and the mailing of notice thereof to the unit owners, or at such other time or times as may be provided by the Board of Directors in making the assessment.

(3) Any other charge or fine imposed by the Board of Directors shall be due and payable fifteen (15) days after the date of imposition and mailing of notice thereof to the unit owner or at such other time or times as may be provided by the Board of Directors in imposing the charge or fine, and such charge or fine shall be considered an assessment for the purposes of this Section 1, and, to the extent permitted by law, shall be enforceable in accordance herewith.

(4) There shall be imposed on any delinquent assessment or installment, a late charge of fifteen Dollars (\$15.00) or one-tenth (1/10th) of the total amount of the delinquent assessment or installment, whichever is greater, provided the late charge may not be imposed more than once for the same delinquent payment and may only be imposed if the delinquency has continued for at least fifteen (15) calendar days.

(g) (1) Any unpaid assessment levied against any unit owner under any of the provisions of this Section 1, together with interest thereon at the highest rate allowed by law (provided that if no maximum rate is imposed by law, the rate charged shall be eighteen percent (18%) per annum), late charges, actual costs of collection, and reasonable attorney's fees, shall constitute a lien against the condominium unit of such unit owner, if a Statement of Condominium Lien is recorded within two (2) years after the date the assessment becomes due. Such lien shall be effective against the unit from and after the time a Statement of Condominium Lien, setting forth the description of the unit, the name of the unit owner and the amount and period for which due, is signed and verified by the President or Vice-President of the Association, or by the management agent, as the agent of the Association, and recorded among the Land Records of Baltimore City.

(2) The unit owner of the unit may, before recording of the lien, obtain a hearing before the Board of Directors by requesting a hearing in writing within fifteen (15) days after notice is given, if the unit owner believes the amount stated in the written notice or in the lien are erroneous, or are otherwise not due as claimed. The lien shall state that written notice of intention to file the lien, of the amount due, and of the unit owner's right to request a hearing was given to the unit owner of the unit at the address shown on the roster maintained by the Association, by or on behalf of the Association, at least fifteen (15) days in advance of recording of said lien.

(3) Such Statement of Condominium Lien shall be sufficient for the purposes hereof, if same is in substantially the following form.

STATEMENT OF CONDOMINIUM LIEN

THIS IS TO CERTIFY that (insert name of unit owner, as same appears from Land Records of Baltimore City), Owner(s) of (insert street address and unit number of unit against which lien is to be effected) in The Hanlon Park Condominium (is) (are) indebted to the condominium association in the amount of (insert amount of all unpaid assessments levied against owner of unit involved) as of (insert month, day and year as of which sum due) for (his) (her) (their) proportionate share of common expenses of the condominium for the period from (insert date), to (insert date), plus interest thereon at the rate of (insert highest rate allowed by law), a late charge of (insert amount of late charges), costs of collection, and reasonable attorney's fees.

Written notice of intention to file this Statement of Condominium Lien, of the amount due, and of the unit owner's right to request a hearing pursuant to Section 11-110(D) of the Condominium Act was give as provided in Section 11-110(D) at least fifteen (15) days in advance of the date this Statement of Condominium Lien is being submitted for recordation.

Hanlon Park Condominium Association, Inc.

BY: \_\_\_\_\_  
Officer's Title (or Agent)  
Address  
Telephone Number

I hereby affirm under penalties of perjury that the information contained in the foregoing Statement of Condominium Lien is true and correct to the best of my knowledge, information and belief.

\_\_\_\_\_  
Officer (or Agent)

Hendon

(4) If there be any default in payment of the annual assessment, an additional assessment or other charges or fines, in the manner and at the time or times provided therefor in Paragraph (e) of this Section 1, and same shall continue for a period of fifteen (15) days, the Association shall have the immediate right: (i) to institute suit for collection of the sum due, with interest thereon at the highest rate allowed by law, accounting from the date of default plus late charges, actual costs of collection and reasonable attorney's fees; and (ii) to record a Statement of Condominium Lien (after notice as hereinbefore provided) against the unit of the defaulting unit owner, and proceed forthwith or at any time after recordation of the Statement, to enforce the same through sale, foreclosure, or otherwise, as permitted under the Act.

(5) By acceptance of any title to, or ownership of, his condominium unit, the unit owner shall be deemed to have expressly authorized enforcement and foreclosure of the lien of the Statement of Condominium Lien by the Association, in the same manner, and subject to the same requirements, as the foreclosure of mortgages or deeds of trust on real property in this State, containing a power of sale or an assent to a decree, or both; provided, however, that no action may be brought to enforce the lien except after mailing ten (10) days' written notice to the defaulting unit owner, by registered mail, return receipt requested, at the address of the unit owner shown on the roster or books of the Association. Suit for any deficiency following foreclosure may be maintained in the same proceeding and suit to recover a money judgment for unpaid assessments may be maintained without waiving the lien securing the same. An action may not be brought to foreclose the lien unless brought within 3 years following the recordation of the Statement of Condominium Lien.

(6) Upon any sale hereunder of a condominium unit of a defaulting unit owner, the proceeds shall be applied as follows: first, to the payment of expenses incident to such sale, including a commission to the party making the sale; second, to the payment of the cost of any painting, papering, redecorating, floor refinishing, repair or replacement which the Board of Directors deemed necessary or advisable to render the unit marketable; third, to the payment of all claims of the Board of Directors or the Association against the defaulting unit owner, whether the same shall have matured or not and fourth, the surplus, if any, to said defaulting unit owner, or to whomsoever may be entitled to same.

(7) The Association shall have the right both to institute suit for collection of the unpaid assessment and to enforce the lien of such assessment against the condominium unit of the defaulting unit owner, provided there be but one satisfaction of the claim.

(8) No unit owner may vote at a meeting of the Association if the Association has recorded a Statement of Condominium Lien on his unit and the amount necessary to release the lien has not been paid at the time of the meeting.

(9) The foregoing enumeration of the rights of the Association and Board of Directors is made in furtherance, and not in limitation of, the rights and remedies conferred by law upon the Association or the Board of Directors to collect the common expenses or enforce any lien against the unit of a defaulting unit owner, and is not intended, by mention of any particular right or remedy, to limit or restrict the Association or the Board, which shall have all powers and rights necessary or convenient for collection of the common expenses.

Section 2. Maintenance and Repair.

(a) Every unit owner shall perform promptly all cleaning, maintenance, repair and replacement work upon his unit and upon any limited common element where he has the obligation to clean, maintain, repair and/or replace pursuant to Section V of the Declaration, which work, if omitted, would adversely affect the Property in its entirety or in a part belonging to other unit owners, being expressly responsible for the damages and liabilities that his failure to do so may engender. If any unit owner defaults in the performance of any of his obligations under this Paragraph (a) then the Board of Directors may, but is in no

manner required to, remedy such default, subject to all applicable provisions of the Act and the unit owner responsible therefore shall pay the cost thereof, as an additional assessment, to the Association promptly upon demand.

(b) All the repairs of internal installations of the unit such as water, light, power, sewage, telephone, air conditioners, sanitary installations, doors, windows, lamps and all other accessories belonging to the unit shall be at the unit owner's expense.

(c) A unit owner shall reimburse the Association for any expenditures incurred in cleaning, maintaining, repairing or replacing any common element damaged through his fault.

Section 3. Use of Units - Internal Changes.

(a) Each unit shall be utilized for the residential or commercial purpose assigned to said unit by the Declaration.

(b) Except as provided in Paragraph (c) of this Section 3, no unit owner, except the Grantor, shall make (i) any structural addition, alteration, or improvement to his unit or to any limited common elements which he has the right to use, or (ii) any non-structural addition, alteration, improvement or decoration to or of any limited common elements which he has the right to use, including but not limited to, the addition of awnings and screens to the window units appurtenant to his unit unless and until plans and specifications, in duplicate, showing the nature, kind, shape, height, color, materials, location and approximate cost of such addition, alteration, improvement or decoration shall have been submitted to and approved in writing by the Board of Directors, which shall have the right not to approve, for good cause, any such plans or specifications which it deems unsuitable or undesirable, whether based on aesthetic or other reasons, provided, however, that if the Board of Directors fails to deny said request within sixty (60) days after receipt of a complete set of plans and specifications, such request shall be deemed approved. The Board of Directors may delegate its authority under this Paragraph (b) to an architectural committee appointed by the Board of Directors.

(c) The Board of Directors shall adopt reasonable rules and regulations pursuant to Article VII hereof establishing general standards for the making of one or more types of non-structural additions, alterations, improvements or decorations to or of the unit or limited common elements and such rules and regulations may provide that to the extent any particular addition, alteration, improvement or decoration is made in complete compliance with such general standards, such addition, alteration, improvement or decoration may be made without the submission of plans and specifications therefor to the Board of Directors and without written approval by the Board of Directors of said plans and specifications.

Section 4. Use of Certain General Common Areas and Facilities. A unit owner shall not place or cause to be placed on the sidewalks, hallways and other common elements of a similar nature any furniture, packages or objects of any kind. Such areas shall be used for no purpose other than for formal transit through them.

Section 5. Right of Entry. The Association, or its authorized designee, shall have an irrevocable right and an easement to enter units to make repairs when the repairs reasonably appear 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 Association shall make a reasonable effort to give notice to the owner of any unit to be entered for the purpose of repair. If damage is inflicted on the common elements or any unit through which access is taken, the Association is liable for the prompt repair. An entry by the Association for the purposes specified herein may not be considered a trespass.

Section 6. Rules and Regulations.

(a) It is prohibited to hang or dust rugs, etc., from the windows, or to clean rugs, etc., by beating on the exterior part of the Property.



(b) Unit owners, residents and tenants shall place their garbage and rubbish for disposal only as the Board of Directors directs.

(c) No unit owner, resident or tenant shall install wiring for electrical or telephone installation, television antennae, machines or air conditioners, etc., on the exterior of the Property or that protrude through the walls or the roof of the Property except as authorized by the Board of Directors.

(d) No noxious or offensive trade or activity shall be carried on within the Condominium or within any unit situate thereon, nor shall anything be done therein or thereon which may be or become an annoyance to the neighborhood or the other unit owners.

(e) Nothing shall be done or maintained in any unit, or upon any general or limited common elements, which will increase the rate of insurance on any unit or general or limited 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 unit or upon general or limited common elements which would be in violation of any law. No waste shall be committed upon any general or limited common elements.

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

(g) The maintenance, keeping, 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 common elements, except that this shall not prohibit the keeping of one dog or one cat and/or caged birds as domestic pets; provided that they are not kept, bred or maintained for commercial purposes; and provided further that the keeping of such dog, cat and/or caged birds will not constitute such type of noxious or offensive activity as covered in subsection (d) of this Section. All dogs must be kept inside their respective unit owner's unit and may be walked on the common elements, only on a leash. Any such domestic pet shall not exceed thirty (30) pounds in weight and its owner shall be responsible for promptly cleaning any mess made by his pet.

(h) Except for such signs as may be posted by the Grantor for promotional purposes, and signs approved by the Board of Directors for any commercial unit, no signs of any character shall be erected, posted or displayed upon, in, from or about any unit or the general or limited common elements. The provisions of this subsection shall not be applicable to the holder of any Deed of Trust or mortgage in the process of enforcing his lien by foreclosure.

(i) 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 unit or upon any general or limited common elements.

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

(k) Between 11:00 p.m. and 9:00 a.m., there shall be no loud or unusual noises; and musical instruments, radios, televisions, record players, phonographs, hi-fi sets and amplifiers shall be used in such manner as not to disturb the other unit owners, residents or tenants.

(l) All draperies, window shades and other window treatments used within a unit must present a white exterior coloration.

Section 7. Liability Insurance. The Association shall maintain comprehensive general liability insurance coverage covering all of the common elements, any commercial space which may be owned or leased by the Association, and all public ways of the Condominium. Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction, location and use. However, such coverage shall be for at least \$1,000,000 for bodily injury, including deaths of persons, and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the Association. Such policies must provide that they may not be cancelled or substantially modified, by any party without at least thirty (30) days prior written notice to the Association and to each holder of a first mortgage on any unit in the condominium which is listed as a scheduled holder of a first mortgage in the insurance policy. The owner of each unit shall be responsible for obtaining, at the sole cost and expense of such owner, insurance which covers the legal liability of such owner for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of his unit.

Section 8. Fidelity Bonds. The Association shall maintain blanket fidelity bonds for all Officers, Directors and employees of the Association and all other persons handling, or responsible for, funds, of or administered, by the Association. If a management agent has the responsibility for handling or administering funds of the Association, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. Such fidelity bonds shall name the Association as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than a sum equal to three (3) months aggregate assessments on all units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Association as a common expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the Association or insurance trustee, if any.

Section 9. Utilities. Electricity is furnished to each unit through separate meters for each unit, and the owner of each unit shall promptly pay for all electricity furnished to his unit. Water and common area electricity usage are furnished to the general common elements through separate meters designed to measure the usage of the utilities which serve the general common elements, and the Association shall pay, as a common expense, the cost of the water and common area electricity used for the general common elements.

ARTICLE VIII

RULES AND REGULATIONS

Section 1. The Board of Directors may make, promulgate and enforce compliance with such reasonable rules and regulations (hereinafter called the "Rules") relative to the operation, use and occupancy of the units, the common elements and other portions of the Condominium and to amend the same from time to time as the Board of Directors shall deem necessary or appropriate, which Rules when approved by appropriate resolutions shall be binding on the unit owners, and the tenants and occupants of units.

Section 2. The Board of Directors may make and promulgate such Rules if:

(a) Each unit owner is mailed or delivered a copy of the proposed Rule, notice that unit owners are permitted to submit written comments on the proposed Rule, and notice of the proposed effective date of the proposed Rule.

(b) Before a vote is taken on the proposed Rule, an open meeting must be held to allow each unit owner or tenant to comment on the proposed Rule.

(c) The meeting may not be held unless each unit owner receives written notice at least fifteen (15) days before the meeting, and a quorum of the Board of Directors is present.

(d) The proposed Rule must be passed at a regular or special meeting of the Board of Directors by a majority vote of those present and voting of the Board.

(e) The vote on the proposed Rule shall be final unless within fifteen (15) days after the vote to adopt the proposed Rule, 15% of the Association sign and file a Petition with the Board of Directors calling for a special meeting, a quorum of the Association attends the meeting, and at the meeting, 50% of the unit owners present and voting disapprove the proposed Rule, and the unit owners voting to disapprove the proposed Rule are more than 33% of the total votes in the Association.

(f) During the special meetings held under this Section, unit owners, tenants and mortgagees may comment on a proposed Rule.

(g) A special meeting held under paragraph "a" of this Section shall be held after the unit owners and any mortgagees have at least fifteen (15) days written notice of the meeting and between fifteen (15) and thirty (30) days after the day the Petition is given by the Board of Directors to the Resident Agent for the Condominium.

Section 3. Each unit owner or tenant may request an individual exception to a Rule adopted while the individual was a unit owner or tenant of the Condominium. The request for an individual exception shall be in writing and filed with the Board of Directors within thirty (30) days after the effective date of the Rule.

Section 4. Each Rule adopted shall state that the Rule was adopted under the provisions of Section 11-111 of the Act.

Section 5. Any Rule adopted by the Board of Directors pursuant to the procedure set forth in this Article VIII may be modified or repealed by the Board of Directors pursuant to the same procedure.

#### ARTICLE IX

##### AMENDMENT TO BY-LAWS

These By-Laws may be amended by the Association at a duly constituted meeting for such purpose and no amendment shall take effect unless approved by owners representing at least sixty-six and two-thirds percent (66 2/3%) of the total votes assigned to all units in the Condominium as shown in the Declaration.

#### ARTICLE X

##### MORTGAGES

Section 1. Notice to Association. A unit owner who mortgages his unit shall notify the Association through the Management Agent, if any, or the President of the Association in the event there is no Management Agent, of the name and address of his mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Units".

Section 2. Notices of Action. Any holder, insurer or guarantor of a mortgage, upon written request to the Association, (such request to state the name and address of such holder, insurer or guarantor and the address of the unit), will be entitled to timely written notice of:

(a) Any proposed amendment of the condominium instruments affecting a change in (i) the boundaries of any unit or the exclusive easement rights appertaining thereto, (ii) the interests in the general or limited common elements or the liability for common expenses appertaining thereto, (iii) the number of votes in the Association appertaining to any unit or (iv) the purposes to which any unit or the common elements are restricted;

(b) Any proposed termination of the condominium regime;

(c) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any unit on which there is a mortgage held, insured or guaranteed by such eligible holder;

(d) Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of fifteen (15) days;

(e) Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

ARTICLE XI

COMPLIANCE

These By-Laws are set forth to comply with the provisions of the Act and the Declaration. In case any of these By-Laws conflict with the provisions of said statute or Declaration, it is hereby agreed and accepted that the provisions of said statute or Declaration will apply.

ARTICLE XII

MISCELLANEOUS

Section 1. Failure of Board of Directors to Insist Upon Strict Performance Is No Waiver. The failure of the Board of Directors to insist in any one or more instances upon the strict performance of any of the terms, covenants, conditions or restrictions of the Condominium's Declaration, By-Laws or Rules, or to exercise any right or option therein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition, restriction, option or right, but such term, covenant, restriction, option or right shall remain in full force and effect. The receipt by the Association of any payment of Assessments from any unit owner with knowledge of the breach of any covenant of the Declaration, By-Laws or the Rules shall not be deemed a waiver of such breach, and no waiver by the Board of Directors of any provision or the Declaration, By-Laws or the Rules shall be deemed to have been made unless expressed in writing and signed by duly authorized officers of the Association.

Section 2. Captions. Captions used in the By-Laws and the table of contents, if any, are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of the Declaration or the By-Laws.

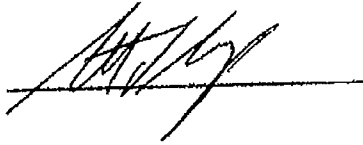
Section 3. Gender, Singular, Plural. Whenever the context so permits, the use of the plural shall include the singular and any gender shall be deemed to include all genders.

Section 4. Severability. If any provision of the By-Laws or any section, sentence, clause, phrase or word, or the application thereof in any circumstances be judicially held in conflict with the laws of Maryland, then the said laws shall be deemed controlling but the validity of the remainder of the By-Laws and the application of any such provisions, section, sentence, clause, phrase or word in other circumstances shall not be affected thereby.

WITNESS the hands of the Grantor on this 7th day of September, 1984.

WITNESS:

HFA HOMES FOR AMERICANS LIMITED  
PARTNERSHIP,  
A MARYLAND LIMITED PARTNERSHIP



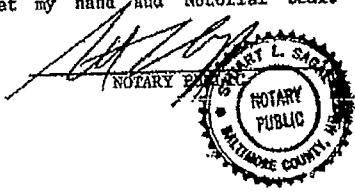
BY: R. Dan Ritchie  
R. DAN RITCHIE, General Partner

STATE OF MARYLAND, COUNTY OF BALTIMORE, to wit:

I HEREBY CERTIFY that on this 7th day of September, 1984, before me, the subscriber, a Notary Public for the State and County aforesaid, personally appeared R. Dan Ritchie, who acknowledged himself to be a General Partner of HFA Homes for Americans Limited Partnership, a Maryland Limited Partnership, and that he, as such General Partner, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

MY COMMISSION EXPIRES  
1 JULY 1986



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FOR		LANDS	
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BASS & DERRICK, P.A. ATTORNEYS AT LAW 316 RUMBLE BUILDING BALTIMORE, MARYLAND 21202			

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# Condominium Declaration

HANLON PARK CONDOMINIUM

DECLARATION

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HANLON PARK CONDOMINIUM

DECLARATION

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DECLARATION FOR HANLON PARK CONDOMINIUM

THIS DECLARATION is made this 7th day of September, 1984 by HSA Homes For Americans Limited Partnership, a Maryland Limited Partnership, (hereinafter called the "Grantor"), to subject the real property hereinafter described to the provisions of the Maryland Condominium Act in order to create a condominium regime.

INTRODUCTORY STATEMENT

The Grantor is the fee owner of the land described in Exhibits A and B attached hereto and by this reference made a part hereof and shown on the Condominium Plat prepared by Whitman, Requist and Associates, Engineers, entitled Hanlon Park Condominium - Phase I, which has been or will be recorded among the Land Records of Baltimore City (hereinafter called the "Condominium Plat"):

It is intended that said land be improved by a 59 unit multifamily and commercial development known as Hanlon Park Condominium, which will be built in two (2) phases, in accordance with plans and specifications prepared by David Albright, Architect, said plans being styled "Hanlon Park Condominium - South Building and Hanlon Park Condominium - North Building."

Said plans and specifications, as amended, shall forever be maintained at the principal office of the condominium.

The Grantor hereby establishes by this Declaration a plan for the individual ownership of the units, as hereinafter defined, contained in said multifamily and commercial development, and the co-ownership by the individual and separate owners thereof, as tenants in common, of all of the remaining real property contained in said multifamily and commercial development.

NOW THEREFORE, said Grantor hereby subjects the land described in Exhibit A attached hereto, and by this reference made a part hereof, and shown on the Condominium Plat as "Phase I Condominium", which is identified as 3306-3308 N. Hilton Street and 3301-3305 Liberty Heights Avenue, Baltimore City, Maryland and all improvements located thereon, and all rights, ways, easements, privileges and appurtenances thereunto belonging or in anywise appertaining, which land, improvements and appurtenant rights are hereinafter collectively called the "Property", to a condominium regime pursuant to the Maryland Condominium Act of the State of Maryland (Title 11 of the Real Property Article of the Annotated Code of Maryland, hereinafter called the "Act"), which condominium regime shall be known as "Hanlon Park Condominium" (hereinafter called the "Condominium") and said Grantor hereby makes the following declaration as to divisions, covenants, restrictions, limitations, conditions and uses to which the Property may be put, hereby specifying that said declaration shall constitute covenants to run with the land and shall be binding on said Grantor its successors and assigns, and all subsequent owners of all or any part of said Property, together with their grantees, successors, heirs, executors, administrators, devisees or assigns:

Section A. Definition of Terms

In this Declaration, the following words have the meanings indicated:

1. Common Elements - "Common Elements" means all of the condominium except the units.
2. Limited Common Elements - "Limited Common Elements" means those common elements identified in the Declaration or on the Condominium Plat as reserved for the exclusive use of one or more but less than all of the unit owners.
3. General Common Elements - "General Common Elements" means all the common elements except the limited common elements.

4. Common Profits and Expenses - "Common Profits and Expenses" means the profits and expenses of the Hanlon Park Condominium Association, Inc.

5. Unit - "Unit" means a three-dimensional space identified as such in the Declaration and on the Condominium Plat and shall include all improvements contained within the space except those included in this Declaration, the boundaries of which have been established in accordance with §11-103(a)(3) of the Act. A unit may include two (2) or more noncontiguous spaces.

#### Section B. The Condominium Units

The general description and number of each condominium unit in the Condominium, including its perimeters, approximate dimensions, floor area, identifying number or letter, location and such other data as may be sufficient to identify it with reasonable certainty, is set forth on the Condominium Plat.

1. Ground Floor Units. The lower boundary of any condominium unit situated on the ground floor of any building in the Condominium is a horizontal plane (or planes) the elevation of which coincides with the elevation of the upper surface of the unfinished concrete or wood subfloor or slab thereof, extended to intersect the lateral or perimetrical boundaries thereof. The upper boundary of any condominium unit situated on the first or lower floor of any building in the Condominium is a horizontal plane (or planes) the elevation of which coincides with the lower surface of the main structural floor joists or concrete slab thereof, to exclude such joists or slabs from that condominium unit but to include the ceiling thereof extended to intersect the lateral or perimetrical boundaries thereof. The lateral or perimetrical boundaries of any condominium unit situated on the ground floor of any building in the Condominium are vertical planes which coincide with the unexposed masonry or frame surfaces of the perimeter wall thereof, to include the drywall, insulation and plenums, if any, trim, windows and doors in perimeter walls thereof, extended to intersect the upper and lower boundaries thereof and to intersect the other lateral or perimetrical boundaries of that condominium unit.

2. First, Second and Third Floor Units. The lower boundary of any condominium unit situated on the first, second or third floor of any building in the Condominium is a horizontal plane (or planes) the elevation of which coincides with the upper surface of the concrete slab or wood subfloor thereof extended to intersect the lateral or perimetrical boundaries thereof. The upper boundaries of any condominium unit situated on the upper floor of any building in the Condominium are intersection incline planes, the elevation of which coincides with the upper and unexposed (i.e., unfinished) surfaces of the main structural floor joists, to include the ceiling within that condominium unit, extended to intersect the lateral or perimetrical boundaries thereof. The lateral or perimetrical boundaries of any condominium unit situate on the first, second or third floors of any building in the Condominium unit are vertical planes which coincide with the unexposed masonry or frame surfaces of the perimeter wall thereof, to include the drywall, insulation and plenums, if any, trim, windows and doors in perimeter walls thereof, extended to intersect the upper and lower boundaries thereof and to intersect the other lateral or perimetrical boundaries of that condominium unit.

Equipment and appurtenances located within any condominium unit and designed or installed to serve only that unit including without limiting the generality of the foregoing, furnaces, air conditioning equipment, air-handling equipment, heat pumps, telephone coils, fans, mechanical equipment, appliances, non-bearing partition walls, flooring materials, tile, carpets, primary electrical runner channels, suspended ceiling materials, electrical receptacles and outlets, plumbing fixtures and outlets and other plumbing apparatus, hot-water heaters, fixtures, trim, cabinets and the like, shall be considered a part of that condominium unit and not a part of the common elements. Equipment and appurtenances located outside the boundaries of any condominium unit but designed or installed in a manner to serve only a particular condominium unit including, without limiting the generality of the foregoing, heat pumps, furnaces, condensers, compressors, air handling equipment, air conditioning equipment, compressor pads, ducts, pipes, tubes and the like shall be considered a part of the condominium unit which they are designated or designed to serve and shall not be considered a part of the common elements. Exterior balconies and railings attached thereto, if any, appurtenant to each unit, shall be considered a part of that condominium unit.

Section C. 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 of any and all pipes, ducts, flues, chutes, conduits, cables, wires and wire outlets, utility lines, mechanical chases, and the like, and any other common elements located within or accessible only from any particular condominium unit, and for support.

Section D. Undivided Interests

For the purpose of this Declaration, the ownership of each unit shall include the respective undivided interest in the common elements specified and established in Section I hereof, and each unit together with said undivided interest is hereinafter called a unit.

Section E. Phase I - Residential Units

The 26 individual residential units hereby established in Phase I are identified on the Condominium Plat as follows:

3306 N. Hilton Street, Unit G-1  
3306 N. Hilton Street, Unit G-2  
3306 N. Hilton Street, Unit 101  
3306 N. Hilton Street, Unit 102  
3306 N. Hilton Street, Unit 103  
3306 N. Hilton Street, Unit 104  
3306 N. Hilton Street, Unit 201  
3306 N. Hilton Street, Unit 202  
3306 N. Hilton Street, Unit 203  
3306 N. Hilton Street, Unit 204  
3306 N. Hilton Street, Unit 301  
3306 N. Hilton Street, Unit 302  
3306 N. Hilton Street, Unit 303  
3306 N. Hilton Street, Unit 304  
3308 N. Hilton Street, Unit 101  
3308 N. Hilton Street, Unit 102  
3308 N. Hilton Street, Unit 103  
3308 N. Hilton Street, Unit 104  
3308 N. Hilton Street, Unit 201  
3308 N. Hilton Street, Unit 202  
3308 N. Hilton Street, Unit 203  
3308 N. Hilton Street, Unit 204  
3308 N. Hilton Street, Unit 301  
3308 N. Hilton Street, Unit 302  
3308 N. Hilton Street, Unit 303  
3308 N. Hilton Street, Unit 304

Section F. Phase I - Commercial Units

The 3 individual commercial units hereby established in Phase I are identified on the Condominium Plat as follows:

3301 Liberty Heights Avenue  
3305 Liberty Heights Avenue  
3307 Liberty Heights Avenue

Section G. Phase II - Residential Units

The 27 individual residential units to be established in Phase II (if constructed) are identified on the Condominium Plat as "Proposed Phase II" and will be identified as follows on a plat to be prepared and to be entitled Hanlon Park Condominium - Phase II:

3317 Liberty Heights Avenue, Unit 101  
3317 Liberty Heights Avenue, Unit 201  
3317 Liberty Heights Avenue, Unit 301

- 3317 Liberty Heights Avenue, Unit 102
- 3317 Liberty Heights Avenue, Unit 202
- 3317 Liberty Heights Avenue, Unit 302
- 3319 Liberty Heights Avenue, Unit 103
- 3319 Liberty Heights Avenue, Unit 203
- 3319 Liberty Heights Avenue, Unit 303
- 3319 Liberty Heights Avenue, Unit 104
- 3319 Liberty Heights Avenue, Unit 204
- 3319 Liberty Heights Avenue, Unit 304
- 3321 Liberty Heights Avenue, Unit 103
- 3321 Liberty Heights Avenue, Unit 203
- 3321 Liberty Heights Avenue, Unit 303
- 3321 Liberty Heights Avenue, Unit 104
- 3321 Liberty Heights Avenue, Unit 204
- 3321 Liberty Heights Avenue, Unit 304
- 3321 Liberty Heights Avenue, Unit 105
- 3321 Liberty Heights Avenue, Unit 205
- 3321 Liberty Heights Avenue, Unit 305
- 3323 Liberty Heights Avenue, Unit 101
- 3323 Liberty Heights Avenue, Unit 201
- 3323 Liberty Heights Avenue, Unit 301
- 3323 Liberty Heights Avenue, Unit 102
- 3323 Liberty Heights Avenue, Unit 202
- 3323 Liberty Heights Avenue, Unit 302

Section II. Phase II - Commercial Units

The 3 individual commercial units to be established in Phase II (if constructed) are identified on the Condominium Plat as "Proposed Phase II" and will be identified as follows on a plat to be prepared and to be entitled Hanlon Park Condominium - Phase II:

- 3301 Denison Street
- 3303 Denison Street
- 3305 Denison Street

Section I. Computation of Percentage Interest

The owner of each unit shall have an undivided percentage interest in the common elements, which interest shall be a fraction, the numerator of which is the number one, and the denominator of which is the total number of units included within the Condominium from time to time. The owner of each unit shall also have a percentage interest in the common profits and expenses of the Association, which interest shall be a fraction, the numerator of which is one, and the denominator of which is the number of units included within the Condominium from time to time. The percentage interest currently appurtenant to each such unit, is as follows:

<u>Phase I</u>	<u>Percentage Interests</u>	
	<u>Common Elements</u>	<u>Common Profits and Expenses</u>
3306 N. Hilton Street, Unit G-1	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit G-2	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 101	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 102	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 103	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 104	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 201	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 202	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 203	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 204	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 301	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 302	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 303	<u>1/29</u>	<u>1/29</u>
3306 N. Hilton Street, Unit 304	<u>1/29</u>	<u>1/29</u>

3308 N. Hilton Street, Unit 101  
3308 N. Hilton Street, Unit 102  
3308 N. Hilton Street, Unit 103  
3308 N. Hilton Street, Unit 104  
3308 N. Hilton Street, Unit 201  
3308 N. Hilton Street, Unit 202  
3308 N. Hilton Street, Unit 203  
3308 N. Hilton Street, Unit 204  
3308 N. Hilton Street, Unit 301  
3308 N. Hilton Street, Unit 302  
3308 N. Hilton Street, Unit 303  
3308 N. Hilton Street, Unit 304  
3301 Liberty Heights Avenue  
3305 Liberty Heights Avenue  
3307 Liberty Heights Avenue

<del>1/29</del>	<del>1/29</del>
<del>1/29</del>	<del>1/29</del>
<del>1/29</del>	<del>1/29</del>
<del>1/29</del>	<del>1/29</del>
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<del>1/29</del>	<del>1/29</del>
<del>1/29</del>	<del>1/29</del>
<del>1/29</del>	<del>1/29</del>

If and when the Condominium is fully expanded to a total of 59 units, the owner of each unit will have a percentage interest in the common profits and expenses equal to 1/59.

The percentage interest of each unit planned for inclusion in Phase II, as such term is defined in Sections G, H & L hereof, is as follows:

Phase II (if constructed)	Percentage Interests	
	Common Elements	Common Profits and Expenses
3317 Liberty Heights Avenue, Unit 101	1/59	1/59
3317 Liberty Heights Avenue, Unit 201	1/59	1/59
3317 Liberty Heights Avenue, Unit 301	1/59	1/59
3317 Liberty Heights Avenue, Unit 102	1/59	1/59
3317 Liberty Heights Avenue, Unit 202	1/59	1/59
3317 Liberty Heights Avenue, Unit 302	1/59	1/59
3319 Liberty Heights Avenue, Unit 103	1/59	1/59
3319 Liberty Heights Avenue, Unit 203	1/59	1/59
3319 Liberty Heights Avenue, Unit 303	1/59	1/59
3319 Liberty Heights Avenue, Unit 104	1/59	1/59
3319 Liberty Heights Avenue, Unit 204	1/59	1/59
3319 Liberty Heights Avenue, Unit 304	1/59	1/59
3321 Liberty Heights Avenue, Unit 103	1/59	1/59
3321 Liberty Heights Avenue, Unit 203	1/59	1/59
3321 Liberty Heights Avenue, Unit 303	1/59	1/59
3321 Liberty Heights Avenue, Unit 104	1/59	1/59
3321 Liberty Heights Avenue, Unit 204	1/59	1/59
3321 Liberty Heights Avenue, Unit 304	1/59	1/59
3321 Liberty Heights Avenue, Unit 105	1/59	1/59
3321 Liberty Heights Avenue, Unit 205	1/59	1/59
3321 Liberty Heights Avenue, Unit 305	1/59	1/59
3323 Liberty Heights Avenue, Unit 101	1/59	1/59
3323 Liberty Heights Avenue, Unit 201	1/59	1/59
3323 Liberty Heights Avenue, Unit 301	1/59	1/59
3323 Liberty Heights Avenue, Unit 102	1/59	1/59
3323 Liberty Heights Avenue, Unit 202	1/59	1/59
3323 Liberty Heights Avenue, Unit 302	1/59	1/59
3301 Danison Street	1/59	1/59
3303 Danison Street	1/59	1/59
3305 Danison Street	1/59	1/59

Except as otherwise required by the Act or as otherwise provided in Paragraph 4 of Section I hereof or in subparagraph 2(d) of Section T hereof, neither the percentage interests in the common elements nor the percentage interests in the common profits and expenses may be changed without the written consent of all the unit owners and their mortgagees. Any change in such percentage interests shall be evidenced by

an amendment to this Declaration, recorded among the appropriate land records. Said Grantor, its successors and assigns, and grantees, covenant and agree that the percentage interests in the common elements and in the common profits and expenses and the fee titles to the respective units conveyed therewith, shall not be separated or separately conveyed, and each said percentage interest shall be deemed to be conveyed or encumbered with its respective unit even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the unit.

**Section J. Association Membership**

Each record owner holding title to a unit in the Condominium shall be a member of the Association. The number of votes at meetings of the Association appurtenant to each unit in the Condominium shall be one vote.

The term "record owner", as used in this Declaration, means and includes the person, firm, corporation, trustee or other legal entity, or the combination thereof, including contract sellers, holding record title to a unit in the Condominium as said unit is now or may from time to time hereafter be created or established, either in his, her, or its own name, or as joint tenants, tenants in common, tenants by the entirety or tenancy in co-partnership relationship. If more than one person, firm, corporation, trustee or other legal entity, or any combination thereof, holds the record title to any one unit, whether in a real property tenancy, partnership relationship, or otherwise, all of same, as a unit, and not otherwise, shall be deemed a single record owner and shall be or become a single member of the Association by virtue of ownership of such unit. The term "record owner", however, shall not include any contract purchaser, nor the owner of any redeemable ground rent issuing out of any lot, nor shall it include any mortgage, trustee or other grantees named in any mortgage, deed of trust or other security instrument covering any unit, designed solely for the purpose of securing performance of an obligation or payment of a debt. Membership in the Association shall be appurtenant to and may not be separated from ownership of any unit which is subject to assessment by the Association. If any single membership in the Association is comprised of two or more persons firms, corporations, trustees or other legal entities, or any combination thereof, then each constituent may cast such portion of the vote of the member as shall equal his, her or its proportionate interest in the unit or units held by said member, provided, however, that if only one votes, he, she or it may cast the entire vote of the member and such act shall bind all.

**Section K. Examples of General and Limited Common Elements**

The limited common elements allocated for the restricted uses of the respective units are as follows:

1. The owner of each unit, to the exclusion of the owners of all other units, has the exclusive right to use and enjoy, only for the purposes for which designed, the exterior lamps and any other fixtures attached to said exterior walls, if any, (except that the floodlights which are designed to serve the general common elements and the electrical meters which are designed to measure the use of electricity by said floodlights, are deemed general common elements and are identified as such on the Condominium Plat) and assigned storage lockers on the ground level of each building.

2. The general common elements shall include, by way of example rather than of limitation, the roof, gutters, downspouts, sidewalks, exterior steps and handrails, landscaping, exterior breezeways, corridors and stairways and all other parts of the Property and all apparatus and installations existing in or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property.

Section I. Reservation of Right to Expand

1. The Grantor hereby expressly reserves for and unto itself, its successors and assigns, for a period of five (5) years from and after the date upon which the Condominium is created, the right and privilege to expand and add to the Condominium by subjecting to the condominium regime the real property described in Exhibit B hereto and shown on the Condominium Plat as follows:

The land identified as "Proposed Phase II" on the Condominium Plat located at the corner of Liberty Heights Avenue and Denison Street, Baltimore City, Maryland and all improvements now or hereafter located thereon, and all rights, ways, easements, privileges and appurtenances thereunto belonging or in anywise appertaining.

The Grantor shall have the right to reserve, at or prior to the time Phase II is added to the Condominium, such easements and rights of way on, over, under and across such Phase II as are deemed appropriate by the Grantor for (a) vehicular and pedestrian access between (i) the remaining property of the Grantor, whether or not included within Phase II, and (ii) any public road or other property which borders upon the Condominium, and (b) the installation, operation, inspection, maintenance, repair and replacement of electric, telephone, water, sanitary sewer and storm drainage lines, pipes, mains, drains and related facilities deemed appropriate by the Grantor to serve any remaining property of the Grantor, whether or not included within Phase II. Each such easement and right of way shall run with and bind the Property and each unit contained in the Condominium, and all owners and occupants of such units, and their respective heirs, personal representatives, successors and assigns, forever, unless the recorded document establishing such easement or right of way specifically provides otherwise.

As Phase II is added to the Condominium, (i) the percentage interests in the common elements of the owners of units which are contained within the Condominium immediately prior to such expansion will be reduced in accordance with the formula set forth in Section I herein to reflect the increase in the aggregate value of the units contained within the Condominium caused by the addition of Phase II, (ii) the percentage interests in the common expenses and profits of the owners of units which are contained within the Condominium immediately prior to said expansion will be reduced in accordance with the formula set forth in Section I herein to reflect the increase in the aggregate number of units contained within the Condominium caused by the addition of Phase II, and (iii) appropriate percentage interests in the common elements and in the common profits and expenses, as determined in accordance with the formulas set forth in Section I herein, shall vest in the owners of the units contained within Phase II which is being added to the Condominium. Each record owner holding title to one or more units in Phase II which is being added to the Condominium shall be a member of the Association and shall have the voting rights set forth in Section J hereof.

2. The maximum number of units which may be added to the Condominium pursuant to Phase II is 30. The land, buildings and common elements of Phase II are shown in general terms on the Condominium Plat.

3. The Grantor shall have the right to vary and depart from the plans and specifications shown in the Condominium Plat and Exhibit B attached hereto, as they pertain to any such Phase II, by the relocation of any of the common elements planned for Phase II, if such substitution or relocation be deemed necessary or advisable in the opinion of the Grantor to expedite or facilitate the construction, operation, maintenance or care of the Property, or the convenience or services of the Association. In any event, all improvements to be located within Phase I shall be substantially completed before Phase II is added to the Condominium.

4. Subject to the foregoing, expansion of the Condominium shall be effected by the Grantor by recordation among the Land Records of Baltimore City of the following: (i) an amendment to the Declaration showing the property



7. Except as otherwise required by the Act or as otherwise provided in Paragraph 4 of Section L hereof or in subparagraph 2(d) of Section T hereof, this Declaration shall not be amended, unless the owners of all units and the mortgagees of all of the mortgages encumbering the units unanimously agree to such amendment by duly recorded instruments. This condominium regime shall not be terminated unless the owners of all units unanimously agree to such termination by duly recorded instruments. Any such termination shall be conducted pursuant to the termination procedure set forth in Section 11-123 of the Act, as such statutory procedure may be amended from time to time hereafter.

8. That no unit owner may exempt himself from liability for his contribution toward the common expenses by waiver of the use or enjoyment of any of the common elements or by the abandonment of his unit.

#### Section N. Association Lien

All sums assessed by the Association but unpaid for the share of the common expenses chargeable to any unit shall constitute a lien on such unit prior to all other liens except only (1) tax liens on the unit in favor of any assessing unit and district, and (2) all sums unpaid on the first mortgage of record. Such lien may be foreclosed by suit by the Association or any other person specified in the By-Laws in like manner as a mortgage or deed of trust on real property in this State, containing a power of sale or an assent to a decree, or both. The Association or any other person specified in the By-Laws shall have the power, unless prohibited herein, to bid on the unit at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

#### Section O. Mortgagees

Where the mortgagee of a first mortgage of record or other purchaser of a unit obtains title to the unit as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association chargeable to such unit which became due prior to the acquisition of title to such unit by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the units including such acquirer, his successors and assigns.

#### Section P. Restrictions on Leasing

No residential unit shall be rented by the owner thereof. Other than the foregoing obligations, the owners of the respective commercial units shall have the right to lease same provided that said lease is made subject to the covenants and restrictions in the Declaration, By-Laws and all rules and regulations duly adopted by the Board of Directors from time to time.

#### Section Q. Granting of Easements, Rights-of-Way, etc.

The Association shall have the right, power and authority to grant any specific easement, right-of-way, license or other interest affecting the common elements of the condominium to the extent permitted by the Act, after approval of any such grant by the affirmative vote of unit owners having sixty-six and two-thirds percent (66 2/3%) or more of the votes entitled to be cast at meetings of the Association, and with the express written consent of the mortgagees holding an interest in the units whose owners vote affirmatively, provided that if the grant affects any limited common elements, such grant shall require the express written consent of all unit owners having the right to use such limited common elements, and of all mortgagees holding an interest in the units to which said limited common elements are appurtenant. The instrument by which any such easement, right-of-way, license or other similar interest is granted by the Association under or pursuant to the provisions of this Section shall expressly state that the grant was so approved (1) by the unit owners having at least sixty-six and two-thirds percent (66 2/3%) of the votes entitled to be cast at meetings of the Association,

added to the Condominium, the new percentage interests of the unit owners, and the number of votes appurtenant to each unit in the Condominium as expanded; and (ii) an amendment to the Condominium Plat which includes the same detail and information concerning the property added to the Condominium as was required to be shown for the property originally subjected to this condominium regime. On recordation of said amendments to the Declaration and Condominium Plat, each unit owner, by operation of law, shall forthwith have the percentage interest in the common elements, and in the common profits and expenses, and the number of votes, set forth in said amendments to the Declaration and Condominium Plat. Further, following any expansion, the interest of any mortgagee shall attach, by operation of law, to the new percentage interests in the common elements appurtenant to the unit on which it has a lien.

#### Section M. Grantor and Unit Owner Covenants

Said Grantor, its successors and assigns, by this Declaration, and all future owners of the units, by their acceptance of their deeds, covenant and agree as follows:

1. That the common elements shall remain undivided and no unit owner shall bring any action for partition, it being agreed that this restriction is necessary in order to preserve the rights of the unit owners with respect to the operation and management of the Condominium.

2. That the residential units shall be occupied and used by the respective owners only as a private dwelling for the unit owner, his family, and social guests and for no other purpose. The commercial units shall be occupied and used by the respective owners, and authorized tenants, only for commercial purposes in compliance with applicable laws and any lease agreement, if any, under which an authorized tenant has possession.

3. The existing physical boundaries of any unit or common elements constructed or reconstructed in substantial conformity with the Condominium Plat shall be conclusively presumed to be its boundaries, regardless of the shifting, settlement, or lateral movement of any building and regardless of minor variation between the physical boundaries as described in the Declaration or shown on the Condominium Plat and the existing physical boundaries of any such unit or common element. This presumption applies only to encroachments within the Condominium.

In the event the Property is partially or totally destroyed, and then rebuilt, the owners of the units agree that minor encroachment of parts of the common elements due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

4. That a record owner of a unit shall automatically, upon becoming the owner of a unit or units, be a member of Hanlon Park Condominium Association, Inc., hereinafter called the "Association", and shall remain a member of said Association until such time as his ownership ceases for any reason, at which time his membership in said Association shall automatically cease.

5. That the administration of the Condominium shall be in accordance with the provisions of this Declaration, the By-Laws of the Association which are recorded or intended to be recorded immediately subsequent hereto, Rules and Regulations adopted by the Board of Directors of the Association, and decisions of the Association which are made pursuant to authority granted the Association in such documents.

6. The Association, and any aggrieved unit owner, shall be granted a right of action against unit owners and occupants for failure to comply with the provisions of the Declaration, By-Laws, rules and regulations adopted by the Board of Directors of the Association, and decisions of the Association which are made pursuant to authority granted the Association in such documents. Unit owners shall have similar rights of action against the Association.

and by the corresponding mortgagees, and (11) if appropriate, by the unit owners having the right to use any limited common elements affected by the easement, and by the corresponding mortgagees.

Notwithstanding the aforesaid paragraph of this Section Q, the Board of Directors may, by a majority vote, grant easements, rights-of-way, licenses, leases in excess of one (1) year or similar interests for the provision of utility services or communication systems for the exclusive benefit of units within the condominium regime. These actions by the Board of Directors are subject to the following requirements:

(1) The action shall be taken at a meeting of the Board held after at least thirty (30) days notice to all unit owners and mortgagees of record with the Condominium;

(2) At the meeting, the Board may not act until all unit owners and mortgagees shall be afforded a reasonable opportunity to present their views on the proposed easement, right-of-way, license, lease, or similar interest;

(3) The easement, right-of-way, license, lease, or similar interest shall contain the following provisions:

(a) The service or system shall be installed or affixed to the Property at no cost to the individual unit owners or the Association other than charges normally paid for like services by residents of similar or comparable dwelling units within the same area;

(b) The unit owners and Association shall be indemnified for any damage arising out of the installation of the service or system; and

(c) The Board of Directors shall be provided the right to approve of the design for installation of the service or system in order to insure that the installation conform to any conditions which are reasonable to protect the safety, functioning and appearance of the Property.

(4) The action of the Board of Directors granting any such easement, right-of-way, license, lease or similar interest under this Section shall not be final until the following have occurred:

(a) Within fifteen (15) days after the vote by the Board to grant an easement, right-of-way, license, lease, or similar interest, a Petition may be filed with the Board of Directors, signed by the unit owners having at least fifteen percent (15%) of the votes calling for a special meeting of the unit owners to vote on the question of a disapproval of the action of the Board of Directors granting such easement, right-of-way, license, lease or similar interest. If no such Petition is received within fifteen (15) days, the decision of the Board shall be final.

(b) If a qualifying Petition is filed, a special meeting shall be held no less than fifteen (15) days or more than thirty (30) days from receipt of the Petition. At the special meeting, if a quorum is not present, the decision of the Board of Directors shall be final.

(c) If a special meeting is held and fifty percent (50%) of the unit owners present and voting disapprove the grant and the unit owners voting to disapprove the grant are more than thirty-three percent (33%) of the total votes in the Condominium, then the grant shall be void. If the vote of the unit owners is not more than thirty-three percent (33%) of the total votes in the Condominium, the decision of the Board to make the grant shall be final.

(5) Mortgagees shall receive notice of and be entitled to attend and speak at any such special meeting.

(6) Any easement, right-of-way, license, lease or similar interest granted by the Board of Directors under this Section shall state that the grant was approved in accordance with the provisions of Section 11-109 of the Act.

Section R. Liability of Unit Owner for Unpaid Assessments

In a voluntary conveyance of a unit the grantee of the unit shall be jointly and severally liable with the grantor for all unpaid assessments owed the Association by the latter for his share of the common expenses up to the time of the grant or conveyance for which a Statement of Condominium Lien is recorded, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor.

Section S. Association Agreements and Determinations

All agreements and determinations lawfully made by the Association in accordance with the voting percentages established in the Act, this Declaration or in the By-Laws shall be deemed to be binding on all unit owners, their personal representatives, successors and assigns.

Section T. Insurance

1. a. The Board of Directors of the Association (hereinafter called the "Board of Directors") shall obtain and continue in effect blanket property insurance, which shall comply with State law, but without prejudice to the right of the owner of each unit to obtain individual unit insurance.

b. In any event, the blanket property insurance policy shall, to the extent possible, cover (i) all common elements, except land, foundations, excavations and other items normally excluded from coverage, (ii) all structural components, including walls, floors and ceilings, of the units, and all fixtures attached thereto, and (iii) all of the Property's service equipment and supplies and other personal property belonging to the Association, provided, however, that such policy shall not cover any improvements, fixtures or personal property made or attached to, or brought within, the units or limited common elements by unit owners; the insurance for the latter improvements, fixtures and personal property being the responsibility of the unit owners pursuant to Paragraph 4 of this Section T. Such policy shall, to the extent possible, insure against all risks of direct physical loss commonly insured against, and be in an amount equal to 100% of the current replacement costs of the insured property.

c. Any loss covered by the blanket policy shall be adjusted with the Association, but the insurance proceeds for such loss shall be payable to any insurance trustee designated for that purpose or otherwise to the Association, and not to any mortgagee. The insurance trustee or the Association shall hold any insurance proceeds in trust for unit and lien holders as their interests may appear.

d. Such blanket policy shall contain a standard mortgagee clause. Any insurer that has issued a blanket policy shall issue certificates of insurance to the Association and, upon request, to any unit owner or mortgagee. The insurance may not be cancelled until 30 days after the notice of the proposed cancellation has been mailed to the Association, each unit owner and each mortgagee to whom certificates of insurance have been issued.

e. The issuer shall waive its right to subrogation under the blanket policy against any unit owner or members of his household. An act or omission by any unit owner, unless acting within the scope of his authority on behalf of the Association, does not void the policy and is not a condition to recovery under the policy. If, at the time of a loss under the blanket policy, there is other insurance in the name of a unit owner covering the same property covered by the policy, the blanket policy is primary insurance not contributing with the other insurance.

2. The proceeds of any blanket policy procured under the provisions of Paragraph 1 of this Section T shall be applied or disbursed in the following manner, unless the Act requires otherwise.

a. Any portion of the Condominium damaged or destroyed shall, to the extent covered by said blanket policy, be repaired or replaced promptly by the Association unless:

(i) The Condominium is terminated;

(ii) Repair or replacement would be illegal under any state or local health or safety statute or ordinance; or

(iii) 80% of the unit owners, including every owner of a unit which will not be rebuilt and every owner of a unit to which a limited common element which will not be rebuilt was assigned, vote not to rebuild.

b. The cost of repair or replacement in excess of insurance proceeds and reserves is a common expense.

c. If any portion of the Condominium which is damaged or destroyed is not repaired or replaced, the insurance proceeds attributable to the portion which is not rebuilt shall be disbursed as follows:

(i) The insurance proceeds attributable to the damaged or destroyed common elements which are not rebuilt shall be used to restore the damaged or destroyed portion of the Condominium which is not rebuilt to a condition compatible with the remainder of the Condominium;

(ii) The insurance proceeds attributable to damaged or destroyed units and limited common elements which are not rebuilt shall be distributed to the owners of those units and to the owners of the units to which those limited common elements were assigned; and

(iii) The remainder of the proceeds shall be distributed to all the unit owners in proportion to their respective percentage interests in the common elements.

d. If the unit owners vote not to rebuild any unit, that unit's entire percentage interest in the common elements, votes in the Association, and common expense liability are automatically reallocated upon the vote as if the unit had been condemned pursuant to Section W hereof, and the Association promptly shall prepare, execute, and record an amendment to the Declaration reflecting the reallocations.

3. Notwithstanding the provisions of Paragraph 2 hereof, the termination procedure set forth in Section 11-123 of the Act, as such statutory procedure may be amended from time to time hereafter, shall govern the distribution of insurance proceeds upon the termination of the condominium.

4. The owner of each unit shall be responsible for obtaining, at the sole cost and expense of such owner, hazard insurance for all improvements made to such unit or the limited common elements by such owner, and for all personal property located within such unit which personal property includes, without limitation, tables and chairs, beds, television sets, kitchen utensils, refrigerators, stoves, clothes washers and dryers, and clothes, provided, however, that such personal property shall not include any personal property belonging to the Association.

Section U. Insurance Premiums

Insurance premiums for any blanket insurance coverage shall be a common expense to be paid by periodic assessments levied by the Association; and that such payments shall be held in a separate escrow account of the Association and used solely for the payment of the blanket property insurance premiums as such premiums become due.

Section V. Maintenance and Repair of Common Elements

1. Subject to the terms and conditions set forth in the By-Laws, the Association shall be responsible for the cleaning, maintenance, repair and replacement of all general common elements. The cost of all cleaning, maintenance, repairs and replacements performed by the Association shall be assessed against the owners of all the units as a common expense.

2. The owner of each unit shall be responsible, at his sole cost and expense, for the cleaning, maintenance, repair and replacement of his unit, the door and window units, including casings, seals and glass, contained within the exterior walls of his unit, all limited common elements of which he has the right to use, all such responsibilities being subject to the terms and conditions set forth in the By-Laws.

3. In the event that any damage to, or destruction of, a unit or limited common element is covered by the blanket property insurance policy held by the Association, the Association shall be responsible for the repair and replacement of the damaged property pursuant to Paragraph 2 of Section T hereof.

Section W. Eminent Domain

1. For the purpose of this Section W, the term "taking" shall mean a taking under the power of eminent domain and any sale in settlement of any pending or threatened condemnation proceedings.

2. The owner of each unit shall be entitled to the entire award for the taking of all or part of his respective unit and for consequential damages to his unit.

3. Subject to the provisions of Paragraph 5 hereof, the owner of each unit shall be entitled to the entire award for the taking of all or part of the limited common elements of which he has the exclusive right of use, and where the owners of two or more units share the right to use any limited common element, said owners shall be entitled to share equally the entire award for the taking of all or part of that portion of said limited common element which said owners share the right to use.

4. Subject to the provisions of Paragraph 5 hereof, any award for the taking of general common elements shall be allocated to the owners of all units in proportion to their respective percentage interests in the general common elements.

5. The Association or any trustee with whom such Association may enter into any Condemnation Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Condemnation Trustee") shall represent the unit owners in the condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common elements, or part thereof, by the condemning authority. By the acceptance of the deed to his unit, each unit owner appoints the Association or any Condemnation Trustee as his attorney-in-fact for such purpose. In the event of a taking or acquisition of part or all of the common elements by a condemning authority, the award of proceeds of settlement shall be payable to the Association, or any Condemnation Trustee, to be held in trust for the unit owners and their first mortgage holders as their interests may appear.

Section X. Restoration of Condominium

Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the plans and specifications used for the original construction of the Condominium, unless the approval of the eligible holders of first mortgages on units to which at least 51% of the votes of units subject to mortgages held by such eligible holders are allocated, is obtained. The term "eligible holder" shall mean a holder of a first mortgage on a unit who has requested notice in accordance with the provisions of Section 2 of Article X of the By-Laws.

Section Y. Insured Losses

Notwithstanding any other provision of this Declaration or the By-Laws to the contrary, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom such Association may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee") who shall have exclusive authority to negotiate losses under any policy providing blanket property or liability insurance and to perform such other functions as are necessary to accomplish this purpose. By the acceptance of the deed to his unit, each unit owner appoints the Association, or any Insurance Trustee, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purposes.

Section Z. Inspection of Documents

The Association shall make available to the owner of each unit each prospective purchaser of a unit, and each holder and insurer of a mortgage on any unit, for inspection upon request, during normal business hours, current copies of the Declaration, By-Laws, Rules and Regulations adopted by the Board of Directors, and other books, records and financial statements of the Association. In addition, the Association shall, within a reasonable time after the written request of any holder or insurer of a first mortgage on a unit, furnish to such holder or insurer an audited financial statement for the immediately preceding fiscal year.

Section AA. Rights of Grantor

All rights reserved by and for the benefit of the Grantor under this Declaration, including all exhibits hereto, and the By-Laws, shall be exercisable and enforceable only by the Grantor, its successors and any assignee to whom the Grantor specifically assigns such rights in writing. So long as said Grantor and its successors and assigns, owns one or more of the units established and described herein, said Grantor and its successors and assigns shall be subject to the provisions of this Declaration and of the Exhibits attached hereto; and said Grantor covenants to take no action which would adversely affect the rights of the Association with respect to assurances against latent defects in the property or other rights assigned to the Association, the members of the Association and their successors in interest, as their interests may appear, by reason of the establishment of the condominium.

Section BB. Failure of the Association to Insist Upon Strict Performance Is No Waiver

The failure of the Association to insist in any one or more instances upon the strict performance of any of the terms, covenants, conditions or restrictions of the Condominium's Declaration, By-Laws or Rules and Regulations, or to exercise any right or option therein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition, restriction, option or right, but such term, covenant, restriction, option or right shall remain in full force and effect. The receipt by the Association of any payment of Assessments from any unit owner with knowledge of the breach of any covenant of the Declaration, By-Laws or the Rules and Regulations shall not be deemed a waiver of such breach, and no waiver by the Board of Directors of any provision of the Declaration, By-Laws or the Rules and Regulations shall be deemed to have been made unless expressed in writing and signed by duly authorized officers of the Association.

Section CC. Captions

The captions used in the By-Laws and the table of contents, if any, are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of this Declaration.

Section DD. Gender, Singular, Plural

Whenever the context so permits, the use of the plural shall include the singular and any gender shall be deemed to include all genders.

Section EE. Severability

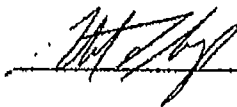
If any provision of this Declaration or any section, sentence, clause, phrase or word, or the application thereof in any circumstances be judicially held in conflict with the laws of Maryland, then the said laws shall be deemed controlling but the validity of the remainder of the Declaration and the application of any such provisions, section, sentence, clause, phrase or word in other circumstances shall not be affected thereby.

If any part of the Condominium Plat is held invalid or unenforceable, the remaining parts shall continue in full force and effect.

IN WITNESS WHEREOF, the Grantor has signed this Declaration on the day and year first above written.

WITNESS:

HFA HOMES FOR AMERICANS LIMITED PARTNERSHIP,  
A MARYLAND LIMITED PARTNERSHIP

  
\_\_\_\_\_

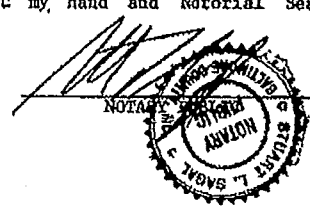
BY:   
R. DAN RITCHIE, General Partner

STATE OF MARYLAND, COUNTY OF BALTIMORE, to wit:

I HEREBY CERTIFY that on this 7th day of September, 1984, before me, the subscriber, a Notary Public for the State and County aforesaid, personally appeared R. Dan Ritchie, who acknowledged himself to be a General Partner of HFA Homes for Americans Limited Partnership, a Maryland Limited Partnership, and that he, as such General Partner, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

MY COMMISSION EXPIRES  
1 JULY 1986





HANLON PARK CONDOMINIUM

DECLARATION

EXHIBIT A - PHASE I

2913

Beginning at the corner formed by the intersection of the southwest side of Liberty Heights Avenue as widened with the northwest side of Hilton Street; and running thence northwesterly binding on the southwest side of Liberty Heights Avenue 163 feet to the southeast side of an alley 15 feet wide there laid out; thence southwesterly parallel with Hilton Street and binding on the southeast side of said 15 foot alley with the use thereof in common 112 feet 3 1/2 inches more or less to intersect a line drawn northwesterly from Hilton Street and along the northeasternmost line of the lots of ground now owned or formerly owned by a certain Charles J. H. Dimling; thence southeasterly reversing said line so drawn and binding thereon 163 feet to the northwest side of Hilton Street; thence north-easterly binding on the northwest side of Hilton Street 112 feet 3 1/2 inches to the place of beginning. The improvements thereon being known as Nos. 3301-07 Liberty Heights Avenue and 3306-8 N. Hilton Street, and being in fee simple.

HANLON PARK CONDOMINIUM

DECLARATION

EXHIBIT B -- PROPOSED PHASE II

201  
Beginning at the corner formed by the intersection of the southwest side of Liberty Heights Avenue with the southeast side of Denison Street; and running thence binding on the southwest side of Liberty heights Avenue south 69 degrees 8 minutes east 130 feet to a lot of ground conveyed by Fulton E. Yowell and wife to Stratford Apartment Co., by deed dated May 31, 1922 and recorded among the Land Records of Baltimore City in Liber SOL No. 3866, Folio 134; thence parallel with Denison Street and binding on said lot south 21 degrees 12 minutes 30 seconds west 137 feet  $\frac{1}{4}$  inches to the northeast side of an alley 15 feet wide there laid out; thence binding on the northeast side of said alley, with the use in common with others, north 68 degree 47 minutes 30 seconds west 130 feet to the southeast side of Denison Street; thence binding on the southeast side of Denison Street north 21 degrees 12 minutes 30 seconds east 136 feet 8 inches to the place of beginning. Subject to leaving open a 20 foot space between the improvements erected on the lot adjoining to the southeast and the improvements erected on the lot hereinabove described, with the right of the use of said 20 foot place in accordance with the provisions in the deed from Fulton E. Yowell and wife to the Stratford Apartment Co. dated May 31, 1922, and recorded among the Land Records of Baltimore City in Liber SOL No. 3866, Folio 134. The improvements thereon being known as Nos. 3317-23 Liberty Heights Avenue, and being in fee simple.

149	DECLARATION JOB	BANKTON PARK CONDORINIUM	(M) 2913	<p><b>RECEIVED FOR RECORD</b>  <b>SEP 10 1994 AT 7<sup>00</sup> O'CLACK,</b>  <b>M. SAME DAY RECORDED IN LIBER</b>  <b>SEE NO. 298 FOLIO, 2/ &amp;</b>  <b>ONE OF THE LAND RECORDS OF</b>  <b>BALTIMORE CITY AND EXAMINED.</b></p> <p>PER _____ CLERK  <small>MINISTER OF RECORDS &amp; CLERK</small></p> <p>BASS &amp; DENICK, P.A.  ATTORNEYS AT LAW  316 MONROE BUILDING  BALTIMORE, MARYLAND 21202</p>
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