

MD HOMEOWNERS ASSOCIATION RESALE CERTIFICATE

Mariners Cove (Essex)

Current Owner: Saeed Haken
Property Address: 37 Running Ct
Baltimore, MD 21221-2933

Requestor Name: Shannon Stamm
Requestor Phone: 410-296-8440

Date Prepared: 05-26-2023

This Resale Certificate is being furnished to the selling unit owner named above by the Association.

The following items are attached to this certificate:

1. A copy of the Articles of Incorporation
2. A copy of the Declaration (other than plats)
3. A copy of the by-laws; and
4. A copy of the rules and regulations of the association
5. The following information should be conveyed by the selling unit owner to the purchaser.

1. Is the lot located in a development?

Yes

2. The selling unit is subject to a common expense assessment as follows:

\$145.00 with a late fee to be assessed if payment is not made by the 15th

3. As of the date of this Certificate, the following unpaid common expenses or special assessments adopted by the Association that is due and payable from the selling unit owner are:

\$0.00

4. Common expense assessments will continue to accrue in the stated amount, subject to the adoption of any budget changes, and will be due and payable by the selling unit owner until the selling unit has been conveyed. **True**

5. Assessments which become due and payable after the date of this Certificate and prior to the conveyance of the selling unit, and which remain unpaid by the selling unit owner, may constitute a lien against the selling unit. If unpaid, this accrual must be added to the unpaid amount, if any, stated above, as of the date of conveyance of the selling unit. **True**

6. Other than common expenses and special assessments, the following fees are payable by the unit owners to the Association:

Late Fees and Fines if Applicable

7. Capital expenditures approved by the Association planned at the time of conveyance which are not reflected in the current operating budget are:

N/A

8. Attached is the most recently prepared balance sheet and income expense statement (dated as):

April 2023

9. The current operating budget of the Association is attached and is for fiscal year:

2023

MD HOMEOWNERS ASSOCIATION RESALE CERTIFICATE

Mariners Cove (Essex)

10. Does the budget include the current reserve study report or a summary of the report, a statement of the status and amount of any reserve or replacement fund?

No

11. Unsatisfied judgments as of the date of this certificate are listed here. As of the date of this Certificate, the Association is a party to the following pending lawsuits, excluding assessment collection suits:

N/A

12. The insurance policies provided for the benefit of the Association can be obtained from:

**Aaron Slater
9881 Brokenlnd Pkwy Ste 306
Columbia MD 21046-3021
(O) 240.755.0133 (F) 240.755.0232**

13. The policy is available for inspection during normal business hours at the offices of Pinnacle Properties P.O. Box 759, Glen Burnie, MD 21061. The terms of the policy prevail over the description given in this Certificate.

True

14. The Association has actual knowledge of the following violation of the applicable health or building codes with respect to the common elements of the Association:

N/A

15. The recreational or other facilities which are to be used or maintained by the unit owners or the Association are:

Common Grounds

16. To the best of the knowledge, information, and belief of the Board of Directors of the association, and its agents engaged in the preparation of this Resale Certificate, the statements contained in this Certificate are accurate and complete as of the date of issuance.

True

MD HOMEOWNERS ASSOCIATION RESALE CERTIFICATE

Mariners Cove (Essex)

By purchasing a lot within this development, you will automatically be subject to various rights, responsibilities, and obligations, including the obligation to pay certain assessments to the Homeowners Association within the development. The lot you are purchasing may have restrictions on:

- a. Architectural changes, design, color, landscaping, or appearance;
- b. Occupancy density;
- c. Kind, number or use of vehicle;
- d. Renting, leasing, mortgaging, or conveying property;
- e. Commercial activity; or
- f. Other matters.

TO BE COMPLETED BY THE SELLING UNIT OWNER

The selling unit owner has knowledge that the following alteration to the selling unit or to the limited common elements assigned to the selling unit violates a provision of the declaration, by-laws, or rules and regulations:

The selling unit owner has knowledge of the existence of the following violation of the health or building codes with respect to the selling unit or the limited common elements assigned to the selling unit:

The information above was obtained by the following representative of the project's Homeowners Association

Name: Jeremy Shifflett

Title: Administrator

Charmaine Shifflett

Signature

Phone: 410-760-4203 Ext: 1008

Date: 05-26-2023

MD HOMEOWNERS ASSOCIATION RESALE CERTIFICATE

Mariners Cove (Essex)

Comments

Title Company,

Please email a copy of the Alta settlement sheet to Amy@pinnacle-md.com so that she can immediately change the seller and buyer records. Then please mail a copy with the balance payoff check for the seller if applicable as well as the prorated checks for the buyers credit made out to the Association and the transfer check in the amount of \$100.00 made out to Pinnacle Properties and mail to Pinnacle Properties, P O Box 759, Glen Burnie, MD. 21061.

Please remind the seller if they have automatic payments scheduled to please "Stop Any Scheduled Payments".

Thank you,
Pinnacle Properties

Annual Financials
Mariners Cove (Essex)

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 06-17-2023
Document not for resale
HumanWiseDocs

This document is currently either not available or not applicable for this association.

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**Articles of Incorporation
Mariners Cove (Essex)**

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
iInfoWiseDoc

MARINER'S COVE
COMMUNITY ASSOCIATION, INC.

ARTICLES OF INCORPORATION

THIS IS TO CERTIFY:

FIRST: The undersigned, Samuel J. Mangione, whose post office address is Suite 930, Two North Charles Street, Baltimore, Maryland, 21201, being at least eighteen years of age, is hereby forming a non-stock, not-for-profit corporation under and by virtue of the general laws of the State of Maryland.

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

MARINER'S COVE COMMUNITY ASSOCIATION, INC. H

THIRD: The purpose for which the Corporation is formed are as follows:

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

(a) To acquire, own, hold, preserve, develop, improve, build upon, manage, operate and maintain open space tracts or areas and common or recreational areas, property, facilities and real estate, whether fee simple or leasehold, and whether improved or unimproved, all designed for the common use, benefit, enjoyment, recreation, health, safety and welfare of the record owner or owners of each lot now or hereafter laid out or established within those parcels of land located in the subdivision known as Mariner's Cove, Fifteenth Election District, Baltimore County, Maryland, as more particularly described in Exhibit A to that certain Declaration of Covenants, Conditions, Restrictions and Easements (the "Declaration") made by Wentwood Capital Fund IX, L.P. (the "Declarant"), and recorded or intended to be recorded among the Land Records of Baltimore County, Maryland, as same may hereafter from time to time be amended or extended to any additional properties, said Declaration, made a part hereof, by reference thereto, as fully, and to the same extent as though incorporated herein. The aforesaid lots, open spaces and common areas are hereinabove and hereinafter referred to as the "Property".

ID #: 005807540 ACK #: 1000182884000000
LIBER: B03127 FOLIO: 0040 PAGES: 0007
MARINER'S COVE COMMUNITY ASSOCIATION, INC.

STATE OF MARYLAND

G:\HOME\DETECTIVE\Wentwood\Mariner's ACI.doc
4/10/05 4:26 PM

I hereby certify that this is a true and complete copy of the original document on file in this office. DATED: 4-2-05 AT 08:30 A.M. WD # 0000312521

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

BY: *[Signature]* 37 Running Ct, Custodian
Effective: 6/95

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

(c) To establish, fix, make, impose, levy, collect and enforce payment of, by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the Corporation.

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

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

(f) To dedicate, sell or otherwise transfer all or any part of the common areas, property and facilities of the Corporation to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed upon by the members; provided, however, that no such dedication, sale or transfer shall be effective unless made by an appropriate instrument signed by two-thirds (2/3) of the votes of the members of the Corporation (excluding the Declarant), agreeing to such dedication, sale or transfer. The granting of easements or dedication of land by the Declarant or the Corporation in accordance with the provisions of the Declaration for public utilities, roads or for other public purposes consistent with the intended use of the property by the Corporation and its members shall not be deemed a transfer within the meaning of this subsection.

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

(h) To annex to the Property, at any time, and from time to time, within a period of seven (7) years from and after the date of the Declaration, other and additional property, open spaces and common areas, upon the direction of the Declarant, without the consent of the Class A Members of the Corporation, subject to and in accordance with the Declaration.

(i) To annex to the Property at any time, and from time to time, other and additional property, open space and common areas, provided that any annexation of such other

additional property, open space and common areas shall have the assent of two-thirds (2/3) of each class of members of the Corporation, voting separately thereon, and the consent of the Declarant, if the Declarant still owns any lots within the Property or retains the right to annex additional property to the Property subject to the Declaration pursuant to clause (h) above.

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

The Corporation is formed under the articles, conditions and provisions expressed herein and in the general laws of this State. In no event, however, shall the Corporation carry on any activity not permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501(c) or 528 of the Internal Revenue Code of 1986, as amended to date, or corresponding provision of any future United States Internal Revenue Law; or invest in or use any property in such a manner as to jeopardize the exemption of the Corporation from taxation under the aforesaid Section 501(c) or 528 of the Internal Revenue Code of 1986, as now in force or hereafter amended.

FOURTH: The post office address of the principal office of the Corporation in this State is 32 Luffing Court, Baltimore, Maryland 21221. The name and post office address of the resident agent of the Corporation in this State are Samuel J. Mangione, Two North Charles Street, Suite 930, Baltimore, Maryland 21201. Said resident agent is a citizen of the State of Maryland and actually resides therein.

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

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

(b) **Class B Member:** The Class B Member shall be the Declarant and any Builder which is a record owner of any lot. The Class B Member shall be entitled to three (3) votes for each lot or lots within the Property owned by the Class B Member in all proceedings in which action shall be taken by members of the Corporation. Each Builder shall be conclusively presumed, by its having accepted the conveyance from the Declarant of the legal title to a lot to have given the Declarant an irrevocable and exclusive proxy entitling the Declarant to cast all votes of the Builder and to have agreed that such proxy is coupled with an

interest, for each such lot owned by such member, in all proceedings in which action shall be taken by members of the Corporation.

(c) **Conversion:** All Class B Memberships shall be converted to Class A memberships upon the earlier to occur of (i) at such time as the total number of votes entitled to be cast by Class A Members of the Corporation equals or exceeds the total number of votes entitled to be cast by the Class B Members of the Corporation; or (ii) seven (7) years after the date of the Declaration.

Membership in the Corporation shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Corporation. Conversely, every owner of a lot which is subject to assessment by the Corporation shall become and be a member of the Corporation.

The vote for any membership which is owned by more than one person may be exercised by any of the co-owners present at any meeting unless any objection or protest by any other owner of such membership is noted at such meeting. In the event all of the co-owners of any membership who are present at any meeting of the Members are unable to agree on the manner in which the votes for such membership shall be cast on any particular question, then such vote shall not be counted for purposes of deciding that question and in no event may such persons cast more than one (1) vote with respect to any lot.

SIXTH: The affairs of the Association shall be managed initially by a board of three (3) directors, which number may be increased or decreased pursuant to the Bylaws of the Corporation, but shall never be less than three (3) nor more than five (5); and the names of the directors who shall act until the first annual meeting or until their successors are duly chosen and qualified are Sutton Turner, Robert Turner and Cliff McDaniel. No director need be a member of the Corporation.

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

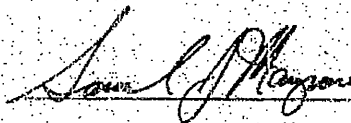
EIGHTH: Amendment of these Articles shall require the assent of two-thirds (2/3) of the votes of the entire membership; provided, however, that the Federal National Mortgage Association, the Federal Housing Administration or the Veterans' Administration, or any similar or successor agencies thereto (collectively, the "Federal Agencies"), shall have the right to veto amendments while there is a Class B membership if such Federal Agencies have approved the Property described herein, or any part thereof, or any lot thereon, for federal mortgage loan financing; and provided further, these Articles may not be amended so as to modify, impair or revoke any right or privilege reserved for the benefit of the Declarant, or so as to impose on the Declarant any obligation which is not also imposed on the Owners, without the prior written consent of the Declarant.

NINTH: As long as there is a Class B Member, if any of the Federal Agencies approve the Property or any lot therein for federal mortgage loan financing, the following actions will require the prior approval of such Federal Agencies: annexation of additional properties; mergers and consolidations; mortgaging of common area; dedication of common area; dissolution; and amendment of these Articles.

TENTH: No director or officer of the Corporation shall be liable to the Corporation or to its members for money damages except (a) to the extent it is proved that such director or officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (b) to the extent a judgment or other final adjudication adverse to such director or officer is entered in a proceeding based on a finding in the proceeding that such director's or officer's action, or failure to act, was (i) the result of active and deliberate dishonesty or (ii) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding. In all other cases, the Corporation shall, to the maximum extent permitted by law, indemnify all members of the Board of Directors and all officers of the Corporation from and against any and all claims against them which may relate in any way to their status as officers or directors or to their actions or failure to act in such capacity. Neither the amendment nor repeal of this provision, nor the adoption or amendment of any other provision of these Articles, the Declaration or the Bylaws of the Corporation inconsistent with this provision, shall apply to or affect in any respect the applicability of the foregoing with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation and acknowledged the same to be my act on this 5 day of May, 2000.

WITNESS:



I hereby consent to act as resident agent of the Corporation.

Samuel J. Mangione
Samuel J. Mangione

STATE OF NEW YORK
NOT A RESIDENTS AG
CUST ID: 0000363005
WORK ORDER: 9000212581
DATE: 05-09-2000 02:13:32 PM
HT - PAID: \$40.00

FORM 607 (REV. 12-19-99) - 4-20-00

Order: 1167559456
Address: 37 Punting Ct
Order Date: 05-17-2023
Document not for resale
HomeWinBoos

FOR DEPARTMENTAL USE ONLY

DOCUMENT CODE 02 BUSINESS CODE 04

_____ P.A. _____ Religious _____ Close _____ Stock Nonstock

Merging (Transferor) _____

Surviving (Transferee) _____

FEES REMITTED

Base Fee: 30

Org. & Cap. Fee: 30

Expedite Fee: _____

Penalty: _____

State Recordation Tax: _____

State Transfer Tax: _____

Certified Copies: _____

Copy Fee: _____

Certificates: _____

Certificate Fee: _____

Other: _____

TOTAL FEES: 40

Credit Card

Check

Cash

Documents on _____ Checks _____

APPROVED BY: [Signature]

NOTE:

COMMENT:

STATE OF MARYLAND
DEPT. OF ASSESSMENTS AND TAXATION
CHKST. ID: 0000389905
WORK ORDER: 0000318581
DATE: 05-17-2023 02:13:52 PM
PMT. PAID: \$40.00

(New Name) _____

- Change of Name
- Change of Principal Office
- Change of Resident Agent
- Change of Resident Agent Address
- Resignation of Resident Agent
- Designation of Resident Agent and Resident Agent's Address
- Change of Business Code

Adoption of Assumed Name

Other Change(s)

CODE _____

ATTENTION: Samuel J. Mangione

MAIL TO ADDRESS:

Sommer & Steele, LLC
Suite 930
Two North Charles St.
Baltimore, Md. 21201

Budget
Mariners Cove (Essex)

Order: YB9CGV458
Address: 37 Running Ct
Order Date: 05-17-2023
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**MARINER'S COVE COMMUNITY
ASSOCIATION BUDGET**

Approved 2023

Monthly Assessment:	\$145.00
<hr/>	
INCOME	\$175,740.00
ASSESSMENT	.
LATE FEE	2,500.00
INTEREST INCOME	150.00
NSF FEE	\$300.00
LEGAL FEES/COLLECTIONS	3,300.00
CLUBHOUSE RENTAL	\$750.00
TOTAL INCOME	\$182,740.00
<hr/>	
EXPENSES	
REVIEW / TAX PREP	\$1,800.00
POSTAGE/COPIES/FAXES	\$1,000.00
BANK CHARGES	\$50.00
LEGAL/COLLECTION	\$1,200.00
MANAGEMENT FEES	\$21,200.00
INSURANCE	\$6,500.00
BAD DEBT	\$1,000.00
Security Monitoring	\$1,200.00
MISCELLANEOUS EXPENSES (Storage Fees)	\$2,500.00
EXTERMINATION	\$2,000.00
POOL MANAGEMENT	\$18,000.00
POOL MAINTENANCE/SUPPLIES	\$10,000.00
CLUBHOUSE MAINTENANCE	\$5,000.00
TELEPHONE	\$500.00
GROUNDS CONTRACT	\$25,000.00
REPAIRS & MAINTENANCE	\$2,000.00
Landscaping Repair/Replace	(\$2,000.00
Janitorial Services	(\$2,500.00
SNOW REMOVAL	\$10,000.00
TRASH REMOVAL	\$1,840.00
ELECTRICITY	\$16,500.00
WATER AND SEWER	\$20,000.00
PROPERTY TAXES	\$2,500.00
County Taxes) \$150.00
CAPITAL IMPROVEMENTS	\$5,000.00
Reserve Study	\$5,000.00
RESERVE CONTRIBUTION	<u>\$18,300.00</u>
TOTAL EXPENSES	\$182,740.00

Order: YB9CCV455
Address: -37 Running Ct
Order Date: 05-17-2023
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Bylaws
Mariners Cove (Essex)

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
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MARINER'S COVE COMMUNITY ASSOCIATION, INC.
BYLAWS
TABLE OF CONTENTS

		<u>PAGE NO.</u>
ARTICLE I	NAME AND LOCATION	1
ARTICLE II	DEFINITIONS.....	1
Section 1.	"Association".....	1
Section 2.	"Common Area".....	1
Section 3.	"Declarant".....	1
Section 4.	"Declaration".....	1
Section 5.	"Lot".....	1
Section 6.	"Member" or "Members".....	1
Section 7.	"Owner".....	1
Section 8.	"Property".....	1
Section 9.	"Miscellaneous".....	1
ARTICLE III	MEETING OF MEMBERS	2
Section 1.	Annual Meetings	2
Section 2.	Special Meetings.....	2
Section 3.	Notice of Meetings	2
Section 4.	Quorum	2
Section 5.	Proxies	2
Section 6.	Voting	3
Section 7.	Action Taken Without a Meeting.....	3
ARTICLE IV	BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE	3
Section 1.	Number	3
Section 2.	Term of Office	"

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
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Section 3.	Removal	3
Section 4.	Vacancies	4
Section 5.	Compensation	4
ARTICLE V	NOMINATION AND ELECTION OF DIRECTORS	4
Section 1.	Nomination	4
Section 2.	Election	4
ARTICLE VI	MEETINGS OF DIRECTORS	4
Section 1.	Regular and Special Meetings	5
Section 2.	Quorum	5
Section 3.	Telephone Meetings	5
Section 4.	Action Taken Without a Meeting	5
Section 5.	Open Meetings	5
Section 6.	Closed Sessions	6
Section 7.	Notice of Meetings	6
ARTICLE VII	POWERS AND DUTIES OF THE BOARD OF DIRECTORS	6
Section 1.	Powers	7
Section 2.	Duties	8
ARTICLE VIII	OFFICERS AND THEIR DUTIES	9
Section 1.	Enumeration of Officers	9
Section 2.	Election of Officers	9
Section 3.	Term	10
Section 4.	Special Appointments	10
Section 5.	Resignation and Removal	10
Section 6.	Vacancies	10
Section 7.	Multiple Offices	10

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

Section 8. Duties 10

Section 9. Contracts, Agreements and Other Instruments 11

ARTICLE IX COMMITTEES 11

ARTICLE X BOOKS AND RECORDS 11

Section 1. Inspection and Maintenance 11

Section 2. Withholding from Inspection 11

Section 3. Homeowners Association Depository 12

ARTICLE XI WORKING CAPITAL AND RESERVE FUNDS 12

Section 1. Creation and Investment of Funds 12

Section 2. Working Capital Funds 12

Section 3. Repair and Replacement Reserve Funds 12

Section 4. Contributions to Capital 12

ARTICLE XII CORPORATE SEAL 12

ARTICLE XIII ADOPTION OF RULES AND REGULATIONS 13

Section 1. Authorization 13

Section 2. Notice 13

Section 3. Adoption: Referendum 13

Section 4. Modification or Repeal 13

ARTICLE XIV AMENDMENTS 13

ARTICLE XV FISCAL YEAR 14

ARTICLE XVI INDEMNIFICATION OF OFFICERS AND DIRECTORS 14

Order: YB9CCV458
 Address: 37 Running Ct
 Order Date: 05-17-2023
 Document not for resale
 HomeWiseDocs

MARINER'S COVE COMMUNITY ASSOCIATION, INC.

BYLAWS

ARTICLE I
NAME AND LOCATION

The name of the corporation is MARINER'S COVE COMMUNITY ASSOCIATION, INC., hereinafter referred to as the "Association."

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to Mariner's Cove Community Association, Inc., its successors and assigns.

Section 2. "Common Area" shall mean all real property and improvements owned by the Association for the common use, benefit and enjoyment of the Owners. Common Area may from time to time also include an interest held by lease, license or easement as well as estates in fee simple.

Section 3. "Declarant" shall mean and refer to Wentwood Capital Fund IX, L.P., a Maryland limited partnership, and any successors or assigns thereof to whom it shall expressly (i) transfer, convey or assign any or all of its right, title and interest as the "Declarant" under the Declaration; or (ii) convey or otherwise transfer all of its right, title and interest in the Property, as an entirety, without reservation of any kind.

Section 4. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Restrictions and Easements dated _____, applicable to the Property and recorded or intended to be recorded among the Land Records of Baltimore County, Maryland, and any additions, amendments or modifications thereto.

Section 5. "Lot" shall mean and refer to any plot of land subject to assessment by the Association, and shown upon any recorded subdivision map or plat of the Property, with the exception of the Common Area.

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

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

Section 8. "Property" shall mean and refer to that certain real property described in the Declaration and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

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

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ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held annually thereafter, at a date, time and place within the State of Maryland selected by the Board of Directors of the Association. If the day for the annual meeting of the Members is a Saturday, Sunday or a legal holiday, the meeting will be held on the first day following which is not a Saturday, Sunday or a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are (i) entitled to vote one-fourth (1/4) of all of the votes of the Class A membership, or (ii) entitled to vote one-fourth (1/4) of all of the votes of the Class B membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days but not more than sixty (60) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. No notice of the time, place or purpose of any meeting of Members need be given to any Member who attends in person, or by proxy, or who, in writing, executed and filed with the records of the meeting, either before or after the holding of the meeting, waives such notice. The record date for determining the Members entitled to vote at any meeting of the Members shall be the date established in this Section 3 for determining the Members entitled to notice of the meeting.

Section 4. Quorum. The presence at the meeting of Members or of proxies entitled to cast twenty percent (20%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, these Bylaws or applicable law. If a quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, and may call another meeting, by a majority vote of the Members present at such meeting in person or by proxy, with notice as set forth in Section 3 above being sent to all Members, and the Members present at such meeting in person or by proxy shall constitute the requisite quorum. In the alternative, the Members entitled to vote at the meeting shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies (other than the proxy given by each Builder to the Declarant pursuant to the provisions of the Articles of Incorporation for the Association) shall be in writing and filed with the Secretary. Every proxy (other than the proxy given by each Builder to the Declarant pursuant to the provisions of the Articles of Incorporation for the Association) shall

Order: YB9CCV458

Address: 37 Running Ct

Order Date: 05-17-2023

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revocable and shall automatically cease upon conveyance by the Member of legal title to its Lot (other than as security for a loan).

Section 6. Voting. A majority of the votes cast (the votes cast by all classes of Members being combined) at a meeting of Members duly called and at which a quorum is present shall be sufficient to approve any matter which may properly come before the meeting, unless (1) a greater number or percentage of votes, and/or (2) the separate computation of the votes of each class, is required by the Articles of Incorporation, by the Declaration, by another provision of these Bylaws, or by applicable law.

Section 7. Action Taken Without a Meeting. The Members shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of the Members; provided notice of such action was provided to all Members as aforesaid. Any action so approved shall have the same effect as though taken at a meeting of the Members.

ARTICLE IV BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed initially by a Board of three (3) directors, who need not be Members of the Association. After all Class B memberships have ceased, each director shall be (a) a Member, either in its own name, or as a joint tenant, tenant in common, tenant by the entirety, or copartner, if its Lot is held in a real property tenancy or partnership relationship, or (b) the spouse of a Member, or (c) an officer, employee or agent of a corporation, partnership, trust or other entity which is a Member of the Association. For each membership, there shall be no limit as to the number of joint tenants, tenants in common or tenants by the entirety, copartners, officers or agents of the Member who may serve as directors at the same time. A majority of the Board of Directors or a majority vote of the Members at a meeting of the membership may increase the number of Directors to a maximum of five (5).

Section 2. Term of Office. From and after the first annual meeting of the Members, the Members shall elect one-third (1/3) of the number of directors for a term of one (1) year, one-third (1/3) of the number of directors for a term of two (2) years, and one-third (1/3) of the number of directors for a term of three (3) years; and at each annual meeting thereafter, the Members shall elect one-third (1/3) of the total number of directors for a term of three (3) years. Each director elected as provided in this Section 2 may, if reelected, succeed itself, and shall hold office until its successor shall be elected and qualified, or until such director shall die, resign, cease to qualify, or be removed.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association present and voting. In the event of death, resignation or removal of a director, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his or her predecessor. Removal of any director under the provisions of this Section shall, ipso facto, terminate the right of such director to hold any executive office of the Association. Every director who is an officer, director, employee or agent of the Declarant shall be conclusively deemed to have resigned.

Order: YB000V468
Address: 37 Running Ct
Order Date: 05-17-2023
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his or her position as a director, upon termination of such director's relationship with the Declarant.

Section 4. Vacancies. If any director shall die or resign, or shall cease to qualify for directorship under Section 1 of this Article IV, or if the Members of the Association shall remove any director without appointing another in its place, a majority of the remaining directors, although such majority is less than a quorum, may elect a successor (the "replacement director") to hold office until the next succeeding annual meeting of the Association, and until the replacement director's successor shall be elected and qualified, or until the replacement director shall die, resign, cease to qualify, or be removed. Vacancies in the Board of Directors created by an increase in the number of directors may be filled by the Declarant prior to the termination of the Class B membership, and thereafter, by the vote of a majority of the votes of the Members of the Association present and voting at an annual meeting of the Association, and the director so elected to fill any such vacancy shall hold office until the third (3rd) succeeding annual meeting of the Association, and until its successor shall be elected and qualified, or until such director shall die, resign, cease to qualify, or be removed.

Section 5. Compensation. No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of his or her duties.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made by any Member at or prior to any annual meeting. Each nomination made prior to the annual meeting shall be submitted in writing to the Secretary of the Association. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting and shall serve until the close of the annual meeting or until their successors are appointed. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in any event not less than the number of vacancies, from among Members or non-members of the Association, and shall submit its nominations to the Secretary of the Association. The decision of a majority of the members of the Nominating Committee shall be reported as the decision of the Nominating Committee.

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

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
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ARTICLE VI
MEETINGS OF DIRECTORS

Section 1. Regular and Special Meetings. Within seven (7) days after each annual meeting of the Members, the Board of Directors shall meet at such time and place as shall be fixed by the Members at said annual meeting, in which case no notice to the directors shall be necessary, or if no time and place was fixed for such meeting at the annual meeting of the Members, then the Board shall meet within seven (7) days following the day of such annual meeting, at such time, date and place as may be fixed by a majority of the directors. In addition to the foregoing meeting, regular meetings of the Board of Directors shall be held at such other date, time and place as may be fixed from time to time by a majority of the directors. Special meetings of the Board of Directors may be called by the President of the Association or by any two (2) of the directors, either by vote or in writing. Notice of the place, day and hour of every regular and special meeting shall be given to each director (a) in writing, either mailed to each director, postage prepaid, not later than the fifth (5th) day before the day set for the meeting, or (b) delivered personally not later than the day before the date set for the meeting, or (c) by telecopy or telephone not later than the day before the date set for the meeting. No notice of the time or place of the meeting need be given to any director who, in writing, executed and filed with the records of the meeting, either before or after the holding of the meeting, waives such notice, or, in fact, attends the meeting.

Section 2. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 3. Telephone Meetings. Unless a Board meeting is required by state law to be open to all Members of the Association, Members of the Board may participate in the meeting by means of a conference telephone or similar communications equipment, if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 4. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a closed meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 5. Open Meetings. Except as provided in Section 6, all meetings of the Association, including meetings of the Board of Directors or other governing body of the Association, and of any committee of the Board, shall be open to all Members and their agents. Following the termination of the Class B membership in the Association, the Board of Directors or other governing body of the Association, shall, subject to reasonable rules adopted by the Board or other governing body of the Association, provide a designated period of time during an open meeting to allow Lot Owners an opportunity to comment on any matter relating to the Association. Notwithstanding the foregoing, during any such meeting at which the agenda is limited to specific topics or at a special meeting, the Lot Owner's comments may be limited to the topics listed on the meeting agenda. In addition, the Board or other governing body of

Order: YB900V458
Address: 37 Running Ct
Order Date: 05-17-2023
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Association shall convene at least one meeting each year at which the agenda is open to any matter relating to the Association.

Section 6. Closed Sessions.

(a) The Board or any committee of the Board may, with approval of a majority of a quorum, convene in closed session for the following purposes:

- (i) Discussion of a matter pertaining to employees and personnel;
- (ii) Protection of the privacy or reputation of individuals in matters not related to the Associations' business;
- (iii) Consultation with legal counsel;
- (iv) Consultation with staff personnel, consultants, attorneys, or other persons in connection with pending or potential litigation;
- (v) Investigative proceedings concerning possible or actual criminal misconduct;
- (vi) Consideration of the terms or conditions of a business transaction in the negotiation stage if the disclosure could adversely affect the economic interests of the Association;
- (vii) Compliance with a specific constitutional, statutory, or judicially imposed requirement protecting particular proceedings or matters from public disclosure;
- (viii) On an individually recorded affirmative vote of two-thirds of the Board of Directors or committee members present, some other exceptional reason so compelling as to override the general public policy in favor of open meetings; or
- (ix) or any other reason permitted by applicable law.

(b) If a meeting is held in closed session under this Section:

- (i) An action may not be taken and a matter may not be discussed if it is not permitted by enumerated clauses (i) through (ix) of subsection (a) of this Section; and
- (ii) A statement of the time, place, and purpose of the closed meeting, the record of the vote of each director or committee member by which the meeting was closed, and the authority under this Section for closing the meeting shall be included in the minutes of the next meeting of the Board of Directors or the committee, as the case may be.

Section 7. Notice of Meetings. All Members shall be given reasonable notice of all regularly scheduled open meetings of the Association.

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
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ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall, subject to the provisions of the Declaration, the Articles of Incorporation and applicable law, have the power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area, including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof, including the imposition of monetary fines, by majority vote of the Board, after notice and a hearing. Prior to reaching a decision to impose any penalty provided herein for breach of any provisions hereof, of any rules enacted hereunder or any covenants, conditions or restrictions contained in the Declaration, the Board shall send written notice to the Owner specifying the nature of the infraction and shall provide an opportunity to the Owner for a hearing before the Board regarding such infraction and the penalty to be imposed. Said notice shall be given at least fifteen (15) days prior to said hearing. If the Board determines that said infraction has occurred, it may impose a penalty to become effective not less than five (5) days after said hearing. Any such determination of the Board shall be final. Notwithstanding anything to the contrary herein contained, neither the Board nor the Association shall have the power to cause a forfeiture or abridgement of an Owner's right to the full use of its Lot, including access thereto over and across the Common Area;
- (b) suspend the voting rights and right to use of any recreational facilities located on any Common Area of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days for any violation of the Declaration, any architectural guidelines or any other published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant if the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) employ a manager, independent contractor, or such other individuals, entities or employees as they deem necessary and to prescribe their duties;
- (f) enforce the provisions of the Declaration, the Articles of Incorporation and these Bylaws by appropriate means, including, without limitation, the expenditure of funds of the Association, the employment of legal counsel, the commencement of legal and/or equitable actions and the settlement of same. Each Member and Owner hereby vests in and irrevocably delegates to the Board or its duly authorized representative, the right and power to so act;
- (g) in accordance with the provisions of the Articles of Incorporation and the Declaration, grant and convey easements, licenses for use and rights-of-way, to any third party where necessary in, on, over and through the Common Area for the benefit of the owners;

(h) to the extent permitted by law, to participate in mergers and consolidations with other nonprofit corporations organized for the same purposes as the Association;

(i) in accordance with the provisions of the Articles of Incorporation and the Declaration, dedicate in fee simple or in any lesser estate or grant easements over any of its real property to any governmental body or agency, public authority, private or public utility company, or other service companies, for public use or in connection with providing services to the Property;

(j) delegate its powers under the Declaration, these Bylaws or the Articles of Incorporation to committees, officers, employees or a manager;

(k) in accordance with the provisions of the Declaration, enter upon any Lot or Common Area for the purpose of enforcing any of the provisions of the Declaration, or for the purpose of maintaining the Common Area, or for the purpose of maintaining any slopes located on any Lots;

(l) acquire and hold real property by lease or purchase for offices or other Common Area that may be necessary or convenient for the management of the Common Area, the administration of the affairs of the Association or for the benefit of the Members and owners;

(m) acquire and hold, as trustee for the benefit of its Members, tangible and intangible personal property and to dispose of the same by sale or otherwise;

(n) establish and maintain a working capital and reserve funds in amounts to be determined by the Board; and

(o) borrow money as needed for the administration of the Association and its functions, and to pledge personal and real property assets of the Association as security for such loan, as provided in the Articles of Incorporation.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such a statement is requested in writing by one-fourth (1/4) of the Class A Members or of the Class B Members who are entitled to vote;

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

(c) determine, notify owners of, collect and enforce annual and special assessments as provided in the Declaration and these Bylaws;

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

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
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- (e) procure and maintain liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded as it may deem appropriate;
- (g) cause the Common Area and any other areas shown on the plats for the Property that may be owned by governmental authorities but not being properly maintained, to be maintained and landscaped as needed;
- (h) accept any Common Area and improvements situated thereon conveyed by the Declarant, and maintain, operate, and otherwise manage all of the facilities situated on the Common Area, and all personal property acquired by the Association;
- (i) pay any real and personal property taxes and assessments and other charges assessed against the Common Area unless the same are separately assessed to the Owners;
- (j) obtain utility services necessary or desirable, for the benefit of the Common Area, including, but not limited to, water, gas, electricity, telephone, refuse collection, sewage disposal and other services;
- (k) adopt, amend, and repeal such rules and regulations as it deems reasonable. A copy of the rules and regulations, as they may from time to time be adopted, amended or repealed, shall be delivered to each owner in the same manner established in the Declaration for the delivering of notices. Upon such delivery, said rules shall have the same force and effect as if they were set forth in and were part of the Declaration. The rules as adopted, amended or repealed, shall be available at the principal office of the Association to each Owner and Mortgagee upon request or at such other place as may be designated by the Board. In the event of any conflict between any such rules and any other provisions of the Declaration, the Articles of Incorporation or these Bylaws, the provisions of the rules shall be deemed to be superseded by the provisions of the Declaration, the Articles of Incorporation or the Bylaws to the extent of any such inconsistency; and
- (l) pay any amount necessary to discharge any lien or encumbrance upon the Common Area, or any other property or interest of the Association.

ARTICLE VIII OFFICERS AND THEIR DUTIES

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

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

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

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Every officer who is an officer, director, employee or agent of the Declarant shall be deemed conclusively to have resigned from all offices that he or she holds upon the termination of such officer's relationship with the Declarant.

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

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

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

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

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

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses and shall perform such other duties as required by the Board.

(d) **Treasurer.** The Treasurer shall receive and deposit or shall cause to be received and deposited in appropriate bank accounts all monies of the Association and shall cause such funds to be disbursed as directed by resolution of the Board of Directors; may co-sign checks or promissory notes of the Association; shall keep or cause to be kept all books of account; cause an annual audit of the Association's books to be made by an independent

accountant at the completion of each fiscal year or by an authorized officer of the Association who certifies that the annual statement was prepared without audit from the books and records of the Association; and shall prepare or cause to be prepared an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

Section 9. Contracts, Agreements and Other Instruments. No deed, deed of trust, mortgage, lease, bond, bill of sale, assignment, contract, agreement, promissory note, check, or any other instrument or document intended to bind the Association shall be valid or binding unless signed (a) by the President or Vice President and the Treasurer of the Association, or (b) by the manager of the Association (except that the manager shall not have the authority to execute deeds, deeds of trust, mortgages, leases or promissory notes on behalf of the Association).

ARTICLE IX COMMITTEES

The Declarant, and thereafter, the Board of Directors of the Association, shall appoint an Architectural Review Committee as provided in the Declaration; and the President of the Association shall appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint such other committees as deemed appropriate in carrying out its purpose. Any member of any committee who is an officer, director, employee or agent of the Declarant shall be deemed to have resigned from his or her position as a member of such committee upon termination of such members, relationship with the Declarant.

ARTICLE X BOOKS AND RECORDS

Section 1. Inspection and Maintenance. The books and records of the Association, and copies of the Declaration, the Articles of Incorporation, these Bylaws and any other rules, regulations or architectural guidelines shall be available for examination and copying by any owner and any Mortgagee of a Lot, and the duly authorized agents or attorneys of any such Owner or Mortgagee, during normal business hours and after reasonable notice at the principal office of the Association, or at the offices of any manager employed by the Association, where copies may be purchased at reasonable cost. All books and records of the Association shall be kept in accordance with good accounting practices on a consistent basis.

Section 2. Withholding from Inspection. Notwithstanding the foregoing, books and records kept by or on behalf of the Association may be withheld from public inspection to the extent such books and records concern:

- (a) personnel records;
- (b) an individual's medical records;
- (c) records relating to business transactions that are currently in negotiation;
- (d) the written advice of legal counsel;

Order: 03-17-2023
Address: 37 Running Ct
Order Date: 03-17-2023
Document ID: 1111 for resale
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- (e) an individual's financial records; or
- (f) as otherwise permitted by applicable law.

Section 3. Homeowners Association Depository. The Association shall from time to time deposit such records and other information, and all amendments thereto, as may be required by the Maryland Homeowners Association Act with such officials and in such places as the Act may require.

**ARTICLE XI
WORKING CAPITAL AND RESERVE FUNDS**

Section 1. Creation and Investment of Funds. The Board of Directors shall establish and maintain a working capital fund consisting of the initial capital contributions made by the Owners. From and after such time as the collection of annual assessments is commenced, the Board of Directors shall establish and maintain a reasonable repair and replacement reserve fund (if appropriate) and reserve funds for such other purposes, if any, as it deems appropriate. All funds may be commingled in one account or placed in segregated accounts as determined by the Board of Directors. The Board shall invest Association funds in depositories or instruments in a manner that achieves a prudent balance among safety, liquidity and rate of return, and taking into account the cash flow needs of the Association on a short term and long term basis.

Section 2. Working Capital Fund. The working capital fund shall be used to provide the cash needed to pay the start-up costs and initial operating expenses incurred by the Association and for such other purposes as determined by the Board of Directors. The working capital fee shall be charged only once with respect to each Lot. The working capital fee for each Lot shall become due on the date the Declarant transfers legal title to such Lot to any other person or entity. If the Declarant or any Builder has previously paid the working capital contribution for any Lot, the Declarant or such Builder, as applicable, may obtain the amount paid by the Owner as a reimbursement for such payment.

Section 3. Repair and Replacement Reserve Fund. The repair and replacement reserve fund, if any, shall be used for the maintenance, repair, and replacement of the Common Area and any improvements thereon for which the Association is responsible, provided, however, that such reserve may be used for such other purposes as are approved by owners having a majority of the votes appurtenant to all Lots.

Section 4. Contributions to Capital. All funds assessed for payment into, or otherwise credited to, any working capital or reserve fund shall be deemed contributions to the capital of the Association made or to be made by the 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 working capital or reserve funds received or retained by the Association shall be considered as income for tax purposes.

**ARTICLE XII
CORPORATE SEAL**

The Association shall not have a seal.

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
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ARTICLE XIII
ADOPTION OF RULES AND REGULATIONS

Section 1. Authorization. Subject to the provisions of this Article, (a) the Association, acting through the Board of Directors, may adopt reasonable rules and regulations for the use, operation and maintenance of the Common Area and any buildings and other improvements now or hereafter located thereon or therein, and (b) the Association, acting through the Board of Directors, upon recommendation of the Architectural Review Committee, or upon its own initiative, may adopt reasonable rules and regulations to govern the making of improvements, additions, and alterations to and upon the Lots and the structures thereon by the Owners thereof, as provided in Article III of the Declaration.

Section 2. Notice. The Board of Directors or the Architectural Review Committee, as applicable, shall mail written notice to each of the Members of the Association setting forth the proposed rule or regulation at least twenty (20) days prior to its adoption. Such notices shall be mailed to the address of each Member as shown on the most current membership roster of the Association.

Section 3. Adoption: Referendum. The adoption or amendment of rules and regulations shall require the vote of two-thirds (2/3) of the Board of Directors present, and the Declarant for so long as the Declarant is a Class B member. Following the expiration of the Class B Membership, Members equal to not less than twenty percent (20%) of the total members of the Association may petition a referendum on a rule or regulation by filing a written petition with the Board of Directors within twenty (20) days after the mailing of a notice of adoption. Upon verifying that the requirements of this Section have been met, the rule or regulation shall be suspended pending the results of the referendum. The rule or regulation shall be submitted to a majority vote of the Members present at a meeting called for this purpose within sixty (60) days after the petition has been verified.

Section 4. Modification or Repeal. Any rule or regulation adopted by the Board of Directors or Architectural Review Committee pursuant to the procedure set forth in this Article XIII may be modified or repealed by the Board of Directors or Architectural Review Committee, as applicable, pursuant to the same procedure.

ARTICLE XIV
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds (2/3) of the votes of the Members present in person or by proxy at which the vote is taken, provided the requisite quorum is present at such meeting, however, these Bylaws may not be amended so as to modify, impair or revoke any right or privilege reserved for the benefit of the Declarant, or so as to impose on the Declarant any obligation which is not also imposed on all Owners, without the prior written consent of the Declarant. Notwithstanding the foregoing, the Federal National Mortgage Association, the Federal Housing Administration or the Veterans' Administration, or any successor agencies thereto, shall have the right to veto amendments while there is a Class B membership if any

Order: YB9CGV458
Address: 37 Running Ct
Order Date: 05-17-2023
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agency or agencies have approved the Property, any part thereof, or any Lot, for federal mortgage loan financing.

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

ARTICLE XV FISCAL YEAR

The fiscal year of the Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year, except that the first fiscal year of the Association shall begin on the date of its incorporation.

ARTICLE XVI INDEMNIFICATION OF OFFICERS AND DIRECTORS

No director or officer of the Association shall be liable to the Association or to its Members for money damages except (a) to the extent it is proved that such director or officer actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, or (b) to the extent a judgment or other final adjudication adverse to such director or officer is entered in a proceeding based on a finding in the proceeding that such director's or officer's action, or failure to act, was (i) the result of active and deliberate dishonesty or (ii) intentionally wrongful, willful or malicious and, in each such case, was material to the cause of action adjudicated in the proceeding. In all other cases, the Association shall, to the maximum extent permitted by law, indemnify all members of the Board of Directors and all officers of the Association from and against any and all claims against them which may relate in any way to their status as officers or directors or to their actions or failure to act in such capacity. Neither the amendment nor repeal of this provision, nor the adoption or amendment of any other provision of these Bylaws, the Declaration or the Articles of Incorporation of the Association inconsistent with this provision, shall apply to or affect in any respect the applicability of the foregoing with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption. The foregoing indemnification shall be exclusive of any other rights to which the Director or officer or person may be entitled by law or agreement or vote of the Members or otherwise.


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CERTIFICATION

I, THE UNDERSIGNED, do hereby certify:

THAT I am the duly elected and acting secretary of Mariner's Cove Community Association, Inc., a Maryland corporation, and that the foregoing Bylaws constitute the original Bylaws of the Association, as duly adopted by unanimous written consent of the Board of Directors thereof on the 5 day of May, 2000.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Association this 5 day of May, 2000.



Cliff McDaniel (SEAL)

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**INFORMAL ORGANIZATIONAL ACTION OF
THE BOARD OF DIRECTORS OF
MARINER'S COVE COMMUNITY
ASSOCIATION, INC.**

May 8, 2000

The undersigned, constituting all of the members of the Board of Directors of MARINER'S COVE COMMUNITY ASSOCIATION, INC., a Maryland corporation (the "Association"), in accordance with Section 2-408(c) of the Corporations and Associations Article of the Annotated Code of Maryland, do hereby take the actions set forth below, and to evidence their waiver of any right to dissent from such actions, do hereby consent as follows:

RESOLVED: That the Articles of Incorporation of the Association filed with the Maryland State Department of Assessments and Taxation and approved for record on May 8, 2000, and attached hereto and incorporated by reference herein be and the same are hereby approved and accepted.

RESOLVED: That the Bylaws attached hereto and incorporated by reference herein be and the same are hereby declared to be the Bylaws of the Association; and that the Secretary certify such Bylaws as the Bylaws of the Association.

RESOLVED: That the Association shall have a President, a Vice-President, a Secretary and a Treasurer.

RESOLVED: That the following persons be and they are hereby unanimously elected as officers of the Association in the respective capacities set forth below, the term of office of each person to be until the first annual meeting of the Board of Directors and until their respective successors shall be elected and qualified:

President: Sutton Turner
Vice President: Robert Turner
Secretary/Treasurer: Cliff McDaniel

RESOLVED: That a copy of the Declaration of Covenants, Conditions, Restrictions and Easements for the Association, as recorded among the Land Records of Baltimore County, Maryland, has been inserted in the Association's minute book immediately after these minutes, and is hereby approved and accepted.

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RESOLVED: That the following persons be and they are hereby appointed as the members of the Architectural Review Committee of the Association:

Sutton Turner
Robert Turner
Cliff McDaniel

RESOLVED: That the Treasurer be, and is hereby, authorized, empowered and directed to open one or more accounts in the Association's name with such financial institutions as the Treasurer shall deem appropriate.

RESOLVED: That the Treasurer be, and is hereby, authorized to pay all fees and other expenses incident to and necessary for the organization of the Association.

RESOLVED: That the proper officer of the Association shall cause to be prepared appropriate books and records with respect to the Association.

RESOLVED: That the Budget of the Association for the 2000 fiscal year attached hereto be and is hereby adopted.

RESOLVED: That the maximum Annual Assessment for calendar year 2000 shall be fixed at Five Hundred Forty Dollars (\$540.00) for each assessable Lot, which shall be payable as more particularly set forth in the Declaration; provided, however, that during calendar year 2000, no Annual Assessments shall be assessed or collected until a further resolution of the Board of Directors.

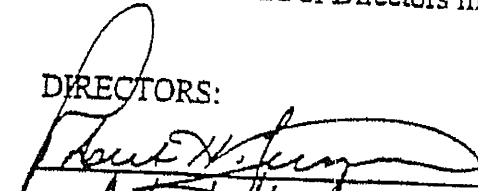
RESOLVED: That the initial working capital contribution shall be Fifty Dollars (\$50.00) for each Lot.

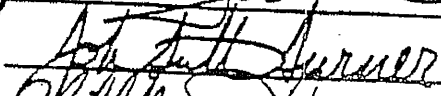
RESOLVED: That any and all actions taken or contracts entered into heretofore by an officer or director of the Association either as officer or director as well as any and all actions taken or contracts entered into by said persons as individuals acting for the Association are hereby ratified, approved and confirmed by the Association and all such contracts adopted as though the individual had at such a time full power and authority to act for the Association and in the same manner as if each and every act had been done pursuant to the specific authorization of the Association.


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This Informal Organizational Action of the Board of Directors may be executed in counterparts.

DIRECTORS:







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CC&Rs
Mariners Cove (Essex)

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MARINER'S COVE COMMUNITY ASSOCIATION, INC.

DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS

0014518 110

MARINER'S COVE COMMUNITY ASSOCIATION, INC.

**DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS**

TABLE OF CONTENTS

		<u>PAGE NO.</u>
ARTICLE I	DEFINITIONS	1
ARTICLE II	PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO	3
1.	EXISTING PROPERTY	3
2.	ADDITIONS TO EXISTING PROPERTY	3
3.	EASEMENT RIGHTS	4
4.	DEANNEXATION	4
5.	AMENDMENT	5
ARTICLE III	ARCHITECTURAL REVIEW COMMITTEE	5
1.	ARCHITECTURAL REVIEW COMMITTEE	5
2.	ARCHITECTURAL REVIEW	5
3.	EXEMPTIONS	8
4.	RIGHT OF ENTRY	9
ARTICLE IV	COVENANTS AND RESTRICTIONS	9
1.	LAND USE	9
2.	SETBACKS	10
3.	SWIMMING POOLS; HOT TUBS	10
4.	EXTERIOR MATERIALS	10
5.	TEMPORARY STRUCTURES	10
6.	CLOTHESLINES; FLAGPOLES	10

0014518 111

7.	TRAFFIC VIEW	10
8.	YARDS	10
9.	FENCES AND WALLS	10
10.	REPAIR AND MAINTENANCE OF LOTS	11
11.	NUISANCES	11
12.	ANIMALS	11
13.	VEHICLES	12
14.	LIGHTING AND WIRING; ANTENNA	12
15.	SUBDIVISION	13
16.	SIGNAGE	13
17.	AGREEMENTS	13
18.	TRASH AND OTHER MATERIALS	14
19.	NON-INTERFERENCE WITH UTILITIES	14
20.	NO HUNTING	14
21.	NO EXCAVATION	14
22.	TREE REMOVAL	14
23.	SHEDS; ACCESSORY STRUCTURES	14
24.	CHIMNEYS AND FLUES	15
25.	PLAY EQUIPMENT	15
26.	GRADING; DRAINAGE	15
27.	DECKS AND PORCHES; AWNINGS; STORM DOORS	15
28.	AUCTIONS, FLEA MARKETS, YARD SALES	16
29.	UTILITIES	16
30.	MAILBOXES	16
31.	NON-TIDAL WETLANDS AND BUFFER AREAS	16

0014518 112

32.	STORM WATER MANAGEMENT EASEMENT	16
33.	BALTIMORE COUNTY ACCESS EASEMENT	16
34.	FAMILY DAY CARE	16
35.	HOME-BASED BUSINESSES	17
36.	COMPLIANCE WITH FEDERAL FAIR HOUSING ACT	18
37.	COMPLIANCE WITH LAWS	18
38.	WAIVERS	18
ARTICLE V	MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION	18
1.	MEMBERSHIP	18
2.	CLASSES OF MEMBERSHIP	18
3.	CONVERSION	19
ARTICLE VI	RESERVED DEVELOPMENT RIGHTS AND EASEMENTS	19
1.	EASEMENTS AND RIGHTS RESERVED FOR THE DECLARANT	19
2.	INCORPORATION BY REFERENCE; FURTHER ASSURANCES	21
ARTICLE VII	COMMON AREA	21
1.	GRANT OF COMMON AREA	21
2.	MEMBER'S RIGHT OF ENJOYMENT	22
3.	NUISANCE	22
4.	MAINTENANCE OF COMMON AREA	22
5.	PERMITTED ACTION BY THE ASSOCIATION	22
6.	RESTRICTIONS	23
7.	DELEGATION OF RIGHT OF USE	24
8.	RULES AND REGULATIONS	24
9.	LIMITATION OF LIABILITY	24
ARTICLE VIII	ENCROACHMENTS	24

0014518 113

ARTICLE IX	ASSESSMENTS	25
1.	COVENANT FOR ASSESSMENTS	25
2.	USE OF ASSESSMENTS	25
3.	MAXIMUM ANNUAL ASSESSMENT	26
4.	SPECIAL ASSESSMENTS	26
5.	NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4	27
6.	COMMENCEMENT DATE OF ANNUAL AND SPECIAL ASSESSMENTS	27
7.	DUTIES OF THE BOARD OF DIRECTORS	28
8.	NONPAYMENT OF ASSESSMENTS	28
9.	SUBORDINATION OF LIEN TO TAXES AND MORTGAGES	29
10.	EXEMPT PROPERTY	29
11.	RESERVES FOR REPLACEMENTS	29
12.	INITIAL WORKING CAPITAL CONTRIBUTION	30
ARTICLE X	INSURANCE; CASUALTY AND CONDEMNATION LOSSES	30
1.	TYPES OF INSURANCE MAINTAINED BY ASSOCIATION	30
2.	PREMIUMS FOR INSURANCE MAINTAINED BY ASSOCIATION	31
3.	POLICY PROVISIONS	31
4.	CASUALTY AND CONDEMNATION	31
5.	REPAIR AND RECONSTRUCTION OF COMMON AREA	32
6.	HAZARD INSURANCE ON IMPROVED LOTS	32
7.	OBLIGATION OF LOT OWNER TO REPAIR AND RESTORE	32
ARTICLE XI	RIGHTS OF MORTGAGEES	33
1.	GENERAL	33
2.	INSPECTION; STATEMENT AND NOTICE	33

0014518 114

3.	APPROVAL BY FEDERAL NATIONAL MORTGAGE ASSOCIATION, FEDERAL HOUSING ADMINISTRATION AND VETERANS' ADMINISTRATION	34
ARTICLE XII	MISCELLANEOUS	34
1.	TERM	34
2.	ENFORCEMENT	34
3.	NO WAIVER	35
4.	COVENANTS TO RUN WITH LAND	35
5.	NOTICES	36
6.	SEVERABILITY	36
7.	CAPTIONS AND GENDERS	36
8.	AMENDMENT	36

0014518 115

MARINER'S COVE COMMUNITY ASSOCIATION, INC.
DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS (this "Declaration") made this 2 day of May, 2000, by Wentwood Capital Fund IX, L.P., a Maryland limited partnership (the "Declarant").

RECITALS

A. Declarant is the owner of certain land (the "Land") located in the Fifteenth Election District, Baltimore County (the "County"), Maryland, and more particularly described on Exhibit A hereto, which Land includes those lots designated as Lots 1-101, inclusive, as shown on the Plat entitled "Mariner's Cove," recorded among the Land Records of Baltimore County, Maryland (the "Land Records") in Plat Book No. 72, Page 70.

B. It is the intention of the Declarant to develop the Land as a single-family residential community, and to insure therefore a uniform plan of development for such property.

C. The Declarant desires to reserve the right, but not the obligation, to subject additional land, together with the improvements thereon and the appurtenances thereto, to the lien operation and effect of this Declaration.

D. The Land is subject to an Future Advance Deed of Trust, Security Agreement and Assignment of Rents and Leases (the "Deed of Trust"), given by the Declarant to Bob Wheat, as trustee (the "Trustee"), for the benefit of Compass Bank (the "Lender"), and recorded among the Land Records on December 28, 1999 in Liber 14232 at folio 607. The Trustee and the Lender are joining in this Declaration for the sole purpose of subjecting and subordinating their interest in such property to the lien, operation and effect of this Declaration.

NOW, THEREFORE, the Declarant does hereby declare that the Land described in Exhibit A and any future additions thereto shall be held, conveyed, hypothecated, encumbered, sold, leased, rented, used, occupied and improved subject to and in accordance with the provisions of this Declaration, and the easements, restrictions and covenants contained herein, which shall run with the title to the Land, and any future additions thereto, and be binding on all parties having any right, title or interest in such property, their heirs, successors and assigns.

ARTICLE I
DEFINITIONS

The following words when used in this Declaration shall have the following meanings:

0014518 416

(a) **"Association"** means Mariner's Cove Community Association, Inc., a non-profit, non-stock, corporation organized and existing under the laws of the State of Maryland for the purpose of exercising the powers and duties set forth herein, and its successors and assigns.

(b) **"Builder"**: intentionally deleted and therefore, no definition.

(c) **"Common Area"** means all those areas of land sometimes designated on the Plats as "Open Space" and which are intended to be devoted to the common use and enjoyment of the owners (defined below) of the Lots, including any open spaces, storm water management facilities, entrance monuments or signs, fencing, landscape buffers, recreational facilities, forest conservation areas, non-tidal wetlands, buffer areas, steep slopes, and any other real property or improvements owned by the Association or in which the Association acquires a right of use or easement for the benefit of the Association and its members, saving and excepting, however, so much of the Land (or any additional property) conveyed or to be conveyed to the County.

(d) **"Declarant"** means Wentwood Capital Fund IX, L.P. and its successors or assigns, to whom such entity expressly conveys or transfers by a written instrument recorded among the Land Records (i) any or all of its right, title and interest under this Declaration as "Declarant," or any amendment or modification hereof, or (ii) all of its right, title and interest in the Property (as hereinafter defined) as an entirety, without reservation of any kind.

(e) **"Lot"** and/or **"Lots"** means any residential building lot now or hereafter shown on the Plats (defined below), together with all buildings and improvements thereon, but excluding the Common Area and any property dedicated or to be dedicated to the County.

(f) **"Member"** or **"Members"** means those persons entitled to membership in the Association as provided in Article V of this Declaration.

(g) **"Mortgage"** means any mortgage or deed of trust encumbering any Lot or any Common Area, and any other security interest existing by virtue of any other form of security instrument or arrangement, provided that such instrument has been recorded among the Land Records. "First Mortgage" shall mean a mortgage with priority over all other Mortgages on the same Lot.

(h) **"Mortgagee"** means the person secured by or the beneficiary or holder of a Mortgage. In the event any Mortgage is insured by the Federal Housing Administration ("FHA") or guaranteed by the Veterans' Administration ("VA"), the Federal National Mortgage Association ("FNMA"), or any similar or successor agency, then as to such Mortgage, the term "Mortgagee" shall include the FHA, the VA, or such other agency acting, respectively, through their duly authorized agents. "First Mortgagee" means the holder or beneficiary of a First Mortgage.

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(i) **"Owner"** means the person or legal entity, or the combination thereof, including contract-sellers, holding the record title to a Lot. If more than one person or legal entity, or any combination thereof, holds the record title to any Lot, all of the them, as a unit, shall be deemed a single Owner and shall be a single Member of the Association by virtue of their ownership of such Lot. The term "Owner," however, shall not mean any contract-purchaser, nor the owner of any redeemable ground rent issuing out of any Lot, the Trustee, the Lender, or any Mortgagee of a Mortgage intended solely for the purpose of securing performance of an obligation or payment of debt.

(j) **"Plats"** means the subdivision plat for the Property entitled Mariner's Cove, recorded among the Land Records in Plat Book 14232, page 607, and any plats recorded among the Land Records in substitution therefor or amendment thereof, and any plats hereafter recorded among the Land Records of any additional land that may hereafter expressly be made subject to this Declaration pursuant to the provisions of Article II hereof.

(k) **"Property"** means the Land as described in Exhibit A and any additional land that may hereafter expressly be made subject to this Declaration pursuant to the provisions of Article II. The Property shall not include any property designated on the Plats to be dedicated or conveyed to the County, and such property shall not be subject to the provisions of this Declaration.

(l) **"Structure"** means all improvements, structures and appurtenances, the placement of which upon any Lot or the improvements thereon may affect the appearance of the Lot or the exterior appearance of the improvements on the Lot including, by way of illustration and not limitation, any building, trailer, garage, porch, shed, mailbox, greenhouse, bathhouse, gazebo, coop or cage, covered or uncovered patio, deck, awning, heating or air-conditioning equipment, solar panels, swimming pool, outdoor play equipment, including a basketball hoop, clothesline, radio, television or other antenna or "dish," exterior lighting, fence, sign, curb, paving, wall, roadway, walkway, planting, landscaping where the trees or shrubbery are intended to grow to a height in excess of four (4) feet, ornamental statute, signboard or temporary or permanent living quarters, and any change or alteration of any previously approved Structure, including any change of exterior appearance, color or texture, and including the removal of existing trees. "Structure" shall also mean (i) any excavation, fill, ditch, diversion, dam or other device which affects or alters the natural flow of surface waters or any waters in any natural or artificial stream, wash or drainage channel, from, upon or across the Property or any Lot; and (ii) any change in the grade of the Property or any Lot of more than six (6) inches from that existing at the time of conveyance of any Lot by the Declarant to another Owner.

All other capitalized terms used in this Declaration and not otherwise defined in this Article I shall have the meanings given to them elsewhere in this Declaration.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

1. **EXISTING PROPERTY.** The Land described on Exhibit A is and shall be transferred, held, sold, conveyed and occupied subject to this Declaration.

0014518 118

2. ADDITIONS TO EXISTING PROPERTY.

(a) Description of Additional Land. None.

(b) Supplemental Declaration. Any expansion shall be accomplished by filing a supplement to this Declaration in the Land Records which describes the property being annexed and which recites that the scheme of this Declaration shall extend to such property which shall thereupon become part of the Property. Upon the filing of any supplemental declaration, Owners of Lots situated on the annexed property shall be subject to the same obligations and entitled to the same rights as the Owners of Lots in the Property. Any supplementary declaration may contain such complementary additions and modifications to the Declaration as may be necessary to reflect the different character, if any, of such property, not inconsistent with the scheme of this Declaration.

(c) Other Additions. Upon approval in writing of the Association by two-thirds (2/3) of the votes of each class of Members of the Association, and the consent of the Declarant if the Declarant still owns any of the Lots within the Property or retains the right to annex additional property to the Property subjected to the Declaration pursuant to clause (a) above, any person who desires to add additional property to the Property subject to this Declaration, may file of record a supplementary declaration as described in subsection (b) hereof.

3. EASEMENT RIGHTS. Any property subjected to this Declaration shall, upon such addition, be subject to all of the easements reserved in this Declaration and such additional easements as may be set forth in the supplement to the Declaration or on the subdivision plats covering such property.

4. DEANNEXATION.

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

(b) So long as any Lot is encumbered by a Mortgage which is insured or guaranteed by the FHA, the VA or the FNMA, as the case may be, no deannexation shall be made pursuant to this Section, or otherwise, except following a determination by the applicable agency that the deannexation is not contrary to a general plan for the development of the

0014518 119

remaining Property previously approved by such agency, or, if no such general plan was so approved by such agency, except following the prior written approval of the FHA, the VA or the FNMA, as applicable.

5. AMENDMENT. This Article shall not be amended without the prior written consent of the Declarant, so long as the Declarant owns any property described in Exhibit A to this Declaration.

ARTICLE III
ARCHITECT REVIEW COMMITTEE

1. ARCHITECTURAL REVIEW COMMITTEE.

(a) The Declarant shall appoint an Architectural Review Committee (the "Architectural Review Committee"), which shall have all the rights, powers and duties granted to it pursuant to this Declaration. In the absence of the appointment of an Architectural Review Committee, the Declarant shall have and shall exercise the rights, powers and duties of the members of the Architectural Review Committee.

(b) The Architectural Review Committee shall consist of not less than three (3) nor more than seven (7) persons or entities, which members shall be appointed from time to time by the Declarant, need not be Members of the Association, and may be replaced at any time for any reason with other individuals selected by the Declarant. The members of the Architectural Review Committee appointed from time to time by the Declarant shall serve until the last Lot is conveyed to an Owner other than Declarant, and thereafter until his or her successor shall be duly appointed. At any time after the last Lot is conveyed to an Owner other than the Declarant, a majority of the Board of Directors of the Association shall have the power, by a duly executed instrument filed among the minutes of the Association, to appoint new members to the Architectural Review Committee, provided the Architectural Review Committee shall at all times be comprised of a minimum of three (3) persons. In the event of the death or resignation of any member of the Architectural Review Committee during the terms of the members appointed by the Declarant, the Declarant shall have the sole right to appoint a successor by designating the name and address of such successor in a document filed among the minutes of the Association. The Declarant may relinquish to the Board of Directors of the Association its rights to designate any successor member of the Architectural Review Committee, in the sole discretion of Declarant. Each member of the Architectural Review Committee shall act without compensation for services performed pursuant to this Declaration.

2. ARCHITECTURAL REVIEW.

(a) Except as otherwise provided in this Declaration or in any rules or regulations adopted by the Board of Directors of the Association, no Structure shall be placed or constructed on any Lot nor shall any addition (including awnings, screen doors and screens), change or alteration (including any change in exterior paint color and/or materials or other exterior appearance thereof, but excluding repainting or retreating with the same color or materials and seasonal decorations) (collectively, "Alterations"), be made to the exterior of any Structure and/or contour of any Lot, until plans and specifications, in duplicate, showing the

0014518 120

nature, dimensions (including elevations and roof pitch or change in the grade of the Lot), material, color and location (including proposed front, rear and side setbacks), of the proposed Structure or Alterations, together with the proposed construction schedule, a designation of the party or parties to perform the work, photographs of the existing improvements or area to be improved, and other information requested by the Architectural Review Committee, have been submitted to and approved in writing by the Architectural Review Committee, and until all necessary permits and other governmental or quasi-governmental approvals shall have been obtained. The approval of the Architectural Review Committee of any Structure or Alterations shall in no way be deemed to relieve the Owner of any Lot from its obligation to obtain any and all governmental permits and approvals necessary for such Structure or Alterations, including but not limited to a building permit.

(b) All questions before the Architectural Review Committee shall be decided by a majority of the Members of the Architectural Review Committee. Any Member who is aggrieved by any action or forbearance from action by the Architectural Review Committee may appeal the decision of the Architectural Review Committee to the Board of Directors and, upon the request of such Member, shall be entitled to a hearing before the Board of Directors of the Association. Such appeal shall be made by the Member in writing to the Board of Directors within thirty (30) days of the date of the notice that such plans and specifications have been rejected by the Architectural Review Committee. The appeal hearing shall be held within forty-five (45) days after the date the notice of the appeal is received in writing by the Board of Directors. The decision of the Board of Directors shall be final and unappealable.

(c) The Architectural Review Committee shall have the right to disapprove any plans and specifications submitted for its review because of any of the following:

- (i) failure of the plans or specifications to comply with any provision of this Declaration; applicable law or other guidelines adopted by the Architectural Review Committee;
- (ii) failure to include information in the plans and specifications required by this Declaration or as may have been reasonably requested;
- (iii) objections to the exterior design, appearance or materials of any proposed Structure or Alterations;
- (iv) incompatibility of any proposed Structure or Alterations with the existing Structures on the Lot or other Lots or with the general plan of improvement of the Property;
- (v) objections to the location of any proposed Structure or Alterations upon any Lot or with reference to other Lots;
- (vi) objections to the grading plan; or
- (vii) objections to the color scheme, finish, proportions, style, architecture, workmanship or appearance of any proposed Structure or Alterations.

0014518 121

(d) Written requests for approval shall be submitted by registered or certified mail, or in person, in which case a written receipt shall be obtained, to the "Mariner's Cove Community Association Architectural Review Committee," c/o Sutton Turner, The Wentwood Companies, 1305 South Key Avenue, Suite 204, Lampasas, Texas 76550, or such other place designated by the Declarant, the Board of Directors or the Architectural Review Committee in a notice to the Members. The approval request shall include two (2) sets of the required plans and specifications, photographs of the existing improvements or area to be improved, and such other information as may be requested by the Architectural Review Committee. The Architectural Review Committee may, in its discretion, establish a reasonable review fee or a schedule of review fees based on the nature of the request to cover expenses, not to exceed One Hundred Dollars (\$100.00) in the aggregate for each submittal. All funds net of out-of-pocket expenses shall be paid over to the Association. In the event the Architectural Review Committee fails to approve or disapprove any plans within sixty (60) days of receipt of the plans and the review fee, if any, such plans shall be deemed approved. In any case where the Architectural Review Committee disapproves any plans and specifications or approves the same only as modified or upon specified conditions, such disapproval or qualified approval shall be accompanied by a statement of the grounds upon which such action was based. Approval of any particular plans and specifications shall not be construed as a waiver of the right of the Architectural Review Committee to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance.

(e) Construction of any Structure or Alterations pursuant to the provisions of this Article shall be commenced within six (6) months following the date of approval and shall be completed within twelve (12) months from the start of construction, or within such other shorter or longer period as the Architectural Review Committee shall specify in its approval. In the event construction is not commenced or completed within such period, the approval shall lapse and compliance with the provisions of this Article shall again be required. New approvals shall be obtained within sixty (60) days of the expiration of the approved construction period, otherwise any Structure shall be promptly returned to its original condition. All Structures and Alterations shall be constructed and thereafter maintained in strict conformity with the approved plans and specifications and all applicable laws (i.e., a building permit and/or zoning variance shall be obtained prior to commencing any work requiring one). Upon completion of construction of any Structure or Alteration in accordance with the provisions hereof, the Architectural Review Committee, upon request of the applicant, shall issue a Certificate of Compliance identifying such Structure and the Lot on which the Structure is placed, and stating that the Structure has been approved and completed pursuant to the terms hereof. Preparation and recording of such Certificate shall be at the expense of the applicant. Any Certificate of Compliance issued pursuant hereto shall be prima facie evidence of the facts therein stated, and as to any title insurer, such Certificate shall be conclusive evidence that all Structures on the Lot noted in such Certificate comply with the provisions hereof; provided, however, neither, the Declarant, the Board of Directors, the Architectural Review Committee nor the Association shall have any liability whatsoever for any loss, cost, claim, damage, liability or expense which any Owner may suffer or incur by reason of (i) the rejection of any plans and specifications submitted to the Architectural Review Committee, (ii) any defects in any plans and specifications revised or approved by the Architectural Review Committee, (iii) any structural or

0014518 022

other defects in any work done pursuant to such plans and specifications, or (iv) the failure of the improvements to comply with applicable laws.

(f) If construction of any Structure or Alterations is undertaken other than in accordance with the provisions of this Declaration and applicable law, such action shall be deemed to be in violation of the provisions of this Declaration and, in such event, within the period of time set forth in a notice from the Declarant if it is still a Class B Member, the Architectural Review Committee or the Board of Directors, but in any event not less than thirty (30) days or such shorter period as provided elsewhere in this Declaration, or such lesser written or oral notice (followed by written confirmation) as may be reasonable in an emergency situation which presents the threat of imminent danger or harm to persons or property, such Structure and/or Alterations shall be removed or restored to its condition prior to such action, and use thereof shall cease, so as to terminate such violation. If the Owner has not terminated the violation within the stated cure period, any agent of the Association may enter upon such Lot and take such steps as are reasonable to terminate such violation and no trespass or other wrongful act by reason of such entry shall be deemed to have been committed; provided, however, the Association may not alter or demolish any Structure without first instituting judicial proceedings. The Association, through the Board of Directors, may also assess a fine in an amount not to exceed One Hundred Dollars (\$100.00) against any Owner who constructs any Structure or Alterations without having applied for or without obtaining the approval of the Architectural Review Committee, in addition to being subject to all other enforcement remedies provided for herein, at law or in equity, which fine shall, if not paid within thirty (30) days of demand, be subject to enforcement in the same manner as assessments under Article IX. In addition, the Declarant, if it is still a Class B Member, or the Board of Directors may exercise all legal and equitable remedies to prevent or remove any unauthorized Structure and/or Alterations or any portion thereof. Such Owner shall be personally liable to the Declarant, or the Association, as applicable, for any costs incurred in enforcing the provisions of this Declaration, including but not limited to court costs and attorneys' fees, to the same extent as such owner is liable for an Assessment levied against such Owner's Lot, and, upon the failure of the Owner to pay such costs within thirty (30) days after such Owner's receipt of written demand for payment from the Declarant or the Association, the Declarant or the Association may establish a lien upon such Owner's Lot in accordance with and subject to the provisions of this Declaration applicable to an assessment lien.

3. **EXEMPTIONS.** Any Structure, Alterations or other improvements erected or installed on the Property or any Lot by or on behalf of the Declarant shall not require the approval of the Architectural Review Committee. The Declarant intends that the provisions of this Article requiring the Architectural Review Committee's approval shall not apply to a Lot until its title is first acquired of record by a person other than Declarant. The Declarant shall not, by virtue of this Declaration, have any fiduciary or other duty to the Association, or any Owner, Mortgagee or any other person, including but not limited to any duty to require that any Structure or dwelling be similar in size, architectural style or cost to those existing or planned for any other Lot.

4. **RIGHT OF ENTRY.** The Declarant, the Architectural Review Committee, the Board of Directors and the Association shall have an easement to enter any portion of the Property or any Lot for the performance of their respective duties under this

0014518 0123

Article and the other provisions of this Declaration; provided such easement shall be exercised during daylight hours and shall not permit entry within the interior portion of any dwelling located on any Lot, but (by way of illustration only and not in limitation of the rights granted herein) shall permit the entry into fenced, or other enclosed areas of the Lot or the Property, and no trespass or other wrongful act by reason of such entry shall be deemed to have been committed. The Declarant, the Architectural Review Committee, the Board of Directors or the Association, as applicable, shall restore any damage caused by such entry; provided, however, to the extent the exercise of such right of entry is for the purpose of removing or restoring any violation of this Declaration, such removal or restoration shall not be deemed to constitute "damage caused by such entry."

ARTICLE IV
COVENANTS AND RESTRICTIONS

1. **LAND USE.**

(a) All Lots shall be used for private, single-family residential purposes only and no dwelling of any kind whatsoever shall be erected, altered or maintained thereon except one private dwelling house for the sole and exclusive use of the Owner or occupant of the Lot. Except as expressly provided elsewhere in this Declaration, no industry, business, trade or profession of any kind, whether or not for profit, including, without limitation, retail or wholesale shops, other kinds of stores, factories, saloons, beauty parlors, doctor's office or other office, professional or otherwise, hospital, asylum or institution of like or similar nature, or charitable institution shall be conducted, maintained or permitted on any part of the Property without the prior written consent of the Board of Directors. None of the Lots shall be used at any time for apartments or other types of multiple housing units. Garages may not be converted to additional living space.

(b) Nothing herein shall prevent the use of part of a Lot as a right-of-way for use by other Lots or for the placement of street signs, street trees or entrance monuments or signs in easement areas now or hereafter designated for such purposes.

(c) Any provision of this Declaration to the contrary notwithstanding, the Declarant shall have the right to use their respective Lots and any improvements thereon, as sales, rental and/or management offices, as model homes, and for such other uses as the Declarant may deem appropriate for the development, marketing and management of the Property, including but not limited to the installation of one or more construction and/or sales trailers, and for the storage of construction materials and equipment upon the Property. The Declarant shall also have the right to erect upon its respective Lots and upon the Common Area such advertising and directional signs, flagpoles and other improvements and equipment as the Declarant shall deem appropriate for the development, marketing and management of the Property.

2. **SETBACKS.** The minimum building restriction lines described in this Declaration, and shown on the Plats are hereby declared to represent zoning requirements of the County, and are not intended to create benefits or burdens on the title to any individual Lot. Amendments to any minimum building setback lines as shown on the Plats shall be obtained by

0014518 124

an owner seeking a zoning variance in accordance with the terms of the zoning ordinance in effect at the time of the filing of a petition for a variance.

3. **SWIMMING POOLS; HOT TUBS.** No swimming pool of any kind shall be permitted on any Lot. Notwithstanding the foregoing, portable children's pools constructed of plastic material may be maintained on any Lot during the months of May through September of each year.

4. **EXTERIOR MATERIALS.** Any change from the original exterior paint, siding, shingle, roofing, shutter or other exterior materials of any Structure constructed on a Lot shall be in material approved by the Architectural Review Committee.

5. **TEMPORARY STRUCTURES.** No temporary Structure, including but not limited to a trailer, shack or other outbuilding, shall be permitted to be erected on any Lot. The foregoing shall not be deemed to prohibit reasonably-sized garden sheds, greenhouses or other similar accessory Structures approved in advance by the Architectural Review Committee.

6. **CLOTHESLINES; FLAGPOLES.** No temporary or permanent exterior clothes dryer, clothes pole or similar equipment shall be maintained on any Lot whether or not it forms a part of any Structure or is detachable therefrom and no drying or airing of any clothing shall be permitted outdoors. Freestanding flagpoles, other than in connection with the initial sale or marketing of Lots, are prohibited. Appropriately-sized flagpoles not in excess of two (2) may be mounted on the fronts of dwellings.

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

8. **YARDS.** The front and side yards of each Lot shall be kept only as a lawn for ornamental or decorative planting of grass, trees, shrubbery, and flowers. Lawn statues and similar ornaments are expressly prohibited in front and side yards. No equipment or machinery, including without limitation, equipment or machinery for use in connection with the maintenance of a dwelling, such as lawnmowers, wheelbarrows and similar devices, shall be stored in the front or side yard of any Lot.

9. **FENCES AND WALLS.** Fences and walls or other similar enclosures may be built on any Lot in rear or side yards only, and then only with the prior written approval of the Architectural Review Committee; provided, however, such fences and walls as may be installed and/or constructed by the Declarant simultaneously with the initial construction of a dwelling on a Lot shall not require Architectural Review Committee approval. Any fence, wall or other similar enclosure shall not extend forward of the rear foundation wall or exceed forty-eight (48) inches in height, unless a greater height is required by law, and shall not impede surface drainage or interfere with any utilities. Fencing shall be cedar, stained or painted to coordinate with the dwelling or to weather to a natural gray tone. In addition to or in lieu of the fencing described above, the Architectural Review Committee may designate one or more fence

0014518 125

designs as the "standard designs" and may require that all fences conform to these standards. All fencing shall (except for permitted privacy fences) be of such open design that it does not obstruct the view of the dwelling from any adjacent Lot or roadway, and shall comply with the height, setback and other requirements of applicable law. Chain link and chicken wire fences are prohibited, provided, however, vinyl coated green wire mesh fencing shall be permitted along the interior of an approved fence. All gates must open inward onto a Lot and shall not open onto another Lot or the Common Area. The foregoing shall not prohibit the growth of an ornamental hedge fence, which shall be kept neatly trimmed, and shall not exceed three (3) feet in height in front yards, or side yards of corner lots.

10. **REPAIR AND MAINTENANCE OF LOTS.** Owners shall maintain their Lots and the exterior of their dwellings in good order and repair, including but not limited to, keeping all sidewalks, if any, neat, clean and in good repair, and free of ice and snow, the pruning and cutting of all trees and shrubbery and the painting (or other appropriate external care) of all Structures on the Lot, including, without limitation, roofs, gutters and downspouts, all in a manner and with such frequency as is consistent with good property management and maintenance. Dead trees, shrubs and unsightly landscaping shall be removed promptly.

11. **NUISANCES.** No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be placed upon a Lot, which may become an annoyance or nuisance to the neighborhood or any adjoining owners. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such properly maintained and operated devices as may be used exclusively for security purposes, shall be installed upon or audible from the exterior of any Structure. No snowmobiles, go-carts, motorbikes, trail bikes, loud-engine recreational vehicles or skateboard ramps shall be run or operated upon any Lot, the Common Area or any roadways serving the Property.

12. **ANIMALS.** No animals of any kind, including pigeons, or other non-domestic or exotic animals, shall be raised, bred or kept on any Lot, except that dogs, cats or any household pets may be kept in accordance with County requirements, provided they are not kept, bred or maintained for any commercial purpose, and provided they do not become a nuisance to the neighborhood or to any other Owners. Animals must be restrained with a lead at all times and cannot be chained or left to roam unattended on the Property or any Lot (other than within a fenced Lot). Pets shall be registered, licensed and inoculated as required by law. Owners shall be responsible for the immediate clean-up and removal of their pets' waste on any of the Property including their own Lot. Puppies and kittens may be kept until they reach the age of twelve (12) weeks. The Board of Directors shall also have the right, in its sole discretion, after notice and a hearing, to declare any particular animal to be a nuisance and such determination shall be conclusive. If such determination is made, the owner will not be permitted to keep that animal on the Lot and will be given a deadline to remove the animal.

13. **VEHICLES.** No commercial vehicles or trucks with more than four (4) wheels and two (2) axles (ladder racks are expressly prohibited), trailers, vans (except a van having a passenger car license and with no exterior commercial lettering), boats (other than in areas specifically designated therefor), buses, campers, recreational vehicles, tractors, junked, unlicensed or inoperable passenger vehicles or any other vehicle, other than private passenger vehicles in regular operation, shall be parked regularly on any roads within the Property or on

0014518 426

any Lot unless garaged (except for such machinery and equipment as may be reasonable, customary or usual in connection with the maintenance of any dwelling or the Common Area) nor (except for bona fide emergencies) shall the repair or extraordinary maintenance of vehicles be carried out anywhere on the Property. For the purposes hereof, a vehicle shall be deemed inoperable unless it is licensed, contains all parts and equipment, including properly inflated tires, and is in such good condition and repair as may be necessary to drive the vehicle on a public roadway. The foregoing restriction shall not prohibit temporary parking for washing and polishing of vehicles or for a visiting motor home or house trailer, which shall be permitted to remain for no more than two (2) consecutive weeks. No commercial vehicles shall remain parked on any street or Lot longer than is necessary to perform the business function of such vehicle in the area. Notwithstanding the foregoing, the Declarant, and its agents and designees, may maintain trailers and commercial vehicles on the Property in connection with the development, sale, marketing and management of the Property. These restrictions are intended to apply to that portion of the Property, which may hereafter be dedicated as public streets or roads.

14. LIGHTING AND WIRING; ANTENNA.

(a) All wiring on any Lot shall be underground.

(b) Except as provided below, and to the extent such prohibition or restriction is permitted by applicable law, rule or regulation, no exterior radio, television and/or citizens-band radio antennae, or other broadcasting or receiving apparatus, or cable television (or other) exterior wiring shall be permitted upon any Lot or any of the Property except for a community cable television or radio system or other similar equipment installed or approved by Declarant for the benefit of all of the Lots or such portion thereof where cable service is available. Notwithstanding the foregoing, an owner may install, maintain and use on its Lot one (or, if approved, more than one) Small Antennae (as hereinafter defined) in the rear yard of a dwelling on the Lot, at such location, and screened from view from adjacent dwellings in such manner and using such trees, landscaping or other screening material, as are approved by the Architectural Review Committee. Notwithstanding the foregoing terms of this subsection, (A) if the requirement that a Small Antennae installed on a Lot be placed in the rear of a dwelling would impair such Small Antennae's installation, maintenance or use, then it may be installed, maintained and used at another approved location on such Lot where such installation, maintenance or use would not be impaired; (B) if and to the extent that the requirement that such Small Antennae be screened would result in any such impairment, such approval shall be on terms not requiring such screening; and (C) if the prohibition against installing, maintaining and using more than one (1) Small Antennae would result in any such impairment, then such Owner may install on such Lot additional Small Antennae as are needed to prevent such impairment (but such installation shall otherwise be made in accordance with this subsection). In determining whether to grant any approval pursuant to this Section, neither Declarant, the Architectural Review Committee nor the Board of Directors shall withhold such approval, or grant it subject to any condition, if and to the extent that doing so would result in an impairment. As used herein, (A) "impair" has the meaning given it in 47 Code of Federal Regulations Part 1, Section 1.4000, as hereafter amended; and (B) "Small Antennae" means any antennae (and accompanying mast, if any) of a type, the impairment of the installation, maintenance or use of which is the subject of such Regulation. Such antennae are currently defined thereunder as, generally, being one meter

00114518 0127

or less in diameter or diagonal measurement and designed to receive certain types of broadcast or other distribution services or programming.

15. **SUBDIVISION.** No Lot shall be divided or subdivided and no portion of any Lot shall be transferred or conveyed for any purpose; provided, however, this shall not prohibit transfers of parts of Lots between adjoining Lot Owners where the transfer is not for the purpose of creating a new building Lot. The provisions of this subsection shall not apply to the Declarant and shall not be construed to prohibit the granting of any easement or right-of-way to any person for any purpose.

16. **SIGNAGE.**

(a) Except for entrance signs, directional signs, signs for traffic control or safety, community "theme areas," or "For Sale" or "For Rent" signs (not larger than six (6) square feet), no signs or advertising devices shall be erected, posted or displayed upon, in or about any Lot or Structure without the approval of the Architectural Review Committee. The provisions and limitations of this subsection shall not apply to any signs used by Declarant in connection with the construction, development, sale or marketing of the Property, nor to any Mortgagee of any Lot which comes into possession of the Lot by reason of any proceeding, arrangement, assignment or deed in lieu of foreclosure.

(b) Notwithstanding the prohibitions on signage contained in clause (a) above, an Owner may post or display on its Lot (but not in any Common Area), one or more signs on behalf of a candidate for public office or a slate of candidates for public office, or a sign that advertises the support or defeat of any question submitted to the voters in accordance with Article 33 of the Maryland Annotated Code, for a period of time not to exceed thirty (30) days before and seven (7) days after the primary election, general election or vote on the proposition, or such longer or shorter period as may be specified by applicable Federal, State or local law. The Board of Directors may adopt any other restriction with respect to such signage consistent with applicable Federal, State or local law. The foregoing provisions of this Section are intended to be a restatement of the provisions of Section 11B-111.2 of the Code, and any future amendments or modifications thereto shall be deemed incorporated by reference herein as a part hereof.

17. **AGREEMENTS.** No Owner may lease such owner's Lot or the improvements thereon for motel, hotel or transient purposes. All leases shall be in writing, and shall state that the lease agreement shall be subject to this Declaration and that the tenant shall be directly liable to the Association, and shall be subject to enforcement actions hereunder and pursuant to such Lease (although the Association shall have no obligation to bring any such enforcement action), for any breach or violation by the tenant of the provisions of this Declaration. Copies of all leases shall be provided to the Board of Directors. Except for leases involving the Declarant, the minimum term of all leases shall be one (1) year. Owners who do not reside on their Lot shall provide current addresses and phone numbers to the Association.

18. **TRASH AND OTHER MATERIALS.** No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any Lot, except (i) building material during the course of construction of any approved Structure, and (ii) firewood,

0014518 128

in rear yards only, which shall be cut and neatly stored at least six (6) inches off the ground and twelve (12) inches away from any wooden Structure. No burning of trash shall be permitted on any Lot or the Common Area. Trash shall be disposed of in metal or plastic containers covered by a lid and shall be maintained in a sanitary condition. If trash or other refuse is to be disposed of by being picked up and carried away on a regular basis, closed or covered containers only may be placed in the open on any day that a pick-up is to be made at such place on the Lot as to provide access to persons making such pick-up. The foregoing provisions regarding trash disposal shall not apply to the disposal of recyclables in accordance with local governmental regulations. At all other times trash and recycling containers shall be stored so as not to be visible from the roadway or the other Lots or Common Area.

19. **NON-INTERFERENCE WITH UTILITIES.** No Structure, fence, planting or other improvement shall be placed or permitted to remain upon any Lot which may damage or interfere with any easement for the installation or maintenance of utilities, or in any private or public access easement, or which may unreasonably change, obstruct or retard direction or flow of any drainage channels. If drainage, utility and walkway easements are fenced, then at least five (5) feet must remain open for pedestrian access.

20. **NO HUNTING.** No hunting or discharge of firearms or weapons of any nature whatsoever shall be permitted on the Property or any Lot.

21. **NO EXCAVATION.** No excavation shall be made on any Lot except for the purpose of building thereon at the time when the initial building operations are commenced, or thereafter, upon the approval of the Architectural Review Committee and all applicable governmental authorities, and no earth or sand shall be removed from any Lot except as a part of such operations.

22. **TREE REMOVAL.** The prior approval of the Architectural Review Committee shall be required for the removal of any live trees six inch (6") caliper or larger; provided, however no live trees may be removed from any Forest Buffer Easement designated on the Plats except in accordance with applicable laws, the terms of any site development or subdivision plat approval, or of any other permit or approval in connection with the development of the Property. Dead trees or scrub trees (weed type trees with a trunk less than one inch (1") in diameter) may be removed without Architectural Review Committee approval from any Lot, except within any Forest Buffer Easement.

23. **SHEDS; ACCESSORY STRUCTURES.** Sheds or other similar accessory structures, such as greenhouses, shall be permitted with the approval of the Architectural Review Committee; provided such Structures shall not exceed one (1) story in height, shall be attached to or located immediately adjacent to the dwelling on the Lot and, where feasible, located under decks. Sheds shall be of the same color and material as the exterior of the dwelling and shall be sized proportionately to be in keeping with the size of the house. No metal shed of any kind shall be located on any Lot.

24. **CHIMNEYS AND FLUES.** All chimneys and flues shall consist of masonry or another material compatible with the style and color of the dwelling of which they are a part (and may include prefabricated fireplaces and chimneys).

0014518 129

25. **PLAY EQUIPMENT.** All outdoor play equipment shall consist of cedar, redwood or pressure-treated wood materials, or hi-grade plastic materials, shall be situated in rear yards only, shall be placed in order to minimize their visibility from neighboring Lots. The Architectural Review Committee may, in its sole and absolute discretion, consider other materials for play equipment. Children's play and similar equipment shall not be allowed to remain overnight within any front yard of any Lot or at any time within the Common Area. No play equipment, including, without limitation, basketball backboards, basketball hoops and other equipment associated with either adult or juvenile recreation, shall be attached in any manner to the front or sides of any dwelling. Notwithstanding the foregoing prohibition, backboards may be attached to single-family homes or garages. Clear plexiglass backboards are encouraged. The backboards may be left white or painted to match the trim color of the structure to which secured and the mounting surface should be painted the same color as the surface to which it is attached. The backboard, hoop and net must be maintained appropriately at all times and must also comply with any applicable County ordinances. Backboards may also be affixed to permanent or semi-permanent free-standing poles with the following stipulations: (i) poles must be located at least fifteen (15) feet from the front lot line, (ii) poles must be painted a solid earth tone, (iii) no court markings may be painted, drawn or otherwise affixed to the playing surface, and (iv) applicant shall obtain a signed acknowledgment from the adjoining property owners stating there are no objections to the installation of the equipment.

26. **GRADING; DRAINAGE.** No Lots shall be used or maintained so as to cause excessive erosion of soil or sediment. During the grading and construction of any improvements upon any Lot, adequate arrangements shall be made to insure that no erosion of soil or sediment shall take place. Drainage from roof areas shall be channeled to downspouts and appropriately discharged.

27. **DECKS AND PORCHES; AWNINGS; STORM DOORS.** Decks and screened porches may be built on any Lot with the approval of the Architectural Review Committee and upon obtaining a valid building permit. Decks and porches shall not extend forward of the rear foundation wall into any front or side yard, shall not extend more than fifteen (15) feet into any rear yard, shall not impede surface drainage and shall comply in all respects with the height, setback and other requirements of the appropriate authorities. Decks and porches shall be decorative in character and shall be constructed of pressure-treated lumber or long life cedar or redwood. Decks and porches may be painted or stained to match the color of the dwelling. Awnings (other than as part of an approved screened porch) are discouraged and must be approved in advance by the Architectural Review Committee on a case-by-case basis. Storm doors (or screen doors) shall be wood or anodized aluminum and shall be painted the same color as either the door or the trim of the house, or of such other materials and/or colors as may be specified by the Architectural Review Committee.

28. **AUCTIONS, FLEA MARKETS, YARD SALES.** Other than auctions held in conjunction with foreclosure and/or tax sales, no auctions will be permitted without the prior written consent of the Architectural Review Committee. Flea markets or yard sales not exceeding two (2) per year for not more than two (2) days in duration are permitted in the front or side yard of any Lot. All other such events are prohibited unless it is part of a coordinated event approved by the Architectural Review Committee.

0014518 130

29. **UTILITIES.** All exterior mechanical and electrical equipment other than heat pumps and utility meters must be housed or screened from view from streets, home entries and neighboring Lots. No window unit air conditioners shall be permitted.

30. **MAILBOXES.** The mailboxes on all Lots, if any, shall be of a uniform size, shape and character, shall be approved in advance by the Architectural Review Committee, and shall comply with all requirements of the Postmaster General.

31. **NON-TIDAL WETLANDS AND BUFFER AREAS.** Any portion of the Common Area or Lots designated and shown on the Plats as floodplains, wetlands, steep slopes, buffer areas or forest buffer easements shall remain in a natural, undisturbed state and shall not be developed, or improvements erected thereupon, by the Declarant, the Association, any Owner or any other person, except those of a minor nature necessary for such intended use, or utilities or storm drainage systems installed in easement areas designated for such purposes and/or as otherwise permitted by applicable law and approved by the Association and the County and/or applicable governmental authorities, as evidenced by the issuance of all necessary permits and approvals.

32. **STORM WATER MANAGEMENT EASEMENT.** Until such time as the storm water management facilities servicing the Property are dedicated to and accepted by the County, the owner of such facilities (whether or not located on the Property) shall be responsible for the maintenance thereof in accordance with the rules and regulations of the County.

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

34. **FAMILY DAY CARE.** Notwithstanding anything herein to the contrary, pursuant to Section 11B-111.1(d) of the Code, "Family Day Care Homes," as such term is defined therein, are permitted upon the Lots subject to the following requirements:

(a) The Owner or "Day Care Provider" (as defined in the Maryland Annotated Code) operating the Family Day Care Home shall be registered with and have a license issued by the Department of Human Resources, in accordance with the registration and licensing provisions set forth in Title 5, Subtitle 5 of the Family Law Article of the Maryland Annotated Code. The Owner shall provide a copy of the license to the Board of Directors prior to establishing and operating the Family Day Care Home and upon each renewal thereof.

(b) The Owner or Day Care Provider shall obtain the liability insurance described in Article 48A, Section 481D of the Maryland Annotated Code, in at least the minimum amount described in that Section. The Owner or Day Care Provider may not operate the Family Day Care Home without the liability insurance described herein, and shall

0014518 131

present proof of insurance to the Board of Directors before establishing and operating the Family Day Care Home and upon any renewal of the policy. The Association may not require the owner or Day Care Provider to obtain insurance in an amount greater than the minimum amounts set forth in the Code Section set forth above.

(c) The Owner or Day Care Provider shall pay, on a prorata basis with other Family Day Care Homes then in operation at the Property, any increase in the Association's insurance costs attributable solely to the establishment and operation of the Family Day Care Home, and upon presentation of a statement from the Board setting forth the increased insurance costs, and requesting payment of same. The increased insurance costs shall be considered an assessment against the Lot, and may be collected in the same manner as collection of annual and special assessments, as set forth in Article IX of this Declaration.

(d) The Owner or Day Care Provider shall be responsible for payment of a fee determined by the Board of Directors, for the Family Day Care Home's entitlement to use of the Common Area. The Board shall establish the fee and shall advise all owners or Day Care Providers operating Family Day Care Homes of the amount due on an annual basis. The fee shall not be in an amount in excess of Fifty Dollars (\$50.00) or any greater amount permitted by the Code. Upon presentation of a statement for the annual fee and demand for payment, the Owner or Day Care Provider shall promptly remit payment to the Board of Directors. The fee shall be considered an assessment against the Lot, and may be collected in the same manner as collection of annual and special assessments, as set forth in Article IX of the Declaration.

35. **HOME-BASED BUSINESSES.** Notwithstanding anything herein to the contrary, pursuant to Section 11B-111.1(d) of the Code, "No-Impact Home-Based Businesses," as such term is defined therein, are permitted upon the Lots subject to the following requirements:

(a) owners shall notify the Association before opening a No-Impact Home-Based Business.

(b) No-Impact Home-Based Businesses are expressly prohibited in any Common Area.

(c) Such additional requirements as may be specified by the Board of Directors of the Association, to the extent permitted by applicable law.

36. **COMPLIANCE WITH FEDERAL FAIR HOUSING ACT.** In order to comply with the requirements of the Federal Fair Housing Act (as heretofore and hereafter amended):

(a) The Architectural Review Committee or the Board of Directors of the Association shall, to the extent permitted by law, make reasonable accommodations in the rules and regulations of the Association (including those set forth in this Article and those

0014518 132

adopted pursuant to the bylaws of the Association), to the extent such accommodations are required under the Federal Fair Housing Act or otherwise appropriate to afford persons with disabilities an equal opportunity to use and enjoy the dwelling located upon any Lot, which accommodations may include waivers and modifications of such rules and regulations only for a particular person with a disability or for a particular category of persons with disabilities. Neither the Architectural Review Committee nor the Board of Directors need not follow the procedural requirements of this Article or the by-laws in making such waivers and modifications, and such waivers and modifications need not be approved by the membership of the Association.

(b) No rule or regulation of the Association shall be interpreted or enforced in such a way as to make unavailable or deny a dwelling to any person, or to discriminate against any person in the provision of services or facilities in connection with the sale or rental of a dwelling to such person, because of the familial status of such person, as the term "familial status" is defined under the Federal Fair Housing Act.

36. **COMPLIANCE WITH LAWS.** The provisions of this Article shall not be taken as permitting any action or thing prohibited by applicable zoning laws, or the laws, rules or regulations of any governmental authority.

37. **WAIVERS.** The Board of Directors or the Architectural Review Committee may, in the exercise of its reasonable discretion, and upon submission of a written request therefor by the Owner of a Lot, waive any one or more of the provisions numbered 1 through 30 of this Article or any portion thereof with respect to such Lot. The granting of a waiver with respect to any Lot shall not require the granting of a waiver with respect to any other Lot.

ARTICLE V MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

1. **MEMBERSHIP.** Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

2. **CLASSES OF MEMBERSHIP.** The Association shall have two (2) classes of voting membership:

(a) **Class A.** The Class A Members shall be all of the Owners of the Lots except for the Declarant for so long as the Declarant is a Class B member; provided, however, if more than one person or legal entity holds the record title to any Lot, such persons shall constitute a single Member of the Association and shall, collectively, be entitled to only one (1) vote per Lot for each Lot owned by them in which action shall be taken by Members of the Association. Any Mortgagee or any other person or entity who holds such interest solely as security for performance of an obligation shall not be a Class A Member solely on account of such interest.

(b) **Class B.** The Class B Member(s) shall be the Declarant. The Class B Member(s) shall be entitled to three (3) votes per Lot for each Lot owned by them in all proceedings in which actions shall be taken by Members of the Association.

0014518 133

3. **CONVERSION.** The Class B membership in the Association shall cease and be converted to Class A membership in the Association, subject to being revived upon additional property being annexed to the Property pursuant to Article II of the Declaration, upon the earlier to occur of (i) seven (7) years from the date of this Declaration; or (ii) such time as the total number of votes entitled to be cast by the Class A Members equals or exceeds the total number of votes entitled to be cast by the Class B Members. If, after such conversion, additional property is made subject to this Declaration, then the Class B Membership shall be reinstated until the earlier to occur of (i) seven (7) years from the date of this Declaration; or (ii) such time as the total number of votes entitled to be cast by the Class A Members equals or exceeds the total number of votes entitled to be cast by the Class B Members. The Declarant shall thereafter remain a Class A Member of the Association as to each and every Lot owned by the Declarant.

ARTICLE VI
RESERVED DEVELOPMENT RIGHTS AND EASEMENTS

1. **EASEMENTS RIGHTS RESERVED FOR THE DECLARANT.** The Declarant hereby reserves unto itself, its successors and assigns, contractor or subcontractor, their respective agents, employees and invitees, the following rights, reservations and easements:

(a) Perpetual, irrevocable and nonexclusive easements and rights-of-way under, over and through the Common Area, and any drainage, utility or other easement areas designated on the Plats, and over ten (10) foot wide strips of land running along the front, rear, side and other lot lines of each Lot for proper surface water drainage, for ingress and egress, and for the installation, construction, maintenance, reconstruction, repair and use of public and private utilities to serve the Property and the Lots, including but not limited to the mains, conduits, lines, meters and other facilities for water, storm sewer, sanitary sewer, gas, electric, telephone, cable television, and other public or private services or utilities deemed by Declarant necessary or advisable to provide service to any Lot, or the Property, together with the right and privilege of entering upon the Lots and the Common Area for such purposes and for making openings and excavations thereon, which openings and excavations shall be restored in a reasonable period of time, and for such alterations of the contour of the land as may be necessary or desirable to effect such purposes. Within the aforesaid easement areas, no Structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or change the direction or the flow of drainage channels or obstruct or retard the flow of water through drainage channels. The reserved easement areas of each Lot and all improvements thereon, except improvements for which a public authority or utility company is responsible, shall be maintained continuously by the Owner of the Lot. The Declarant shall restore any damage to any Lot or to any permitted Structure arising from the Declarant's exercise of the foregoing easement and right-of-way.

(b) The right to grade, regrade and improve the streets, roads and courts within the Property including the creation or extension of slopes or banks, or excavation in connection therewith, and the construction and installation of drainage and utility structures therein. Declarant further reserves the right at or after the time of grading of any street, Common Area, storm water management area or drainage or utility easement, or any part thereof, for any purpose, to enter upon any abutting Lot and grade a portion of such Lot adjacent to such area, provided such grading does not materially interfere with the use or occupancy of any Structure

0014518 134

built on such Lot, but Declarant shall not be under any obligation or duty to do such grading or to maintain any slope.

(c) The right (which right shall also run to the Association) to enter upon any Lot during normal business hours for the purpose of mowing the lawn thereon and trimming such greenery as the Declarant or the Association deems appropriate, but Declarant shall be under no obligation to do so.

(d) The right to make amendments to any plat or plats relating to the development of the Property as shall be advisable in the Declarant's reasonable judgment and as shall be acceptable to public authorities having the right to approval thereof without the consent of any Owner; provided such amendments do not change the Lot lines of any Owner's Lot other than Lots owned by the Declarant.

(e) The right to grant easements, rights-of-way and licenses to any person, corporate body or municipality, to install and maintain pipelines, underground or above-ground lines, with the appurtenances necessary thereto, for public utilities, or quasi-public utilities or to grant such other licenses or permits as the Declarant may deem necessary or desirable for the improvement of the Property in, over, through, upon and across any and all of the Common Area and over, through, upon and across each and every Lot in the easement areas set forth in this Declaration or as shown on the Plats.

(f) The right to dedicate all of the roads, streets, alleys, rights of way or easements within the Property, including "Local Open Space" and "Storm Water Management Reservation" Parcels, as shown on the Plats, to public use. An easement for the use and enjoyment of each of said easement areas, etc., is hereby granted to the Association and the Owners, and their respective heirs, personal representatives, successors and assigns, until such time as the same are deeded to the County and dedicated to public use. The Declarant further reserves unto itself and its successors and assigns, the bed, in fee, of all streets within the Property as shown on the Plats.

(g) A perpetual, irrevocable easement over, through, upon and across the Common Area, as the servient tenement, for the purpose of reasonable ingress to and egress from, and utility service to and from and any other property now or hereafter owned by Declarant, adjacent to or near the Property, regardless of whether such property is annexed to the Association, including but not limited to the right to connect to and use any such utilities which may exist or be located within the Property, and to grant specific easements, both temporary and permanent, to any person or entity to accomplish the foregoing, all for any purpose consistent with applicable law in connection with the construction, maintenance, repair, development, marketing, sale or leasing of such property.

(h) The right to use any and all portions of the Property other than those Lots conveyed to Owners (but including any easement areas on any Lot specifically reserved herein) and including any Common Area, for all reasonable purposes necessary or appropriate to the full and final completion of construction of the Property and any other property now or hereafter owned by Declarant, adjacent to or near the Property, regardless of whether such property is annexed to the Association, including the right to store materials and

0014518-135

construction debris on the Property during the development thereof and the construction of improvements on such property. Such reserved easement shall not unreasonably interfere with the use of any Lot by the then Owner thereof.

Except as otherwise expressly provided in this Article, the foregoing rights, easements and reservations shall remain in effect for so long as the Declarant owns any Lot or other land within the Property, or such other adjacent or nearby property which may be benefited by such rights and easements, and for such additional time as may be required for the Declarant to perform any construction, warranty or repair work with respect to such property.

2. **INCORPORATION BY REFERENCE; FURTHER ASSURANCES.**

Any and all grants made to the Association with respect to any of the Common Area or to any Owner with respect to any Lot shall be conclusively deemed to incorporate the foregoing rights, easements and reservations, as applicable, whether or not specifically set forth in such instruments. At the request in writing of Declarant, the Association or any owner shall from time to time execute, acknowledge and deliver to Declarant such further assurances of the foregoing as the Declarant may reasonably request.

ARTICLE VII
COMMON AREA

1. **GRANT OF COMMON AREA.** The Declarant shall grant and convey to the Association from time to time, and the latter shall take and accept from the former, no later than the date the first Lot is conveyed to an Owner other than the Declarant, the Common Area, if any, shown on the Plats with respect to each phase of the Development, free of all monetary liens and encumbrances except current real property taxes and assessments not yet due and payable (which taxes shall be prorated as of the date of conveyance), non-monetary title exceptions of record, and this Declaration, which is hereby imposed upon the Common Area for the benefit of the Declarant, the Association and the Owners, and their respective personal representatives, successors and assigns.

2. **MEMBER'S RIGHT OF ENJOYMENT.** Every Member of the Association shall have a nonexclusive right and easement for the use, benefit and enjoyment, in common with all other Members, in and to the Common Area, and the improvements thereon, and including each main, drain, pipe, meter or other device located within the Common Area (or within another Lot) which provides utility service to such Lot, and such nonexclusive right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the provisions of this Declaration, including but not limited to the restrictions set forth in Sections 5 and 6 below. No portion of the Common Area may be used by any owner or Owners for personal vegetable gardens, storage facilities, leaves, compost or trash disposal, or other private uses, unless expressly approved by the Board of Directors of the Association. If ingress or egress to any Lot is through the Common Area, any conveyance or encumbrance of such Common Area shall be and is hereby subject to an easement for ingress and egress for the benefit of such Lot.

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

0014518 1136

4. **MAINTENANCE OF COMMON AREA.** The Association shall repair, replace, restore, maintain, manage, operate and insure the Common Area and the improvements thereon in good order, condition and repair and in a neat and attractive condition, including but not limited to periodically mowing all grass in the Common Area, maintaining any entrance monument, whether or not located on the Common Area, and maintaining all storm water management facilities within the Common Area, keeping them clean and free of debris; and shall levy against each Member of the Association a proportionate share of the aggregate cost and expense required for the care, maintenance and improvement thereof, which proportionate share shall be determined based on the ratio which the number of Lots owned by the Member bears to the total number of Lots then laid out or established on the Property. The Association may also maintain and care for, as a common expense of the Association, any property dedicated or to be dedicated to the County and located within or adjacent to the Property, including but not limited to, rights-of-way, storm water management areas and local open space, as deemed necessary or desirable by the Board of Directors or the Architectural Review Committee for the preservation or enhancement of the appearance of the Property.

5. **PERMITTED ACTION BY THE ASSOCIATION.** While the Association holds the legal title to any or all of the Common Area, it may take any or all of the following actions upon approval of such action by the Board of Directors:

(a) make an express confirmatory conveyance to any Owner, including the Declarant, of such easements in and other rights with respect to the Common Area as under the provisions of this Declaration are held by such owner;

(b) grant, convey or dedicate to the County, the State of Maryland or to any one or more public or quasi-public governmental bodies, utility companies or cable television companies, any and all licenses, easements and/or rights-of-way in, over and through the Common Area for the construction, operation, maintenance, repair and replacement of any and all sanitary, sedimentary control or storm sewer lines, ponds or pumping stations, water lines, electrical lines, telephone lines, gas lines, cable television lines and other similar facilities, all as the Association considers appropriate for the provision of any utility or utility service to the Property. Notwithstanding a grant, conveyance or dedication of any such license, easement or right-of-way, the land subject thereto shall remain a part of the Common Area and the Association shall continue to maintain such land (except for any improvements thereon owned by the County, the State of Maryland or such public or quasi-public governmental body, such utility company or such cable television company) in accordance with the provisions of this Declaration;

(c) convey the legal title to, or any interest in, any or all of the Common Area to or at the direction of any governmental or quasi-governmental authority either through the condemnation thereof, or under threat of such condemnation (after which grant, conveyance or dedication, that portion of the Common Area which is the subject of the same shall not be part of the Common Area);

(d) grant or reserve, by or to the Declarant for the benefit of any parcel of land which may be added to the Property or any portion thereof (whether or not it then or thereafter is part of the Property), an easement in, over and through the Common Area for the

0014518 137

construction, installation, use, operation, maintenance, repair and replacement of any facility of the type enumerated in subsection (b) hereof; and

(e) notwithstanding anything to the contrary contained herein, the approval of the Board of Directors shall not be required for the conveyance to the County or to the State of Maryland of any portion of the Common Area which has, prior to the conveyance to the Association, been offered for dedication to such governmental body. The Association shall, upon the request of the Declarant, execute all necessary documents required to convey such portions of the Common Area.

6. **RESTRICTIONS.** The right of each Member of the Association to use the Common Area shall be subject to the following:

(a) any rule or regulation now or hereafter set forth in this Declaration and any rule or regulation now or hereafter adopted by the Association for the Common Area;

(b) the right of the Association, acting by and through its Board of Directors, in accordance with its articles of incorporation and bylaws, to borrow money for the purpose of improving the Common Area in a manner designed to promote the enjoyment and welfare of the Members, and in aid thereof to mortgage any of the Common Area with the consent of two-thirds (2/3) of the Members of the Association (excluding the Declarant);

(c) the right of the Association to take such steps as are reasonably necessary to protect the property of the Association against mortgage default and foreclosure;

(d) the right of the Association to suspend the voting rights and the rights to use of the Common Area for any period of time during which any Assessment remains unpaid and for any period not to exceed sixty (60) days for any violation of this Declaration or infraction of any of the published architectural guidelines or rules and regulations of the Association, after notice and a hearing; provided the Association shall have no right to suspend the right of any Owner to use any Common Area or private streets and roadways for necessary, ordinary and reasonable vehicular and pedestrian access to and from such Owner's Lot or any easement over the Common Area for telephone, electrical, sewer or other utility service;

(e) the right of the Association to dedicate or transfer all or any part of the Common Area to any public or municipal agency, authority or utility for purposes consistent with the purpose of this Declaration and subject to such conditions as may be agreed to by the Members; provided no such dedication or transfer, determination as to the purposes or as to the conditions thereof, or conveyance to any third party for any other reason shall be effective unless two-thirds (2/3) of the then Members of the Association (excluding the Declarant) consent to such dedication, transfer, purpose and conditions, at any special meeting of the members duly called for such purpose; and

(f) the right of the Association, acting by and through its Board of Directors, to grant licenses, rights-of-way and easements for access or for the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility, the Declarant or any other person; provided,

0014518 138

however, that no such license, right-of-way or easement shall be unreasonably and permanently inconsistent with the rights of the Members to the use and enjoyment of the Common Area.

7. **DELEGATION OF RIGHT OF USE.** Any Owner may delegate its rights to the use and enjoyment of the Common Area to family members who reside permanently with such Owner and to its tenants, contract-purchasers, invitees and guests.

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

9. **LIMITATION OF LIABILITY.** Neither the Declarant nor the Association shall be liable for the failure of any services obtained by the Declarant or the Association or paid for out of the common expense funds, or for injury or damage to person or property caused by the elements, the topography of the Property, fallen trees, water which may leak or flow from any portion of the Common Area, or from any wire, pipe, drain, conduit or the like, or to any Owner or its designees for loss or damage, by theft or otherwise, of articles stored upon any Common Area. No diminution or abatement of assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Area, or from any action taken by the Declarant or the Association to comply with any of the provisions of this Declaration or applicable law, or with the order or directive of any municipal or other governmental authority.

ARTICLE VIII ENCROACHMENTS

If any Structure or any part thereof, now or at any time hereafter, encroaches upon an adjoining Lot or any Structure encroaches upon any Common Area, whether such encroachment is attributable to construction, settlement or shifting of the Structure or any other reason whatsoever beyond the control of the Board of Directors or any Owner, there shall forthwith arise, without the necessity of any further or additional act or instrument, a good and valid easement for the maintenance of such encroachment, for the benefit of the Owner, its heirs, personal representatives and assigns, to provide for the encroachment and nondisturbance of the Structure. Such easement shall remain in full force and effect so long as the encroachment shall continue. The conveyance or other disposition of a Lot shall be deemed to include and convey, or be subject to, any easements arising under the provisions of this Article without specific or particular reference to such easement.

ARTICLE IX ASSESSMENTS

1. **COVENANT FOR ASSESSMENTS.** The Declarant, for each Lot owned by it within the Property, hereby covenants, and each Owner, by acceptance of a deed conveying any Lot to it, whether or not so expressed in such deed, shall be deemed to have covenanted and

0014518 139

agreed to pay the Association (i) in advance, an annual assessment (the "Annual Assessment") equal to the Member's proportionate share of the sum required by the Association, as estimated by the Board of Directors, for annual assessments or charges, and (ii) special assessments or charges to be established and collected as hereinafter provided. The Annual Assessment and special assessments, together with interest, late charges, costs of collection and attorneys' fees as hereinafter provided, shall be a continuing lien upon each of the Lots against which the assessment is made, and this Article shall be construed as a real covenant running with the land and a contract of a lien under the terms of the Maryland Contract Lien Act. Such assessments or charges, together with interest, late charges, costs of collection, and attorneys' fees incurred or expended by the Association in the collection thereof, shall also be the personal obligation of the Owner holding title to any Lot at the time when the assessment fell due or was payable. The personal obligation for any delinquent assessment or charge, together with interest, late charges, costs and attorneys' fees shall not pass to the owner's successor or successors in title unless expressly assumed by such successor or successors.

2. **USE OF ASSESSMENTS.** The assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety and welfare of the Owners and the Property, including but not limited to (i) the payment of taxes on the Common Area, if any; (ii) the payment of insurance premiums for such insurance as is maintained by the Association on the Common Area or otherwise; (iii) the maintenance, repair, replacement and improvement of the Common Area, including but not limited to private drives, parking areas, sidewalks, parking area lighting, grassy areas, recreational facilities, if any, and any other off-site facilities maintained by or for the benefit of the Association, and specifically including the cost of maintaining street trees throughout the Property whether or not such street trees are located in the Common Area; (iv) the cost of utilities and other services which may be provided by the Association; (v) the cost of labor, equipment, materials, management, administration and supervision incurred in performing all of the foregoing, including but not limited to legal and accounting fees, and specifically including legal fees incurred by the Association in enforcing the provisions of this Declaration; and (vi) the cost of funding all reserves established by the Board of Directors of the Association.

3. **MAXIMUM ANNUAL ASSESSMENT.**

(a) Until January 1 of the year immediately following the conveyance of the first Lot to an Owner other than the Declarant, the initial Annual Assessment shall not exceed Five Hundred Forty Dollars (\$540.00) for such year for each Lot. The Annual Assessment shall be payable annually on January 1 of each year unless the Board of Directors shall by resolution designate that the Annual Assessment shall be payable in semi-annual, quarterly or monthly installments.

(b) From and after the expiration of the first fiscal year of the Association, the maximum Annual Assessment may be increased by not more than ten percent (10%) of the maximum assessment for the previous fiscal year, or decreased, without a vote of the Members of the Association. The maximum Annual Assessment may be increased by more than ten percent (10%) of the prior year's maximum Annual Assessment only by the vote or written consent of a majority of the Members of the Association but excluding the vote or consent of any Class B Member. Increases in certain fixed costs for insurance, taxes, recycling or

0014518 140

waste disposal do not require membership approval. The Board of Directors of the Association may fix the Annual Assessment against each Lot at any amount not in excess of the maximum specified herein without the necessity of a vote of the membership of the Association.

(c) Neither the Declarant, nor any Lot owned by the Declarant, shall be exempt from any assessment hereunder; provided, however, with respect to any Lot owned by the Declarant the Annual Assessment shall be twenty five percent (25%) of the full Annual Assessment until such time as the Lot has been conveyed to an Owner other than the Declarant or a certificate of occupancy is issued for such Lot and the dwelling thereon is occupied, whichever shall first occur.

(d) The Declarant, for itself, and any successor Declarant, agrees to provide or pay for all maintenance to Lots owned by the Declarant which are subject to a reduced assessment, and to fund any shortfall necessary to pay the actual operating expenses for the Association (including reserves but excluding shortfalls caused by nonpayment of assessments by other members or extraordinary expenses) which occurs during any fiscal year during which there is a Class B membership, to the extent that the Annual Assessments, working capital contributions and special assessments levied and collected during such period are insufficient to pay such expenses. Notwithstanding the immediately preceding sentence, the Declarant shall not be obligated to fund an amount in excess of the full Annual Assessments and special assessments multiplied by the number of Lots owned by the Declarant at the end of the applicable assessment year.

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

5. **NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4**. Written notice of any meetings of Members of the Association called for the purpose of taking any action authorized under Section 3 and 4 of this Article shall be sent to all Members not less than fifteen (15) days, nor more than sixty (60) days, in advance of the meeting. At the first such meeting called, the presence at the meeting of Members or of proxies, entitled to cast sixty percent (60%) of all of the votes of each class of Members entitled to be cast at such a meeting shall be necessary and sufficient to constitute a quorum. If the required quorum is not present, the Members entitled to vote at such meeting shall have the power to adjourn the meeting by a majority vote of the Members present at such meeting in person or by proxy, and to call another meeting subject to the same notice requirements, and the Members present at such subsequent meeting in person or by proxy shall constitute the requisite quorum; provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

0014518 141

6. COMMENCEMENT DATE OF ANNUAL AND SPECIAL ASSESSMENTS.

(a) The Annual Assessment shall commence as to all Members of the Association upon a date set forth in a resolution of the Board of Directors, but in any event no earlier than the first day of the first month following the date a deed for the first Lot is delivered to an owner other than the Declarant.

(b) The first installment of each such Annual Assessment shall be prorated for the balance of the year (or applicable installment period) in which such Lot is conveyed to an Owner, commencing with the first day of the first month following such conveyance, and shall be due and payable on the date the Lot is conveyed to the Owner of the Lot. The installments of each such assessment for any Lot for any installment period after the first installment period shall become due and payable on the first day of each successive installment period. Except for prorations pursuant to the first sentence of this clause (b), the Annual Assessment shall be uniform with respect to all Lots.

(c) The due date of any special assessment under Section 4 shall be fixed in the resolution authorizing such special assessment, however, such due date shall be at least thirty (30) days after the date of such resolution. Special assessments shall also be prorated for the balance of the year in which a Lot is conveyed to an Owner, commencing with the first day of the first month following such conveyance, and shall be due and payable on the date the Lot is conveyed to the Owner of the Lot. Except for such prorations, special assessments shall be uniform with respect to all Lots.

(d) If during an assessment year the Property is expanded, the Association shall be deemed automatically and without the necessity of further action, to have levied for such assessment year against each Lot added to the Property by virtue of the expansion each assessment which the Association has levied against the other Lots for such assessment year, subject to and in accordance with the provisions of the Declaration, such assessment to be prorated based upon the number of full calendar months remaining in such assessment year as of the date of such expansion.

7. DUTIES OF THE BOARD OF DIRECTORS.

(a) The Board of Directors shall determine the amount of the Annual Assessment annually, but may do so at more frequent intervals should circumstances so require. Upon resolution of the Board of Directors, installments of the Annual Assessment may be levied and collected on a monthly, quarterly, semiannual or annual basis. Any Member may prepay one or more installments of any assessment levied by the Association, without premium or penalty.

(b) The Board of Directors shall prepare, or cause to be prepared, an annual operating budget for the Association, and shall make reasonable efforts to fix the amount of the Annual Assessment against each Lot for each assessment period at least thirty (30) days in advance of the beginning of such period. The Board of Directors shall thereupon cause a copy of the budget, and the amount of the assessments to be levied against each Lot for the following year, to be delivered to each Owner. If the Board of Directors shall fail to fix the amount of the

0014518 142

Annual Assessment prior to the commencement of any assessment period or if the membership shall disapprove the budget, the same shall not be deemed a waiver or modification of the provisions of this Article or a release of any Member from the obligation to pay the assessments for that or any subsequent assessment period; and the assessments fixed for the preceding period shall continue until a new assessment is fixed. The Association shall, upon written demand, furnish to any owner a certificate in writing signed by an officer of the Association setting forth whether such Owner's assessments have been paid, which certificate shall be conclusive evidence of payment of any assessment therein stated as having been paid. A charge not to exceed Fifty Dollars (\$50.00) may be levied in advance by the Association for each certificate so delivered.

8. **NONPAYMENT OF ASSESSMENTS.**

(a) Any Annual Assessment or special assessment or installment thereof not paid when due shall be delinquent and, if not paid within thirty (30) days after the due date, shall bear interest from the due date at the rate of (i) twelve percent (12%) per annum, or (ii) two percent (2%) over the prime rate announced by NationsBank, N.A., or any successor thereto, whichever is greater, and shall be subject to a late charge of (A) Five Dollars (\$5.00) per month until paid, or (B) ten percent (10%) of the assessment, whichever is greater. The Association may proceed to establish and enforce the assessment lien in accordance with the provisions of the Maryland Contract Lien Act and/or bring an action at law against the owner personally obligated to pay the assessments, and/or in equity to foreclose the lien against the Lot, in the same manner and subject to the same requirements as are specified by the law of Maryland for the foreclosure of mortgages or deeds of trust containing a power of sale or an assent to a decree, and there shall be added to the amount of such assessment interest and late charges on the assessment as provided hereinabove, court costs and attorneys' fees of not less than twenty percent (20%) of the sum claimed, whether or not a judgment is obtained, in each case without waiving any other right or remedy. By the acceptance of title to or the ownership of a Lot, each Owner shall be deemed to have expressly (i) authorized the enforcement and foreclosure of the lien by the Association or other person entitled thereto, in the same manner, and subject to the same requirements, as the foreclosure of mortgages on real property in this state, containing a power or sale or an assent to a decree; (ii) assented to the passage of a decree for the sale of the Lot; and (iii) covenanted, agreed and declared that the party authorized to exercise the power of sale shall have the absolute power, right and privilege to sell the Lot of the defaulting Owner in accordance with the public general laws of the State of Maryland and the Maryland Rules of Procedure relating to foreclosure of mortgages, as such laws and rules are from time to time amended and supplemented. No Member may exempt itself from liability for assessments by abandonment of such Owner's Lot or by the abandonment of such Owner's right to the use and enjoyment of the Lot or the Common Area, or by conveying the Lot after the assessment became due, and no offsets against assessments shall be permitted for any reason, including but not limited to a claim that the Association is not properly exercising its duties or powers or that any Owner is not satisfied with the scope or quality of any services or amenities.

(b) If the Board of Directors establishes that the Annual Assessment shall be paid in regular installments, and an Owner fails to pay an installment within thirty (30) days after the due date, the Association, acting through the Board of Directors, may demand payment of the remaining installments coming due within that fiscal year. Such demand shall

0014518 143

state that if the Owner fails to pay the installment within thirty (30) days of the demand, full payment of the remaining assessment will then be due and payable in full, without further notice or demand and shall constitute a lien on the Lot as provided in this Article.

9. **SUBORDINATION OF LIEN TO TAXES AND MORTGAGES.** The lien of the assessments provided for herein shall be subordinate to the lien for taxes imposed by any lawful authority and to the lien of any First Mortgage (unless before such First Mortgage was recorded, a statement of lien covering such assessment is recorded among the Land Records). The sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure, or any proceeding in lieu thereof shall extinguish the lien of assessments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof nor shall such sale or transfer release the Owner of the Lot from its personal obligation for any unpaid assessments.

10. **EXEMPT PROPERTY.** The Common Area and all Lots owned by the Association or any charitable organization or dedicated to and accepted by a local authority shall be exempt from the assessments created herein; provided, however, no Lot improved with a dwelling and used for residential purposes shall be exempt from assessments.

11. **RESERVE FOR REPLACEMENTS.**

(a) The Association shall establish and maintain a reserve fund or funds for repair and replacement of the Common Area and for such other purposes as the Board of Directors of the Association may deem reasonably necessary or appropriate, by the allocation and payment from the assessments to such reserve fund or funds of an amount to be designated from time to time by the Board of Directors. Such fund(s) shall be conclusively deemed to be a common expense of the Association and shall be deposited and invested in a manner that achieves a prudent balance among safety, liquidity and rate of return.

(b) The Association may establish such other reserves for such other purposes as the Board of Directors may from time to time consider to be necessary or appropriate. The proportional interest of any Member of the Association in any such reserves shall be considered an appurtenance of such Owner's Lot and shall not be separately withdrawn, assigned or transferred or otherwise separated from any Lot, and shall be deemed to be transferred with such Lot.

12. **INITIAL WORKING CAPITAL CONTRIBUTION.** At the settlement for each Lot, the sum of Fifty Dollars (\$50.00) shall be collected from the Owner of each Lot (other than the Declarant); provided, however, if the Declarant has previously paid the working capital contribution for such Lot, the Declarant may retain the amount paid by the Owner as a reimbursement for such payment. The working capital contribution is a onetime charge, is not refundable, and will not be credited against annual or special assessments. The working capital contributions may be used in the discretion of the Board of Directors of the Association, to fund the start-up and initial operating expenses of the Association, to fund unforeseen expenditures or to purchase additional equipment, personal property or services for the Association.

0014518 144

ARTICLE X
INSURANCE; CASUALTY AND CONDEMNATION LOSSES

1. **TYPES OF INSURANCE MAINTAINED BY ASSOCIATION.** The Board of Directors shall have the authority to, and shall obtain and continue in effect, commencing not later than the date of the first conveyance of a Lot to an Owner other than the Declarant, to the extent available at reasonable rates, the following types of insurance:

- a. Insurance on all insurable improvements on the Common Area against loss or damage by fire or other hazards, including standard extended and all-risk coverage, vandalism and malicious mischief, in an amount sufficient to cover the full replacement cost of such improvements (exclusive of land, foundation and excavation) without deduction or allowance for depreciation, as determined annually by the Association with the assistance of the insurance company affording such coverage, with a deductible amount not in excess of One Thousand Dollars (\$1,000.00).
- b. A public liability insurance policy covering the Association, its officers, directors, committee members and managing agents, covering such risks as shall customarily be covered with respect to projects similar in construction, location and use, including but not limited to contractual liability coverage, having at least a Two Million Dollar (\$2,000,000.00) limit per total claims that arise from the same occurrence or in an amount not less than the minimum amount required by applicable law, ordinance or regulation.
- c. Worker's compensation insurance, if and to the extent required by law.
- d. From and after the date when there is no longer a Class B membership of the Association, or earlier, in the discretion of the Board of Directors, or if required by applicable law, the FHA, the VA, the FNMA, or any similar or successor agency issuing, insuring or guaranteeing a Mortgage on any Lot within the Property, fidelity bonds covering all directors, officers, employees and other persons handling or responsible for the funds of the Association, naming the Association as obligee or named insured, as the circumstances may require, and in such amounts as the Board of Directors deems appropriate or as otherwise required by applicable law or regulation, and which shall contain waivers of any defense based on the exclusions of persons who serve without compensation; provided, where the Association has delegated some or all of the responsibility for the handling of funds to a management agent, such management agent shall maintain its own fidelity bond, at its sole expense, which shall name the Association as an additional obligee.
- e. Directors, and officers, liability insurance including a "Legal Expense Indemnity Endorsement," affording coverage for expenses incurred in defending any suit or settling any claim, judgment or action to which such officer or director is a party by reason of service as such officer or director.
- f. Such other insurance for the benefit of the Association as the Board of Directors shall deem reasonably necessary or prudent, or if required by applicable law,

0014518 0146

Members, any action or proceeding with respect to the Common Area, or make any compromise or settlement in connection with such condemnation or taking under the power of eminent domain or sale in lieu thereof. After deducting therefrom all of its expenses, including attorneys' fees, the Association may elect to apply the proceeds of the award to the restoration or rebuilding of the Common Area. If the improvements are not to be rebuilt or restored pursuant to a vote by the owners as provided in subsection (a) above, and no alternative improvements are authorized by the Owners, then and in that event the remaining Common Area shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition. In such event, any excess award shall be paid over to the Association for the benefit of the Property, which proceeds may be used and/or distributed as determined by the Board of Directors, in its reasonable discretion.

5. **REPAIR AND RECONSTRUCTION OF COMMON AREA.** If any improvements on the Common Area are damaged or destroyed, and the proceeds of insurance (or, in the event of a condemnation, any award) received by the Association are not sufficient to pay in full the cost of the repair and reconstruction of the improvements, the Board of Directors shall, without the necessity of a vote of the Owners, levy a special assessment in order to cover the deficiency (including but not limited to any deductible amount) in the manner provided in Article IX hereof. If the proceeds of insurance or the condemnation award exceed the cost of repair, such excess shall retained by the Association and used for such purposes as the Board of Directors shall determine in its reasonable discretion.

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

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

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

(b) If any owner of an improved Lot fails to maintain the insurance required by Section 6 of this Article, the Association may, but shall not be obligated to, obtain such insurance and pay any premiums required in connection with obtaining such insurance.

0014518 147

Such Owner shall be personally liable to the Association for any costs incurred by the Association in obtaining such insurance, to the same extent as such Owner is liable for assessments levied against its Lot, and, upon the failure of the Owner to pay such costs within ten (10) days after such owner's receipt of a written demand therefor from the Association, the Association may establish a lien therefor upon the Owner's Lot in accordance with and subject to the provisions of this Declaration applicable to an assessment lien.

ARTICLE XI
RIGHTS OF MORTGAGEES

1. **GENERAL.** Regardless of whether a Mortgagee in possession of a Lot is its Owner, (i) such Mortgagee in possession shall have all of the rights under the provisions of this Declaration, the Plats, the articles of incorporation and the bylaws of the Association and applicable law, which would otherwise be held by such Owner, and (ii) the Association and each other Owner or person shall be entitled, in any matter arising under the provisions of this Declaration and involving the exercise of such rights, to deal with such Mortgagee in possession as if it were the Owner of the Lot. Any Mortgagee in possession of a Lot shall (subject to the operation and effect of the provisions of this Declaration, the articles of incorporation and the bylaws of the Association and applicable law) bear all of the obligations under the provisions thereof which are borne by the owner of such Lot; provided, that nothing in the foregoing provisions of this Section shall be deemed in any way to relieve any Owner of any such obligation, or of any liability to such Mortgagee on account of any failure by such Owner to satisfy any of the same.

2. **INSPECTION; STATEMENT AND NOTICE.** A Mortgagee shall, upon written request to the Association, which request shall set forth the mailing address for notices to such Mortgagee, be entitled to:

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

0014518 148

3. **APPROVAL BY FEDERAL NATIONAL MORTGAGE ASSOCIATION, FEDERAL HOUSING ADMINISTRATION AND VETERANS ADMINISTRATION.** Until the Class B membership terminates, the consent or approval of the FHA, the VA or the FNMA shall be obtained with respect to any of the following actions taken while a Mortgage is in effect which is insured or guaranteed by such entity:

- (a) a dedication of any portion of the Common Area to public use;
- (b) annexation of additional property; or
- (c) an amendment of this Declaration.

ARTICLE XII
MISCELLANEOUS

1. **TERM.** Except where permanent easements or other permanent rights or interests are herein created, this Declaration shall run with and bind the title to the Property (including the Lots) for a period of forty (40) years from the date this Declaration is recorded, after which time this Declaration shall automatically be extended for successive periods of ten (10) years each, unless and until an instrument adopted and thereafter recorded among the Land Records pursuant to the amendment procedure set forth in Section 8 of this Article has been recorded stating that this Declaration shall expire at the end of the then current term.

2. **ENFORCEMENT.**

(a) The provisions of this Declaration shall be enforceable by the Declarant, the Association, each Owner and their respective legal representatives, successors and assigns, by proceedings at law or in equity against any person or persons violating or attempting to violate any provision of this Declaration, either to restrain the violation or to recover damages, or both.

(b) In acquiring title to any Lot, the purchaser or purchasers violating or attempting to violate any provision of this Declaration, agree to reimburse the Declarant and/or the Association, within thirty (30) days of written demand, for all costs and expenses incurred as a result of the said violation or attempted violation, including but not limited to, court costs and attorneys' fees, to the same extent that an Owner is liable for an assessment levied against its Lot. The liability for such costs shall also be the personal obligation of such Owner.

(c) The Association, acting through the Board of Directors, or the Declarant, or any manager for the Association, shall each also have the right, but not the obligation upon (i) thirty (30) days prior written notice to any Owner with respect to the exterior of any dwelling; (ii) five (5) days for yard maintenance; and (iii) twenty-four (24) hours for snow removal, and, in any case, such shorter period as may be necessary if an emergency situation exists which poses imminent danger to persons or property, to abate and remove any breach or violation of the provisions of this Declaration by any Owner or other person or entity at the cost and expense of the defaulting party, all in accordance with the provisions of Article IX hereof, provided, that if any such abatement or removal requires altering or demolishing any item of construction, judicial proceedings shall be instituted prior to such alteration or demolition. The

0014518 149

Association and the Declarant shall have the further right, but not the obligation, through its agents, employees or committees, including but not limited to the Architectural Review Committee, upon ten (10) days, notice, or such shorter period as may be reasonably necessary under the circumstances, to enter upon and inspect the exterior of any Lot at any reasonable time, for the purpose of ascertaining whether any violation of the provisions of this Declaration exist. Such right of entry shall be exercised in accordance with the provisions of Article III, Section 4 of this Declaration. Neither the Association, the Declarant, nor any agent or employee, shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

(d) No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five percent (75%) of the voting Members. This Section shall not apply, however, to (i) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (ii) the imposition and collection of assessments as provided in Article IX hereof, (iii) proceedings involving challenges to ad valorem taxation, or (iv) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is made by the Declarant or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

3. **NO WAIVER.** The failure or forbearance by the Declarant or the Association to enforce any covenant, restriction or provision herein contained shall in no event be deemed a waiver of the right to thereafter enforce such covenants, restrictions or provisions.

4. **COVENANTS TO RUN WITH LAND.** Each conveyance of a Lot, or of any interest in a Lot, or of the Common Area, or any portion thereof, by the Declarant or any owner, shall be deemed to be subject to this Declaration, whether or not the deed of conveyance shall so state, to the effect that the covenants, conditions, restrictions and easements contained herein shall run with the title to each Lot and the Common Area, and be binding on and benefit all parties having or acquiring any right, title or interest in such real property; provided that they shall not be deemed to be part of a general plan or scheme of development and use for, or to be covenants running with, binding upon, benefiting or burdening the title to (or otherwise to be enforceable at law or in equity with respect to), any parcel of land retained by the Declarant or any other person that has not been expressly subjected to the provisions of this Declaration pursuant to the provisions of Article II.

5. **NOTICES.** Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, by ordinary mail, postage paid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing. Any notice to be sent to Declarant shall be deemed to have been properly sent when mailed, postage prepaid, to c/o Sutton Turner, The Wentwood Companies, 1305 South Key Avenue, Suite 204, Lampasas, Texas 76550, or to any other address that Declarant may specify in a notice mailed to the Association.

6. **SEVERABILITY.** Invalidation of any one of the provisions of this Declaration by judgment, decree or order shall in no way affect any other provisions hereof, each of which shall remain in full force and effect.

0014518 150

7. **CAPTIONS AND GENDERS.** The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male shall include all genders and the singular shall include the plural.

8. **AMENDMENT.**

(a) For so long as there is a Class B membership of the Association, this Declaration may be amended by the vote (in person or by proxy) at a meeting of the Association duly called for such purpose, or written consent of (i) at least two-thirds (2/3) of the Class A Members of the Association, and (ii) the Declarant; provided, in either case, notice of the proposed amendment shall have been given to all Members of the Association as required by the bylaws. Following the lapse of the Class B membership in the Association, this Declaration may be amended with the vote (in person or by proxy) at a meeting of the Association duly called for such purpose, or written consent of, at least two-thirds (2/3) of the Class A Members of the Association; provided, in either case, notice of the proposed amendment shall have been given to all Members of the Association as required by the bylaws; and provided further, if the Class B membership shall have lapsed, but the Declarant still retains the right to annex additional property to the Property subject to the Declaration, any amendments shall also be approved by the Declarant. Notwithstanding anything to the contrary contained herein, in no event may any of the Declarant's rights or privileges under the articles of incorporation or bylaws of the Association or this Declaration be terminated, altered or amended without Declarant's prior written consent. Anything contained in the provisions of this Declaration to the contrary notwithstanding, the provisions of Article IV, Sections 34 and 35 may be amended by the majority vote of the Members at a meeting of the Membership.

(b) An amendment or modification shall be signed and acknowledged by the President or Vice-President and Secretary of the Association, who shall certify that the amendment or modification has been approved as hereinabove provided, and by the Declarant, if the Declarant is still a Member of the Association. The amendment shall be recorded in the Land Records. Unless a later date is specified in any such instrument, any amendment to this Declaration shall become effective on the date of recording. For the purpose of recording such instrument, each Owner, other than the Declarant, hereby grants to the President or Vice-

0014518 151

President and Secretary of the Association, an irrevocable power of attorney to act for and on behalf of each and every Owner in certifying, executing and recording said instrument.

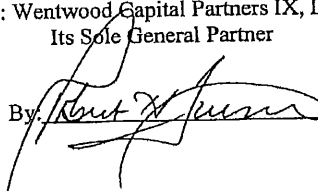
(c) For so long as there is a Class B membership or the Declarant retains the right to annex additional property to the Property subject to this Declaration pursuant to Article II hereof, the consent of the Declarant shall be required in order for any other person or entity to record any other covenants, restrictions or easements with respect to any of the Property.

(d) For so long as there is a Class B membership, the following actions shall require the prior consent of the FHA, the VA, the FNMA, or any similar or successor agency, if such agency is the holder, guarantor or insurer of a Mortgage: annexation of additional properties; dedication of Common Area, and amendment of this Declaration.

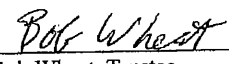
WITNESS the hands and seals of the parties hereto on the day hereinabove first written.

WITNESS: Wentwood Capital Fund IX, L.P.

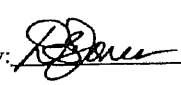
By: Wentwood Capital Partners IX, L.L.C.,
Its Sole General Partner

By:  (SEAL)

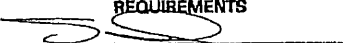
The Trustee and the Lender are joining in this Declaration for the sole purpose of subjecting and subordinating their interest in such property to the lien, operation and effect of this Declaration.

 (SEAL)
Bob Wheat, Trustee

Compass Bank

By:  (SEAL)

REVIEWED FOR BALTIMORE COUNTY
REQUIREMENTS

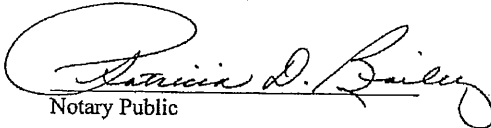

COUNTY SOLICITOR

0014518 152

STATE OF ALABAMA, COUNTY OF JEFFERSON, TO WIT:

I HEREBY CERTIFY that on this 27th day of April, 2000, before me, the subscriber, a Notary Public of the state of Alabama, personally appeared Bob Wheat, who acknowledged himself to be the person named herein who executed the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for the purposes therein contained.

AS WITNESS my hand and seal.

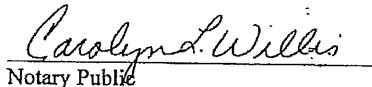

Notary Public

My Commission Expires: 3-3-2003

STATE OF ALABAMA, COUNTY OF JEFFERSON, TO WIT:

I HEREBY CERTIFY that on this 21st day of April, 2000, before me, the subscriber, a Notary Public of the state of Alabama, personally appeared David E. Jones, who acknowledged himself to be the duly authorized Vice President of Compass Bank, an Alabama banking corporation, and as such officer, being authorized to do so, executed the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for the purposes therein contained on behalf of said corporation.

AS WITNESS my hand and seal.


Notary Public

My Commission Expires: MY COMMISSION EXPIRES NOVEMBER 2, 2003

0014518 153

STATE OF ^{TEXAS} MARYLAND, COUNTY OF LAMPASAS, TO WIT:

I HEREBY CERTIFY that on this 2 day of May, ²⁰⁰⁰~~1999~~, before, me, the subscriber, a Notary Public of the state of ^{TEXAS} Maryland, personally appeared ROBERT H. TWENER, who acknowledged himself to be the duly authorized GENERAL PARTNER OF WENTWOOD CAPITAL PARTNERS IX, LLC, and as such officer, being authorized to do so, executed the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for the purposes therein contained on behalf of said entities.

AS WITNESS my hand and seal.



Mary K. Davis
Notary Public

My Commission Expires: 11-29-2001

STATE OF MARYLAND, COUNTY OF _____, TO WIT:

I HEREBY CERTIFY that on this ___ day of _____ 1999, before, me, the subscriber, a Notary Public of the state of Maryland, personally appeared _____, who acknowledged himself to be the duly authorized _____ of _____, and as such officer, being authorized to do so, executed the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for the purposes therein contained on behalf of said entities.

AS WITNESS my hand and seal.

Notary Public

My Commission Expires: _____

THE UNDERSIGNED hereby certifies that the within instrument has been prepared by or under the supervision of the undersigned, an attorney admitted to practice law before the Court of Appeals of Maryland.

Samuel J. Mangione
Samuel J. Mangione

0014518 154

MARINER'S COVE COMMUNITY ASSOCIATION, INC.

DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS

EXHIBIT A

DESCRIPTION OF THE LAND

0014518 055

EXHIBIT A

Description of Property

All that certain property located in Baltimore County, Maryland, described as follows: a 9.8199 Acre Parcel, Plat 3, "MARINE OAKS VILLAGE", recorded in Plat Liber E.H.K., JRA. 39 at Folio 120, Northeast of Back River Neck Road, Southeast of Eastern Boulevard, Fifteenth Election District, Baltimore county, Maryland, and further described as follows:

Beginning for the same on the northwest side of Howard Avenue, forty feet wide, as shown on the "Plat of French's Park" recorded among the Land Records of Baltimore County in Plat Book W.P.C. 6, Page 138, and at the dividing line between Lots 43 and 44, Block A, shown on said plat, said beginning point being at the point shown and designated "226" on "Plat 3, Marine Oaks Village", recorded among said Land Records in Plat Book E.H.K., Jr. 39, page 120, running thence binding on said dividing line and on a part of the southwest outline of the land shown on said last mentioned plat, as now surveyed with all bearings referenced to the Maryland Coordinate System (NAD 83/91), (1) North 60 degrees 21 minutes 05 seconds West, 200.00 feet to a point on the southeast outline of the land shown on the plat of "Midriver Park" recorded among said Land Records in Plat Book W.P.C. 4, page 12, thence binding on a part of said southeast outline and on the northwest outline of the land shown on the aforementioned "Plat 3, Marine Oaks Village", (2) North 29 degrees 38 minutes 55 seconds East, 934.65 feet, thence along Hopkins Creek and binding on the northeast outline of the land shown on said plat, twelve courses: (3) South 67 degrees 24 minutes 51 seconds East, 84.05 feet, (4) South 30 degrees 13 minutes 06 seconds East, 20.59 feet, (5) North 81 degrees 42 minutes 41 seconds East, 24.19 feet, (6) South 48 degrees 32 minutes 58 seconds East, 67.94 feet, (7) South 25 degrees 07 minutes 34 seconds East, 88.64 feet, (8) South 04 degrees 50 minutes 53 seconds West, 19.10 feet, (9) South 26 degrees 18 minutes 31 seconds East, 54.13 feet, (10) South 24 degrees 43 minutes 00 seconds West, 112.26 feet, (11) North 53 degrees 17 minutes 55 seconds East, 51.61 feet, (12) South 78 degrees 38 minutes 05 seconds East, 36.88 feet, (13) North 80 degrees 24 minutes 34 seconds East, 27.30 feet, and (14) South 63 degrees 36 minutes 39 seconds East, 10.85 feet, thence still along said Hopkins Creek and binding on the second or southeasterly 50 foot line of the land described in the deed from John E. Whiteford to Oliver S. Stern, and wife, dated January 25, 1972, and recorded among the aforementioned Land Records in Liber O.T.G. 5246, page 903, (15) South 33 degrees 32 minutes 13 seconds East, 50.01 feet, thence still along said Hopkins Creek and binding on the northeast outline of the land shown on said plat, five courses: (16) South 21 degrees 58 minutes 14 seconds East, 15.78 feet, (17) South 75 degrees 01 minutes 08 seconds East, 39.56 feet, (18) South 48 degrees 27 minutes 15 seconds East, 70.77 feet (19) South 11 degrees 10 minutes 32 seconds West, 98.27 feet, and (20) South 31 degrees 56 minutes 52 seconds West, 54.92 feet, thence still binding on the

0014518 157

State of Maryland Land Instrument Intake Sheet
 Baltimore City County:

Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office only.
(Type or Print in Black Ink Only—All Copies Must Be Legible)

1 Type(s) of Instruments: Deed Mortgage Other Deed or Conveyance Other

2 Conveyance Type Check Box: Improved Sale Arms-Length (1) Unimproved Sale Arms-Length (2) Multiple Accounts Arms-Length (3) Not an Arms-Length Sale (9)

3 Tax Exemptions (if Applicable): Recordation State Transfer County Transfer

FD SURE \$ 2.88
RECORDING FEE 75.88
TOTAL 77.88
Rpt # 21938
Dik # 1494
JUL 12, 2000 88:53 am

4 Consideration and Tax Calculations	Consideration Amount		Finance Office Use Only	
	Purchase Price/Consideration	\$	Transfer Tax Consideration	\$
Any New Mortgage	\$	X () % =	\$	
Balance of Existing Mortgage	\$	Less Exemption Amount	\$	
Other:	\$	Total Transfer Tax	\$	
Other:	\$	Recordation Tax Consideration	\$	
Full Cash Value	\$	X () per \$500 =	\$	
		TOTAL DUE	\$	

5 Fees	Amount of Fees		Agent:
	Doc. 1	Doc. 2	
Recording Charge	\$	\$	BT
Surcharge	\$	\$	Tax Bill:
State Recordation Tax	\$	\$	C.B. Credit:
State Transfer Tax	\$	\$	Ag. Tax/Other:
County Transfer Tax	\$	\$	
Other	\$	\$	
Other	\$	\$	

6 Description of Property: SDAT requires submission of all applicable information. A maximum of 40 characters will be indexed in accordance with the priority cited in Real Property Article Section 3-104(g)(3)(f).

District: Mariner Cove Property Tax ID No. (4): 1-101 Grantor Liber/Folio: 72/76 Map: 72/76 Parcel No. 72/76 Var. LOG (5)

Subdivision Name: Mariner Cove Lot (3a): 1-101 Block (3b): 72/76 Sect/AR(3c): 72/76 Plat Ref. 72/76 SqFt/Acreage (4):

Location/Address of Property Being Conveyed (2):

Other Property Identifiers (if applicable):

Water Meter Account No.:

Residential or Non-Residential Fee Simple or Ground Rent Amount:

Partial Conveyance? Yes No Description/Amt. of SqFt/Acreage Transferred:

7 Transferred From: Doc. 1 - Grantor(s) Name(s): Westwood Capital Fund, L.P. Doc. 2 - Grantor(s) Name(s):

Doc. 1 - Owner(s) of Record, if Different from Grantor(s): Doc. 2 - Owner(s) of Record, if Different from Grantor(s):

8 Transferred To: Doc. 1 - Grantee(s) Name(s): Doc. 2 - Grantee(s) Name(s):

New Owner's (Grantee) Mailing Address:

9 Other Names to Be Indexed: Doc. 1 - Additional Names to be Indexed (Optional): Doc. 2 - Additional Names to be Indexed (Optional):

10 Contact/Mail Information: Instrument Submitted By or Contact Person: Name: Samuel J. Mangione Firm: Sommer & Steele, LLC Address: 2 N. Charles Street Suite 930 Baltimore, MD 21201 Phone: (410) 783-2790 Return to Contact Person Hold for Pickup Return Address Provided

11 Assessment Information: Yes No Will the property being conveyed be the grantee's principal residence? Yes No Does transfer include personal property? If yes, identify: Yes No Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).

Assessment Use Only - Do Not Write Below This Line

Terminal Verification	And/or Cultural Verification	Whole	Part	Trans. Process Verification
Year: 19	Date Received: 19	Geo.	Map	Assigned Property No.:
Land		Zoning	Dist.	Sub
Building		Use	Parcel	Block
Total		Town Cd.	Ex. St.	Lot
				Section
				Occ. Cd.
				Ex. Cd.

TRANSFER TAX NOT REQUIRED
DIRECTOR OF BUDGET AND FINANCE
BALTIMORE COUNTY MARYLAND
Per: [Signature]
Authorized Signature
Date: 6/12/00 Sec. 33-139.2(c)

Distribution: White - Clerk's Office
Green - SDAT
Pink - Office of Finance
Goldendred - Preparer
AOC-CC-300 (6/95)

Current Unaudited Financial Documents
Mariners Cove (Essex)

Order: YB9GCV458
Address: 37 Punning Ct
Order Date: 05-17-2023
Document not for resale
HomeWoolDoc

Resale Packages

Pinnacle Properties

Mariners Cove

Tuesday, May 2, 2023

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

Table of Contents

Section	Report	Description
1	Balance Sheet	The financial summary of a community or other business entity at a point in time.
2	Detailed Income Statement	The income minus the expenses of a community or other business entity over a period of time compared to budgets.

Order: YB9GCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDoc.

Mariners Cove
BALANCE SHEET
As of: 04/28/2023

Run Date: 05/02/2023
Run Time: 01:27 PM

Assets

Account #	Account Name	Total
1003	BBT Reserves account	\$33,302.32
1010	BBT Operating	\$58,223.83
1200	Accounts Receivable	(\$605.00)
1210	Allowance for Doubtful Accts	(\$3,087.18)
1310	Accounts Receivable	\$6,834.54
1312	Interest Receivable	(\$145.00)
1315	Late Fees receivable	(\$1,955.00)
1700	Prepaid Expenses	\$434.81
	TOTAL ASSETS	\$93,003.32

Liabilities

Account #	Account Name	Total
3010	Accounts Payable	\$36,445.83
3310	Prepaid Assessments	(\$1,555.38)
	TOTAL LIABILITIES	\$34,890.45

Equity

Account #	Account Name	Total
5020	Reserves Interest	\$0.35
5100	Retained Earnings	\$64,070.09
5200	Opening Funds	\$898.15
	Current Year Net Income/(Loss)	(\$6,855.72)
	TOTAL EQUITY	\$58,112.87
	TOTAL LIABILITIES AND EQUITY	\$93,003.32

Order: YB9CCV45B
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

Mariners Cove
INCOME STATEMENT
Consolidated

Start: 01/01/2023 | End: 04/28/2023

Income

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
6000 Assessment	58,000.00	40,905.00	17,095.00	58,000.00	40,905.00	17,095.00	163,620.00
6005 Late Fee	0.00	1,152.24	(1,152.24)	0.00	1,152.24	(1,152.24)	4,609.00
6020 Interest Income-Reserves	0.28	0.00	0.28	0.28	0.00	0.28	0.00
6040 Return Item Fees	0.00	35.01	(35.01)	0.00	35.01	(35.01)	140.00
6070 Miscellaneous Income	0.00	99.99	(99.99)	0.00	99.99	(99.99)	400.00
6080 Clubhouse rental income	0.00	450.00	(450.00)	0.00	450.00	(450.00)	1,800.00
Total	58,000.28	42,642.24	15,358.04	58,000.28	42,642.24	15,358.04	170,569.00

Expense

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
7005 Audit/Tax Preparation	625.00	500.01	(124.99)	625.00	500.01	(124.99)	2,000.00
7015 Management Fees	5,280.00	5,280.00	0.00	5,280.00	5,280.00	0.00	21,120.00
7040 Office Supplies	2,500.00	0.00	(2,500.00)	2,500.00	0.00	(2,500.00)	0.00
7041 Postage and Mailings	212.00	450.00	238.00	212.00	450.00	238.00	1,800.00
7055 Legal/Collection	0.00	300.00	300.00	0.00	300.00	300.00	1,200.00
7070 Bad Debt	0.00	200.01	200.01	0.00	200.01	200.01	800.00
7080 Extermination	800.00	525.00	(275.00)	800.00	525.00	(275.00)	2,100.00
7095 Miscellaneous Expenses	0.00	875.01	875.01	0.00	875.01	875.01	3,500.00
7205 Insurance	0.00	1,175.01	1,175.01	0.00	1,175.01	1,175.01	4,700.00
7405 Pool Mgmt Contract	3,878.00	3,675.00	(203.00)	3,878.00	3,675.00	(203.00)	14,700.00
7420 Pool	0.00	999.99	999.99	0.00	999.99	999.99	4,000.00
Maintenance/Supplies							
7515 Clubhouse Maintenance	0.00	777.99	777.99	0.00	777.99	777.99	3,112.00
7545 Repairs & Maintenance	34,100.00	1,025.01	(33,074.99)	34,100.00	1,025.01	(33,074.99)	4,100.00
7605 Grounds/Landscaping	8,786.85	3,993.00	(4,793.85)	8,786.85	3,993.00	(4,793.85)	15,972.00
Contract							
7625 Janitorial services	1,300.00	0.00	(1,300.00)	1,300.00	0.00	(1,300.00)	0.00
7635 Snow Removal	0.00	2,250.00	2,250.00	0.00	2,250.00	2,250.00	9,000.00
7690 Trash Removal	0.00	862.26	862.26	0.00	862.26	862.26	3,449.00
7692 Bulk Trash	500.00	0.00	(500.00)	500.00	0.00	(500.00)	0.00
7695 Security Monitoring	269.77	125.01	(144.76)	269.77	125.01	(144.76)	500.00
7705 Electricity-St	4,267.54	4,074.99	(192.55)	4,267.54	4,074.99	(192.55)	16,300.00
Lgts/Sprinklers							
7710 Telephone/Sprinkler	63.29	125.01	61.72	63.29	125.01	61.72	500.00
System							
7715 Water and Sewer	373.55	5,965.26	5,591.71	373.55	5,965.26	5,591.71	23,861.00
7915 Property Taxes	0.00	500.01	500.01	0.00	500.01	500.01	2,000.00
8000 Capital Improvements	0.00	1,537.50	1,537.50	0.00	1,537.50	1,537.50	6,150.00
9005 Reserve Contribution	0.00	7,426.26	7,426.26	0.00	7,426.26	7,426.26	29,705.00
9900 Reserve Study	1,900.00	0.00	(1,900.00)	1,900.00	0.00	(1,900.00)	0.00
Total	64,856.00	42,642.33	(22,213.67)	64,856.00	42,642.33	(22,213.67)	170,569.00

Net Income	(6,855.72)	(0.09)	(6,855.63)	(6,855.72)	(0.09)	(6,855.63)	0.00
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Order: Y89CCV458
Address: 37 Elmwood Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

Resale Packages

Pinnacle Properties

Mariners Cove

Tuesday, April 25, 2023

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

Table of Contents

Section	Report	Description
1	Balance Sheet	The financial summary of a community or other business entity at a point in time.
2	Detailed Income Statement	The income minus the expenses of a community or other business entity over a period of time compared to budgets.

Order: YB906.V458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

Mariners Cove
BALANCE SHEET
As of: 03/31/2023

Run Date: 04/25/2023
Run Time: 11:24 AM

Assets

Account #	Account Name	Total
1003	BBT Reserves account	\$33,302.32
1010	BBT Operating	\$55,388.68
1200	Accounts Receivable	(\$605.00)
1210	Allowance for Doubtful Accts	(\$3,087.18)
1310	Accounts Receivable	\$6,372.55
1312	Interest Receivable	(\$145.00)
1315	Late Fees receivable	(\$1,955.00)
1700	Prepaid Expenses	\$434.81
	TOTAL ASSETS	\$89,706.18

Liabilities

Account #	Account Name	Total
3010	Accounts Payable	\$2,305.83
3310	Prepaid Assessments	(\$395.38)
	TOTAL LIABILITIES	\$1,910.45

Equity

Account #	Account Name	Total
5020	Reserves Interest	\$0.35
5100	Retained Earnings	\$64,070.09
5200	Opening Funds	\$898.15
	Current Year Net Income/(Loss)	\$22,827.14
	TOTAL EQUITY	\$87,795.73
	TOTAL LIABILITIES AND EQUITY	\$89,706.18

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

Mariners Cove

INCOME STATEMENT

Consolidated
Start: 01/01/2023 | End: 03/31/2023
Income

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
6000 Assessment	43,500.00	40,905.00	2,595.00	43,500.00	40,905.00	2,595.00	163,620.00
6005 Late Fee	0.00	1,152.24	(1,152.24)	0.00	1,152.24	(1,152.24)	4,609.00
6020 Interest Income-Reserves	0.28	0.00	0.28	0.28	0.00	0.28	0.00
6040 Return Item Fees	0.00	35.01	(35.01)	0.00	35.01	(35.01)	140.00
6070 Miscellaneous Income	0.00	99.99	(99.99)	0.00	99.99	(99.99)	400.00
6080 Clubhouse rental income	0.00	450.00	(450.00)	0.00	450.00	(450.00)	1,800.00
Total	43,500.28	42,642.24	858.04	43,500.28	42,642.24	858.04	170,569.00

Expense

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
7005 Audit/Tax Preparation	0.00	500.01	500.01	0.00	500.01	500.01	2,000.00
7015 Management Fees	3,520.00	5,280.00	1,760.00	3,520.00	5,280.00	1,760.00	21,120.00
7040 Office Supplies	2,500.00	0.00	(2,500.00)	2,500.00	0.00	(2,500.00)	0.00
7041 Postage and Mailings	10.00	450.00	440.00	10.00	450.00	440.00	1,800.00
7055 Legal/Collection	0.00	300.00	300.00	0.00	300.00	300.00	1,200.00
7070 Bad Debt	0.00	200.01	200.01	0.00	200.01	200.01	800.00
7080 Extermination	650.00	525.00	(125.00)	650.00	525.00	(125.00)	2,100.00
7095 Miscellaneous Expenses	0.00	875.01	875.01	0.00	875.01	875.01	3,500.00
7205 Insurance	0.00	1,175.01	1,175.01	0.00	1,175.01	1,175.01	4,700.00
7405 Pool Mgmt Contract	0.00	3,675.00	3,675.00	0.00	3,675.00	3,675.00	14,700.00
7420 Pool	0.00	999.99	999.99	0.00	999.99	999.99	4,000.00
Maintenance/Supplies							
7515 Clubhouse Maintenance	0.00	777.99	777.99	0.00	777.99	777.99	3,112.00
7545 Repairs & Maintenance	1,600.00	1,025.01	(574.99)	1,600.00	1,025.01	(574.99)	4,100.00
7605 Grounds/Landscaping Contract	6,741.02	3,993.00	(2,748.02)	6,741.02	3,993.00	(2,748.02)	15,972.00
7625 Janitorial services	1,040.00	0.00	(1,040.00)	1,040.00	0.00	(1,040.00)	0.00
7635 Snow Removal	0.00	2,250.00	2,250.00	0.00	2,250.00	2,250.00	9,000.00
7690 Trash Removal	0.00	862.26	862.26	0.00	862.26	862.26	3,449.00
7692 Bulk Trash	500.00	0.00	(500.00)	500.00	0.00	(500.00)	0.00
7695 Security Monitoring	269.77	125.01	(144.76)	269.77	125.01	(144.76)	500.00
7705 Electricity-St	3,405.51	4,074.99	669.48	3,405.51	4,074.99	669.48	16,300.00
Lgts/Sprinklers							
7710 Telephone/Sprinkler System	63.29	125.01	61.72	63.29	125.01	61.72	500.00
7715 Water and Sewer	373.55	5,965.26	5,591.71	373.55	5,965.26	5,591.71	23,861.00
7915 Property Taxes	0.00	500.01	500.01	0.00	500.01	500.01	2,000.00
8000 Capital Improvements	0.00	1,537.50	1,537.50	0.00	1,537.50	1,537.50	6,150.00
9005 Reserve Contribution	0.00	7,426.26	7,426.26	0.00	7,426.26	7,426.26	29,705.00
Total	20,673.14	42,642.33	21,969.19	20,673.14	42,642.33	21,969.19	170,569.00

Net Income	22,827.14	(0.09)	22,827.23	22,827.14	(0.09)	22,827.23	0.00
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Order: 37 Running Ct
 Order Date: 05-17-2023
 Document not for resale
 HomeWiseDocs

Resale Packages

Pinnacle Properties

Mariners Cove

Tuesday, April 25, 2023

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

Table of Contents

Section	Report	Description
1	Balance Sheet	The financial summary of a community or other business entity at a point in time.
2	Detailed Income Statement	The income minus the expenses of a community or other business entity over a period of time compared to budgets.

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

Mariners Cove
BALANCE SHEET
As of: 02/28/2023

Run Date: 04/25/2023
Run Time: 11:22 AM

Assets

Account #	Account Name	Total
1003	BBT Reserves account	\$33,302.32
1010	BBT Operating	\$55,302.00
1200	Accounts Receivable	(\$605.00)
1210	Allowance for Doubtful Accts	(\$3,087.18)
1310	Accounts Receivable	\$4,197.55
1312	Interest Receivable	(\$145.00)
1315	Late Fees receivable	(\$1,955.00)
1700	Prepaid Expenses	\$434.81
	TOTAL ASSETS	\$87,444.50

Liabilities

Account #	Account Name	Total
3010	Accounts Payable	\$8,363.69
3310	Prepaid Assessments	(\$235.38)
	TOTAL LIABILITIES	\$8,128.31

Equity

Account #	Account Name	Total
5020	Reserves Interest	\$0.35
5100	Retained Earnings	\$64,070.09
5200	Opening Funds	\$898.15
	Current Year Net Income/(Loss)	\$14,347.60
	TOTAL EQUITY	\$79,316.19
	TOTAL LIABILITIES AND EQUITY	\$87,444.50

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

Mariners Cove INCOME STATEMENT

Consolidated

Start: 01/01/2023 | End: 02/28/2023

Income

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
6000 Assessment	29,000.00	27,270.00	1,730.00	29,000.00	27,270.00	1,730.00	163,620.00
6005 Late Fee	0.00	768.16	(768.16)	0.00	768.16	(768.16)	4,609.00
6020 Interest Income-Reserves	0.28	0.00	0.28	0.28	0.00	0.28	0.00
6040 Return Item Fees	0.00	23.34	(23.34)	0.00	23.34	(23.34)	140.00
6070 Miscellaneous Income	0.00	66.66	(66.66)	0.00	66.66	(66.66)	400.00
6080 Clubhouse rental income	0.00	300.00	(300.00)	0.00	300.00	(300.00)	1,800.00
Total	29,000.28	28,428.16	572.12	29,000.28	28,428.16	572.12	170,569.00

Expense

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
7005 Audit/Tax Preparation	0.00	333.34	333.34	0.00	333.34	333.34	2,000.00
7015 Management Fees	1,760.00	3,520.00	1,760.00	1,760.00	3,520.00	1,760.00	21,120.00
7040 Office Supplies	2,500.00	0.00	(2,500.00)	2,500.00	0.00	(2,500.00)	0.00
7041 Postage and Mailings	10.00	300.00	290.00	10.00	300.00	290.00	1,800.00
7055 Legal/Collection	0.00	200.00	200.00	0.00	200.00	200.00	1,200.00
7070 Bad Debt	0.00	133.34	133.34	0.00	133.34	133.34	800.00
7080 Extermination	500.00	350.00	(150.00)	500.00	350.00	(150.00)	2,100.00
7095 Miscellaneous Expenses	0.00	583.34	583.34	0.00	583.34	583.34	3,500.00
7205 Insurance	0.00	783.34	783.34	0.00	783.34	783.34	4,700.00
7405 Pool Mgmt Contract	0.00	2,450.00	2,450.00	0.00	2,450.00	2,450.00	14,700.00
7420 Pool	0.00	666.66	666.66	0.00	666.66	666.66	4,000.00
Maintenance/Supplies							
7515 Clubhouse Maintenance	0.00	518.66	518.66	0.00	518.66	518.66	3,112.00
7545 Repairs & Maintenance	1,600.00	683.34	(916.66)	1,600.00	683.34	(916.66)	4,100.00
7605 Grounds/Landscaping Contract	4,695.19	2,662.00	(2,033.19)	4,695.19	2,662.00	(2,033.19)	15,972.00
7625 Janitorial services	780.00	0.00	(780.00)	780.00	0.00	(780.00)	0.00
7635 Snow Removal	0.00	1,500.00	1,500.00	0.00	1,500.00	1,500.00	9,000.00
7690 Trash Removal	0.00	574.84	574.84	0.00	574.84	574.84	3,449.00
7692 Bulk Trash	500.00	0.00	(500.00)	500.00	0.00	(500.00)	0.00
7695 Security Monitoring	149.18	83.34	(65.84)	149.18	83.34	(65.84)	500.00
7705 Electricity-St Lgts/Sprinklers	1,721.47	2,716.66	995.19	1,721.47	2,716.66	995.19	16,300.00
7710 Telephone/Sprinkler System	63.29	83.34	20.05	63.29	83.34	20.05	500.00
7715 Water and Sewer	373.55	3,976.84	3,603.29	373.55	3,976.84	3,603.29	23,861.00
7915 Property Taxes	0.00	333.34	333.34	0.00	333.34	333.34	2,000.00
8000 Capital Improvements	0.00	1,025.00	1,025.00	0.00	1,025.00	1,025.00	6,150.00
9005 Reserve Contribution	0.00	4,950.84	4,950.84	0.00	4,950.84	4,950.84	29,705.00
Total	14,652.68	28,428.22	13,775.54	14,652.68	28,428.22	13,775.54	170,569.00
Net Income	14,347.60	(0.06)	14,347.66	14,347.60	(0.06)	14,347.66	0.00

Address: 27 Running Ct
 Order Date: 04-17-2023
 Document not for resale
 HomeAdvisor.com

Design Document
Mariners Cove (Essex)

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

This document is currently either not available or not applicable for this association.

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**Insurance Dec Page
Mariners Cove (Essex)**

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
Document not for resale
HomeWiseDocs

StateFarm



STATE FARM FIRE AND CASUALTY COMPANY
Po Box 888854
Dunwoody, GA 30356-0854

BALANCE DUE NOTICE

POLICY NUMBER 90-BQ-W112-2
Residential Community Association Policy

DATE DUE PLEASE PAY THIS AMOUNT
OCT 6 2022 \$4,689.00

005160 3125... M-21-9DDD-FAF0 V F
MARINERS COVE COMMUNITY ASSOCIATION
C/O PINNACLE PROPERTIES
154 S AZAR AVE
GLEN BURNIE MD 21060-6505

Full payment by Date Due continues this policy to OCT 6 2023

RECEIVED
AUG 15 2022
BY: _____

PREMIUM \$ 4,689.00
AMOUNT DUE \$ 4,689.00

Location: 32 LUFFING CT
ESSEX MD 21221-2935

Important Message(s)

Code 7205 Scanned/Entered
Date 8/19/22 / Initial [Signature]
Bill Back / Unit Responsible _____
Referencing Work order WO _____

17 2064 4429

See reverse for important information.
Please keep this part for your record.
Prepared AUG 08 2022

Agent AARON SLATER JR CLU
Telephone (240) 755-0133

Please fold and tear here

MOVING? PLEASE SEE YOUR STATE FARM AGENT. M-9DDD-FAF0

INSURED MARINERS COVE COMMUNITY ASSOCIATION
POLICY NUMBER 90-BQ-W112-2 CONDOMINIUM

PLEASE RETURN THIS PART WITH YOUR CHECK MADE PAYABLE TO STATE FARM

DATE DUE PLEASE PAY THIS AMOUNT
OCT 6 2022 \$4,689.00

2109211059
State Farm Insurance Companies
P.O. Box 588002
North Metro, GA 30029-8002



(0113092a)

(0116881)

For office use only

3427

M 34861

Prepared: AUG 08 2022
94 I

FIRE BAL DUE

\$4,689.00

1105

Order: YB9CCV458

Address: 37 R 300230900468900 690655224112201521>

Order Date: 05-17-2023

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

02-08-2007 (o1f3086a)

For Office Use Only



o1y2105a

Order: YB0CCV458
Address: 37 Running Ct
Order Date: 05/17/2009



STATE FARM FIRE AND CASUALTY COMPANY
 A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

Po Box 888854
 Dunwoody, GA 30356-0854

Named Insured

AT2 005160 3125 M-21-9DDD-FAF0 F V
 MARINERS COVE COMMUNITY
 ASSOCIATION
 C/O PINNACLE PROPERTIES
 154 S AZAR AVE
 GLEN BURNIE MD 21060-6505



RENEWAL DECLARATIONS

Policy Number	90-BQ-W112-2	
Policy Period	Effective Date	Expiration Date
12 Months	OCT 6 2022	OCT 6 2023
The policy period begins and ends at 12:01 am standard time at the premises location.		

Agent and Mailing Address
 AARON SLATER JR CLU
 9881 BROKENLND PKWY STE 306
 COLUMBIA MD 21046-3021

PHONE: (240) 755-0133

0108-ST-1-1001

Residential Community Association Policy

Automatic Renewal - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

Entity: ASSOCIATION/COOPERATIVE

NOTICE: Information concerning changes in your policy language is included. Please call your agent if you have any questions.

The premium for your expiring policy was \$4,394.00
 Your premium has increased by \$295.00 since the last term.
 Please call your agent if you want additional information about the premium increase.

POLICY PREMIUM \$ 4,689.00

Discounts Applied:
 Renewal Year
 Claim Record

PLEASE SEE AN IMPORTANT MESSAGE FOLLOWING THE PARTICIPATING POLICY PROVISION AT THE END OF THIS DECLARATIONS.

Prepared
 AUG 08 2022
 CMP-4000

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Order: 78900V458
 Address: 37 Running Ct
 Order Date: 08-17-2022
 Continued on Reverse Side of Page

RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for MARINERS COVE COMMUNITY
 Policy Number 90-BQ-W112-2

SECTION I - PROPERTY SCHEDULE

Location Number	Location of Described Premises	Limit of Insurance*	
		Coverage A - Buildings	Coverage B - Business Personal Property
001	32 LUFFING CT ESSEX MD 21221-2935	No Coverage	No Coverage

AUXILIARY STRUCTURES

Location Number	Description	Limit of Insurance*	
		Coverage A - Buildings	Coverage B - Business Personal Property
001A	COMMUNITY CENTER/OFFICE	\$ 253,800	\$ 37,000
001B	WOOD FENCING	\$ 30,000	See Prop Sch
001C	BATH HOUSE	\$ 54,400	\$ 8,400
001D	SIDEWALKS/PARKING LOTS	\$ 217,800	See Prop Sch
001E	POOL	\$ 251,000	See Prop Sch
001G	SIGN & SHELTER	\$ 51,500	See Prop Sch

* As of the effective date of this policy, the Limit of Insurance as shown includes any increase in the limit due to Inflation Coverage.

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Page 2 of 8



RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for MARINERS COVE COMMUNITY
 Policy Number 90-BQ-W112-2



0208-ST-1-1001

SECTION I - INFLATION COVERAGE INDEX(ES)

Inflation Coverage Index: 233.7

SECTION I - DEDUCTIBLES

Basic Deductible \$1,000

Special Deductibles:

Money and Securities	\$250	Employee Dishonesty	\$250
Equipment Breakdown	\$1,000		

Other deductibles may apply - refer to policy.

SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH DESCRIBED PREMISES

The coverages and corresponding limits shown below apply separately to each described premises shown in these Declarations, unless indicated by "See Schedule." If a coverage does not have a corresponding limit shown below, but has "Included" indicated, please refer to that policy provision for an explanation of that coverage.

COVERAGE	LIMIT OF INSURANCE
Collapse	Included
Damage To Non-Owned Buildings From Theft, Burglary Or Robbery	Coverage B Limit
Debris Removal	25% of covered loss
Equipment Breakdown	Included
Fire Department Service Charge	\$5,000
Fire Extinguisher Systems Recharge Expense	\$5,000
Glass Expenses	Included

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RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for MARINERS COVE COMMUNITY
Policy Number 90-BQ-W112-2

Increased Cost Of Construction And Demolition Costs (applies only when buildings are insured on a replacement cost basis)	10%
Newly Acquired Business Personal Property (applies only if this policy provides Coverage B - Business Personal Property)	\$100,000
Newly Acquired Or Constructed Buildings (applies only if this policy provides Coverage A - Buildings)	\$250,000
Ordinance Or Law - Equipment Coverage	Included
Preservation Of Property	30 Days
Water Damage, Other Liquids, Powder Or Molten Material Damage	Included

SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH COMPLEX

The coverages and corresponding limits shown below apply separately to each complex as described in the policy.

COVERAGE	LIMIT OF INSURANCE
Accounts Receivable	
On Premises	\$50,000
Off Premises	\$15,000
Arson Reward	\$5,000
Forgery Or Alteration	\$10,000
Money And Securities (Off Premises)	\$5,000
Money And Securities (On Premises)	\$10,000
Money Orders And Counterfeit Money	\$1,000
Outdoor Property	\$5,000
Personal Effects (applies only to those premises provided Coverage B - Business Personal Property)	\$2,500
Personal Property Off Premises	\$15,000
Pollutant Clean Up And Removal	\$10,000

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Evanston, IL 60120

Page 4 of 8



RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for MARINERS COVE COMMUNITY
Policy Number 90-BQ-W112-2



0308-ST-1-1001

Property Of Others (applies only to those premises provided Coverage B - Business Personal Property)	\$2,500
Signs	\$2,500
Valuable Papers And Records	
On Premises	\$10,000
Off Premises	\$5,000

SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - PER POLICY

The coverages and corresponding limits shown below are the most we will pay regardless of the number of described premises shown in these Declarations.

COVERAGE	LIMIT OF INSURANCE
Back-Up of Sewer or Drain	Included
Employee Dishonesty	\$25,000
Loss Of Income And Extra Expense	Actual Loss Sustained - 12 Months

SECTION II - LIABILITY

COVERAGE	LIMIT OF INSURANCE
Coverage L - Business Liability	\$1,000,000
Coverage M - Medical Expenses (Any One Person)	\$5,000
Damage To Premises Rented To You	\$300,000
Directors And Officers - Property Manager Liability	\$1,000,000
Directors And Officers Liability	\$1,000,000

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AUG 08 2022
CMP-4000

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Order: YB9UCV458
Address: 57 Running Ct
Order Date: 08-17-2022
Continued on Reverse Side of Page

RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for MARINERS COVE COMMUNITY
Policy Number 90-BQ-W112-2

LIMIT OF INSURANCE**AGGREGATE LIMITS**

Products/Completed Operations Aggregate	\$2,000,000
General Aggregate	\$2,000,000
Directors and Officers Aggregate	\$1,000,000

Each paid claim for Liability Coverage reduces the amount of insurance we provide during the applicable annual period. Please refer to Section II - Liability in the Coverage Form and any attached endorsements.

Your policy consists of these Declarations, the BUSINESSOWNERS COVERAGE FORM shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

FORMS AND ENDORSEMENTS

CMP-4100	Businessowners Coverage Form
FE-6999.3	*Terrorism Insurance Cov Notice
CMP-4550	Residential Community Assoc
CMP-4746.1	Hired Auto Liability
CMP-4220.1	Amendatory Endorsement
CMP-4705.1	Loss of Income & Extra Expense
CMP-4508	Money and Securities
CMP-4814	Directors & Officers Liability
CMP-4818	Directors & Officers- Prop Mgr
CMP-4710	Employee Dishonesty
CMP-4862	Building Ordinance or Law Cov
CMP-4830	Interior Building Damage
CMP-4561.1	Policy Endorsement
FE-3650	Actual Cash Value Endorsement
CMP-4883	AI Design Person Org
FD-6007	Inland Marine Attach Dec
	* New Form Attached

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Page 6 of 8



RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for MARINERS COVE COMMUNITY
Policy Number 90-BQ-W112-2



0408-ST-1-1001

SCHEDULE OF ADDITIONAL INTERESTS

Interest Type: Addl Insured-Section II
Endorsement #: CMP4883
Loan Number: N/A

PINNACLE PROPERTIES
154 S AZAR AVE
GLEN BURNIE MD 210606505

This policy is issued by the State Farm Fire and Casualty Company.

Participating Policy

You are entitled to participate in a distribution of the earnings of the company as determined by our Board of Directors in accordance with the Company's Articles of Incorporation, as amended.

In Witness Whereof, the State Farm Fire and Casualty Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.

Lynne M. Yauell
Secretary

Michael J. Tipson
President

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AUG 08 2022
CMP-4000

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Order: YB9UCV458
Address: 37 Running Ct
Order Date: 05-17-2009

RENEWAL DECLARATIONS (CONTINUED)

Residential Community Association Policy for MARINERS COVE COMMUNITY
Policy Number 90-BQ-W112-2

**WE WILL CONSIDER YOUR CLAIMS HISTORY, IF ANY, FOR PURPOSES OF
 DETERMINING WHETHER TO CANCEL OR REFUSE TO RENEW YOUR POLICY.**

NOTICE TO POLICYHOLDER:

For a comprehensive description of coverages and forms, please refer to your policy.

Policy changes requested before the "Date Prepared", which appear on this notice, are effective on the Renewal Date of this policy unless otherwise indicated by a separate endorsement, binder, or amended declarations. Any coverage forms attached to this notice are also effective on the Renewal Date of this policy.

Policy changes requested after the "Date Prepared" will be sent to you as an amended declarations or as an endorsement to your policy. Billing for any additional premium for such changes will be mailed at a later date.

If, during the past year, you've acquired any valuable property items, made any improvements to insured property, or have any questions about your insurance coverage, contact your State Farm agent.

Please keep this with your policy.

Your coverage amount....

It is up to you to choose the coverage and limits that meet your needs. We recommend that you purchase a coverage limit equal to the estimated replacement cost of your structure. Replacement cost estimates are available from building contractors and replacement cost appraisers, or, your agent can provide an estimate from Xactware, Inc.® using information you provide about your structure. We can accept the type of estimate you choose as long as it provides a reasonable level of detail about your structure. State Farm® does not guarantee that any estimate will be the actual future cost to rebuild your structure. Higher limits are available at higher premiums. Lower limits are also available, as long as the amount of coverage meets our underwriting requirements. We encourage you to periodically review your coverages and limits with your agent and to notify us of any changes or additions to your structure.

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 AUG 08 2022
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Order: YB9000V456
 Address: 37 Running Ct
 Costa Mesa, CA 92626



STATE FARM FIRE AND CASUALTY COMPANY
A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

Po Box 888854
Dunwoody, GA 30356-0854

Named Insured

M-21-9DDD-FAF0 F V

MARINERS COVE COMMUNITY
ASSOCIATION
C/O PINNACLE PROPERTIES
154 S AZAR AVE
GLEN BURNIE MD 21060-6505



0508-ST-1-1001

INLAND MARINE ATTACHING DECLARATIONS

Policy Number	90-BQ-W112-2	
Policy Period	Effective Date	Expiration Date
12 Months	OCT 6 2022	OCT 6 2023
The policy period begins and ends at 12:01 am standard time at the premises location.		

ATTACHING INLAND MARINE

Automatic Renewal - If the **policy period** is shown as **12 months**, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

Annual Policy Premium Included

The above Premium Amount is included in the Policy Premium shown on the Declarations.

Your policy consists of these Declarations, the INLAND MARINE CONDITIONS shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

Forms, Options, and Endorsements

FE-8739 Inland Marine Conditions
FE-8743.1 Inland Marine Computer Prop

See Reverse for Schedule Page with Limits

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AUG 08 2022
FD-6007

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Address: 37 Running Ct

ATTACHING INLAND MARINE SCHEDULE PAGE

ATTACHING INLAND MARINE

ENDORSEMENT NUMBER	COVERAGE	LIMIT OF INSURANCE	DEDUCTIBLE AMOUNT	ANNUAL PREMIUM
FE-8743.1	Inland Marine Computer Prop	\$ 10,000	\$ 500	Included
	Loss of Income and Extra Expense	\$ 10,000		Included

OTHER LIMITS AND EXCLUSIONS MAY APPLY - REFER TO YOUR POLICY

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AUG 08 2022
FD-6007

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Order: YB9CCV458
Address: 37 Running Ct
Columbus, OH 43221-6000



Residential Community Association Policy for MARINERS COVE COMMUNITY
 Policy Number 90-BQ-W112-2



Notice of Limit and Deductible Increase

Your Limits and Deductibles increased by the following amounts. These increases are due to inflation adjustments or due to changes you have made.

This notice is provided for informational purposes only, and does not change, modify, or invalidate any of the provisions, terms or conditions of your policy or any other applicable endorsements.

0001A Auxiliary Structure

Coverage(s)	Increased Amount
Coverage A - Building	\$ 15,800
Coverage B - Business Personal Property	\$ 2,300

0001B Auxiliary Structure

Coverage(s)	Increased Amount
Coverage A - Building	\$ 1,900

0001C Auxiliary Structure

Coverage(s)	Increased Amount
Coverage A - Building	\$ 3,400
Coverage B - Business Personal Property	\$ 600

0001D Auxiliary Structure

Coverage(s)	Increased Amount
Coverage A - Building	\$ 13,500

0001E Auxiliary Structure

Coverage(s)	Increased Amount
Coverage A - Building	\$ 15,600

0001G Auxiliary Structure

Coverage(s)	Increased Amount
Coverage A - Building	\$ 3,200



In accordance with the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2019, this disclosure is part of your policy.

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE



0708-ST-1-1001

Coverage for acts of terrorism is not excluded from your policy. However your policy does contain other exclusions which may be applicable, such as an exclusion for nuclear hazard. You are hereby notified that the Terrorism Risk Insurance Act, as amended in 2019, defines an act of terrorism in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under this policy, any covered losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. Under the formula, the United States Government generally reimburses 80% beginning on January 1,

2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

There is no separate premium charged to cover insured losses caused by terrorism. Your insurance policy establishes the coverage that exists for insured losses. This notice does not expand coverage beyond that described in your policy.

THIS IS YOUR NOTIFICATION THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER YOUR POLICY MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE YOUR COVERAGE.

FE-6999.3

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2015 2015 2015 2015 2015



IMPORTANT NOTICE . . . Data Compromise Coverage Now Available



Nearly all businesses collect and retain personal information about their clients, employees and business associates. Yet many businesses lack the resources to respond effectively in the event this data is stolen or released when it is in their care, custody or control.

If a data breach occurs, a business may be required to notify all parties who were affected by the breach, effectively communicate the nature of the loss or disclosure and, if warranted, provide credit monitoring assistance and identity restoration case management service to those affected. Many states already require businesses to provide these services.

Data Compromise coverage may help a business respond to the expense of service obligations following a covered data breach.

Coverage Summary

Data Compromise coverage is designed to help a business investigate a data breach, notify individuals and provide credit monitoring, case management and other services that help prevent identity theft and fraud following a covered breach of non-public personal information. Data Compromise coverage may be available for certain necessary and reasonable expenses including:

- Legal and forensic information technology reviews;
- Notification to affected individuals; and
- Service to affected individuals including:
 - Informational materials;
 - Toll-free help line;
 - Credit report monitoring; and
 - Identity restoration case management.

If you choose to purchase Data Compromise coverage, Identity Restoration coverage will be included for your business.

No one can predict if a covered data breach will occur, but you are able to protect your business from certain response costs a breach may create. If you are interested in adding Data Compromise coverage to your policy, contact your State Farm® agent to see if your business qualifies.

553-3447.1 (C)

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05 17 2009

Litigation
Mariners Cove (Essex)

Order: Y89CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
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Reserve Report

Mariners Cove (Essex)

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Address: 37 Running Ct
Order Date: 06-17-2023
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**Resolutions and Policies
Mariners Cove (Essex)**

Order: YB9CCV458
Address: 37 Running Ct
Order Date: 05-17-2023
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**THE RESOLUTION OF THE BOARD OF DIRECTORS OF
MARINERS COVE COMMUNITY ASSOCIATION, INC.**

(Policy and Procedure Relative to the Removal of Reserved Parking Spaces
for Unit Owners Sixty (60) Days Delinquent)

WHEREAS, the Mariners Cove Community Association, Inc. (the "Community"), and the Unit Owners thereof therein, as Unit Owners within the Community, are governed by: Articles of Incorporation, recorded on or about May 5, 2000 among the corporate records of the State of Maryland; by a Homeowners Declaration (the "Declaration"), which was recorded on or about May 2, 2000 among the Official Records maintained by the Land Records of Baltimore County, Maryland in Plat Book No. 72, Page 70; and by a set of By-Laws (the "By-Laws"), which was recorded on or about May 5, 2000 among the Official Records maintained by the Land Records of Baltimore County, Maryland; and

WHEREAS, Article 7; Powers and Duties of the Board of Directors, Section 1. Powers (a) of the By-Laws vest the Board of Directors (the "Board") with the authority to adopt and publish Rules and Regulations; and

WHEREAS, Article 7, Section 1. (c) of the By-Laws vests the Board with the authority to promulgate and enforce Rules and Regulations concerning the operation and use of the Community; and

The Board will hereby strictly enforce Article 7, Section 1. Powers (b) of the By-Laws and hereby amended to read as follows:

"suspend the voting rights and right of use of any recreational facilities located on any Common Area of a Member, including a Members Reserved Parking Space, during any period in which such Member shall be in default" in the payment of any assessment levied by the Association. Such rights may be also be suspended, after notice and hearing, for a period not to exceed sixty (60) days for any violation of the Declaration, any guidelines or any other published rules and regulations;"

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors, on behalf of Mariners Cove Community Association, Inc. duly adopts the resolution above regarding the amended description of a Members right of use of Common Elements. Failure to comply will result in enforcement procedures described within the Covenants.

ATTEST:

[Signature]
Name:

President
Title

12-14-09
Date

[Signature]
Name:

vice-President
Title

12-14-09
Date

[Signature]
Name:

Treasurer
Title

12-14-09
Date

[Signature]
Name:

Secretary
Title

12/14/09
Date

[Signature]
Name:

Order: YB0CCV458
Address: *[Signature]*
Order Title: 05-17-2023

12/14/09
Date

Rules and Regulations Mariners Cove (Essex)

Order: YB9CCV45B
Address: 37 Running Ct
Order Date: 05-17-2023
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MARINER'S COVE COMMUNITY ASSOCIATION, INC.

DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS

0014518 110

MARINER'S COVE COMMUNITY ASSOCIATION, INC.

DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS

TABLE OF CONTENTS

	<u>PAGE NO.</u>	
ARTICLE I	DEFINITIONS	1
ARTICLE II	PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO	3
1.	EXISTING PROPERTY	3
2.	ADDITIONS TO EXISTING PROPERTY	3
3.	EASEMENT RIGHTS	4
4.	DEANNEXATION	4
5.	AMENDMENT	5
ARTICLE III	ARCHITECTURAL REVIEW COMMITTEE	5
1.	ARCHITECTURAL REVIEW COMMITTEE	5
2.	ARCHITECTURAL REVIEW	5
3.	EXEMPTIONS	8
4.	RIGHT OF ENTRY	9
ARTICLE IV	COVENANTS AND RESTRICTIONS	9
1.	LAND USE	9
2.	SETBACKS	10
3.	SWIMMING POOLS; HOT TUBS	10
4.	EXTERIOR MATERIALS	10
5.	TEMPORARY STRUCTURES	10
6.	CLOTHESLINES; FLAGPOLES	10

0014518 111

7.	TRAFFIC VIEW	10
8.	YARDS	10
9.	FENCES AND WALLS	10
10.	REPAIR AND MAINTENANCE OF LOTS	11
11.	NUISANCES	11
12.	ANIMALS	11
13.	VEHICLES	12
14.	LIGHTING AND WIRING; ANTENNA	12
15.	SUBDIVISION	13
16.	SIGNAGE	13
17.	AGREEMENTS	13
18.	TRASH AND OTHER MATERIALS	14
19.	NON-INTERFERENCE WITH UTILITIES	14
20.	NO HUNTING	14
21.	NO EXCAVATION	14
22.	TREE REMOVAL	14
23.	SHEDS; ACCESSORY STRUCTURES	14
24.	CHIMNEYS AND FLUES	15
25.	PLAY EQUIPMENT	15
26.	GRADING; DRAINAGE	15
27.	DECKS AND PORCHES; AWNINGS; STORM DOORS	15
28.	AUCTIONS, FLEA MARKETS, YARD SALES	16
29.	UTILITIES	16
30.	MAILBOXES	16
31.	NON-TIDAL WETLANDS AND BUFFER AREAS	16

0014518 112

32.	STORM WATER MANAGEMENT EASEMENT	16
33.	BALTIMORE COUNTY ACCESS EASEMENT	16
34.	FAMILY DAY CARE	16
35.	HOME-BASED BUSINESSES	17
36.	COMPLIANCE WITH FEDERAL FAIR HOUSING ACT	18
37.	COMPLIANCE WITH LAWS	18
38.	WAIVERS	18
ARTICLE V	MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION	18
1.	MEMBERSHIP	18
2.	CLASSES OF MEMBERSHIP	18
3.	CONVERSION	19
ARTICLE VI	RESERVED DEVELOPMENT RIGHTS AND EASEMENTS	19
1.	EASEMENTS AND RIGHTS RESERVED FOR THE DECLARANT	19
2.	INCORPORATION BY REFERENCE; FURTHER ASSURANCES	21
ARTICLE VII	COMMON AREA	21
1.	GRANT OF COMMON AREA	21
2.	MEMBER'S RIGHT OF ENJOYMENT	22
3.	NUISANCE	22
4.	MAINTENANCE OF COMMON AREA	22
5.	PERMITTED ACTION BY THE ASSOCIATION	22
6.	RESTRICTIONS	23
7.	DELEGATION OF RIGHT OF USE	24
8.	RULES AND REGULATIONS	24
9.	LIMITATION OF LIABILITY	24
ARTICLE VIII	ENCROACHMENTS	24

0014518 113

ARTICLE IX	ASSESSMENTS	25
1.	COVENANT FOR ASSESSMENTS	25
2.	USE OF ASSESSMENTS	25
3.	MAXIMUM ANNUAL ASSESSMENT	26
4.	SPECIAL ASSESSMENTS	26
5.	NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4	27
6.	COMMENCEMENT DATE OF ANNUAL AND SPECIAL ASSESSMENTS	27
7.	DUTIES OF THE BOARD OF DIRECTORS	28
8.	NONPAYMENT OF ASSESSMENTS	28
9.	SUBORDINATION OF LIEN TO TAXES AND MORTGAGES	29
10.	EXEMPT PROPERTY	29
11.	RESERVES FOR REPLACEMENTS	29
12.	INITIAL WORKING CAPITAL CONTRIBUTION	30
ARTICLE X	INSURANCE; CASUALTY AND CONDEMNATION LOSSES	30
1.	TYPES OF INSURANCE MAINTAINED BY ASSOCIATION	30
2.	PREMIUMS FOR INSURANCE MAINTAINED BY ASSOCIATION	31
3.	POLICY PROVISIONS	31
4.	CASUALTY AND CONDEMNATION	31
5.	REPAIR AND RECONSTRUCTION OF COMMON AREA	32
6.	HAZARD INSURANCE ON IMPROVED LOTS	32
7.	OBLIGATION OF LOT OWNER TO REPAIR AND RESTORE	32
ARTICLE XI	RIGHTS OF MORTGAGEES	33
1.	GENERAL	33
2.	INSPECTION; STATEMENT AND NOTICE	33

0014518 114

3.	APPROVAL BY FEDERAL NATIONAL MORTGAGE ASSOCIATION, FEDERAL HOUSING ADMINISTRATION AND VETERANS' ADMINISTRATION	34
ARTICLE XII	MISCELLANEOUS	34
1.	TERM	34
2.	ENFORCEMENT	34
3.	NO WAIVER	35
4.	COVENANTS TO RUN WITH LAND	35
5.	NOTICES	36
6.	SEVERABILITY	36
7.	CAPTIONS AND GENDERS	36
8.	AMENDMENT	36

0014518 115

MARINER'S COVE COMMUNITY ASSOCIATION, INC.
DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS (this "Declaration") made this 2 day of May, 2000, by Wentwood Capital Fund IX, L.P., a Maryland limited partnership (the "Declarant").

RECITALS

A. Declarant is the owner of certain land (the "Land") located in the Fifteenth Election District, Baltimore County (the "County"), Maryland, and more particularly described on Exhibit A hereto, which Land includes those lots designated as Lots 1-101, inclusive, as shown on the Plat entitled "Mariner's Cove," recorded among the Land Records of Baltimore County, Maryland (the "Land Records") in Plat Book No. 72, Page 70.

B. It is the intention of the Declarant to develop the Land as a single-family residential community, and to insure therefore a uniform plan of development for such property.

C. The Declarant desires to reserve the right, but not the obligation, to subject additional land, together with the improvements thereon and the appurtenances thereto, to the lien operation and effect of this Declaration.

D. The Land is subject to an Future Advance Deed of Trust, Security Agreement and Assignment of Rents and Leases (the "Deed of Trust"), given by the Declarant to Bob Wheat, as trustee (the "Trustee"), for the benefit of Compass Bank (the "Lender"), and recorded among the Land Records on December 28, 1999 in Liber 14232 at folio 607. The Trustee and the Lender are joining in this Declaration for the sole purpose of subjecting and subordinating their interest in such property to the lien, operation and effect of this Declaration.

NOW, THEREFORE, the Declarant does hereby declare that the Land described in Exhibit A and any future additions thereto shall be held, conveyed, hypothecated, encumbered, sold, leased, rented, used, occupied and improved subject to and in accordance with the provisions of this Declaration, and the easements, restrictions and covenants contained herein, which shall run with the title to the Land, and any future additions thereto, and be binding on all parties having any right, title or interest in such property, their heirs, successors and assigns.

ARTICLE I
DEFINITIONS

The following words when used in this Declaration shall have the following meanings:

0014518 116

(a) **"Association"** means Mariner's Cove Community Association, Inc., a non-profit, non-stock, corporation organized and existing under the laws of the State of Maryland for the purpose of exercising the powers and duties set forth herein, and its successors and assigns.

(b) **"Builder"**: intentionally deleted and therefore, no definition.

(c) **"Common Area"** means all those areas of land sometimes designated on the Plats as "Open Space" and which are intended to be devoted to the common use and enjoyment of the owners (defined below) of the Lots, including any open spaces, storm water management facilities, entrance monuments or signs, fencing, landscape buffers, recreational facilities, forest conservation areas, non-tidal wetlands, buffer areas, steep slopes, and any other real property or improvements owned by the Association or in which the Association acquires a right of use or easement for the benefit of the Association and its members, saving and excepting, however, so much of the Land (or any additional property) conveyed or to be conveyed to the County.

(d) **"Declarant"** means Wentwood Capital Fund IX, L.P. and its successors or assigns, to whom such entity expressly conveys or transfers by a written instrument recorded among the Land Records (i) any or all of its right, title and interest under this Declaration as "Declarant," or any amendment or modification hereof, or (ii) all of its right, title and interest in the Property (as hereinafter defined) as an entirety, without reservation of any kind.

(e) **"Lot"** and/or **"Lots"** means any residential building lot now or hereafter shown on the Plats (defined below), together with all buildings and improvements thereon, but excluding the Common Area and any property dedicated or to be dedicated to the County.

(f) **"Member"** or **"Members"** means those persons entitled to membership in the Association as provided in Article V of this Declaration.

(g) **"Mortgage"** means any mortgage or deed of trust encumbering any Lot or any Common Area, and any other security interest existing by virtue of any other form of security instrument or arrangement, provided that such instrument has been recorded among the Land Records. "First Mortgage" shall mean a mortgage with priority over all other Mortgages on the same Lot.

(h) **"Mortgagee"** means the person secured by or the beneficiary or holder of a Mortgage. In the event any Mortgage is insured by the Federal Housing Administration ("FHA") or guaranteed by the Veterans' Administration ("VA"), the Federal National Mortgage Association ("FNMA"), or any similar or successor agency, then as to such Mortgage, the term "Mortgagee" shall include the FHA, the VA, or such other agency acting, respectively, through their duly authorized agents. "First Mortgagee" means the holder or beneficiary of a First Mortgage.

0014518-0017

(i) "Owner" means the person or legal entity, or the combination thereof, including contract-sellers, holding the record title to a Lot. If more than one person or legal entity, or any combination thereof, holds the record title to any Lot, all of the them, as a unit, shall be deemed a single Owner and shall be a single Member of the Association by virtue of their ownership of such Lot. The term "Owner," however, shall not mean any contract-purchaser, nor the owner of any redeemable ground rent issuing out of any Lot, the Trustee, the Lender, or any Mortgagee of a Mortgage intended solely for the purpose of securing performance of an obligation or payment of debt.

(j) "Plats" means the subdivision plat for the Property entitled Mariner's Cove, recorded among the Land Records in Plat Book 14232, page 607, and any plats recorded among the Land Records in substitution therefor or amendment thereof, and any plats hereafter recorded among the Land Records of any additional land that may hereafter expressly be made subject to this Declaration pursuant to the provisions of Article II hereof.

(k) "Property" means the Land as described in Exhibit A and any additional land that may hereafter expressly be made subject to this Declaration pursuant to the provisions of Article II. The Property shall not include any property designated on the Plats to be dedicated or conveyed to the County, and such property shall not be subject to the provisions of this Declaration.

(l) "Structure" means all improvements, structures and appurtenances, the placement of which upon any Lot or the improvements thereon may affect the appearance of the Lot or the exterior appearance of the improvements on the Lot including, by way of illustration and not limitation, any building, trailer, garage, porch, shed, mailbox, greenhouse, bathhouse, gazebo, coop or cage, covered or uncovered patio, deck, awning, heating or air-conditioning equipment, solar panels, swimming pool, outdoor play equipment, including a basketball hoop, clothesline, radio, television or other antenna or "dish," exterior lighting, fence, sign, curb, paving, wall, roadway, walkway, planting, landscaping where the trees or shrubbery are intended to grow to a height in excess of four (4) feet, ornamental statute, signboard or temporary or permanent living quarters, and any change or alteration of any previously approved Structure, including any change of exterior appearance, color or texture, and including the removal of existing trees. "Structure" shall also mean (i) any excavation, fill, ditch, diversion, dam or other device which affects or alters the natural flow of surface waters or any waters in any natural or artificial stream, wash or drainage channel, from, upon or across the Property or any Lot; and (ii) any change in the grade of the Property or any Lot of more than six (6) inches from that existing at the time of conveyance of any Lot by the Declarant to another Owner.

All other capitalized terms used in this Declaration and not otherwise defined in this Article I shall have the meanings given to them elsewhere in this Declaration.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

1. **EXISTING PROPERTY.** The Land described on Exhibit A is and shall be transferred, held, sold, conveyed and occupied subject to this Declaration.

0014518 118

2. **ADDITIONS TO EXISTING PROPERTY.**

(a) **Description of Additional Land.** None.

(b) **Supplemental Declaration.** Any expansion shall be accomplished by filing a supplement to this Declaration in the Land Records which describes the property being annexed and which recites that the scheme of this Declaration shall extend to such property which shall thereupon become part of the Property. Upon the filing of any supplemental declaration, Owners of Lots situated on the annexed property shall be subject to the same obligations and entitled to the same rights as the Owners of Lots in the Property. Any supplementary declaration may contain such complementary additions and modifications to the Declaration as may be necessary to reflect the different character, if any, of such property, not inconsistent with the scheme of this Declaration.

(c) **Other Additions.** Upon approval in writing of the Association by two-thirds (2/3) of the votes of each class of Members of the Association, and the consent of the Declarant if the Declarant still owns any of the Lots within the Property or retains the right to annex additional property to the Property subjected to the Declaration pursuant to clause (a) above, any person who desires to add additional property to the Property subject to this Declaration, may file of record a supplementary declaration as described in subsection (b) hereof.

3. **EASEMENT RIGHTS.** Any property subjected to this Declaration shall, upon such addition, be subject to all of the easements reserved in this Declaration and such additional easements as may be set forth in the supplement to the Declaration or on the subdivision plats covering such property.

4. **DEANNEXATION.**

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

(b) So long as any Lot is encumbered by a Mortgage which is insured or guaranteed by the FHA, the VA or the FNMA, as the case may be, no deannexation shall be made pursuant to this Section, or otherwise, except following a determination by the applicable agency that the deannexation is not contrary to a general plan for the development of the

0014518 119

remaining Property previously approved by such agency, or, if no such general plan was so approved by such agency, except following the prior written approval of the FHA, the VA or the FNMA, as applicable.

5. AMENDMENT. This Article shall not be amended without the prior written consent of the Declarant, so long as the Declarant owns any property described in Exhibit A to this Declaration.

ARTICLE III
ARCHITECT REVIEW COMMITTEE

1. ARCHITECTURAL REVIEW COMMITTEE.

(a) The Declarant shall appoint an Architectural Review Committee (the "Architectural Review Committee"), which shall have all the rights, powers and duties granted to it pursuant to this Declaration. In the absence of the appointment of an Architectural Review Committee, the Declarant shall have and shall exercise the rights, powers and duties of the members of the Architectural Review Committee.

(b) The Architectural Review Committee shall consist of not less than three (3) nor more than seven (7) persons or entities, which members shall be appointed from time to time by the Declarant, need not be Members of the Association, and may be replaced at any time for any reason with other individuals selected by the Declarant. The members of the Architectural Review Committee appointed from time to time by the Declarant shall serve until the last Lot is conveyed to an Owner other than Declarant, and thereafter until his or her successor shall be duly appointed. At any time after the last Lot is conveyed to an Owner other than the Declarant, a majority of the Board of Directors of the Association shall have the power, by a duly executed instrument filed among the minutes of the Association, to appoint new members to the Architectural Review Committee, provided the Architectural Review Committee shall at all times be comprised of a minimum of three (3) persons. In the event of the death or resignation of any member of the Architectural Review Committee during the terms of the members appointed by the Declarant, the Declarant shall have the sole right to appoint a successor by designating the name and address of such successor in a document filed among the minutes of the Association. The Declarant may relinquish to the Board of Directors of the Association its rights to designate any successor member of the Architectural Review Committee, in the sole discretion of Declarant. Each member of the Architectural Review Committee shall act without compensation for services performed pursuant to this Declaration.

2. ARCHITECTURAL REVIEW.

(a) Except as otherwise provided in this Declaration or in any rules or regulations adopted by the Board of Directors of the Association, no Structure shall be placed or constructed on any Lot nor shall any addition (including awnings, screen doors and screens), change or alteration (including any change in exterior paint color and/or materials or other exterior appearance thereof, but excluding repainting or retreating with the same color or materials and seasonal decorations) (collectively, "Alterations"), be made to the exterior of any Structure and/or contour of any Lot, until plans and specifications, in duplicate, showing the

0014518 120

nature, dimensions (including elevations and roof pitch or change in the grade of the Lot), material, color and location (including proposed front, rear and side setbacks), of the proposed Structure or Alterations, together with the proposed construction schedule, a designation of the party or parties to perform the work, photographs of the existing improvements or area to be improved, and other information requested by the Architectural Review Committee, have been submitted to and approved in writing by the Architectural Review Committee, and until all necessary permits and other governmental or quasi-governmental approvals shall have been obtained. The approval of the Architectural Review Committee of any Structure or Alterations shall in no way be deemed to relieve the Owner of any Lot from its obligation to obtain any and all governmental permits and approvals necessary for such Structure or Alterations, including but not limited to a building permit.

(b) All questions before the Architectural Review Committee shall be decided by a majority of the Members of the Architectural Review Committee. Any Member who is aggrieved by any action or forbearance from action by the Architectural Review Committee may appeal the decision of the Architectural Review Committee to the Board of Directors and, upon the request of such Member, shall be entitled to a hearing before the Board of Directors of the Association. Such appeal shall be made by the Member in writing to the Board of Directors within thirty (30) days of the date of the notice that such plans and specifications have been rejected by the Architectural Review Committee. The appeal hearing shall be held within forty-five (45) days after the date the notice of the appeal is received in writing by the Board of Directors. The decision of the Board of Directors shall be final and unappealable.

(c) The Architectural Review Committee shall have the right to disapprove any plans and specifications submitted for its review because of any of the following:

- (i) failure of the plans or specifications to comply with any provision of this Declaration; applicable law or other guidelines adopted by the Architectural Review Committee;
- (ii) failure to include information in the plans and specifications required by this Declaration or as may have been reasonably requested;
- (iii) objections to the exterior design, appearance or materials of any proposed Structure or Alterations;
- (iv) incompatibility of any proposed Structure or Alterations with the existing Structures on the Lot or other Lots or with the general plan of improvement of the Property;
- (v) objections to the location of any proposed Structure or Alterations upon any Lot or with reference to other Lots;
- (vi) objections to the grading plan; or
- (vii) objections to the color scheme, finish, proportions, style, architecture, workmanship or appearance of any proposed Structure or Alterations.

0014518 121

(d) Written requests for approval shall be submitted by registered or certified mail, or in person, in which case a written receipt shall be obtained, to the "Mariner's Cove Community Association Architectural Review Committee," c/o Sutton Turner, The Wentwood Companies, 1305 South Key Avenue, Suite 204, Lampasas, Texas 76550, or such other place designated by the Declarant, the Board of Directors or the Architectural Review Committee in a notice to the Members. The approval request shall include two (2) sets of the required plans and specifications, photographs of the existing improvements or area to be improved, and such other information as may be requested by the Architectural Review Committee. The Architectural Review Committee may, in its discretion, establish a reasonable review fee or a schedule of review fees based on the nature of the request to cover expenses, not to exceed One Hundred Dollars (\$100.00) in the aggregate for each submittal. All funds net of out-of-pocket expenses shall be paid over to the Association. In the event the Architectural Review Committee fails to approve or disapprove any plans within sixty (60) days of receipt of the plans and the review fee, if any, such plans shall be deemed approved. In any case where the Architectural Review Committee disapproves any plans and specifications or approves the same only as modified or upon specified conditions, such disapproval or qualified approval shall be accompanied by a statement of the grounds upon which such action was based. Approval of any particular plans and specifications shall not be construed as a waiver of the right of the Architectural Review Committee to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance.

(e) Construction of any Structure or Alterations pursuant to the provisions of this Article shall be commenced within six (6) months following the date of approval and shall be completed within twelve (12) months from the start of construction, or within such other shorter or longer period as the Architectural Review Committee shall specify in its approval. In the event construction is not commenced or completed within such period, the approval shall lapse and compliance with the provisions of this Article shall again be required. New approvals shall be obtained within sixty (60) days of the expiration of the approved construction period, otherwise any Structure shall be promptly returned to its original condition. All Structures and Alterations shall be constructed and thereafter maintained in strict conformity with the approved plans and specifications and all applicable laws (i.e., a building permit and/or zoning variance shall be obtained prior to commencing any work requiring one). Upon completion of construction of any Structure or Alteration in accordance with the provisions hereof, the Architectural Review Committee, upon request of the applicant, shall issue a Certificate of Compliance identifying such Structure and the Lot on which the Structure is placed, and stating that the Structure has been approved and completed pursuant to the terms hereof. Preparation and recording of such Certificate shall be at the expense of the applicant. Any Certificate of Compliance issued pursuant hereto shall be prima facie evidence of the facts therein stated, and as to any title insurer, such Certificate shall be conclusive evidence that all Structures on the Lot noted in such Certificate comply with the provisions hereof; provided, however, neither, the Declarant, the Board of Directors, the Architectural Review Committee nor the Association shall have any liability whatsoever for any loss, cost, claim, damage, liability or expense which any Owner may suffer or incur by reason of (i) the rejection of any plans and specifications submitted to the Architectural Review Committee, (ii) any defects in any plans and specifications revised or approved by the Architectural Review Committee, (iii) any structural or

0014518 122

other defects in any work done pursuant to such plans and specifications, or (iv) the failure of the improvements to comply with applicable laws.

(f) If construction of any Structure or Alterations is undertaken other than in accordance with the provisions of this Declaration and applicable law, such action shall be deemed to be in violation of the provisions of this Declaration and, in such event, within the period of time set forth in a notice from the Declarant if it is still a Class B Member, the Architectural Review Committee or the Board of Directors, but in any event not less than thirty (30) days or such shorter period as provided elsewhere in this Declaration, or such lesser written or oral notice (followed by written confirmation) as may be reasonable in an emergency situation which presents the threat of imminent danger or harm to persons or property, such Structure and/or Alterations shall be removed or restored to its condition prior to such action, and use thereof shall cease, so as to terminate such violation. If the Owner has not terminated the violation within the stated cure period, any agent of the Association may enter upon such Lot and take such steps as are reasonable to terminate such violation and no trespass or other wrongful act by reason of such entry shall be deemed to have been committed; provided, however, the Association may not alter or demolish any Structure without first instituting judicial proceedings. The Association, through the Board of Directors, may also assess a fine in an amount not to exceed One Hundred Dollars (\$100.00) against any Owner who constructs any Structure or Alterations without having applied for or without obtaining the approval of the Architectural Review Committee, in addition to being subject to all other enforcement remedies provided for herein, at law or in equity, which fine shall, if not paid within thirty (30) days of demand, be subject to enforcement in the same manner as assessments under Article IX. In addition, the Declarant, if it is still a Class B Member, or the Board of Directors may exercise all legal and equitable remedies to prevent or remove any unauthorized Structure and/or Alterations or any portion thereof. Such Owner shall be personally liable to the Declarant, or the Association, as applicable, for any costs incurred in enforcing the provisions of this Declaration, including but not limited to court costs and attorneys' fees, to the same extent as such owner is liable for an Assessment levied against such Owner's Lot, and, upon the failure of the Owner to pay such costs within thirty (30) days after such Owner's receipt of written demand for payment from the Declarant or the Association, the Declarant or the Association may establish a lien upon such Owner's Lot in accordance with and subject to the provisions of this Declaration applicable to an assessment lien.

3. **EXEMPTIONS.** Any Structure, Alterations or other improvements erected or installed on the Property or any Lot by or on behalf of the Declarant shall not require the approval of the Architectural Review Committee. The Declarant intends that the provisions of this Article requiring the Architectural Review Committee's approval shall not apply to a Lot until its title is first acquired of record by a person other than Declarant. The Declarant shall not, by virtue of this Declaration, have any fiduciary or other duty to the Association, or any Owner, Mortgagee or any other person, including but not limited to any duty to require that any Structure or dwelling be similar in size, architectural style or cost to those existing or planned for any other Lot.

4. **RIGHT OF ENTRY.** The Declarant, the Architectural Review Committee, the Board of Directors and the Association shall have an easement to enter any portion of the Property or any Lot for the performance of their respective duties under this

004518 0123

Article and the other provisions of this Declaration; provided such easement shall be exercised during daylight hours and shall not permit entry within the interior portion of any dwelling located on any Lot, but (by way of illustration only and not in limitation of the rights granted herein) shall permit the entry into fenced, or other enclosed areas of the Lot or the Property, and no trespass or other wrongful act by reason of such entry shall be deemed to have been committed. The Declarant, the Architectural Review Committee, the Board of Directors or the Association, as applicable, shall restore any damage caused by such entry; provided, however, to the extent the exercise of such right of entry is for the purpose of removing or restoring any violation of this Declaration, such removal or restoration shall not be deemed to constitute "damage caused by such entry."

ARTICLE IV
COVENANTS AND RESTRICTIONS

1. **LAND USE.**

(a) All Lots shall be used for private, single-family residential purposes only and no dwelling of any kind whatsoever shall be erected, altered or maintained thereon except one private dwelling house for the sole and exclusive use of the Owner or occupant of the Lot. Except as expressly provided elsewhere in this Declaration, no industry, business, trade or profession of any kind, whether or not for profit, including, without limitation, retail or wholesale shops, other kinds of stores, factories, saloons, beauty parlors, doctor's office or other office, professional or otherwise, hospital, asylum or institution of like or similar nature, or charitable institution shall be conducted, maintained or permitted on any part of the Property without the prior written consent of the Board of Directors. None of the Lots shall be used at any time for apartments or other types of multiple housing units. Garages may not be converted to additional living space.

(b) Nothing herein shall prevent the use of part of a Lot as a right-of-way for use by other Lots or for the placement of street signs, street trees or entrance monuments or signs in easement areas now or hereafter designated for such purposes.

(c) Any provision of this Declaration to the contrary notwithstanding, the Declarant shall have the right to use their respective Lots and any improvements thereon, as sales, rental and/or management offices, as model homes, and for such other uses as the Declarant may deem appropriate for the development, marketing and management of the Property, including but not limited to the installation of one or more construction and/or sales trailers, and for the storage of construction materials and equipment upon the Property. The Declarant shall also have the right to erect upon its respective Lots and upon the Common Area such advertising and directional signs, flagpoles and other improvements and equipment as the Declarant shall deem appropriate for the development, marketing and management of the Property.

2. **SETBACKS.** The minimum building restriction lines described in this Declaration, and shown on the Plats are hereby declared to represent zoning requirements of the County, and are not intended to create benefits or burdens on the title to any individual Lot. Amendments to any minimum building setback lines as shown on the Plats shall be obtained by

0014518 124

an owner seeking a zoning variance in accordance with the terms of the zoning ordinance in effect at the time of the filing of a petition for a variance.

3. **SWIMMING POOLS; HOT TUBS.** No swimming pool of any kind shall be permitted on any Lot. Notwithstanding the foregoing, portable children's pools constructed of plastic material may be maintained on any Lot during the months of May through September of each year.

4. **EXTERIOR MATERIALS.** Any change from the original exterior paint, siding, shingle, roofing, shutter or other exterior materials of any Structure constructed on a Lot shall be in material approved by the Architectural Review Committee.

5. **TEMPORARY STRUCTURES.** No temporary Structure, including but not limited to a trailer, shack or other outbuilding, shall be permitted to be erected on any Lot. The foregoing shall not be deemed to prohibit reasonably-sized garden sheds, greenhouses or other similar accessory Structures approved in advance by the Architectural Review Committee.

6. **CLOTHESLINES; FLAGPOLES.** No temporary or permanent exterior clothes dryer, clothes pole or similar equipment shall be maintained on any Lot whether or not it forms a part of any Structure or is detachable therefrom and no drying or airing of any clothing shall be permitted outdoors. Freestanding flagpoles, other than in connection with the initial sale or marketing of Lots, are prohibited. Appropriately-sized flagpoles not in excess of two (2) may be mounted on the fronts of dwellings.

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

8. **YARDS.** The front and side yards of each Lot shall be kept only as a lawn for ornamental or decorative planting of grass, trees, shrubbery, and flowers. Lawn statues and similar ornaments are expressly prohibited in front and side yards. No equipment or machinery, including without limitation, equipment or machinery for use in connection with the maintenance of a dwelling, such as lawnmowers, wheelbarrows and similar devices, shall be stored in the front or side yard of any Lot.

9. **FENCES AND WALLS.** Fences and walls or other similar enclosures may be built on any Lot in rear or side yards only, and then only with the prior written approval of the Architectural Review Committee; provided, however, such fences and walls as may be installed and/or constructed by the Declarant simultaneously with the initial construction of a dwelling on a Lot shall not require Architectural Review Committee approval. Any fence, wall or other similar enclosure shall not extend forward of the rear foundation wall or exceed forty-eight (48) inches in height, unless a greater height is required by law, and shall not impede surface drainage or interfere with any utilities. Fencing shall be cedar, stained or painted to coordinate with the dwelling or to weather to a natural gray tone. In addition to or in lieu of the fencing described above, the Architectural Review Committee may designate one or more fence

0014518 125

designs as the "standard designs" and may require that all fences conform to these standards. All fencing shall (except for permitted privacy fences) be of such open design that it does not obstruct the view of the dwelling from any adjacent Lot or roadway, and shall comply with the height, setback and other requirements of applicable law. Chain link and chicken wire fences are prohibited, provided, however, vinyl coated green wire mesh fencing shall be permitted along the interior of an approved fence. All gates must open inward onto a Lot and shall not open onto another Lot or the Common Area. The foregoing shall not prohibit the growth of an ornamental hedge fence, which shall be kept neatly trimmed, and shall not exceed three (3) feet in height in front yards, or side yards of corner lots.

10. **REPAIR AND MAINTENANCE OF LOTS.** Owners shall maintain their Lots and the exterior of their dwellings in good order and repair, including but not limited to, keeping all sidewalks, if any, neat, clean and in good repair, and free of ice and snow, the pruning and cutting of all trees and shrubbery and the painting (or other appropriate external care) of all Structures on the Lot, including, without limitation, roofs, gutters and downspouts, all in a manner and with such frequency as is consistent with good property management and maintenance. Dead trees, shrubs and unsightly landscaping shall be removed promptly.

11. **NUISANCES.** No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be placed upon a Lot, which may become an annoyance or nuisance to the neighborhood or any adjoining owners. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such properly maintained and operated devices as may be used exclusively for security purposes, shall be installed upon or audible from the exterior of any Structure. No snowmobiles, go-carts, motorbikes, trail bikes, loud-engine recreational vehicles or skateboard ramps shall be run or operated upon any Lot, the Common Area or any roadways serving the Property.

12. **ANIMALS.** No animals of any kind, including pigeons, or other non-domestic or exotic animals, shall be raised, bred or kept on any Lot, except that dogs, cats or any household pets may be kept in accordance with County requirements, provided they are not kept, bred or maintained for any commercial purpose, and provided they do not become a nuisance to the neighborhood or to any other Owners. Animals must be restrained with a lead at all times and cannot be chained or left to roam unattended on the Property or any Lot (other than within a fenced Lot). Pets shall be registered, licensed and inoculated as required by law. Owners shall be responsible for the immediate clean-up and removal of their pets' waste on any of the Property including their own Lot. Puppies and kittens may be kept until they reach the age of twelve (12) weeks. The Board of Directors shall also have the right, in its sole discretion, after notice and a hearing, to declare any particular animal to be a nuisance and such determination shall be conclusive. If such determination is made, the owner will not be permitted to keep that animal on the Lot and will be given a deadline to remove the animal.

13. **VEHICLES.** No commercial vehicles or trucks with more than four (4) wheels and two (2) axles (ladder racks are expressly prohibited), trailers, vans (except a van having a passenger car license and with no exterior commercial lettering), boats (other than in areas specifically designated therefor), buses, campers, recreational vehicles, tractors, junked, unlicensed or inoperable passenger vehicles or any other vehicle, other than private passenger vehicles in regular operation, shall be parked regularly on any roads within the Property or on

0014518 126

any Lot unless garaged (except for such machinery and equipment as may be reasonable, customary or usual in connection with the maintenance of any dwelling or the Common Area) nor (except for bona fide emergencies) shall the repair or extraordinary maintenance of vehicles be carried out anywhere on the Property. For the purposes hereof, a vehicle shall be deemed inoperable unless it is licensed, contains all parts and equipment, including properly inflated tires, and is in such good condition and repair as may be necessary to drive the vehicle on a public roadway. The foregoing restriction shall not prohibit temporary parking for washing and polishing of vehicles or for a visiting motor home or house trailer, which shall be permitted to remain for no more than two (2) consecutive weeks. No commercial vehicles shall remain parked on any street or Lot longer than is necessary to perform the business function of such vehicle in the area. Notwithstanding the foregoing, the Declarant, and its agents and designees, may maintain trailers and commercial vehicles on the Property in connection with the development, sale, marketing and management of the Property. These restrictions are intended to apply to that portion of the Property, which may hereafter be dedicated as public streets or roads.

14. **LIGHTING AND WIRING; ANTENNA.**

(a) All wiring on any Lot shall be underground.

(b) Except as provided below, and to the extent such prohibition or restriction is permitted by applicable law, rule or regulation, no exterior radio, television and/or citizens-band radio antennae, or other broadcasting or receiving apparatus, or cable television (or other) exterior wiring shall be permitted upon any Lot or any of the Property except for a community cable television or radio system or other similar equipment installed or approved by Declarant for the benefit of all of the Lots or such portion thereof where cable service is available. Notwithstanding the foregoing, an owner may install, maintain and use on its Lot one (or, if approved, more than one) Small Antennae (as hereinafter defined) in the rear yard of a dwelling on the Lot, at such location, and screened from view from adjacent dwellings in such manner and using such trees, landscaping or other screening material, as are approved by the Architectural Review Committee. Notwithstanding the foregoing terms of this subsection, (A) if the requirement that a Small Antennae installed on a Lot be placed in the rear of a dwelling would impair such Small Antennae's installation, maintenance or use, then it may be installed, maintained and used at another approved location on such Lot where such installation, maintenance or use would not be impaired; (B) if and to the extent that the requirement that such Small Antennae be screened would result in any such impairment, such approval shall be on terms not requiring such screening; and (C) if the prohibition against installing, maintaining and using more than one (1) Small Antennae would result in any such impairment, then such Owner may install on such Lot additional Small Antennae as are needed to prevent such impairment (but such installation shall otherwise be made in accordance with this subsection). In determining whether to grant any approval pursuant to this Section, neither Declarant, the Architectural Review Committee nor the Board of Directors shall withhold such approval, or grant it subject to any condition, if and to the extent that doing so would result in an impairment. As used herein, (A) "impair" has the meaning given it in 47 Code of Federal Regulations Part 1, Section 1.4000, as hereafter amended; and (B) "Small Antennae" means any antennae (and accompanying mast, if any) of a type, the impairment of the installation, maintenance or use of which is the subject of such Regulation. Such antennae are currently defined thereunder as, generally, being one meter

00114518 0127

or less in diameter or diagonal measurement and designed to receive certain types of broadcast or other distribution services or programming.

15. **SUBDIVISION.** No Lot shall be divided or subdivided and no portion of any Lot shall be transferred or conveyed for any purpose; provided, however, this shall not prohibit transfers of parts of Lots between adjoining Lot Owners where the transfer is not for the purpose of creating a new building Lot. The provisions of this subsection shall not apply to the Declarant and shall not be construed to prohibit the granting of any easement or right-of-way to any person for any purpose.

16. **SIGNAGE.**

(a) Except for entrance signs, directional signs, signs for traffic control or safety, community "theme areas," or "For Sale" or "For Rent" signs (not larger than six (6) square feet), no signs or advertising devices shall be erected, posted or displayed upon, in or about any Lot or Structure without the approval of the Architectural Review Committee. The provisions and limitations of this subsection shall not apply to any signs used by Declarant in connection with the construction, development, sale or marketing of the Property, nor to any Mortgagee of any Lot which comes into possession of the Lot by reason of any proceeding, arrangement, assignment or deed in lieu of foreclosure.

(b) Notwithstanding the prohibitions on signage contained in clause (a) above, an Owner may post or display on its Lot (but not in any Common Area), one or more signs on behalf of a candidate for public office or a slate of candidates for public office, or a sign that advertises the support or defeat of any question submitted to the voters in accordance with Article 33 of the Maryland Annotated Code, for a period of time not to exceed thirty (30) days before and seven (7) days after the primary election, general election or vote on the proposition, or such longer or shorter period as may be specified by applicable Federal, State or local law. The Board of Directors may adopt any other restriction with respect to such signage consistent with applicable Federal, State or local law. The foregoing provisions of this Section are intended to be a restatement of the provisions of Section 11B-111.2 of the Code, and any future amendments or modifications thereto shall be deemed incorporated by reference herein as a part hereof.

17. **AGREEMENTS.** No Owner may lease such owner's Lot or the improvements thereon for motel, hotel or transient purposes. All leases shall be in writing, and shall state that the lease agreement shall be subject to this Declaration and that the tenant shall be directly liable to the Association, and shall be subject to enforcement actions hereunder and pursuant to such Lease (although the Association shall have no obligation to bring any such enforcement action), for any breach or violation by the tenant of the provisions of this Declaration. Copies of all leases shall be provided to the Board of Directors. Except for leases involving the Declarant, the minimum term of all leases shall be one (1) year. Owners who do not reside on their Lot shall provide current addresses and phone numbers to the Association.

18. **TRASH AND OTHER MATERIALS.** No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any Lot, except (i) building material during the course of construction of any approved Structure, and (ii) firewood,

0014518 128

in rear yards only, which shall be cut and neatly stored at least six (6) inches off the ground and twelve (12) inches away from any wooden Structure. No burning of trash shall be permitted on any Lot or the Common Area. Trash shall be disposed of in metal or plastic containers covered by a lid and shall be maintained in a sanitary condition. If trash or other refuse is to be disposed of by being picked up and carried away on a regular basis, closed or covered containers only may be placed in the open on any day that a pick-up is to be made at such place on the Lot as to provide access to persons making such pick-up. The foregoing provisions regarding trash disposal shall not apply to the disposal of recyclables in accordance with local governmental regulations. At all other times trash and recycling containers shall be stored so as not to be visible from the roadway or the other Lots or Common Area.

19. **NON-INTERFERENCE WITH UTILITIES.** No Structure, fence, planting or other improvement shall be placed or permitted to remain upon any Lot which may damage or interfere with any easement for the installation or maintenance of utilities, or in any private or public access easement, or which may unreasonably change, obstruct or retard direction or flow of any drainage channels. If drainage, utility and walkway easements are fenced, then at least five (5) feet must remain open for pedestrian access.

20. **NO HUNTING.** No hunting or discharge of firearms or weapons of any nature whatsoever shall be permitted on the Property or any Lot.

21. **NO EXCAVATION.** No excavation shall be made on any Lot except for the purpose of building thereon at the time when the initial building operations are commenced, or thereafter, upon the approval of the Architectural Review Committee and all applicable governmental authorities, and no earth or sand shall be removed from any Lot except as a part of such operations.

22. **TREE REMOVAL.** The prior approval of the Architectural Review Committee shall be required for the removal of any live trees six inch (6") caliper or larger; provided, however no live trees may be removed from any Forest Buffer Easement designated on the Plats except in accordance with applicable laws, the terms of any site development or subdivision plat approval, or of any other permit or approval in connection with the development of the Property. Dead trees or scrub trees (weed type trees with a trunk less than one inch (1") in diameter) may be removed without Architectural Review Committee approval from any Lot, except within any Forest Buffer Easement.

23. **SHEDS; ACCESSORY STRUCTURES.** Sheds or other similar accessory structures, such as greenhouses, shall be permitted with the approval of the Architectural Review Committee; provided such Structures shall not exceed one (1) story in height, shall be attached to or located immediately adjacent to the dwelling on the Lot and, where feasible, located under decks. Sheds shall be of the same color and material as the exterior of the dwelling and shall be sized proportionately to be in keeping with the size of the house. No metal shed of any kind shall be located on any Lot.

24. **CHIMNEYS AND FLUES.** All chimneys and flues shall consist of masonry or another material compatible with the style and color of the dwelling of which they are a part (and may include prefabricated fireplaces and chimneys).

0014518 129

25. **PLAY EQUIPMENT.** All outdoor play equipment shall consist of cedar, redwood or pressure-treated wood materials, or hi-grade plastic materials, shall be situated in rear yards only, shall be placed in order to minimize their visibility from neighboring Lots. The Architectural Review Committee may, in its sole and absolute discretion, consider other materials for play equipment. Children's play and similar equipment shall not be allowed to remain overnight within any front yard of any Lot or at any time within the Common Area. No play equipment, including, without limitation, basketball backboards, basketball hoops and other equipment associated with either adult or juvenile recreation, shall be attached in any manner to the front or sides of any dwelling. Notwithstanding the foregoing prohibition, backboards may be attached to single-family homes or garages. Clear plexiglass backboards are encouraged. The backboards may be left white or painted to match the trim color of the structure to which secured and the mounting surface should be painted the same color as the surface to which it is attached. The backboard, hoop and net must be maintained appropriately at all times and must also comply with any applicable County ordinances. Backboards may also be affixed to permanent or semi-permanent free-standing poles with the following stipulations: (i) poles must be located at least fifteen (15) feet from the front lot line, (ii) poles must be painted a solid earth tone, (iii) no court markings may be painted, drawn or otherwise affixed to the playing surface, and (iv) applicant shall obtain a signed acknowledgment from the adjoining property owners stating there are no objections to the installation of the equipment.

26. **GRADING; DRAINAGE.** No Lots shall be used or maintained so as to cause excessive erosion of soil or sediment. During the grading and construction of any improvements upon any Lot, adequate arrangements shall be made to insure that no erosion of soil or sediment shall take place. Drainage from roof areas shall be channeled to downspouts and appropriately discharged.

27. **DECKS AND PORCHES; AWNINGS; STORM DOORS.** Decks and screened porches may be built on any Lot with the approval of the Architectural Review Committee and upon obtaining a valid building permit. Decks and porches shall not extend forward of the rear foundation wall into any front or side yard, shall not extend more than fifteen (15) feet into any rear yard, shall not impede surface drainage and shall comply in all respects with the height, setback and other requirements of the appropriate authorities. Decks and porches shall be decorative in character and shall be constructed of pressure-treated lumber or long life cedar or redwood. Decks and porches may be painted or stained to match the color of the dwelling. Awnings (other than as part of an approved screened porch) are discouraged and must be approved in advance by the Architectural Review Committee on a case-by-case basis. Storm doors (or screen doors) shall be wood or anodized aluminum and shall be painted the same color as either the door or the trim of the house, or of such other materials and/or colors as may be specified by the Architectural Review Committee.

28. **AUCTIONS, FLEA MARKETS, YARD SALES.** Other than auctions held in conjunction with foreclosure and/or tax sales, no auctions will be permitted without the prior written consent of the Architectural Review Committee. Flea markets or yard sales not exceeding two (2) per year for not more than two (2) days in duration are permitted in the front or side yard of any Lot. All other such events are prohibited unless it is part of a coordinated event approved by the Architectural Review Committee.

0014518 130

29. **UTILITIES.** All exterior mechanical and electrical equipment other than heat pumps and utility meters must be housed or screened from view from streets, home entries and neighboring Lots. No window unit air conditioners shall be permitted.

30. **MAILBOXES.** The mailboxes on all Lots, if any, shall be of a uniform size, shape and character, shall be approved in advance by the Architectural Review Committee, and shall comply with all requirements of the Postmaster General.

31. **NON-TIDAL WETLANDS AND BUFFER AREAS.** Any portion of the Common Area or Lots designated and shown on the Plats as floodplains, wetlands, steep slopes, buffer areas or forest buffer easements shall remain in a natural, undisturbed state and shall not be developed, or improvements erected thereupon, by the Declarant, the Association, any Owner or any other person, except those of a minor nature necessary for such intended use, or utilities or storm drainage systems installed in easement areas designated for such purposes and/or as otherwise permitted by applicable law and approved by the Association and the County and/or applicable governmental authorities, as evidenced by the issuance of all necessary permits and approvals.

32. **STORM WATER MANAGEMENT EASEMENT.** Until such time as the storm water management facilities servicing the Property are dedicated to and accepted by the County, the owner of such facilities (whether or not located on the Property) shall be responsible for the maintenance thereof in accordance with the rules and regulations of the County.

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

34. **FAMILY DAY CARE.** Notwithstanding anything herein to the contrary, pursuant to Section 11B-111.1(d) of the Code, "Family Day Care Homes," as such term is defined therein, are permitted upon the Lots subject to the following requirements:

(a) The Owner or "Day Care Provider" (as defined in the Maryland Annotated Code) operating the Family Day Care Home shall be registered with and have a license issued by the Department of Human Resources, in accordance with the registration and licensing provisions set forth in Title 5, Subtitle 5 of the Family Law Article of the Maryland Annotated Code. The Owner shall provide a copy of the license to the Board of Directors prior to establishing and operating the Family Day Care Home and upon each renewal thereof.

(b) The Owner or Day Care Provider shall obtain the liability insurance described in Article 48A, Section 481D of the Maryland Annotated Code, in at least the minimum amount described in that Section. The Owner or Day Care Provider may not operate the Family Day Care Home without the liability insurance described herein, and shall

0014518 131

present proof of insurance to the Board of Directors before establishing and operating the Family Day Care Home and upon any renewal of the policy. The Association may not require the owner or Day Care Provider to obtain insurance in an amount greater than the minimum amounts set forth in the Code Section set forth above.

(c) The Owner or Day Care Provider shall pay, on a prorata basis with other Family Day Care Homes then in operation at the Property, any increase in the Association's insurance costs attributable solely to the establishment and operation of the Family Day Care Home, and upon presentation of a statement from the Board setting forth the increased insurance costs, and requesting payment of same. The increased insurance costs shall be considered an assessment against the Lot, and may be collected in the same manner as collection of annual and special assessments, as set forth in Article IX of this Declaration.

(d) The Owner or Day Care Provider shall be responsible for payment of a fee determined by the Board of Directors, for the Family Day Care Home's entitlement to use of the Common Area. The Board shall establish the fee and shall advise all owners or Day Care Providers operating Family Day Care Homes of the amount due on an annual basis. The fee shall not be in an amount in excess of Fifty Dollars (\$50.00) or any greater amount permitted by the Code. Upon presentation of a statement for the annual fee and demand for payment, the Owner or Day Care Provider shall promptly remit payment to the Board of Directors. The fee shall be considered an assessment against the Lot, and may be collected in the same manner as collection of annual and special assessments, as set forth in Article IX of the Declaration.

35. **HOME-BASED BUSINESSES.** Notwithstanding anything herein to the contrary, pursuant to Section 11B-111.1(d) of the Code, "No-Impact Home-Based Businesses," as such term is defined therein, are permitted upon the Lots subject to the following requirements:

- (a) owners shall notify the Association before opening a No-Impact Home-Based Business.
- (b) No-Impact Home-Based Businesses are expressly prohibited in any Common Area.
- (c) Such additional requirements as may be specified by the Board of Directors of the Association, to the extent permitted by applicable law.

36. **COMPLIANCE WITH FEDERAL FAIR HOUSING ACT.** In order to comply with the requirements of the Federal Fair Housing Act (as heretofore and hereafter amended):

- (a) The Architectural Review Committee or the Board of Directors of the Association shall, to the extent permitted by law, make reasonable accommodations in the rules and regulations of the Association (including those set forth in this Article and those

0014518 132

adopted pursuant to the bylaws of the Association), to the extent such accommodations are required under the Federal Fair Housing Act or otherwise appropriate to afford persons with disabilities an equal opportunity to use and enjoy the dwelling located upon any Lot, which accommodations may include waivers and modifications of such rules and regulations only for a particular person with a disability or for a particular category of persons with disabilities. Neither the Architectural Review Committee nor the Board of Directors need not follow the procedural requirements of this Article or the by-laws in making such waivers and modifications, and such waivers and modifications need not be approved by the membership of the Association.

(b) No rule or regulation of the Association shall be interpreted or enforced in such a way as to make unavailable or deny a dwelling to any person, or to discriminate against any person in the provision of services or facilities in connection with the sale or rental of a dwelling to such person, because of the familial status of such person, as the term "familial status" is defined under the Federal Fair Housing Act.

36. **COMPLIANCE WITH LAWS.** The provisions of this Article shall not be taken as permitting any action or thing prohibited by applicable zoning laws, or the laws, rules or regulations of any governmental authority.

37. **WAIVERS.** The Board of Directors or the Architectural Review Committee may, in the exercise of its reasonable discretion, and upon submission of a written request therefor by the Owner of a Lot, waive any one or more of the provisions numbered 1 through 30 of this Article or any portion thereof with respect to such Lot. The granting of a waiver with respect to any Lot shall not require the granting of a waiver with respect to any other Lot.

ARTICLE V
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

1. **MEMBERSHIP.** Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

2. **CLASSES OF MEMBERSHIP.** The Association shall have two (2) classes of voting membership:

(a) **Class A.** The Class A Members shall be all of the Owners of the Lots except for the Declarant for so long as the Declarant is a Class B member; provided, however, if more than one person or legal entity holds the record title to any Lot, such persons shall constitute a single Member of the Association and shall, collectively, be entitled to only one (1) vote per Lot for each Lot owned by them in which action shall be taken by Members of the Association. Any Mortgagee or any other person or entity who holds such interest solely as security for performance of an obligation shall not be a Class A Member solely on account of such interest.

(b) **Class B.** The Class B Member(s) shall be the Declarant. The Class B Member(s) shall be entitled to three (3) votes per Lot for each Lot owned by them in all proceedings in which actions shall be taken by Members of the Association.

0014518 133

3. **CONVERSION.** The Class B membership in the Association shall cease and be converted to Class A membership in the Association, subject to being revived upon additional property being annexed to the Property pursuant to Article II of the Declaration, upon the earlier to occur of (i) seven (7) years from the date of this Declaration; or (ii) such time as the total number of votes entitled to be cast by the Class A Members equals or exceeds the total number of votes entitled to be cast by the Class B Members. If, after such conversion, additional property is made subject to this Declaration, then the Class B Membership shall be reinstated until the earlier to occur of (i) seven (7) years from the date of this Declaration; or (ii) such time as the total number of votes entitled to be cast by the Class A Members equals or exceeds the total number of votes entitled to be cast by the Class B Members. The Declarant shall thereafter remain a Class A Member of the Association as to each and every Lot owned by the Declarant.

ARTICLE VI
RESERVED DEVELOPMENT RIGHTS AND EASEMENTS

1. **EASEMENTS RIGHTS RESERVED FOR THE DECLARANT.** The Declarant hereby reserves unto itself, its successors and assigns, contractor or subcontractor, their respective agents, employees and invitees, the following rights, reservations and easements:

(a) Perpetual, irrevocable and nonexclusive easements and rights-of-way under, over and through the Common Area, and any drainage, utility or other easement areas designated on the Plats, and over ten (10) foot wide strips of land running along the front, rear, side and other lot lines of each Lot for proper surface water drainage, for ingress and egress, and for the installation, construction, maintenance, reconstruction, repair and use of public and private utilities to serve the Property and the Lots, including but not limited to the mains, conduits, lines, meters and other facilities for water, storm sewer, sanitary sewer, gas, electric, telephone, cable television, and other public or private services or utilities deemed by Declarant necessary or advisable to provide service to any Lot, or the Property, together with the right and privilege of entering upon the Lots and the Common Area for such purposes and for making openings and excavations thereon, which openings and excavations shall be restored in a reasonable period of time, and for such alterations of the contour of the land as may be necessary or desirable to effect such purposes. Within the aforesaid easement areas, no Structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or change the direction or the flow of drainage channels or obstruct or retard the flow of water through drainage channels. The reserved easement areas of each Lot and all improvements thereon, except improvements for which a public authority or utility company is responsible, shall be maintained continuously by the Owner of the Lot. The Declarant shall restore any damage to any Lot or to any permitted Structure arising from the Declarant's exercise of the foregoing easement and right-of-way.

(b) The right to grade, regrade and improve the streets, roads and courts within the Property including the creation or extension of slopes or banks, or excavation in connection therewith, and the construction and installation of drainage and utility structures therein. Declarant further reserves the right at or after the time of grading of any street, Common Area, storm water management area or drainage or utility easement, or any part thereof, for any purpose, to enter upon any abutting Lot and grade a portion of such Lot adjacent to such area, provided such grading does not materially interfere with the use or occupancy of any Structure

0014518 134

built on such Lot, but Declarant shall not be under any obligation or duty to do such grading or to maintain any slope.

(c) The right (which right shall also run to the Association) to enter upon any Lot during normal business hours for the purpose of mowing the lawn thereon and trimming such greenery as the Declarant or the Association deems appropriate, but Declarant shall be under no obligation to do so.

(d) The right to make amendments to any plat or plats relating to the development of the Property as shall be advisable in the Declarant's reasonable judgment and as shall be acceptable to public authorities having the right to approval thereof without the consent of any Owner; provided such amendments do not change the Lot lines of any Owner's Lot other than Lots owned by the Declarant.

(e) The right to grant easements, rights-of-way and licenses to any person, corporate body or municipality, to install and maintain pipelines, underground or above-ground lines, with the appurtenances necessary thereto, for public utilities, or quasi-public utilities or to grant such other licenses or permits as the Declarant may deem necessary or desirable for the improvement of the Property in, over, through, upon and across any and all of the Common Area and over, through, upon and across each and every Lot in the easement areas set forth in this Declaration or as shown on the Plats.

(f) The right to dedicate all of the roads, streets, alleys, rights of way or easements within the Property, including "Local Open Space" and "Storm Water Management Reservation" Parcels, as shown on the Plats, to public use. An easement for the use and enjoyment of each of said easement areas, etc., is hereby granted to the Association and the Owners, and their respective heirs, personal representatives, successors and assigns, until such time as the same are deeded to the County and dedicated to public use. The Declarant further reserves unto itself and its successors and assigns, the bed, in fee, of all streets within the Property as shown on the Plats.

(g) A perpetual, irrevocable easement over, through, upon and across the Common Area, as the servient tenement, for the purpose of reasonable ingress to and egress from, and utility service to and from and any other property now or hereafter owned by Declarant, adjacent to or near the Property, regardless of whether such property is annexed to the Association, including but not limited to the right to connect to and use any such utilities which may exist or be located within the Property, and to grant specific easements, both temporary and permanent, to any person or entity to accomplish the foregoing, all for any purpose consistent with applicable law in connection with the construction, maintenance, repair, development, marketing, sale or leasing of such property.

(h) The right to use any and all portions of the Property other than those Lots conveyed to Owners (but including any easement areas on any Lot specifically reserved herein) and including any Common Area, for all reasonable purposes necessary or appropriate to the full and final completion of construction of the Property and any other property now or hereafter owned by Declarant, adjacent to or near the Property, regardless of whether such property is annexed to the Association, including the right to store materials and

0014518 135

construction debris on the Property during the development thereof and the construction of improvements on such property. Such reserved easement shall not unreasonably interfere with the use of any Lot by the then Owner thereof.

Except as otherwise expressly provided in this Article, the foregoing rights, easements and reservations shall remain in effect for so long as the Declarant owns any Lot or other land within the Property, or such other adjacent or nearby property which may be benefited by such rights and easements, and for such additional time as may be required for the Declarant to perform any construction, warranty or repair work with respect to such property.

2. **INCORPORATION BY REFERENCE; FURTHER ASSURANCES.**

Any and all grants made to the Association with respect to any of the Common Area or to any Owner with respect to any Lot shall be conclusively deemed to incorporate the foregoing rights, easements and reservations, as applicable, whether or not specifically set forth in such instruments. At the request in writing of Declarant, the Association or any owner shall from time to time execute, acknowledge and deliver to Declarant such further assurances of the foregoing as the Declarant may reasonably request.

ARTICLE VII
COMMON AREA

1. **GRANT OF COMMON AREA.** The Declarant shall grant and convey to the Association from time to time, and the latter shall take and accept from the former, no later than the date the first Lot is conveyed to an Owner other than the Declarant, the Common Area, if any, shown on the Plats with respect to each phase of the Development, free of all monetary liens and encumbrances except current real property taxes and assessments not yet due and payable (which taxes shall be prorated as of the date of conveyance), non-monetary title exceptions of record, and this Declaration, which is hereby imposed upon the Common Area for the benefit of the Declarant, the Association and the Owners, and their respective personal representatives, successors and assigns.

2. **MEMBER'S RIGHT OF ENJOYMENT.** Every Member of the Association shall have a nonexclusive right and easement for the use, benefit and enjoyment, in common with all other Members, in and to the Common Area, and the improvements thereon, and including each main, drain, pipe, meter or other device located within the Common Area (or within another Lot) which provides utility service to such Lot, and such nonexclusive right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the provisions of this Declaration, including but not limited to the restrictions set forth in Sections 5 and 6 below. No portion of the Common Area may be used by any owner or Owners for personal vegetable gardens, storage facilities, leaves, compost or trash disposal, or other private uses, unless expressly approved by the Board of Directors of the Association. If ingress or egress to any Lot is through the Common Area, any conveyance or encumbrance of such Common Area shall be and is hereby subject to an easement for ingress and egress for the benefit of such Lot.

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

0014518 0136

4. **MAINTENANCE OF COMMON AREA.** The Association shall repair, replace, restore, maintain, manage, operate and insure the Common Area and the improvements thereon in good order, condition and repair and in a neat and attractive condition, including but not limited to periodically mowing all grass in the Common Area, maintaining any entrance monument, whether or not located on the Common Area, and maintaining all storm water management facilities within the Common Area, keeping them clean and free of debris; and shall levy against each Member of the Association a proportionate share of the aggregate cost and expense required for the care, maintenance and improvement thereof, which proportionate share shall be determined based on the ratio which the number of Lots owned by the Member bears to the total number of Lots then laid out or established on the Property. The Association may also maintain and care for, as a common expense of the Association, any property dedicated or to be dedicated to the County and located within or adjacent to the Property, including but not limited to, rights-of-way, storm water management areas and local open space, as deemed necessary or desirable by the Board of Directors or the Architectural Review Committee for the preservation or enhancement of the appearance of the Property.

5. **PERMITTED ACTION BY THE ASSOCIATION.** While the Association holds the legal title to any or all of the Common Area, it may take any or all of the following actions upon approval of such action by the Board of Directors:

(a) make an express confirmatory conveyance to any Owner, including the Declarant, of such easements in and other rights with respect to the Common Area as under the provisions of this Declaration are held by such owner;

(b) grant, convey or dedicate to the County, the State of Maryland or to any one or more public or quasi-public governmental bodies, utility companies or cable television companies, any and all licenses, easements and/or rights-of-way in, over and through the Common Area for the construction, operation, maintenance, repair and replacement of any and all sanitary, sedimentary control or storm sewer lines, ponds or pumping stations, water lines, electrical lines, telephone lines, gas lines, cable television lines and other similar facilities, all as the Association considers appropriate for the provision of any utility or utility service to the Property. Notwithstanding a grant, conveyance or dedication of any such license, easement or right-of-way, the land subject thereto shall remain a part of the Common Area and the Association shall continue to maintain such land (except for any improvements thereon owned by the County, the State of Maryland or such public or quasi-public governmental body, such utility company or such cable television company) in accordance with the provisions of this Declaration;

(c) convey the legal title to, or any interest in, any or all of the Common Area to or at the direction of any governmental or quasi-governmental authority either through the condemnation thereof, or under threat of such condemnation (after which grant, conveyance or dedication, that portion of the Common Area which is the subject of the same shall not be part of the Common Area);

(d) grant or reserve, by or to the Declarant for the benefit of any parcel of land which may be added to the Property or any portion thereof (whether or not it then or thereafter is part of the Property), an easement in, over and through the Common Area for the

0014518 137

construction, installation, use, operation, maintenance, repair and replacement of any facility of the type enumerated in subsection (b) hereof; and

(e) notwithstanding anything to the contrary contained herein, the approval of the Board of Directors shall not be required for the conveyance to the County or to the State of Maryland of any portion of the Common Area which has, prior to the conveyance to the Association, been offered for dedication to such governmental body. The Association shall, upon the request of the Declarant, execute all necessary documents required to convey such portions of the Common Area.

6. **RESTRICTIONS.** The right of each Member of the Association to use the Common Area shall be subject to the following:

(a) any rule or regulation now or hereafter set forth in this Declaration and any rule or regulation now or hereafter adopted by the Association for the Common Area;

(b) the right of the Association, acting by and through its Board of Directors, in accordance with its articles of incorporation and bylaws, to borrow money for the purpose of improving the Common Area in a manner designed to promote the enjoyment and welfare of the Members, and in aid thereof to mortgage any of the Common Area with the consent of two-thirds (2/3) of the Members of the Association (excluding the Declarant);

(c) the right of the Association to take such steps as are reasonably necessary to protect the property of the Association against mortgage default and foreclosure;

(d) the right of the Association to suspend the voting rights and the rights to use of the Common Area for any period of time during which any Assessment remains unpaid and for any period not to exceed sixty (60) days for any violation of this Declaration or infraction of any of the published architectural guidelines or rules and regulations of the Association, after notice and a hearing; provided the Association shall have no right to suspend the right of any Owner to use any Common Area or private streets and roadways for necessary, ordinary and reasonable vehicular and pedestrian access to and from such Owner's Lot or any easement over the Common Area for telephone, electrical, sewer or other utility service;

(e) the right of the Association to dedicate or transfer all or any part of the Common Area to any public or municipal agency, authority or utility for purposes consistent with the purpose of this Declaration and subject to such conditions as may be agreed to by the Members; provided no such dedication or transfer, determination as to the purposes or as to the conditions thereof, or conveyance to any third party for any other reason shall be effective unless two-thirds (2/3) of the then Members of the Association (excluding the Declarant) consent to such dedication, transfer, purpose and conditions, at any special meeting of the members duly called for such purpose; and

(f) the right of the Association, acting by and through its Board of Directors, to grant licenses, rights-of-way and easements for access or for the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility, the Declarant or any other person; provided,

0014518 138

however, that no such license, right-of-way or easement shall be unreasonably and permanently inconsistent with the rights of the Members to the use and enjoyment of the Common Area.

7. **DELEGATION OF RIGHT OF USE.** Any Owner may delegate its rights to the use and enjoyment of the Common Area to family members who reside permanently with such Owner and to its tenants, contract-purchasers, invitees and guests.

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

9. **LIMITATION OF LIABILITY.** Neither the Declarant nor the Association shall be liable for the failure of any services obtained by the Declarant or the Association or paid for out of the common expense funds, or for injury or damage to person or property caused by the elements, the topography of the Property, fallen trees, water which may leak or flow from any portion of the Common Area, or from any wire, pipe, drain, conduit or the like, or to any Owner or its designees for loss or damage, by theft or otherwise, of articles stored upon any Common Area. No diminution or abatement of assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Area, or from any action taken by the Declarant or the Association to comply with any of the provisions of this Declaration or applicable law, or with the order or directive of any municipal or other governmental authority.

ARTICLE VIII **ENCROACHMENTS**

If any Structure or any part thereof, now or at any time hereafter, encroaches upon an adjoining Lot or any Structure encroaches upon any Common Area, whether such encroachment is attributable to construction, settlement or shifting of the Structure or any other reason whatsoever beyond the control of the Board of Directors or any Owner, there shall forthwith arise, without the necessity of any further or additional act or instrument, a good and valid easement for the maintenance of such encroachment, for the benefit of the Owner, its heirs, personal representatives and assigns, to provide for the encroachment and nondisturbance of the Structure. Such easement shall remain in full force and effect so long as the encroachment shall continue. The conveyance or other disposition of a Lot shall be deemed to include and convey, or be subject to, any easements arising under the provisions of this Article without specific or particular reference to such easement.

ARTICLE IX **ASSESSMENTS**

1. **COVENANT FOR ASSESSMENTS.** The Declarant, for each Lot owned by it within the Property, hereby covenants, and each Owner, by acceptance of a deed conveying any Lot to it, whether or not so expressed in such deed, shall be deemed to have covenanted and

0014518 139

agreed to pay the Association (i) in advance, an annual assessment (the "Annual Assessment") equal to the Member's proportionate share of the sum required by the Association, as estimated by the Board of Directors, for annual assessments or charges, and (ii) special assessments or charges to be established and collected as hereinafter provided. The Annual Assessment and special assessments, together with interest, late charges, costs of collection and attorneys' fees as hereinafter provided, shall be a continuing lien upon each of the Lots against which the assessment is made, and this Article shall be construed as a real covenant running with the land and a contract of a lien under the terms of the Maryland Contract Lien Act. Such assessments or charges, together with interest, late charges, costs of collection, and attorneys' fees incurred or expended by the Association in the collection thereof, shall also be the personal obligation of the Owner holding title to any Lot at the time when the assessment fell due or was payable. The personal obligation for any delinquent assessment or charge, together with interest, late charges, costs and attorneys' fees shall not pass to the owner's successor or successors in title unless expressly assumed by such successor or successors.

2. **USE OF ASSESSMENTS.** The assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety and welfare of the Owners and the Property, including but not limited to (i) the payment of taxes on the Common Area, if any; (ii) the payment of insurance premiums for such insurance as is maintained by the Association on the Common Area or otherwise; (iii) the maintenance, repair, replacement and improvement of the Common Area, including but not limited to private drives, parking areas, sidewalks, parking area lighting, grassy areas, recreational facilities, if any, and any other off-site facilities maintained by or for the benefit of the Association, and specifically including the cost of maintaining street trees throughout the Property whether or not such street trees are located in the Common Area; (iv) the cost of utilities and other services which may be provided by the Association; (v) the cost of labor, equipment, materials, management, administration and supervision incurred in performing all of the foregoing, including but not limited to legal and accounting fees, and specifically including legal fees incurred by the Association in enforcing the provisions of this Declaration; and (vi) the cost of funding all reserves established by the Board of Directors of the Association.

3. **MAXIMUM ANNUAL ASSESSMENT.**

(a) Until January 1 of the year immediately following the conveyance of the first Lot to an Owner other than the Declarant, the initial Annual Assessment shall not exceed Five Hundred Forty Dollars (\$540.00) for such year for each Lot. The Annual Assessment shall be payable annually on January 1 of each year unless the Board of Directors shall by resolution designate that the Annual Assessment shall be payable in semi-annual, quarterly or monthly installments.

(b) From and after the expiration of the first fiscal year of the Association, the maximum Annual Assessment may be increased by not more than ten percent (10%) of the maximum assessment for the previous fiscal year, or decreased, without a vote of the Members of the Association. The maximum Annual Assessment may be increased by more than ten percent (10%) of the prior year's maximum Annual Assessment only by the vote or written consent of a majority of the Members of the Association but excluding the vote or consent of any Class B Member. Increases in certain fixed costs for insurance, taxes, recycling or

0014518 140

waste disposal do not require membership approval. The Board of Directors of the Association may fix the Annual Assessment against each Lot at any amount not in excess of the maximum specified herein without the necessity of a vote of the membership of the Association.

(c) Neither the Declarant, nor any Lot owned by the Declarant, shall be exempt from any assessment hereunder; provided, however, with respect to any Lot owned by the Declarant the Annual Assessment shall be twenty five percent (25%) of the full Annual Assessment until such time as the Lot has been conveyed to an Owner other than the Declarant or a certificate of occupancy is issued for such Lot and the dwelling thereon is occupied, whichever shall first occur.

(d) The Declarant, for itself, and any successor Declarant, agrees to provide or pay for all maintenance to Lots owned by the Declarant which are subject to a reduced assessment, and to fund any shortfall necessary to pay the actual operating expenses for the Association (including reserves but excluding shortfalls caused by nonpayment of assessments by other members or extraordinary expenses) which occurs during any fiscal year during which there is a Class B membership, to the extent that the Annual Assessments, working capital contributions and special assessments levied and collected during such period are insufficient to pay such expenses. Notwithstanding the immediately preceding sentence, the Declarant shall not be obligated to fund an amount in excess of the full Annual Assessments and special assessments multiplied by the number of Lots owned by the Declarant at the end of the applicable assessment year.

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

5. **NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4.** Written notice of any meetings of Members of the Association called for the purpose of taking any action authorized under Section 3 and 4 of this Article shall be sent to all Members not less than fifteen (15) days, nor more than sixty (60) days, in advance of the meeting. At the first such meeting called, the presence at the meeting of Members or of proxies, entitled to cast sixty percent (60%) of all of the votes of each class of Members entitled to be cast at such a meeting shall be necessary and sufficient to constitute a quorum. If the required quorum is not present, the Members entitled to vote at such meeting shall have the power to adjourn the meeting by a majority vote of the Members present at such meeting in person or by proxy, and to call another meeting subject to the same notice requirements, and the Members present at such subsequent meeting in person or by proxy shall constitute the requisite quorum; provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

0014518 141

6. COMMENCEMENT DATE OF ANNUAL AND SPECIAL ASSESSMENTS.

(a) The Annual Assessment shall commence as to all Members of the Association upon a date set forth in a resolution of the Board of Directors, but in any event no earlier than the first day of the first month following the date a deed for the first Lot is delivered to an owner other than the Declarant.

(b) The first installment of each such Annual Assessment shall be prorated for the balance of the year (or applicable installment period) in which such Lot is conveyed to an Owner, commencing with the first day of the first month following such conveyance, and shall be due and payable on the date the Lot is conveyed to the Owner of the Lot. The installments of each such assessment for any Lot for any installment period after the first installment period shall become due and payable on the first day of each successive installment period. Except for prorations pursuant to the first sentence of this clause (b), the Annual Assessment shall be uniform with respect to all Lots.

(c) The due date of any special assessment under Section 4 shall be fixed in the resolution authorizing such special assessment, however, such due date shall be at least thirty (30) days after the date of such resolution. Special assessments shall also be prorated for the balance of the year in which a Lot is conveyed to an Owner, commencing with the first day of the first month following such conveyance, and shall be due and payable on the date the Lot is conveyed to the Owner of the Lot. Except for such prorations, special assessments shall be uniform with respect to all Lots.

(d) If during an assessment year the Property is expanded, the Association shall be deemed automatically and without the necessity of further action, to have levied for such assessment year against each Lot added to the Property by virtue of the expansion each assessment which the Association has levied against the other Lots for such assessment year, subject to and in accordance with the provisions of the Declaration, such assessment to be prorated based upon the number of full calendar months remaining in such assessment year as of the date of such expansion.

7. DUTIES OF THE BOARD OF DIRECTORS.

(a) The Board of Directors shall determine the amount of the Annual Assessment annually, but may do so at more frequent intervals should circumstances so require. Upon resolution of the Board of Directors, installments of the Annual Assessment may be levied and collected on a monthly, quarterly, semiannual or annual basis. Any Member may prepay one or more installments of any assessment levied by the Association, without premium or penalty.

(b) The Board of Directors shall prepare, or cause to be prepared, an annual operating budget for the Association, and shall make reasonable efforts to fix the amount of the Annual Assessment against each Lot for each assessment period at least thirty (30) days in advance of the beginning of such period. The Board of Directors shall thereupon cause a copy of the budget, and the amount of the assessments to be levied against each Lot for the following year, to be delivered to each Owner. If the Board of Directors shall fail to fix the amount of the

0014518 142

Annual Assessment prior to the commencement of any assessment period or if the membership shall disapprove the budget, the same shall not be deemed a waiver or modification of the provisions of this Article or a release of any Member from the obligation to pay the assessments for that or any subsequent assessment period; and the assessments fixed for the preceding period shall continue until a new assessment is fixed. The Association shall, upon written demand, furnish to any owner a certificate in writing signed by an officer of the Association setting forth whether such Owner's assessments have been paid, which certificate shall be conclusive evidence of payment of any assessment therein stated as having been paid. A charge not to exceed Fifty Dollars (\$50.00) may be levied in advance by the Association for each certificate so delivered.

8. NONPAYMENT OF ASSESSMENTS.

(a) Any Annual Assessment or special assessment or installment thereof not paid when due shall be delinquent and, if not paid within thirty (30) days after the due date, shall bear interest from the due date at the rate of (i) twelve percent (12%) per annum, or (ii) two percent (2%) over the prime rate announced by NationsBank, N.A., or any successor thereto, whichever is greater, and shall be subject to a late charge of (A) Five Dollars (\$5.00) per month until paid, or (B) ten percent (10%) of the assessment, whichever is greater. The Association may proceed to establish and enforce the assessment lien in accordance with the provisions of the Maryland Contract Lien Act and/or bring an action at law against the owner personally obligated to pay the assessments, and/or in equity to foreclose the lien against the Lot, in the same manner and subject to the same requirements as are specified by the law of Maryland for the foreclosure of mortgages or deeds of trust containing a power of sale or an assent to a decree, and there shall be added to the amount of such assessment interest and late charges on the assessment as provided hereinabove, court costs and attorneys' fees of not less than twenty percent (20%) of the sum claimed, whether or not a judgment is obtained, in each case without waiving any other right or remedy. By the acceptance of title to or the ownership of a Lot, each Owner shall be deemed to have expressly (i) authorized the enforcement and foreclosure of the lien by the Association or other person entitled thereto, in the same manner, and subject to the same requirements, as the foreclosure of mortgages on real property in this state, containing a power of sale or an assent to a decree; (ii) assented to the passage of a decree for the sale of the Lot; and (iii) covenanted, agreed and declared that the party authorized to exercise the power of sale shall have the absolute power, right and privilege to sell the Lot of the defaulting Owner in accordance with the public general laws of the State of Maryland and the Maryland Rules of Procedure relating to foreclosure of mortgages, as such laws and rules are from time to time amended and supplemented. No Member may exempt itself from liability for assessments by abandonment of such Owner's Lot or by the abandonment of such Owner's right to the use and enjoyment of the Lot or the Common Area, or by conveying the Lot after the assessment became due, and no offsets against assessments shall be permitted for any reason, including but not limited to a claim that the Association is not properly exercising its duties or powers or that any Owner is not satisfied with the scope or quality of any services or amenities.

(b) If the Board of Directors establishes that the Annual Assessment shall be paid in regular installments, and an Owner fails to pay an installment within thirty (30) days after the due date, the Association, acting through the Board of Directors, may demand payment of the remaining installments coming due within that fiscal year. Such demand shall

0014518 143

state that if the Owner fails to pay the installment within thirty (30) days of the demand, full payment of the remaining assessment will then be due and payable in full, without further notice or demand and shall constitute a lien on the Lot as provided in this Article.

9. **SUBORDINATION OF LIEN TO TAXES AND MORTGAGES.** The lien of the assessments provided for herein shall be subordinate to the lien for taxes imposed by any lawful authority and to the lien of any First Mortgage (unless before such First Mortgage was recorded, a statement of lien covering such assessment is recorded among the Land Records). The sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure, or any proceeding in lieu thereof shall extinguish the lien of assessments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof nor shall such sale or transfer release the Owner of the Lot from its personal obligation for any unpaid assessments.

10. **EXEMPT PROPERTY.** The Common Area and all Lots owned by the Association or any charitable organization or dedicated to and accepted by a local authority shall be exempt from the assessments created herein; provided, however, no Lot improved with a dwelling and used for residential purposes shall be exempt from assessments.

11. **RESERVE FOR REPLACEMENTS.**

(a) The Association shall establish and maintain a reserve fund or funds for repair and replacement of the Common Area and for such other purposes as the Board of Directors of the Association may deem reasonably necessary or appropriate, by the allocation and payment from the assessments to such reserve fund or funds of an amount to be designated from time to time by the Board of Directors. Such fund(s) shall be conclusively deemed to be a common expense of the Association and shall be deposited and invested in a manner that achieves a prudent balance among safety, liquidity and rate of return.

(b) The Association may establish such other reserves for such other purposes as the Board of Directors may from time to time consider to be necessary or appropriate. The proportional interest of any Member of the Association in any such reserves shall be considered an appurtenance of such Owner's Lot and shall not be separately withdrawn, assigned or transferred or otherwise separated from any Lot, and shall be deemed to be transferred with such Lot.

12. **INITIAL WORKING CAPITAL CONTRIBUTION.** At the settlement for each Lot, the sum of Fifty Dollars (\$50.00) shall be collected from the Owner of each Lot (other than the Declarant); provided, however, if the Declarant has previously paid the working capital contribution for such Lot, the Declarant may retain the amount paid by the Owner as a reimbursement for such payment. The working capital contribution is a onetime charge, is not refundable, and will not be credited against annual or special assessments. The working capital contributions may be used in the discretion of the Board of Directors of the Association, to fund the start-up and initial operating expenses of the Association, to fund unforeseen expenditures or to purchase additional equipment, personal property or services for the Association.

0014518 144

ARTICLE X
INSURANCE; CASUALTY AND CONDEMNATION LOSSES

1. **TYPES OF INSURANCE MAINTAINED BY ASSOCIATION.** The Board of Directors shall have the authority to, and shall obtain and continue in effect, commencing not later than the date of the first conveyance of a Lot to an Owner other than the Declarant, to the extent available at reasonable rates, the following types of insurance:
- a. Insurance on all insurable improvements on the Common Area against loss or damage by fire or other hazards, including standard extended and all-risk coverage, vandalism and malicious mischief, in an amount sufficient to cover the full replacement cost of such improvements (exclusive of land, foundation and excavation) without deduction or allowance for depreciation, as determined annually by the Association with the assistance of the insurance company affording such coverage, with a deductible amount not in excess of One Thousand Dollars (\$1,000.00).
 - b. A public liability insurance policy covering the Association, its officers, directors, committee members and managing agents, covering such risks as shall customarily be covered with respect to projects similar in construction, location and use, including but not limited to contractual liability coverage, having at least a Two Million Dollar (\$2,000,000.00) limit per total claims that arise from the same occurrence or in an amount not less than the minimum amount required by applicable law, ordinance or regulation.
 - c. Worker's compensation insurance, if and to the extent required by law.
 - d. From and after the date when there is no longer a Class B membership of the Association, or earlier, in the discretion of the Board of Directors, or if required by applicable law, the FHA, the VA, the FNMA, or any similar or successor agency issuing, insuring or guaranteeing a Mortgage on any Lot within the Property, fidelity bonds covering all directors, officers, employees and other persons handling or responsible for the funds of the Association, naming the Association as obligee or named insured, as the circumstances may require, and in such amounts as the Board of Directors deems appropriate or as otherwise required by applicable law or regulation, and which shall contain waivers of any defense based on the exclusions of persons who serve without compensation; provided, where the Association has delegated some or all of the responsibility for the handling of funds to a management agent, such management agent shall maintain its own fidelity bond, at its sole expense, which shall name the Association as an additional obligee.
 - e. Directors, and officers, liability insurance including a "Legal Expense Indemnity Endorsement," affording coverage for expenses incurred in defending any suit or settling any claim, judgment or action to which such officer or director is a party by reason of service as such officer or director.
 - f. Such other insurance for the benefit of the Association as the Board of Directors shall deem reasonably necessary or prudent, or if required by applicable law,

0014518 0146

Members, any action or proceeding with respect to the Common Area, or make any compromise or settlement in connection with such condemnation or taking under the power of eminent domain or sale in lieu thereof. After deducting therefrom all of its expenses, including attorneys' fees, the Association may elect to apply the proceeds of the award to the restoration or rebuilding of the Common Area. If the improvements are not to be rebuilt or restored pursuant to a vote by the owners as provided in subsection (a) above, and no alternative improvements are authorized by the Owners, then and in that event the remaining Common Area shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition. In such event, any excess award shall be paid over to the Association for the benefit of the Property, which proceeds may be used and/or distributed as determined by the Board of Directors, in its reasonable discretion.

5. **REPAIR AND RECONSTRUCTION OF COMMON AREA.** If any improvements on the Common Area are damaged or destroyed, and the proceeds of insurance (or, in the event of a condemnation, any award) received by the Association are not sufficient to pay in full the cost of the repair and reconstruction of the improvements, the Board of Directors shall, without the necessity of a vote of the Owners, levy a special assessment in order to cover the deficiency (including but not limited to any deductible amount) in the manner provided in Article IX hereof. If the proceeds of insurance or the condemnation award exceed the cost of repair, such excess shall be retained by the Association and used for such purposes as the Board of Directors shall determine in its reasonable discretion.

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

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

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

(b) If any owner of an improved Lot fails to maintain the insurance required by Section 6 of this Article, the Association may, but shall not be obligated to, obtain such insurance and pay any premiums required in connection with obtaining such insurance.

0014518 147

Such Owner shall be personally liable to the Association for any costs incurred by the Association in obtaining such insurance, to the same extent as such Owner is liable for assessments levied against its Lot, and, upon the failure of the Owner to pay such costs within ten (10) days after such owner's receipt of a written demand therefor from the Association, the Association may establish a lien therefor upon the Owner's Lot in accordance with and subject to the provisions of this Declaration applicable to an assessment lien.

ARTICLE XI
RIGHTS OF MORTGAGEES

1. **GENERAL.** Regardless of whether a Mortgagee in possession of a Lot is its Owner, (i) such Mortgagee in possession shall have all of the rights under the provisions of this Declaration, the Plats, the articles of incorporation and the bylaws of the Association and applicable law, which would otherwise be held by such Owner, and (ii) the Association and each other Owner or person shall be entitled, in any matter arising under the provisions of this Declaration and involving the exercise of such rights, to deal with such Mortgagee in possession as if it were the Owner of the Lot. Any Mortgagee in possession of a Lot shall (subject to the operation and effect of the provisions of this Declaration, the articles of incorporation and the bylaws of the Association and applicable law) bear all of the obligations under the provisions thereof which are borne by the owner of such Lot; provided, that nothing in the foregoing provisions of this Section shall be deemed in any way to relieve any Owner of any such obligation, or of any liability to such Mortgagee on account of any failure by such Owner to satisfy any of the same.

2. **INSPECTION; STATEMENT AND NOTICE.** A Mortgagee shall, upon written request to the Association, which request shall set forth the mailing address for notices to such Mortgagee, be entitled to:

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

0014518 148

3. APPROVAL BY FEDERAL NATIONAL MORTGAGE ASSOCIATION, FEDERAL HOUSING ADMINISTRATION AND VETERANS ADMINISTRATION. Until the Class B membership terminates, the consent or approval of the FHA, the VA or the FNMA shall be obtained with respect to any of the following actions taken while a Mortgage is in effect which is insured or guaranteed by such entity:

- (a) a dedication of any portion of the Common Area to public use;
- (b) annexation of additional property; or
- (c) an amendment of this Declaration.

ARTICLE XII
MISCELLANEOUS

1. TERM. Except where permanent easements or other permanent rights or interests are herein created, this Declaration shall run with and bind the title to the Property (including the Lots) for a period of forty (40) years from the date this Declaration is recorded, after which time this Declaration shall automatically be extended for successive periods of ten (10) years each, unless and until an instrument adopted and thereafter recorded among the Land Records pursuant to the amendment procedure set forth in Section 8 of this Article has been recorded stating that this Declaration shall expire at the end of the then current term.

2. ENFORCEMENT.

(a) The provisions of this Declaration shall be enforceable by the Declarant, the Association, each Owner and their respective legal representatives, successors and assigns, by proceedings at law or in equity against any person or persons violating or attempting to violate any provision of this Declaration, either to restrain the violation or to recover damages, or both.

(b) In acquiring title to any Lot, the purchaser or purchasers violating or attempting to violate any provision of this Declaration, agree to reimburse the Declarant and/or the Association, within thirty (30) days of written demand, for all costs and expenses incurred as a result of the said violation or attempted violation, including but not limited to, court costs and attorneys' fees, to the same extent that an Owner is liable for an assessment levied against its Lot. The liability for such costs shall also be the personal obligation of such Owner.

(c) The Association, acting through the Board of Directors, or the Declarant, or any manager for the Association, shall each also have the right, but not the obligation upon (i) thirty (30) days prior written notice to any Owner with respect to the exterior of any dwelling; (ii) five (5) days for yard maintenance; and (iii) twenty-four (24) hours for snow removal, and, in any case, such shorter period as may be necessary if an emergency situation exists which poses imminent danger to persons or property, to abate and remove any breach or violation of the provisions of this Declaration by any Owner or other person or entity at the cost and expense of the defaulting party, all in accordance with the provisions of Article IX hereof; provided, that if any such abatement or removal requires altering or demolishing any item of construction, judicial proceedings shall be instituted prior to such alteration or demolition. The

0014518 149

Association and the Declarant shall have the further right, but not the obligation, through its agents, employees or committees, including but not limited to the Architectural Review Committee, upon ten (10) days, notice, or such shorter period as may be reasonably necessary under the circumstances, to enter upon and inspect the exterior of any Lot at any reasonable time, for the purpose of ascertaining whether any violation of the provisions of this Declaration exist. Such right of entry shall be exercised in accordance with the provisions of Article III, Section 4 of this Declaration. Neither the Association, the Declarant, nor any agent or employee, shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

(d) No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five percent (75%) of the voting Members. This Section shall not apply, however, to (i) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (ii) the imposition and collection of assessments as provided in Article IX hereof, (iii) proceedings involving challenges to ad valorem taxation, or (iv) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is made by the Declarant or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

3. **NO WAIVER.** The failure or forbearance by the Declarant or the Association to enforce any covenant, restriction or provision herein contained shall in no event be deemed a waiver of the right to thereafter enforce such covenants, restrictions or provisions.

4. **COVENANTS TO RUN WITH LAND.** Each conveyance of a Lot, or of any interest in a Lot, or of the Common Area, or any portion thereof, by the Declarant or any owner, shall be deemed to be subject to this Declaration, whether or not the deed of conveyance shall so state, to the effect that the covenants, conditions, restrictions and easements contained herein shall run with the title to each Lot and the Common Area, and be binding on and benefit all parties having or acquiring any right, title or interest in such real property; provided that they shall not be deemed to be part of a general plan or scheme of development and use for, or to be covenants running with, binding upon, benefiting or burdening the title to (or otherwise to be enforceable at law or in equity with respect to), any parcel of land retained by the Declarant or any other person that has not been expressly subjected to the provisions of this Declaration pursuant to the provisions of Article II.

5. **NOTICES.** Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, by ordinary mail, postage paid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing. Any notice to be sent to Declarant shall be deemed to have been properly sent when mailed, postage prepaid, to c/o Sutton Turner, The Wentwood Companies, 1305 South Key Avenue, Suite 204, Lampasas, Texas 76550, or to any other address that Declarant may specify in a notice mailed to the Association.

6. **SEVERABILITY.** Invalidation of any one of the provisions of this Declaration by judgment, decree or order shall in no way affect any other provisions hereof, each of which shall remain in full force and effect.

0014518 150

7. CAPTIONS AND GENDERS. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male shall include all genders and the singular shall include the plural.

8. AMENDMENT.

(a) For so long as there is a Class B membership of the Association, this Declaration may be amended by the vote (in person or by proxy) at a meeting of the Association duly called for such purpose, or written consent of (i) at least two-thirds (2/3) of the Class A Members of the Association, and (ii) the Declarant; provided, in either case, notice of the proposed amendment shall have been given to all Members of the Association as required by the bylaws. Following the lapse of the Class B membership in the Association, this Declaration may be amended with the vote (in person or by proxy) at a meeting of the Association duly called for such purpose, or written consent of, at least two-thirds (2/3) of the Class A Members of the Association; provided, in either case, notice of the proposed amendment shall have been given to all Members of the Association as required by the bylaws; and provided further, if the Class B membership shall have lapsed, but the Declarant still retains the right to annex additional property to the Property subject to the Declaration, any amendments shall also be approved by the Declarant. Notwithstanding anything to the contrary contained herein, in no event may any of the Declarant's rights or privileges under the articles of incorporation or bylaws of the Association or this Declaration be terminated, altered or amended without Declarant's prior written consent. Anything contained in the provisions of this Declaration to the contrary notwithstanding, the provisions of Article IV, Sections 34 and 35 may be amended by the majority vote of the Members at a meeting of the Membership.

(b) An amendment or modification shall be signed and acknowledged by the President or Vice-President and Secretary of the Association, who shall certify that the amendment or modification has been approved as hereinabove provided, and by the Declarant, if the Declarant is still a Member of the Association. The amendment shall be recorded in the Land Records. Unless a later date is specified in any such instrument, any amendment to this Declaration shall become effective on the date of recording. For the purpose of recording such instrument, each Owner, other than the Declarant, hereby grants to the President or Vice-

0014518 151

President and Secretary of the Association, an irrevocable power of attorney to act for and on behalf of each and every Owner in certifying, executing and recording said instrument.

(c) For so long as there is a Class B membership or the Declarant retains the right to annex additional property to the Property subject to this Declaration pursuant to Article II hereof, the consent of the Declarant shall be required in order for any other person or entity to record any other covenants, restrictions or easements with respect to any of the Property.

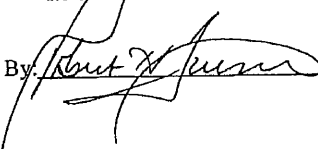
(d) For so long as there is a Class B membership, the following actions shall require the prior consent of the FHA, the VA, the FNMA, or any similar or successor agency, if such agency is the holder, guarantor or insurer of a Mortgage: annexation of additional properties; dedication of Common Area, and amendment of this Declaration.

WITNESS the hands and seals of the parties hereto on the day hereinabove first written.

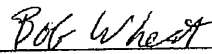
WITNESS:

Wentwood Capital Fund IX, L.P.

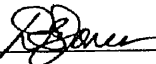
By: Wentwood Capital Partners IX, L.L.C.,
Its Sole General Partner

By:  (SEAL)


The Trustee and the Lender are joining in this Declaration for the sole purpose of subjecting and subordinating their interest in such property to the lien, operation and effect of this Declaration.

 (SEAL)
Bob Wheat, Trustee

Compass Bank

By:  (SEAL)

REVIEWED FOR BALTIMORE COUNTY
REQUIREMENTS

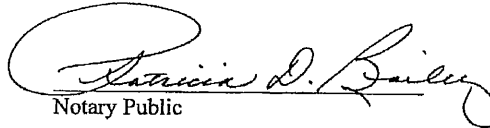

COUNTY SOLICITOR

0014518 152

STATE OF ALABAMA, COUNTY OF JEFFERSON, TO WIT:

I HEREBY CERTIFY that on this 27th day of April, 2000, before me, the subscriber, a Notary Public of the state of Alabama, personally appeared Bob Wheat, who acknowledged himself to be the person named herein who executed the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for the purposes therein contained.

AS WITNESS my hand and seal.

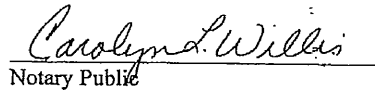

Notary Public

My Commission Expires: 3-3-2003

STATE OF ALABAMA, COUNTY OF JEFFERSON, TO WIT:

I HEREBY CERTIFY that on this 21st day of April, 2000, before me, the subscriber, a Notary Public of the state of Alabama, personally appeared David E. Jones, who acknowledged himself to be the duly authorized Vice President of Compass Bank, an Alabama banking corporation, and as such officer, being authorized to do so, executed the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for the purposes therein contained on behalf of said corporation.

AS WITNESS my hand and seal.


Notary Public

My Commission Expires: MY COMMISSION EXPIRES NOVEMBER 2, 2003

0014518 153

^{TEXAS}
STATE OF MARYLAND, COUNTY OF LAMPASAS, TO WIT:

I HEREBY CERTIFY that on this 2 day of MAY ²⁰⁰⁰~~1999~~, before, me, the subscriber, a Notary Public of the state of ~~Maryland~~^{TEXAS}, personally appeared ROBERT H. TURNER, who acknowledged himself to be the duly authorized GENERAL PARTNER of WENTWOOD CAPITAL PARTNERS IX, LLC and as such officer, being authorized to do so, executed the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for the purposes therein contained on behalf of said entities.

AS WITNESS my hand and seal.



Mary K. Davis
Notary Public
My Commission Expires: 11-29-2001

STATE OF MARYLAND, COUNTY OF _____, TO WIT:

I HEREBY CERTIFY that on this ___ day of _____ 1999, before, me, the subscriber, a Notary Public of the state of Maryland, personally appeared _____, who acknowledged himself to be the duly authorized _____ of _____, and as such officer, being authorized to do so, executed the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for the purposes therein contained on behalf of said entities.

AS WITNESS my hand and seal.

Notary Public
My Commission Expires: _____

THE UNDERSIGNED hereby certifies that the within instrument has been prepared by or under the supervision of the undersigned, an attorney admitted to practice law before the Court of Appeals of Maryland.

Samuel J. Mangione
Samuel J. Mangione

0014518 154

MARINER'S COVE COMMUNITY ASSOCIATION, INC.

DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS

EXHIBIT A

DESCRIPTION OF THE LAND

0014518 155

EXHIBIT A

Description of Property

All that certain property located in Baltimore County, Maryland, described as follows: a 9.8199 Acre Parcel, Plat 3, "MARINE OAKS VILLAGE", recorded in Plat Liber E.H.K., JRA. 39 at Folio 120, Northeast of Back River Neck Road, Southeast of Eastern Boulevard, Fifteenth Election District, Baltimore county, Maryland, and further described as follows:

Beginning for the same on the northwest side of Howard Avenue, forty feet wide, as shown on the "Plat of French's Park" recorded among the Land Records of Baltimore County in Plat Book W.P.C. 6, Page 138, and at the dividing line between Lots 43 and 44, Block A, shown on said plat, said beginning point being at the point shown and designated "226" on "Plat 3, Marine Oaks Village", recorded among said Land Records in Plat Book E.H.K., Jr. 39, page 120, running thence binding on said dividing line and on a part of the southwest outline of the land shown on said last mentioned plat, as now surveyed with all bearings referenced to the Maryland Coordinate System (NAD 83/91), (1) North 60 degrees 21 minutes 05 seconds West, 200.00 feet to a point on the southeast outline of the land shown on the plat of "Midriver Park" recorded among said Land Records in Plat Book W.P.C. 4, page 12, thence binding on a part of said southeast outline and on the northwest outline of the land shown on the aforementioned "Plat 3, Marine Oaks Village", (2) North 29 degrees 38 minutes 55 seconds East, 934.65 feet, thence along Hopkins Creek and binding on the northeast outline of the land shown on said plat, twelve courses: (3) South 67 degrees 24 minutes 51 seconds East, 84.05 feet, (4) South 30 degrees 13 minutes 06 seconds East, 20.59 feet, (5) North 81 degrees 42 minutes 41 seconds East, 24.19 feet, (6) South 48 degrees 32 minutes 58 seconds East, 67.94 feet, (7) South 25 degrees 07 minutes 34 seconds East, 88.64 feet, (8) South 04 degrees 50 minutes 53 seconds West, 19.10 feet, (9) South 26 degrees 18 minutes 31 seconds East, 54.13 feet, (10) South 24 degrees 43 minutes 00 seconds West, 112.26 feet, (11) North 53 degrees 17 minutes 55 seconds East, 51.61 feet, (12) South 78 degrees 38 minutes 05 seconds East, 36.88 feet, (13) North 80 degrees 24 minutes 34 seconds East, 27.30 feet, and (14) South 63 degrees 36 minutes 39 seconds East, 10.85 feet, thence still along said Hopkins Creek and binding on the second or southeasterly 50 foot line of the land described in the deed from John E. Whiteford to Oliver S. Stern, and wife, dated January 25, 1972, and recorded among the aforementioned Land Records in Liber O.T.G. 5246, page 903, (15) South 33 degrees 32 minutes 13 seconds East, 50.01 feet, thence still along said Hopkins Creek and binding on the northeast outline of the land shown on said plat, five courses: (16) South 21 degrees 58 minutes 14 seconds East, 15.78 feet, (17) South 75 degrees 01 minutes 08 seconds East, 39.56 feet, (18) South 48 degrees 27 minutes 15 seconds East, 70.77 feet (19) South 11 degrees 10 minutes 32 seconds West, 98.27 feet, and (20) South 31 degrees 56 minutes 52 seconds West, 54.92 feet, thence still binding on the

0014518 157

State of Maryland Land Instrument Intake Sheet
 Baltimore City County:

Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office only.
(Type or Print in Black Ink Only—All Copies Must Be Legible)

Check Box if Addendum Intake Form is Attached.

1 Type(s) of Instruments: Deed, Mortgage, Other Deed of Covenant, Lesse, Other

2 Conveyance Type Check Box: Improved Sale, Unimproved Sale, Multiple Accounts, Not an Arms-Length Sale [9]

3 Tax Exemptions (If Applicable): Recordation, State Transfer, County Transfer

FD SURE \$ 2.89
RECORDING FEE 75.00
TOTAL 77.89
Rpt # R986 Rpt # 71938
Blk # 1491
JUL 12 2000 09:53 am

4 Consideration Amount: Purchase Price/Consideration \$, Any New Mortgage \$, Balance of Existing Mortgage \$, Other \$, Full Cash Value \$

Finance Office Use Only: Transfer and Recordation Tax Consideration \$, Transfer Tax Consideration \$, X () % = \$, Less Exemption Amount \$, Total Transfer Tax = \$, Recordation Tax Consideration \$, X () per \$500 = \$, TOTAL DUE \$

5 Fees: Recording Charge \$, Surcharge \$, State Recordation Tax \$, State Transfer Tax \$, County Transfer Tax \$, Other \$

Doc. 1 Doc. 2

Agent: [Signature]
Tax Bill: [Signature]
C.B. Credit: [Signature]
Ag. Tax/Other: [Signature]

6 Description of Property: SDAT requires submission of all applicable information. A maximum of 40 characters will be indexed in accordance with the priority cited in Real Property Article Section 3-104(g)(3)(i).

District, Property Tax ID No. (1), Grantor Liber/Folio, Map, Parcel No., Var. LOG

Subdivision Name: Mariner's Cove, Lot (3a): 1-101, Block (3b): 72/76, Sect/AR(3c): 72/76, Plat Ref., SqFu/Acreage (d)

Location/Address of Property Being Conveyed (2)

Other Property Identifiers (if applicable), Water Meter Account No.

Residential or Non-Residential Fee Simple or Ground Rent Amount: Partial Conveyance? Yes No Description/Amt. of SqFu/Acreage Transferred:

7 Transferred From: Doc. 1 - Grantor(s) Name(s): Wentwood Capital Fund IX, L.P., Doc. 2 - Grantor(s) Name(s)

Doc. 1 - Owner(s) of Record, if Different from Grantor(s), Doc. 2 - Owner(s) of Record, if Different from Grantor(s)

8 Transferred To: Doc. 1 - Grantee(s) Name(s), Doc. 2 - Grantee(s) Name(s)

New Owner's (Grantee) Mailing Address

9 Other Names to Be Indexed: Doc. 1 - Additional Names to be Indexed (Optional), Doc. 2 - Additional Names to be Indexed (Optional)

10 Contact/Mail Information: Instrument Submitted By or Contact Person Name: Samuel J. Mangione, Firm: Samner + Steele, LLC, Address: 2 N. Charles Street Suite 930 Baltimore, MD 21201, Phone: (410) 782-2790

Return to Contact Person
 Hold for Pickup
 Return Address Provided

11 IMPORTANT: BOTH THE ORIGINAL DEED AND A PHOTOCOPY MUST ACCOMPANY EACH TRANSFER

Assessment Information: Yes No Will the property being conveyed be the grantee's principal residence? Yes No Does transfer include personal property? If yes, identify: Yes No Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).

Assessment Use Only - Do Not Write Below This Line

Terminal Verification Agricultural Verification Whole Part Trans. Process Verification

Transfer Number:	Date Received:	Deed Reference:	Assigned Property No.:
Year:	19	18	
Land	Geo.	Map	Sub
Buildings	Zoning	Grid	Plat
Total	Use	Parcel	Section
	Town Cd.	Ex. St.	Ex. Cd.

REMARKS:

TRANSFEEER TAX NOT REQUIRED
DIRECTOR OF BUDGET AND FINANCE
BALTIMORE COUNTY MARYLAND
Per [Signature]
Authorized Signature
Date 6/12/00 Sec. 33-139.2FC

Distribution: White - Clerk's Office
Grey - SDAT
Pink - Office of Finance
Goldend - Preparer
ADC-CC-300 (6/95)