

PINEY ORCHARD COMMUNITY ASSOCIATION, INC.

**AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

This Amendment to the Declaration of Covenants, Conditions and Restrictions (the “Amended Declaration”) is made this _____ day of _____, _____ by Piney Orchard Community Association, Inc. (the “Association”).

RECITALS

WHEREAS, Piney Orchard Master Partnership, a Maryland General Partnership, recorded a Declaration of Covenants, Conditions and Restrictions (the “Declaration”) applicable to the Association, among the land records of Anne Arundel County, Maryland in Liber 5006, Page 135, et seq.; and

WHEREAS, a Supplemental Declaration was recorded among the Land Records of Anne Arundel County in Liber 5305, Folio 505, et seq.; a Confirmatory Supplemental Declaration was recorded among the land records of Anne Arundel County, Maryland in Liber 5305, Folio 511 et seq.; a Confirmatory Supplemental Declaration was recorded among the land records of Anne Arundel County, Maryland in Liber 5382, Folio 051 et seq.; a Supplemental Declaration was recorded among the land records of Anne Arundel County, Maryland in Liber 5425, Folio 816 et seq.; a Supplemental Declaration was recorded among the land records of Anne Arundel County, Maryland in Liber 5551, Folio 127 et seq.; a Supplemental Declaration was recorded among the land records of Anne Arundel County, Maryland in Liber 5721, Folio 374 et seq.; a Supplemental Declaration was recorded among the land records of Anne Arundel County, Maryland in Liber 5944, Folio 780 et seq.; a Supplemental Declaration was recorded among the land records of Anne Arundel County, Maryland in Liber 6055, Folio 685 et seq.; a Supplemental Declaration was recorded among the land records of Anne Arundel County, Maryland in Liber 6231, Folio 838 et seq.; a Supplemental Declaration was recorded among the land records of Anne Arundel County, Maryland in Liber 6392, Folio 102 et seq.; a Supplemental Declaration annexing property to the Association was recorded among the land records of Anne Arundel County, Maryland in Liber 6816, Folio 380 et seq.; an Amended Supplemental Declaration annexing property to the Association was recorded among the land records of Anne Arundel County, Maryland in Liber 6891, Folio 174 et seq.; a Supplemental Declaration annexing property to the Association was recorded among the land records of Anne Arundel County, Maryland in Liber 6999, Folio 651 et seq.; a Supplemental Declaration annexing property to the Association was recorded among the land records of Anne Arundel County, Maryland in Liber 7128 Folio 268 et seq.; a Supplemental Declaration annexing property to the Association was recorded among the land records of Anne Arundel County, Maryland in Liber 7167, Folio 527 et seq.; a Supplemental Declaration annexing property to the Association was recorded among the land records of Anne Arundel County, Maryland in Liber 7375, Folio 114 et seq.; a Supplemental Declaration annexing property to the Association was recorded among the land records of Anne Arundel County, Maryland in Liber 8552 Folio 496 et seq.; an Amended Supplemental Declaration annexing property to the Association was recorded among the land records of Anne Arundel County, Maryland in Liber

8815 Folio 91 et seq.; a Confirmatory Supplemental Declaration annexing property to the Association was recorded among the land records of Anne Arundel County, Maryland in Liber 8815 Folio 96 et seq.; All of the Supplemental Declarations and Confirmatory Supplemental Declarations and Amended Supplemental Declarations shall be collectively referred to as the “Supplemental Declarations” and the Declaration and Supplemental Declarations shall be collectively referred to as the “Declaration”

WHEREAS, the Association is a nonprofit, non-stock corporation, incorporated under the laws of the State of Maryland for the purpose of exercising the powers and functions set forth herein; and

WHEREAS, the Owners (as hereinafter defined) have determined that it is necessary to amend the Declaration by striking the Declaration in its entirety and recording this Amended Declaration to govern the Association; and

WHEREAS, Article X, Section 4 of the Declaration provides that the Declaration may be amended by the recordation among the land records of Anne Arundel County of an Amended Declaration executed by fifty-one percent (51%) of each class of Members (as hereinafter defined) and shall be reviewed and approved by the Veterans’ Administration prior to recordation; and

WHEREAS, at least fifty-one percent (51%) of each class of Members (as hereinafter defined) have executed this Amended Declaration, as evidenced by their signatures affixed hereto and the Veterans’ Administration has approved the Amended Declaration as evidenced by its signature affixed hereto.

NOW THEREFORE, the Declaration is stricken in its entirety and is replaced by this Amended Declaration.

ARTICLE I
PROPERTY SUBJECT TO THE AMENDED DECLARATION

All or any portion of the Property described in the Declaration and the Supplemental Declarations (the “Property”) is subject to the Governing Documents (as hereinafter defined). The Property shall be held, conveyed, encumbered, hypothecated, leased, rented, used, occupied and improved subject to the covenants, conditions, easements and restrictions. All of the covenants, conditions, easements and restrictions are equitable servitudes and shall run with the land and shall be binding upon and inure to the benefit of all parties having or acquiring any right, title or interest in the Property, shall be binding on and inure to the benefit of each successor in interest of such parties and shall apply uniformly to all Lots (as hereinafter defined) for the benefit of all Owners (as hereinafter defined) and any Mortgagees (as hereinafter defined). This Amended Declaration sets forth a general scheme for the operation, maintenance and administration of the Property.

ARTICLE II
DEFINITIONS

Unless the context clearly indicates otherwise, the following terms used in this Amended Declaration are defined as set forth below. If not defined herein, but defined in the Act (as hereinafter defined), the term shall have the meaning contained within the Act.

Section 2.1 “Act” shall mean the Maryland Homeowners Association Act, Title 11B, Real Property Article, Annotated Code of Maryland.

Section 2.2 “Annual Charge” shall mean the charge levied against the Lots within the Association which are subject to fees for Common Expenses which are to be determined by the Board of Directors and levied in accordance with Article VII of this Amended Declaration.

Section 2.3. “Architectural Review Committee” or “ARC” shall mean that group of persons appointed by the Board of Directors in accordance with Article VIII of this Amended Declaration, with certain powers and duties to control the design and construction of Structures within the Property, all as more specifically described in Article VIII herein.

Section 2.4 “Articles of Incorporation” shall mean the Articles of Incorporation for Piney Orchard Community Association, Inc. as filed with the Maryland State Department of Assessments and Taxation.

Section 2.5 “Assessable Property” shall mean the entire Property except such portion or portions thereof as may from time to time constitute Exempt Property.

Section 2.6 “Assessed Valuation” shall mean: (a) the highest valuation placed on land and Permanent Improvements in each year for Anne Arundel County or Maryland State real estate tax purposes, whichever may be higher, as assessed or determined in such manner as may from time to time be provided by applicable law, regardless of any decrease of such valuation during such year by reason of protest, appeal or otherwise; (b) if both Anne Arundel County and the State of Maryland shall ever cease to impose real estate taxes, then said term shall mean in each year, thereafter the highest valuation placed on land and Permanent Improvements during the last year when either shall have imposed real estate taxes, determined as provided in the immediately preceding subparagraph (a).

Section 2.7. “Board” or “Board of Directors” shall, mean the Board of Directors of the Association, unless otherwise designated.

Section 2.8 “Bylaws” shall mean the Amended and Restated Bylaws of Piney Orchard Community Association, Inc., as may be further amended from time to time.

Section 2.9 “Child Care Provider” shall mean the adult who has primary responsibility for the operation of a Family Child Care Home.

Section 2.10. “Common Area” shall mean all real property within the Property owned by the Association for the common use and enjoyment of the Owners. Such land shall be subject to this Amended Declaration in all respects, as further provided for herein, except that such land shall

be not subject to the Annual Charge and shall not create a membership or voting status in the Association.

Section 2.11 “Common Expenses” shall mean the actual and estimated costs and expenses approved by the Board of Directors and incurred or to be incurred by the Association.

Section 2.12 “Condominium Sub-Association” shall mean a Sub-Association whereby all Lots referenced on the Subdivision Plat for the Sub-Association are subject to a condominium regime established in accordance with the Maryland Condominium Act, Title 11, Real Property Article, Annotated Code of Maryland.

Section 2.13 “Design Guidelines” shall mean the rules and standards promulgated by the Board for implementation by the Architectural Review Committee.

Section 2.14. “Dwelling Unit” or “Dwelling” shall mean a single Structure or portion of a Structure designed for inhabitation by one family group or by persons living together as a bona fide single housekeeping unit.

Section 2.15. “Exempt Property” shall mean the following portions or parts of the Property: (a) all land and Permanent Improvements, owned by the United States, the State of Maryland, Anne Arundel County, or any instrumentality or agency of any such entity, for so long as any such entity, instrumentality, or agency shall be the owner thereof; and (b) all land and Permanent Improvements owned by the Association for so long as it shall be the owner thereof.

Section 2.16 “Family Child Care Home” shall mean a unit registered under Title 5, Subtitle 5 of the Family Law Article, Annotated Code of Maryland.

Section 2.17. “First Mortgagee” or “Mortgagee” shall mean a lender who holds the first Mortgage or deed of trust on an improved or unimproved Lot and who has notified the Association of its holdings.

Section 2.18 “Governing Documents” shall mean this Amended Declaration, the Articles of Incorporation, the Bylaws and any rules promulgated by the Board of Directors.

Section 2.19 “Land Records” shall mean the Land Records of Anne Arundel County, Maryland.

Section 2.20. “Lot” or “Lots” shall mean any parcel or portion of the Property designated as a separate parcel on any recorded Subdivision Plat or as a separate unit on a condominium plat and which is assessed as a unit by the appropriate public officials for the purpose of real estate taxes imposed by the State of Maryland and Anne Arundel County.

Section 2.21 “Maryland Contract Lien Act” shall mean Title 14, Section 201, et seq. Real Property Article, Annotated Code of Maryland.

Section 2.22 "Member" or "Members" shall mean the members of the Association which shall consist of all Owners.

Section 2.23 "Mortgage" shall mean any mortgage or deed of trust encumbering any Property and any other security interest existing by virtue of any other form of security interests or arrangement, provided that such Mortgage, deed of trust or other form of security interest and an instrument evidencing any such other form of security arrangement, has been recorded among the Land Records.

Section 2.24 "Multi-Family Structure" shall mean a habitable structure containing two or more Dwelling Units under one roof.

Section 2.25 "No-Impact Home-Based Business" shall mean a business that: (a) is consistent with the residential character of the Dwelling Unit; (b) is subordinate to the use of the Dwelling Unit for residential purposes and requires no external modification that detract from the residential appearance of the Dwelling Unit; (c) uses no equipment or process that creates noise, vibration, glare, fumes, odors, or electrical or electronic interference detectable by neighbors or that causes an increase of Common Expenses that can be solely and directly attributable to a No-Impact Home-Based Business; and (d) does not involve use, storage, or disposal of any grouping or classification of materials that the United State Secretary of Transportation or the State of Maryland or any local governing body designated as a hazardous material.

Section 2.26 "Owner" or "Lot Owner" shall mean the record owner, whether one or more persons or entities, of equitable or beneficial title (or legal title if same has merged) of any Lot or Dwelling Unit. The foregoing does not include persons or entities who hold an interest in any Lot or Dwelling Unit merely as security for the performance of an obligation. Except as stated otherwise herein, "Owner" shall not include a lessee or tenant of a Dwelling Unit.

Section 2.27. "Permanent Improvements" shall mean all buildings, Structures, and other tangible things which at the time of the assessment of each Annual Charge, are taxable by the State of Maryland or Anne Arundel County as real property under applicable law.

Section 2.28. "Property" or "Properties" shall have the meaning contained in Article I of this Amended Declaration.

Section 2.29 "Single Family Sub-Association" shall mean a Sub-Association whereby all Lots referenced on the Subdivision Plat for the Sub-Association contain a Permanent Improvement consisting of a single family detached Dwelling Unit and are comprised of the following Sub-Associations: Autumn Crest at Piney Orchard Homeowners Association, Inc., Autumn Ridge at Piney Orchard Homeowners Association, Inc. Chapel Village at Piney Orchard Homeowners Association, Inc., Countryside at Piney Orchard Homeowners Association, Inc., Francis Station at Piney Orchard Homeowners Association, Inc., Orchard Gate at Piney Orchard Homeowners Association, Inc., Orchard Point at Piney Orchard Homeowners Association, Inc., Piney Ridge at Piney Orchard Homeowners Association, Inc., and Station House at Piney Orchard Homeowners Association, Inc. For purposes of this Amended Declaration "Single Family Sub-Association"

shall also include all Lots within Lotuswood at Piney Orchard Homeowners Association, Inc., and the Historic House located on Mandy Way.

Section 2.30 "Small Antenna" shall have the meaning contained in Section 4.6 of this Amended Declaration.

Section 2.31 "Special Assessment" shall mean a charge against a Lot or Lots levied in accordance with Section 7.5 of this Amended Declaration.

Section 2.32 "Structure" shall mean any thing or device, the placement of which upon any Lot may affect the appearance of such Lot, including by way of illustration and not limitation, any building, garage, porch, deck, balcony, patio, terrace, shed, greenhouse or bathhouse, coop, or cage, covered or uncovered patio, swimming pool, clothes line, radio or television antenna, fence, curbing, paving, wall, hedge, trees, shrubbery, signboard or any temporary or permanent living quarters or any other temporary or Permanent Improvements to such Lot. Structure shall also mean: (a) any excavation, fill, ditch, diversion, dam or other thing or device which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across any Lot and (b) any change in the grade of any Lot of more than six (6) inches from that existing at the time of purchase by each Owner.

Section 2.33 "Sub-Association" shall mean all Sub-Association Lots and Sub-Association Common Area on a separate subdivision or development within the Association for which a separate condominium or homeowners association is formed to govern and control the Sub-Association and maintenance of the Sub-Association and which is encumbered by a Supplemental Declaration.

Section 2.33.1 "Sub-Association Board" shall mean the governing body of the Sub-Association as established pursuant to the Supplemental Declarations and the Articles of Incorporation and Bylaws therefor.

Section 2.33.2 "Sub-Association Bylaws" shall mean the Bylaws and any amendments thereto adopted by a Sub-Association.

Section 2.33.3 "Sub-Association Common Area" shall mean the areas within the Sub-Association owned by the Sub-Association, or collectively by the Owners of Lots within the Sub-Association in common.

Section 2.33.4 "Sub-Association Declaration" shall mean the covenants, conditions and restrictions recorded among the Land Records of Anne Arundel County and any amendments thereto with respect to each Sub-Association.

Section 2.33.5 "Sub-Association Lot" shall mean all Lots noted on a Subdivision Plat for a Sub-Association.

Section 2.34. "Subdivision Plat" shall mean a recorded plat covering any portion or all of the Property referred to in this Amended Declaration.

Section 2.35 "Townhome Sub-Association" shall mean a Sub-Association whereby all Lots referenced on the Subdivision Plat for the Sub-Association contain a Permanent Improvement consisting of an attached single family Dwelling Unit. For purposes of this Amended Declaration "Townhome Sub-Association" shall not include all Lots within Lotuswood at Piney Orchard Homeowners Association, Inc.

Section 2.36 "Vehicle" shall mean a Commercial Vehicle, Motor Vehicle, Recreational Vehicle, Automobile, Large Truck, other truck or van (in each case, as defined by the Maryland Motor Vehicle Administration or by common usage and practice), trailer, motorcycle, bicycle, moped, or other powered or unpowered.

Section 2.36.1 "Commercial Vehicle" shall mean any: (a) automobile, truck or van used or designed principally for commercial, business or industrial use, or (b) taxicab or other Vehicle displaying a commercial logo, message or identification, including so-called "wraps" that serve as advertisement or business logos. This also includes work trailers or "tool" trailers used for commercial practices, whether marked with business information or not.

Section 2.36.2 "Inoperable Vehicle" shall mean any Commercial Vehicle, Recreational Vehicle or other Vehicle which is a junk Vehicle, or is inoperable, or lacks current, valid registration plates, or would not pass applicable state vehicular inspection criteria, or is not being maintained in a first-class condition.

Section 2.36.3 "Large Truck" shall mean any truck or van (in each case, as defined by the Maryland Motor Vehicle Administration or by common usage and practice), or self-propelled farm or construction vehicle, which is more than twenty-four (24) feet long, or has a capacity exceeding three-quarters (3/4) ton.

Section 2.36.4 "Motor Vehicle" shall mean a vehicle required by law to be registered with the Maryland Motor Vehicle Administration or another governmental authority or entity, or propelled by a motor.

Section 2.36.5 "Recreational Vehicle" shall mean: (a) boat, boat trailer, camp truck, camp trailer, golf cart, house trailer, personal watercraft, snowmobile, recreational bus or similar vehicle, motor home, camper van or all-terrain vehicle, or dirt bike, or (b) other powered or unpowered Vehicle designed primarily for use for sports or recreational purposes.

Section 2.37 "Visible from Neighboring Property" shall mean, with respect to any given object, that such object is or would be visible to a person six (6) feet tall, standing on any part of such neighboring property at an elevation no greater than the elevation of the base of the object being viewed.

ARTICLE III
PROPERTY RIGHTS

Section 3.1. Owner's Easement of Enjoyment. Every Owner shall have a non-exclusive right and easement of enjoyment of use, access and enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The rights and obligations set forth in the Governing Documents, as amended from time to time, and any other covenants or easements relating to the Property;
- (b) The right of the Association, through its Board of Directors, to charge reasonable admission and other fees for use of any recreational facility upon the Common Area;
- (c) The right of the Association, through its Board of Directors, to suspend an Owner's voting rights and right to use the Common Area and any recreational structures or facilities located thereon for any period during which the Annual Charge levied against his or her Lot or Dwelling Unit remains unpaid and for a period not to exceed sixty (60) days for any infraction of the Governing Documents, provided that such Owner is given reasonable notice of the violation and an opportunity for a hearing in accordance with Section 9.3 this Amended Declaration;
- (d) The right of the Association to dedicate or transfer all or any part of the Common Area then owned by it to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Board of Directors or the Members (such dedication and/or transfer, and the conditions thereof, if any, shall be approved by majority vote of the Board of Directors or by a resolution approved by fifty-one percent (51%) of each class of Members;
- (e) The right of the Association to borrow money for any of the purposes of the Association and mortgage any or all of the Common Area with the assent of fifty-one percent (51%) of the votes of each class of Members (in the event of a default upon any mortgage the lender's rights hereunder shall be limited to taking possession and charging reasonable admission and other fees as a condition to continued enjoyment by the Members, until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored; and any Mortgage executed between the Association and a lender shall contain references to the above limitations on the rights of the Mortgagee);
- (f) The right of the Association, through its Board of Directors, to temporarily license portions of the Common Area for purposes of promoting the goals and objectives of the Association;
- (g) The right of the Association, through its Board of Directors, to establish reasonable rules and regulations pertaining to the use of the Property and any facilities situated thereon;
- (h) The right of the Association, through its Board of Directors, to grant easements over the Common Area for the purposes of:

(i) the installation of or service to utilities or other facilities necessary to serve such Common Area or other parts of the Property

(ii) providing access to or through such Common Area to the Members, the State, County, and/or Federal Government, and

(iii) providing access to the agents, employees, and representatives of the Association for purposes of the maintenance or improvement of the Common Area, and to perform other legitimate purposes of the Association.

Section 3.2. Delegation of Use. Each Owner's right to use and enjoy the Common Areas shall extend to the members of the Owner's family, guests, lessees and invitees, subject to the Governing Documents. Any Owner who leases his or her Lot shall be deemed to have assigned his or her right to use the Common Area to his or her tenants.

ARTICLE IV LAND USE CLASSIFICATION, GENERAL COVENANTS AND RESTRICTIONS

Section 4.1 Applicability. The use of all portions of the Property shall be subject to the general covenants and restrictions on use described in this Article IV. The Association shall enforce the provisions of this Article IV with respect to Sub-Association Lots and Sub-Association Common Area located within Single Family Sub-Associations. Any costs incurred by the Association, including attorney's fees, shall become the personal obligation of the Owner of the Lot committing the violation and may become a lien upon the Owner's Lot and to the extent permitted by law, the Association may enforce collection in the same manner as the Annual Charge. The Association shall have the right, but not the obligation to enforce the provisions of this Article IV with respect to Sub-Association Lots and Sub-Association Common Area located within Condominium Sub-Associations and Townhome Sub-Associations. Should the Association proceed with enforcement, any costs incurred by the Association, including attorney's fees shall become the personal obligation of the Owner of the Lot committing the violation and to the extent permitted by law, the Association may enforce collection in the same manner as the Annual Charge. The Association may also demand that the Condominium Sub-Association or Townhome Sub-Association containing a Lot or Sub-Association Common Area in violation of this Article IV to take all necessary action to abate or remove the violation. Sub-Association Boards shall have the right to promulgate additional rules and guidelines, provided that any such rule or guideline do not conflict with this Article IV or any rules and guidelines promulgated by the Association and have been approved by the Board of the Association. Such rules and guidelines adopted by a Sub-Association may be more, but not less restrictive than the covenants contained in this Article IV or any rules or guidelines adopted by the Association Board. The Association shall not enforce any supplemental rules or guidelines adopted by a Sub-Association Board. All enforcement action taken by the Association against an Owner shall be subject to the notice and hearing procedures contained in Section 9.3 of this Amended Declaration.

Section 4.2 Single Family Occupancy. No Dwelling Unit shall be occupied by more than one family group or by more than one group of persons living together as a bona fide single housekeeping unit. No Dwelling Unit shall be used for anything other than residential housing and related purposes.

Section 4.3 Family Day Care Homes. The use of any Dwelling Unit as a Family Child Care Home is permitted and shall be controlled by the following conditions:

(a) Owners shall notify the Association before opening a Family Child Care Home (the "Home").

(b) The Owner or Child Care Provider operating the 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, Annotated Code of Maryland. The Owner or Child Care Provider shall furnish a copy of the license to the Board of Directors prior to establishing and operating the Home and upon each renewal thereof.

(c) The Owner or Child Care Provider shall obtain the liability insurance described in Section 19-202 of the Insurance Article, Annotated Code of Maryland in at least the minimum amounts described in that section. The Owner or Child Care Provider may not operate the Home without the liability insurance described herein, and shall present proof of insurance to the Board before establishing and operating the Home and upon any renewal of the policy. The Association may not require the Owner or Child Care Provider to obtain insurance in an amount greater than the minimum amounts set forth in the Act.

(d) The Owner or Child Care Provider shall pay, on a pro-rata basis with other Homes, then in operation in the Association, any increase in the insurance costs attributable solely and directly to the operation of the Home, upon presentation of a statement from the Board setting forth the increased costs and requesting payment of same.

(e) The Owner or Child Care Provider shall be responsible for payment of a fee determined by the Board for the Home's entitled to use of the Common Area of the Association. The Board shall establish the fee and shall advise all Owners or Child Care Providers operating Homes of the amount due on any annual basis. The fee shall not be in an amount in excess of Fifty Dollars (\$50.00) or the amount permitted by the Act. Upon presentation of a statement for the annual fee and demand for payment, the Owner or Child Day Care Provider shall promptly remit payment to the Board.

(f) The Board may regulate the number of Homes operating within the Association, provided that the number permitted may not be less than seven and one-half percent (7-1/2%) of the total number of Lots within the Association.

(g) Notwithstanding anything contained in this Section 4.3, a Townhome Sub-Association or a Condominium Sub-Association may prohibit the use of a Dwelling Unit

as a Family Day Care Home within that Sub-Association, provided the Sub-Association complies with the procedures contained in the Act.

Section 4.4 No Impact Home Based Businesses. Notwithstanding anything contained herein to the contrary, pursuant to the Act, No Impact Home-Based Businesses are permitted within Dwelling Units subject to the following requirements:

(a) Owners shall notify the Association before operating a No-Impact Home-Based Business.

(b) No Impact Home-Based Business are expressly prohibited in any Common Areas.

(c) Notwithstanding anything contained in this Section 4.4, a Townhome Sub-Association or a Condominium Sub-Association may prohibit the use of a Dwelling Unit as a No-Impact Home Based Business, provided the Sub-Association complies with the procedures contained in the Act.

Section 4.5 Animals. No animals, fowl, poultry, or livestock other than a reasonable number of generally recognized house or yard pets, shall be kept and/or maintained on any Lot, within any owned Dwelling Unit or on any portion of the Property and then only if they are kept, bred, or raised thereon solely as domestic pets and not for commercial purposes. No animal shall be allowed to make an unreasonable amount of noise, or to become a nuisance to other Owners or occupants of the Property or to any adjoining property owners and shall not roam unattended on the Property. Recurring barking or howling by a dog shall be deemed to be a nuisance for the purposes of this Amended Declaration. Upon the written request of any Owner of a Lot within a Single Family Sub-Association, the ARC shall conclusively determine, in its sole and absolute discretion, whether, for the purposes of this section, a particular animal is a generally recognized house or yard pet, or a nuisance, and whether the number of animals on any Lot is reasonable. Should the ARC determine that a particular animal is a nuisance, the Board may require the owner thereof to remove such animal from the Lot, after notice and the opportunity for a hearing as provided in Section 9.3 of this Amended Declaration. The owner of any animal shall not permit such animal to run unrestrained on the Common Area and the Owner of such animal shall maintain full and complete control over such animal. 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 from anywhere on the Property. The Association shall not be liable for any loss, damage, or injury caused by any animal anywhere on the Property. Any person who keeps or maintains any pet upon any portion of the Property shall indemnify and hold the Association, the Board, and each Owner free and harmless from any loss, damage, injury, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Association. Notwithstanding anything contained herein, the Board may regulate the number and type of pets and establish other rules and regulations based on types of Dwelling Unit.

Section 4.6 Antennas. No radio aerial, antenna or satellite or other signal receiving dish, or other aerial or antenna for reception or transmission, shall be placed or kept on a Lot, except on the following terms:

(a) Owners may install, maintain and use on their Lots one Small Antenna, as hereinafter defined, in an inconspicuous location, where the Small Antenna is to the extent possible, not Visible from Neighboring Property, in such a manner and using such trees, landscaping or other screening material, as have been previously approved by the Board for Lots within Single Family Sub-Associations and by the Sub-Association Boards for Condominium Sub-Associations and Townhome Sub-Associations for the placement and screening of Small Antenna. Notwithstanding the foregoing terms of this subsection, (i) any rules regarding the placement and screening of Small Antenna adopted by a Condominium Sub-Association or a Townhome Sub-Association must be approved by the Board and conform with any rules adopted by the Board; (ii) if the requirement that a Small Antenna installed on a Lot be placed in an inconspicuous location would impair such Small Antenna's installation, maintenance or use, then it may be installed, maintained and used at another approved location on such Lot where such installation, maintenance or use would not be impaired; (iii) if and to the extent that the requirement that such Small Antenna be screened would result in any such impairment, such approval shall be on terms not requiring such screening; and (iv) if the prohibition against installing, maintaining and using more than one Small Antenna on a Lot would result in any such impairment, then such Owner may install on such Lot additional Small Antenna as are needed to prevent such impairment (but such installation shall otherwise be made in accordance with this section).

(b) Any rules adopted by the Board or by a Sub-Association Board shall not result in an impairment.

(c) As used in this Section 4.6, (i) "Impair" has the meaning given it in 47 Code of the Federal Regulations Part 1, Section 1.4000, as hereafter amended; and (ii) "Small Antenna" means any antenna (and accompanying mast, if any) of a type, the installation, maintenance or use of which is the subject of such regulation. Such antenna are currently defined thereunder as, generally, being (1) meter or less in diameter or diagonal measurement and designed to receive certain types of broadcast or other distribution services or programming.

Section 4.7 Utility Service Structures. All above ground structures to be erected by any utility providing service within the Association shall be subject to the review and approval of the ARC as to size, height, and location.

Section 4.8 Temporary Occupancy and Storage. No trailer, mobile home, incomplete building, tent, shack, garage or barn, and no temporary buildings or Structures of any kind shall be used temporarily or permanently for a residence or storage on any Lot or Property within the Association. Notwithstanding the above, sheds are permitted on the Property, provided the Owner complies with the provisions of Article VIII herein.

Section 4.9 Trailers and Motor Vehicles.

(a) No Vehicle shall be parked or stored within the Association other than in accordance with the provisions hereof. No Recreational Vehicle or Inoperable Vehicle shall be permitted to be stored within the Association if Visible from Neighboring Property; provided, however, Commercial Vehicles that are of a size which permits such Commercial Vehicle to fit in a single parking space, garage or driveway are allowable so long as they are parked in a single parking space, garage or driveway; and further, provided, that, nothing herein shall prohibit the parking of Commercial Vehicles in a parking area or driveway on any Lot while providing maintenance, repair or installation services on, or making a delivery to or from such Lot. Unless otherwise permitted herein, no Commercial Vehicles are allowed.

(b) No Vehicle shall be constructed, restored or repaired on any portion of a Lot or the Common Area if Visible From Neighboring Property, other than minor repairs such as oil, filter, battery, belt, wiper, light and tire changes, or emergency repairs which cannot reasonably be performed elsewhere, in each case if performed: (i) on a Vehicle owned by an Owner or resident of a Lot, and customarily kept on, such Lot or Common Area, (ii) using all appropriate environmental safeguards, and (iii) in a continuous and timely manner.

(c) No person shall operate a Vehicle in the Association other than in a safe and quiet manner and with due consideration for the rights of all Owners and occupants.

Section 4.10 Maintenance of Lots.

(a) By Owner. Lot Owners shall, at all times, maintain their Lots, including set back areas, planted areas between adjacent sidewalks and the street curb, if any, and any other area located between the boundary line of the Lot and the street or other property (public or private) on which such Owner's Lot abuts and all appurtenances thereto in good repair and in a state of neat appearance, including but not limited to, the seeding, watering and mowing of all lawns and yards, keeping all sidewalks, if any, neat, clean and in good repair, and free of ice and snow, the pruning and cutting of all trees and shrubbery and the painting (or other appropriate external care) of the Dwelling Unit, and any other Structures on the Lot and, if applicable, maintaining, repairing and replacing any driveways located on a Lot, all in a manner and with such frequency as is consistent with good property management and maintenance. If, in the opinion of the Board, any Lot Owner within a Townhome Sub-Association or a Condominium Sub-Association fails to perform the duties imposed herein, the Association shall notify the applicable Sub-Association of the lack of maintenance and demand that the Sub-Association either require the Owner to perform the required maintenance or that the Sub-Association undertake the required maintenance of the Lot. Should the Owner of a Lot within the Association, or if applicable the Sub-Association fails to bring the Lot into compliance, as determined by the Board in its sole and absolute discretion, on affirmative action of a majority of the Board of Directors, after fifteen (15) days' written notice to such Owner to remedy the condition in question, and upon failure of the Owner to remedy the condition, the Association shall have the right (but not the obligation) through its agents and employees, to enter upon the Lot in question and to repair, maintain, repaint and restore the Lot and the improvements or Structures thereon and such action shall not be deemed a trespass. Such Lot Owner shall be personally liable to the Association for the costs incurred in abating the violation, including attorney's fees and such costs may become a lien upon the Owner's Lot and

to the extent permitted by law, the Association may enforce collection in the same manner as the Annual Charge.

(b) By the Association. The Association shall maintain, repair, replace and keep in good order the Common Areas and any property, facilities or equipment located thereon or appurtenant thereto and serving or benefiting the Association. Should a Sub-Association fail to maintain the Sub-Association Common Area, the Association may demand that the Sub-Association perform the required maintenance and should the Sub-Association fail to do so, the Association may, but is not required to perform the required maintenance and any costs incurred by the Association shall be due and payable from the Sub-Association. The Association shall be responsible for the maintenance of all stormwater management facilities whether such facilities are located on the Property or not, as long as such facilities are designed to benefit or serve any portion of the Property. The Association shall have the right, at any time and from time to time, to plant, replace, maintain and cultivate shrubs, trees, grass, and plantings on any part or parcel of the Property within the Association other than on a Lot, and on such easements over an Owner's Lot as may have been granted to or reserved to the Association, regardless of whether any Owner or the Association is responsible hereunder for maintenance of such areas. No Owner shall remove, alter, injure, or interfere in any way with any shrubs, trees, grass, or plantings placed upon any such portion of the Property by the Association without the written consent of the Association having first been obtained.

Section 4.11 Nuisances. No noxious or offensive trade or activity shall be carried on upon any Lot or Dwelling Unit or any other part of the Property, nor shall anything be done or placed thereon which may become an annoyance, disturbance or nuisance to the other Owners, occupants of the neighborhood or adjoining property owners. No rubbish or debris of any kind, shall be placed or permitted to accumulate upon or adjacent to any Lot or Dwelling Unit, and no odors shall be permitted to arise therefrom, so as to render any such Lot or Dwelling Unit or any portion thereof unsanitary, unsightly, offensive, or detrimental to any other property in the vicinity thereof or to its occupants.. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells, or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on any Lot or Dwelling Unit. The ARC, in its sole discretion, shall have the right to determine the existence of any such nuisance. Nothing shall be done or kept on the Property which will increase the rate of insurance for the Common Area or any part thereof applicable for permitted uses without the prior written approval of the Board; including without limitation any activities which are unsafe or hazardous with respect to any person or property. No Person shall permit anything to be done or kept on the Property which will result in the cancellation of any insurance on the Common Area or any part thereof or which would be in violation of any law, regulation or administrative ruling. The Board may assess any excess costs for insurance against the responsible Owner. No waste will be committed on the Property.

Section 4.12 Compliance With Laws. No improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning and other ordinances, rules and regulations of all governmental agencies having jurisdiction thereof shall be observed; provided, however, that the Association and the Board shall have the power but not the obligation to enforce such laws, ordinances and regulations, enforcement being the primary responsibility of

government officials. All laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the Property shall be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation for the upkeep of such portion of the Property.

Section 4.13 Timeshares; Short-Term Rentals. No Dwelling Unit shall be subjected to or used for any timesharing, cooperative, licensing, short-term rental or other arrangement that would entail weekly, monthly or any other type of revolving or periodic occupancy by multiple owners, cooperators, licensees or timesharing participants.

Section 4.14 Repair of Buildings. No Dwelling Unit or other Structure upon any portion of the Lot shall be permitted to fall into disrepair, and each such Dwelling Unit and Structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished, to the standards established by the ARC.

Section 4.15 Trash Containers and Collection. No garbage or trash shall be placed or kept on any portion of the Property within the Association except in covered containers of a type, size and style and in locations which are approved by the ARC for Lots within Single Family Sub-Associations and by the Sub-Association Boards for Condominium Sub-Associations and Townhome Sub-Associations. In no event shall such containers be maintained so as to be Visible from Neighboring Property except to make the same available for collection and then, trash shall not be set out for collection prior to the night before the date of collection and the empty containers shall be returned to the proper place of storage promptly after collection. All rubbish trash and garbage shall be removed from Lots and Dwelling Units and not be allowed to accumulate thereon. No incinerators shall be kept or maintained on any Lot.

Section 4.16 Clothes Drying Facilities.

(a) As used in this Section 4.14, "Single-Family Property" includes a single family detached Dwelling Unit, a townhouse Dwelling Unit and Multi-Family Structures containing four (4) or less Dwelling Units under one roof.

(b) Outside clothes lines or other outside facilities for drying or airing clothes are permitted only on Single-Family Property subject to reasonable restrictions adopted by the ARC for Lots within Single Family Sub-Associations and by the Sub-Association Board of Townhome Sub-Associations.

Section 4.17 Encroachments. No tree, shrub, or planting of any kind on any Lot or Dwelling Unit within the Association shall be allowed to overhang or otherwise to encroach upon any sidewalk, street, pedestrian way, or other area from ground level to a height of twelve (12) feet, without the prior approval of the Architectural Review Board.

Section 4.18 Right for Inspection. The Board of Directors, the members of the Architectural Review Committee, , or any authorized representative of any of them, shall have the right, but not the obligation, to enter upon and inspect any Lot within the Association, and the improvements thereon, except for the interior portions of any Dwelling Unit, for the purpose of ascertaining whether or not the provisions of this Amended Declaration have been or are being

complied with, or for the purpose of maintaining or repairing the Lot or Dwelling Unit or any Common Area, provided that such entry shall occur at a reasonable hour and after reasonable notice has been given to the Owner of such Lot. If there is an emergency, the agents and representatives of the Association may enter upon such Lot immediately and without notice for the sole purpose of taking such action as is necessary under the circumstances. Any such entry by any person in accordance with this Section 4.16 shall not be deemed guilty of trespass by reason of such entry. Any damage caused by any entry upon any Lot pursuant to this Section shall be repaired by the Association.

Section 4.19 Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated, or maintained upon or adjacent to any Lot or Dwelling Unit except such machinery or equipment as is usual and customary in connection with the use, maintenance or repair of a Lot or Dwelling Unit, appurtenant structures, or other improvements, and except that which the Association may require for the operation and maintenance of the Common Areas.

Section 4.20 Signs.

(a) No signs or billboards which are Visible from Neighboring Property shall be erected or maintained on any Lot or Dwelling Unit except:

(i) Such signs as may be required by legal proceedings;

(ii) One Realtor "For Sale" or "Rent" sign not larger than two (2) by three (3) feet square.

(iii) Not more than two (2) residential identification signs each of a combined total face area of seventy-two (72) square inches or less;

(iv) Such other signs the nature, number, and location of which have been approved in advance by the ARC for Lots within Single Family Sub-Associations and the Sub-Association Boards for Lots within Condominium Sub-Associations or Townhome Sub-Associations; and

(v) Permissible Candidate Signs which for purposes of this Section 4.18 shall be defined as a sign on behalf of a candidate or public office or a slate of candidates for public office.

(b) No Candidate Sign or a sign that advertises the support or defeat of any proposition, may be displayed in the Common Area. Any permissible Candidate Sign shall be displayed in accordance with the provisions of federal, State and local law and may only be displayed no more than thirty (30) days before the primary election, general election or vote on the proposition; and no more than seven (7) days after the primary election or vote on the proposition.

Section 4.19 Chemical Treatment of Lawns and Soil. The ARC shall establish and enforce guidelines and standards for the application of fertilizers, herbicides and other chemicals

to lawns, soil, and landscaping in order to control non-point source pollution discharges into the Patuxent River or other bodies of water on or adjacent to the Property. A violation of such guidelines and standards will subject the Owner of such Lot, in the discretion of the ARC, to corrective action at the Owner's cost and expense which costs may become a lien upon the Owner's Lot and to the extent permitted by law, the Association may enforce collection in the same manner as the Annual Charge.

Section 4.20 Damage or Destruction of Common Area by Owners. In the event any Common Area or improvement on or associated with same is damaged or destroyed by an Owner or any of his or her guests, tenants, licensees, agents, or members of his or her family, such Owner does hereby authorize the Association to repair said damaged area or improvement, and the Association shall so repair said damaged area in a good workmanlike manner in conformance with the original plans and specifications of the area or improvement involved, or as the area may have been modified or altered subsequently by the Association, in the discretion of the Association. The amount necessary for such repairs shall be paid by said Owner, upon demand, to the Association the cost incurred may become a lien upon the Owner's Lot and to the extent permitted by law the Association may enforce collection in the same manner as the Annual Charge.

Section 4.21 Wastewater Collection and Treatment. Each Owner of a Lot shall comply in all respects with all federal, state, and local laws and regulations which shall from time to time govern the quality of discharge of wastewater to the sanitary collection and treatment system serving said Lot or owned Dwelling Unit. In addition, each Owner of a Lot shall specifically comply with all wastewater discharge requirements, contractual or otherwise, set forth from time to time by the owner of the wastewater collection and treatment facility serving the Lot or Dwelling Unit.

ARTICLE V THE PINEY ORCHARD COMMUNITY ASSOCIATION; INC.

Section 5.1. The Association. The Association is a nonprofit Maryland corporation charged with the duties and invested with the powers prescribed by law and set forth in the Articles of Incorporation the Bylaws, and this Amended Declaration. Neither the Articles of Incorporation nor the Bylaws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Amended Declaration.

Section 5.2 Sub-Associations. Each Sub-Association shall be responsible for the operation and maintenance of the property contained within the Sub-Association, including the operation of specific recreational amenities. However, such Sub-Association shall be subject to this Amended Declaration and unless specifically noted herein, may not take any action to lessen or abate the rights of the Owners herein.

Section 5.3. Personal Liability. No member of the Board of Directors or any committee of the Association, or any officers of the Association, shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of the Association, the Board, , any agent or

employees of the Association, or the Architectural Review Committee, or any other committee, or any officer of the Association, provided that such person has, upon the basis of such information as may be possessed by him or her, acted in good faith, without willful or intentional misconduct.

ARTICLE VI
MEMBERSHIP AND VOTING RIGHTS

Section 6.1. Memberships. Every Owner of a Lot or which is subject to assessment of the Annual Charge shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is so subject to assessment of the Annual Charge.

Section 6.2. Classes of Membership. The Association shall have two (2) classes of voting membership:

a. Class A Members. Class A Members shall be all Owners of a Lot with the exception of the Owners of Lots improved with Multi-Family Structures and shall be entitled to one vote for each such Lot owned. When more than one person holds an interest in any such Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine and advise the Secretary of the Association, but in no event shall more than one vote be cast with respect to any Lot.

b. Class B Members. The Class B Member shall be Owners of Lots upon which are built Multi-Family Structures and shall be entitled to one vote for each Dwelling Unit constructed thereupon. Multi-Family Structures that are subdivided into condominium units under the Horizontal Property Act of the State of Maryland, the Owners of such Units, shall be Class A members as defined herein. When more than one person holds an interest in ownership of a Dwelling Unit, all such persons shall be Members. The vote for such Dwelling Unit may be exercised as they among themselves determine and advise the Secretary of the Association, but in no event shall more than one vote be cast with respect to such unit.

ARTICLE VII
CREATION, ASSESSMENT AND PAYMENT OF
ANNUAL CHARGE -LIEN FOR SAME

Section 7.1. Creation of Annual Charge and Lien for Same. Each Owner of an Assessable Property, by acceptance of a deed or other conveyance creating in such Owner the interest required to be deemed an Owner, whether it shall be so expressed in such deed or other conveyance, is deemed to covenant and agrees to pay to the Association the Annual Charge. The Annual Charge shall be fixed, established and collected as hereinafter provided. Such Annual Charge, together with interest, late charges, costs of collection, attorney's fees and other collection costs, including any charges imposed by a management company on a delinquent account shall be a charge on the

Lot and shall be a continuing lien upon the Lot against which such Annual Charge is levied, provided the requirements of the Maryland Contract Lien Act, if applicable, have been fulfilled. Such Annual Charge, together with interest, late charges, costs of collection, attorney's fees and other collection costs, including any charges imposed by a management company on a delinquent account shall also be the personal obligation of the Owner of the Lot at the time the Annual Charge fell due. No Owner shall be exempt from the Annual Charge by abandonment by an Owner of his or her Lot or by any other means. No Owner shall be entitled to any diminution, abatement or set-off of the Annual Charge for any alleged failure by the Association to perform its duties or any reduction in services by the Association. The Annual Charge, which shall be uniform with respect to all Assessable Property shall be equal to a specified number of cents, within those limits as provided for in Section 7.4 herein, for each One Hundred Dollars (\$100.00) of the then current Assessed Valuation. In making each such Annual Charge, the Board of Directors shall separately assess each Lot based upon its Assessed Valuation.

Section 7.2. Purpose of the Annual Charge. The Annual Charge levied by the Association shall be used to provide funds for the lawful purposes of the Association as set forth herein, and in the Articles of Incorporation, and in general, to promote the recreation, health, safety, and general welfare of the Members and for the maintenance, improvement and administration of the Common Area. By way of example and not limitation, the Annual Charge may be used for the following purposes:

- (a) Improvement, maintenance, repair, replacement and operation of the Common Area;
- (b) Improvement, maintenance, repair and replacement of any and all stormwater management facilities, whether such facilities are located on the Property or not, as long as such facilities are designed to benefit or serve any portion of the Property;
- (c) Payment of all taxes, charges and assessments levied against the Common Areas and any facilities situated thereon;
- (d) Payment for services provided to the Association for the benefit of the Common Area and any facilities situated thereon;
- (e) Payment of management fees, utility charges and operating expenses relating to the Common Area and any facilities situated thereon;
- (f) Payment of insurance premiums for liability and property insurance on the Common Area and any facilities situated thereon, for directors and officers liability insurance and for such other insurance as the Association determines is necessary;
- (g) Funding of all reserves established by the Association, including a general operating reserve and a reserve for replacements; and

(h) Payment of all other costs and expenses incurred by the Association in the proper conduct of its activities or as may be determined by the Board of Directors to be in any reasonable way related to the well-being of the Association.

Section 7.3 Adoption of the Budget. The Annual Charge for Common Expenses levied by the Board shall be based upon the estimated costs of operating the Association and shall include at least the following items: (i) income; (ii) administration; (iii) maintenance; (iv) utilities; (v) general expenses; (vi) reserves; and (vii) capital expenses. The budget shall be set at a level which is reasonably expected to produce revenue for the Association equal to the total budgeted Common Expenses and reserves. The Board of Directors shall prepare the budget and submit the proposed budget to the Members, along with notice of the meeting at which the Board intends to adopt the budget, at least thirty (30) days before the meeting.

Section 7.4. Limits on Amount of Annual Charge. The specified number of cents for each One Hundred Dollars (\$100.00) of the then current Assessed Valuation, to be used by the Board of Directors in computing the Annual Charge, shall not be increased by an amount in excess of ten percent (10%) of that number of cents established for the prior year.

Section 7.5 Special Assessments. In addition to the Annual Charge, the Board of Directors may levy in any fiscal year, a Special Assessment or Special Assessments applicable to that year only for such purposes as the Board of Directors may deem appropriate, including by way of example, but not limitation, for purposes of funding, in whole or in part, the cost of construction, reconstruction, repair or replacement of any capital improvement located upon the Common Area, and to meet unforeseen or special expenditures as well as any budget deficit.

Section 7.6 Reserves. The Association shall establish and maintain a reasonable reserve fund for the repair and replacement of the Common Areas and any facilities situated thereon. The Board shall set the required reserve contribution in an amount sufficient to meet the projected reserve needs of the Association. The Association may establish such other reserve funds as the Board of Directors may from time to time consider necessary or desirable, including, a general operating reserve. The proportional interest of an Owner in any reserve fund established by the Association shall be considered an appurtenance of such Owner's Lot and shall not be separately withdrawn, assigned, transferred or separated from the Lot to which it appertains, and shall not be deemed transferred with the Lot.

Section 7.7. Collection of Annual Charge. On a yearly basis, the Association shall send a written bill to each Owner stating (i) the Assessed Valuation of each Lot owned by such Owner as the same appears on the appropriate public record; (ii) the number of cents per One Hundred Dollars (\$100.00) of such Assessed Valuation assessed by the Board of Directors as the Annual Charge for the year in question; (iii) the amount of the Annual Charge assessed against each such Lot, stated in terms of the total sum due and owing as the Annual Charge; and (iv) that the Owner shall pay the Annual Charge within fifteen (15) days of the due date of the Annual Charge or any installment thereof, the same shall be deemed delinquent until paid. The Annual Charge shall be payable in yearly, semi-annual, quarterly or monthly installments as determined by the Board of

Directors. Upon default in the payment of any installment of the Annual Charge, the entire balance of the unpaid Annual Charge for that fiscal year may at the Board's discretion be accelerated and declared due and payable in full. The Board of Directors shall have the right by resolution duly adopted by a majority of said Board to adopt procedures for the purpose of making the Annual Charge provided herein and the billing and collection of the Annual Charges, provided that the same are not inconsistent with the provisions hereof.

Section 7.8. Certificate for Payment of Annual Charge. Upon written demand by an Owner, the Association shall within a reasonable period of time issue and furnish to such Owner a written certificate stating that all Annual Charges (including interest, late fees, costs, and attorney's fees if any) have been paid with respect to any specified Lot as of the date of such certificate or, if all Annual Charges have not been paid, setting forth the amount of such Annual Charges (including interest, late fees costs and attorney's fees, if any) due and payable as of such date. The Association may make a reasonable charge for the issuance of such certificate which must be paid at the time that the request for such certificate is made. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with regard to any matter therein stated as between the Association and any bona fide purchaser of, or lender on, the Lot in question.

Section 7.9 Non-Payment of the Annual Charge. Any Annual Charge or any installment thereof levied by the Association which is not paid within fifteen (15) days of the due date shall be deemed delinquent and shall be assessed a late charge equal to Fifteen Dollars (\$15.00) or one-tenth (1/10) of the delinquent Annual Charge or installment thereof, whichever is greater, provided that the late charge may not be imposed more than once for the same delinquent Annual Charge or installment and provided further that any amendments to the Act regulating the amount of the late fee shall be adjusted to comply with the provisions of any such law. In addition, the outstanding balance shall bear interest, at the option of the Board, from the due date until paid at the rate of twelve percent (12%) per annum, if such amount is authorized by the Act and if not authorized by the Act, then at the highest rate permitted under the Maryland Commercial Law Article, Annotated Code of Maryland. The Annual Charge together with late fees, interest, costs of collection, including any charges imposed by a management company to collect the Annual Charge and attorney's fees shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Annual Charge is levied, provided the requirements of the Maryland Contract Lien Act, if applicable, have been fulfilled. The Association may foreclose on the lien in the manner provided by Maryland law. The Association may also bring an action at law against the Owner for all amounts due including any unpaid Annual Charge, late fees, interest, costs of collection including any charges imposed by a management company on a delinquent account and attorney's fees. Any judgment rendered in any such action shall include the amount of the delinquency, together with late fees, interest thereon at the highest rate permitted by law, costs of collection including any charges imposed by a management company on a delinquent account and attorney's fees incurred by the Association to collect the Annual Charge and such other amounts as the Court may adjudge against the delinquent Owner or Member. The personal obligation for delinquent Annual Charges shall not pass to an Owner's successor in title unless expressly so assumed.

Section 7.10. Subordination of the Lien to Mortgages. Except for such priority as established by the Act, or other applicable law, the Association's lien for unpaid Annual Charges,

shall be subordinate to the lien of any First Mortgage or deed of trust record prior to the Association's lien. Sale or transfer of any Lot or Dwelling Unit shall not affect the Association's lien. However, the sale or transfer of any Lot pursuant to Mortgage, foreclosure by the lender or any proceeding in lieu thereof, shall extinguish the lien of such Annual Charge as to payments which became due prior to such sale or transfer. No sale or transfer shall release any Owner from his or her personal liability for any Annual Charges levied pursuant to this Amended Declaration while he or she was the Owner of the Lot or Dwelling Unit.

ARTICLE VIII ARCHITECTURAL CONTROL

Section 8.1. Adoption of Design Guidelines. The Board shall adopt, and revise from time to time, a set of Design Guidelines which shall be a basic standard for review of any proposed improvements or Structures within the Single Family Sub-Associations. The Design Guidelines may include such other limitations and restrictions as the Board, in its reasonable discretion may adopt. Such policy resolutions may be amended or revoked by the ARC at any time, and no inclusion in omission from or amendment of any such policy resolution shall be deemed to bind the ARC to approve or disapprove any feature or matter subject to approval, or to waive the exercise of the ARC's discretion as to any such matter, but no change of policy shall affect the finality of any approval granted prior to such change. Townhome Sub-Associations and Condominium Sub-Associations shall have the right to adopt design guidelines applicable for Lots located within that Sub-Association, provided that the design guidelines do not conflict with the Design Guidelines adopted by the Board and are approved by the Board prior to implementation by the Sub-Association. Any design guidelines adopted by a Sub-Association may be more, but not less restrictive, than the Design Guidelines adopted by the Association. The Association shall not enforce any design guidelines adopted by a Sub-Association Board.

Section 8.2. Organization, Appointment and Procedure of the Architectural Review Committee. The Architectural Review Committee (the "ARC") shall be composed of any three (3) or more individuals appointed and removed from time to time by the Board of Directors. The ARC shall be responsible for acting upon Applications, as defined in Section 8.3 for Alterations as defined in Section 8.3 from Owners of Lots within Single Family Sub-Association and to ensure that any Alterations to Lots within Single Family Sub-Associations comply with the Design Guidelines and the approved Applications. The affirmative vote of a majority of the ARC shall be required in order to make any findings, determinations, ruling or order, or to issue any authorization, or approval pursuant to directives or authorizations contained herein. In the event the Board fails to appoint an ARC, then the Board shall serve as the ARC.

Section 8.3. Approval by the ARC.

(a) Except for purposes of proper maintenance and repair, no building, fence, wall, shed, mailbox, deck, terrace, awning, Structure for the care, housing or confinement of an animal or other Structure of any kind shall be commenced, erected, placed, moved on to or permitted to remain on any Lot within a Single Family Sub-Association, nor shall any existing Structure upon any Lot within a Single Family Sub-Association be altered in

any way, including change in color to the exterior or contour of the Lot which materially changes the exterior appearance thereof, nor shall any new use be commenced on any Lot within a Single Family Sub-Association (the "Alteration"), unless an application, including all plans and specifications showing the nature, kind, shape, dimensions, material, floor plans, color scheme, location, proposed topographic changes, the proposed construction plan and a site plan (including a description of any proposed new use) for such use (the "Application") shall have been submitted to and approved in writing by the ARC. Approval of an Application by the ARC shall not be construed to pass judgment on the correctness of the location, structural design, and structural integrity, suitability of water flow or drainage, location of utilities or other qualities of the item being reviewed.

(b) Construction of improvements in accordance with the approved Application shall be completed within twelve (12) months following approval of the Application or within such greater or lesser time periods as the ARC may specify in its approval. In the event construction is not completed within the period aforesaid, then approval of the Application shall be conclusively deemed withdrawn and the Owner must re-submit an Application and otherwise comply with the requirements of this Article VIII. There shall be no material deviations from the plans and specifications contained within the Application approved by the ARC without the prior written consent of the ARC.

Section 8.4. Criteria for Review.

(a) The ARC in the exercise of its reasonable judgment shall have the right to disapprove any Application submitted hereunder because of any of the following:

(i) failure of such plans or specifications contained within the Application to comply with this Amended Declaration, applicable law and any Design Guidelines approved by the Board of Directors

(ii) failure to include information in the Application as may have been reasonably requested;

(iii) objection to the exterior design, appearance, or materials of any proposed Structure or modifications of a Structure;

(iv) incompatibility of any proposed Structure, modification of a Structure or use with existing Structures or uses upon other Lots in the vicinity;

(v) objection to the location of any proposed Structure upon any Lot or with reference to other Lots in the vicinity;

(vi) objection to the grading and landscaping plans for any Lot;

(vii) objection to the color scheme, finish, proportions, style of architecture, height, bulk, or compatibility of any proposed Structure or modification of a Structure; or

(viii) any other matter which, in the judgment of the ARC, would render the proposed Structure, modifications to a Structure or uses inharmonious with the general plan of Structures improvement of the Property or with Structures or uses located upon other Lots in the vicinity.

(b) Approval of an Application shall not be deemed a waiver of the ARC's right, in its discretion, to disapprove Applications for any of the features or elements included therein if such plans, specifications, features or elements are subsequently submitted for use on any other Lot or Lots. Approval of any Application relating to any Lot, however, shall be final as to that Lot and such approval may not be revoked or rescinded thereafter, provided that the Application, as approved, and any condition attached to any such approval, have been adhered to and complied within regard to all Structures on and uses of the Lot in question.

(c) The approval by the ARC of any Application shall in no way be deemed to be in satisfaction or in compliance with any zoning laws, building permit process or any other governmental requirements, the responsibility for which shall be solely with the respective Owner.

(d) In the event that the ARC fails to approve or disapprove any Application as herein provided within sixty (60) days after submission thereof, the Owner requesting said approval may submit a written notice by certified mail, return receipt requested, to the ARC advising the ARC of its failure to act. If the ARC fails to approve or disapprove any Application within thirty (30) days after receipt of said notice from such Owner, said Application shall be deemed to have been approved as submitted, and no further action shall be required.

(e) If any Owner of a Lot within a Single Family Sub-Association disagrees with the decision of the ARC on an Application or on any conditions placed by the ARC in approving an Application, such Owner shall have the right to appeal the decision of the ARC to the Board of Directors, provided that the Board of Directors receives a written request for the appeal within thirty (30) days of the date of the ARC's notice of disapproval or conditional approval of the Owner's Application. The decision of the Board of Directors shall be final.

Section 8.5. Records of the ARC. Upon approval by the ARC of any Application submitted hereunder, a copy of such Application, as approved, shall be deposited for permanent record with the ARC, and a copy of such Application bearing such approval, in writing, shall be returned to the Owner submitting the same.

Section 8.6. Rules and Procedures of the ARC. The ARC may promulgate policy resolutions governing the form and content of Applications to be submitted for approval.

Section 8.7 Enforcement.

(a) If any Structure shall be altered, erected, placed or maintained upon any Lot within a Single Family Sub-Association, or any new use commenced on any Lot within a Single Family Sub-Association, otherwise than in accordance with the terms of the approved Application pursuant to the provisions of this Article, such alteration, erection, maintenance or use shall be

deemed to have been undertaken in violation of this Article and without the approval required herein, and, upon written notice from the ARC, any such Structure so altered, erected, placed, or maintained upon any Lot in violation hereof shall be removed or realtered, and any such use shall be terminated, so as to extinguish such violation.

(b) If fifteen (15) days after the notice of such a violation the Owner of the Lot within a Single Family Sub-Association upon which such violation exists shall not have taken reasonable steps toward the removal or termination of the same, the Association may exercise all available legal and equitable remedies to prevent or remove any unauthorized and unapproved construction of improvements within the Association. Such enforcement shall include the right of the Association, through its agents and employees, to enter upon such Lot and to take such steps as may be necessary to extinguish such violation and the cost thereof, including attorney's fees shall be the personal obligation of the Owner committing the violation and may become a lien upon the Owner's Lot and to the extent permitted by law, the Association may enforce collection in the same manner as the Annual Charge.

Section 8.8. Certificates of Compliance. Upon completion of the Alteration or construction or alteration of any Alteration or Structure in accordance with the Application approved by the ARC, the ARC shall upon written request of the Owner thereof, issue a certificate of compliance in form suitable for recordation, identifying such Structure and the Lot on which such Structure is placed, and stating that the plans and specifications, the location of such Structure and the use or uses to be conducted thereon have been approved and that such Structure complies therewith. Preparation and recording of such certificate shall be at the expense of such Owner. Any certificate of compliance issued in accordance with the provisions of this Section 8.8 shall be prima facie evidence of the facts therein stated, and as to any purchaser or encumbrancer in good faith and for value, or as to any title insurer, such certificate shall be conclusive evidence that all Structures on the Lot, and that use or uses described therein comply with all the requirements of this Article, and with all other requirements of this Amended Declaration as to which the ARC exercises any discretionary or interpretive powers.

Section 8.9. Review Fee. The ARC may charge and collect a reasonable fee for the examination of any Application submitted for approval pursuant to this Article, payable at the time such Application is so submitted. The ARC may retain architects, engineers or other design professionals as reasonably necessary to review any Application and require reimbursement by the Owner of the fees charged by an architect, engineer or other design professional. Failure by the Owner to pay for any such fees shall constitute reasonable grounds for the denial of the Application.

Section 8.10. Liability. Neither the ARC nor any member thereof shall be liable to the Association, any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of (i) the approval or disapproval of any plans, drawings, or specifications contained within an Application, whether or not defective, (ii) the construction or performance of any work, whether or not pursuant to approved plans, drawings or specifications contained within the Application, , or (iii) the execution and filing of any notice of violation and/or estoppel certificate, whether or not the facts therein are correct; provided, however, that with respect to the liability of a member, such member has acted in good faith on the basis of such information as

may be possessed by him or her. Any Application submitted to the ARC are not approved by the ARC for architectural or engineering design, and by approving such Applications, neither the ARC, the members thereof, the Association or the Board assume liability thereof or for any defect in any Structure constructed from such plans and specifications submitted as part of the Application.

Section 8.11. Access to ARC. Without in any way limiting the generality of any of the foregoing provisions of this Article VIII, the Architectural Review Committee, or any member thereof, may, but is not required to, consult with or hear the views of the Association or any Owner with respect to any Application submitted to the Architectural Review Committee.

Section 8.12 Delegation of Powers of the ARC to the Sub-Associations. Each Condominium Sub-Association and Townhome Sub-Association shall establish its own architectural review committee which shall be responsible for reviewing and approving all applications for exterior modifications of any kind on any Lot within each respective Sub-Association. A Condominium Sub-Association and a Townhome Sub-Association may only approve Structures and Alterations that comply with the Design Guidelines. If a Condominium Sub-Association or a Townhome Sub-Association is unsure as to whether an application submitted to it for an Alteration complies with the Design Guidelines, it shall refer the matter to the POCA Board, whose decision shall be binding. Should a Condominium Sub-Association or a Townhome Sub-Association approve an application for an Alteration which does not comply with the Design Guidelines, the Association shall have the right, but not the obligation, to require the applicable Sub-Association to enforce the Design Guidelines. The Association shall also have the right, but not the obligation, through its agents and employees, to enter upon such Lot and to take such steps as may be necessary to extinguish such violation and the cost thereof, including attorney's fees, shall be the personal obligation of such Owner committing the violation and may become a lien upon the Owner's Lot and to the extent permitted by law, the Association may enforce collection in the same manner as the Annual Charge.

Section 8.13. Inspection. Any agent of ARC or the Association may at any reasonable time or times enter upon and inspect any Lot and any improvements thereon for the purpose of ascertaining whether the maintenance of such Lot and the maintenance, construction or alteration of Structures thereon are in compliance with the provisions hereof; and neither the Association, nor the ARC nor any such agent shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

ARTICLE IX

RULE MAKING AND ENFORCEMENT

Section 9.1 Rule Promulgation.

(a) The Board of Directors shall have the authority to promulgate rules and regulations governing the use of the Property, provided such rules are not inconsistent with the Articles of Incorporation, this Amended Declaration or the Bylaws and the Board is hereby authorized to adopt and amend such rules. The Association shall mail or deliver to all Owners: (i) a copy of the proposed rules, (ii) notice that Owners are permitted to submit

written comments on the proposed rule, and (iii) the proposed effective date of the proposed rule. Before the Board votes on the proposed rule, the Board shall hold an open board meeting to allow each Owner or his or her tenant to comment on the proposed rule.

(b) Each Owner must receive at least fifteen (15) days notice of the meeting at which the Board intends to vote on the proposed rule. The proposed rule may be adopted by the vote of a majority of the Board present at a regular or special board meeting.

(c) All rules and regulations adopted by the Board of Directors at a meeting of the Board shall become final fifteen (15) days after adopted by the Board, unless within fifteen (15) days after the vote to adopt the proposed rule, fifteen percent (15%) of the Owners sign and file a petition calling for a special meeting. A quorum of Owners must attend the special meeting and at the special meeting the vote of fifty-one percent (51%) of the Owners present and voting is required to disapprove the proposed rule, provided that the Owners voting to disapprove the proposed rule are more than thirty-three percent (33%) of the total votes in the Association. During the special meeting, Owners, tenants and Mortgagees may comment on the proposed rule. All Lot Owners and any Mortgagees shall receive at least fifteen (15) days written notice of the special meeting and the Board must schedule the special meeting within thirty (30) days after the date on which the petition was received by the Board of Directors.

(d) Each Lot Owner or Tenant may request an individual exception to a rule while the individual was the Lot Owner or tenant. The request for an individual exception must be written and filed with the Board of Directors within thirty (30) days after the effective date of the rule.

(e) Each rule adopted under this Section 9.1 shall state that the rule was adopted under the provisions of this section, and if applicable, the Act.

Section 9.2 Enforcement. The Association, or any Owner shall have the right to enforce, by any proceeding at law or in equity, the provisions of the Governing Documents, including all duly promulgated rules and regulations. There shall be and there is hereby created and declared a conclusive presumption that any violation or breach or attempted violation or breach of any of the Governing Documents, including any rules and regulations cannot be adequately remedied by an action at law or exclusively by the recovery of damages. Failure by the Association or any Owner to enforce same shall in no event be deemed a waiver of the right to do so thereafter. If the Association or any Owner successfully brings an action to extinguish a violation or otherwise enforce the Governing Documents, including any rules and regulations, the costs of such action, including legal fees, shall be the remitted by the violating Owner.

Section 9.3 Sanctions. The Board of Directors may not impose a fine, suspend voting rights or infringe on any other right of an Owner or other occupant of the Lot for violations of the Governing Documents or the rules and regulations, until the Board complies with the following procedures:

(a) The Board of Directors shall be charged with determining whether there is probable cause that any of the provisions of the Governing Documents or any of the rules and regulations are being violated or have been violated. Should the Board determine an instance of probable cause, the Board shall provide written notice to the person alleged to be in violation and the Owner of the Lot which that person is occupying or visiting, if the alleged violator is not the Owner, of the nature of the alleged violation, the action required to abate the violation and a period of time, not less than ten (10) days during which the violation may be abated without further sanction, if the violation is a continuing violation, or a statement that any further violation of the same rule may result in the imposition of sanctions after notice and an opportunity for a hearing before the Board of Directors if the violation is not continuing.

(b) Within twelve (12) months of the demand, if the violation continues past the period of time allowed in the demand for abatement without penalty or if the same rule is violated subsequently, the Board shall provide the alleged violator and the Owner of the Lot which that person is occupying or visiting, if the alleged violator is not the Owner with written notice of the alleged violator or the Owner's right to request a hearing to be held by the Board of Directors in executive session containing: (i) the nature of the alleged violation; (ii) the procedures for requesting a hearing at which the alleged violator or the Owner may produce any statement, evidence, or witnesses on behalf of the alleged violator, (iii) the period of time for requesting a hearing which may not be less than ten (10) days from the giving of the notice and (iv) the proposed sanction to be imposed.

(c) If the alleged violator or the Owner of the Lot requests a hearing within the period of time specified in the notice, the Board shall provide the alleged violator and the Owner with a written notice of the time and place of the hearing, which time may not be less than ten (10) days after the date of the request for a hearing was provided.

(d) At the hearing, which will be held in executive session, the alleged violator and the Owner of the Lot shall have the opportunity to be heard and shall have the right to present and cross examine witnesses.

(e) Prior to the taking effect of any sanction, proof of notice shall be entered into the minutes of the meeting. The proof of notice shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of providing the notice shall be entered in the minutes of the meeting. The proof of notice shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of providing the notice is entered in the minutes by the officer or director who provided the notice. The notice requirement shall be deemed satisfied in the alleged violator or the Owner of the Lot appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed,

(f) If the alleged violator or the Owner of the Lot does not request a hearing within the period specified in the notice, the Board, at the next meeting, shall deliberate as to whether the violation occurred and decide whether a sanction is appropriate for the violation.

(g) A decision made in accordance with this Section 9.3 shall be appealable to the Courts of Maryland.

(h) If any Lot Owner fails to comply with this Amended Declaration, the Bylaws or a decision rendered in accordance with this Section 9.3, the Lot Owner may be sued for damages caused by the failure or for injunctive relief or both by the Association or by any other Lot Owner. The prevailing party is entitled to an award of attorney's fees as determined by the court.

(i) Nothing herein shall be construed as a prohibition of or limitation of the right of the Association to pursue any other means of enforcement of the provisions of the Governing Documents, including, but not limited to, legal action for damages or injunctive relief.

ARTICLE X INSURANCE AND CAUSALTY LOSSES

Section 10.1 Types of Insurance Maintained by the Association. The Board of Directors, to the extent available, shall have the authority to and shall obtain the following types of insurance:

(a) A "master" or "blanket" policy of fire and casualty insurance with extended coverage for the full replacement value (i.e. one hundred percent (100%)) of the current "replacement cost" exclusive of land, foundation, excavation and other items normally excluded from coverage of the Common Area (including all building service equipment and the like), without deduction for depreciation, with an "agreed amount endorsement" or its equivalent, a "demolition endorsement" or its equivalent and, if necessary an "increased cost of construction endorsement" or "contingent liability" for operation of building laws endorsements" and clauses waiving subrogation against Members and the Association and persons upon the Property with the permission of a Member, such insurance to afford protection against loss or damage by fire and other hazards, covered by the standard extended coverage endorsement, debris removal, cost of demotion, vandalism, malicious mischief, water damage, and such other risks as shall customarily be covered with respect to similar developments.

(b) A policy of comprehensive public liability insurance covering the Association's Common Area with limits of at least a One Million Dollars (\$1,000,000.00) per total claims for personal injury and/or property damage that arise from the same occurrence, such coverage to include protection against water damage liability, liability for non-owned and hired automobile and liability for property of others, and such other risks

as shall customarily be covered with respect to similar communities and shall contain a “severability of interest” endorsement or the equivalent which shall preclude the insurer from denying the claim of an Owner because of negligent acts or omissions of the Association or other Owners. In addition, the Association shall carry a public liability insurance policy covering the Association, its officers, directors and managing agent with limits of at least a One Million dollar (\$1,000,000.00) 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) Fidelity coverage against dishonest act covering all directors, officers, employees, volunteers and other persons handling or responsible for the funds of the Association and such fidelity bonds shall (i) name the Association as obligee; (ii) be written in an amount equal to at least the estimated maximum funds, including reserves, in the custody of the Association or a management agent at any given time during the term of the fidelity bond; provided, however, that the bond shall not be less than a sum equal to three (3) months aggregate Annual Charges on all Lots plus reserve funds; and (iii) shall contain waivers of any defense based on the exclusion of persons who serve without compensation or from any definition of “employee” or similar expression.

(e) The Association shall purchase, if available, directors and officers liability and errors and omissions insurance and may purchase such other insurance as it may deem necessary.

Section 10.2 Premiums for Insurance Maintained by the Association. Premiums for all insurance and bonds required to be carried hereunder or otherwise obtained by the Association shall be an expense of the Association, and shall be included in the Annual Charge. Premiums on any fidelity bond maintained by a third party manager shall not be an expense of the Association.

Section 10.3 Contribution. In no event shall the insurance obtained and maintained pursuant to this Article X be brought into contribution with other insurance purchased by a Sub-Association, Owners or their Mortgagees.

Section 10.4 Damage and Destruction of Common Area. Immediately after any damage or destruction by fire or other casualty to all or any part of the insurable improvements on the Common Area, the Board of Directors, or its agent, shall proceed with the filing and adjustment of all claims arising under the fire and extended coverage insurance maintained by the Association and obtain reliable estimates of the cost of repair or reconstruction of the damaged or destroyed improvements. Repair or reconstruction means repairing or restoring the improvements to substantially the same condition in which they existed prior to the fire or other casualty. Any damage or destruction to insurable improvements on the Common Area shall be repaired or reconstructed unless at least seventy-five percent (75%) of the Members present at a meeting of the Membership held within ninety (90) days after the casualty shall decide not to repair or

reconstruct, and at least Two-Thirds (2/3) of the First Mortgagees of all Lots have given their prior written approval not to rebuild as hereinafter provided. If the improvements are not to be repaired or reconstructed and no alternative improvements are authorized by the Members, then and in that event the damaged Common 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 insurance proceeds shall be paid over to the Association for the benefit of the Property, which proceeds may be used and/or distributed as determined by the Board of Directors, in its discretion, or as otherwise provided in the Articles and/or the Bylaws of the Association.

Section 10.5 Repair and Reconstruction of Common Area. If any improvements on the Common Area are damaged or destroyed, and the proceeds of insurance received by the Association are not sufficient to pay in full the cost of the repair and reconstruction of the improvements, the Board of Directors shall, without the necessity of a vote of the Members, levy a Special Assessment against all Lot Owners in order to cover the deficiency in the manner provided in Section 7.5 hereof. If the proceeds of insurance exceed the cost of repair, such excess shall be retained by the Association and used for such purposes as the Board of Directors shall determine.

ARTICLE XI EASEMENTS

Section 11.1. Description of Easement Area. The term easement area, as used herein, shall mean and refer (i) to those areas on each Lot with respect to which easements may be shown on the recorded subdivision plat relating thereto; and in addition (ii) to a strip of land within the lot lines of each Lot ten (10) feet in width in the front and rear of the Lot and five (5) feet in width on each side, each said distance being measured in each case from the lot line toward the center of the Lot.

Section 11.2. Authority to Execute Reciprocal Easement and Maintenance Agreements. The Association shall have the authority to create, by execution of appropriate documentation, reciprocal easements and maintenance agreements covering access to, the right to improve and the right to maintain Common Areas, recreation areas and rights of way within the Property, as such are deemed necessary to provide for access, use and maintenance thereof by the Association.

ARTICLE XII AMENDMENTS

This Amended Declaration may be further amended by the recordation among the Land Records of Anne Arundel County of an appropriate amendment, executed by fifty-one percent (51%), of each class of Members.

ARTICLE XIII

GENERAL PROVISIONS

Section 13.1 Security and Safety. Limitation of Liability. The Association shall in no way be considered insurers or guarantors of security within the Association and it shall not be held liable for any loss or damage by reason of failure to provide adequate security or any ineffectiveness of security measures undertaken. No representation or warranty is made or implied that any fire protection system, burglar alarm system or other surveillance system or measures, including, without limitation, any mechanism or system for limiting access to facilities on the Common Area cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system or security measures were designed or intended. Nothing in this Section 13.1 shall be deemed in any way to obligate the Association to provide any fire protection system, burglar alarm system or other surveillance system, security access system, or similar measures with respect to any portion of the Association.

Section 13.2 Waiver. Failure by the Association or by any Owner, to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of such right on any such future breach of the same or any other such provision.

Section 13.3. Severability. If any provision of this Amended Declaration shall become illegal, null or void or against public policy or any reason or shall be held by a court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Amended Declaration shall remain in full force and effect.

Section 13.4. Interpretation and Construction The provisions of this Amended Declaration shall be liberally construed to effectuate its purpose of operating, maintaining and administering the Association. The article and section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context otherwise requires, the use of the singular shall include the plural, and vice, versa; the use of one gender shall include all genders; and the use of the term "including" shall mean "including, without limitation."

Section 13.5. Violation of Law. Any violation of any state, municipal, or local laws, ordinances or regulations, pertaining to the ownership, occupation or use of the Property is hereby declared to be a violation of this Amended Declaration and subject to any or all of the enforcement procedures set forth herein.

Section 13.6. Remedies Cumulative. Each remedy provided by this Amended Declaration is cumulative and not exclusive of any other. The Association or any Owner shall have the right to pursue any one or all of such rights, options and remedies or any remedy or relief which may be provided by law, whether or not stated in this amended Declaration.

Section 13.7 Attorney's Fees. If the Association or the Owner of any Lot successfully brings an action to extinguish a violation or otherwise enforce the provisions of the Governing Documents, the costs of such action, including attorney's fees, shall become the binding personal

obligation of the Owner committing or responsible for the violation and may become a lien upon the Owner's Lot, and to the extent permitted by law, the Association may enforce collection in the same manner as the Annual Charge.

Section 13.8. Delivery of Notices and Documents. Any written notice or other documents relating to or required by this Amended Declaration or otherwise may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered forty-eight hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed to the Owner at the most recent address furnished by such Owner in writing to the Association for the purpose of giving notice, or if no address shall have been furnished then to the street address of the Owner's Lot or Dwelling Unit. Each Owner of a Lot shall file the correct mailing address of such Owner with the Association and shall promptly notify the Association in writing of any subsequent change of address.

Section 13.9. Effect of Violation on Existing Mortgage. No violation of any provision of this Amended Declaration shall defeat or render invalid the lien of any Mortgage made in good faith and for value upon any portion of the Property; provided, however, that any Mortgagee in actual possession, or any purchaser at any Mortgagees' or foreclosure sale shall be bound by and subject to this Amended Declaration as fully as any other Owner of any portion of the Property.

Section 13.10. Conflict

(a) Between Association Governing Documents. In the event of conflict between this Amended Declaration and the Articles of Incorporation, the Amended Declaration shall control. In the event of any conflict between the Articles of Incorporation and the Bylaws, the Articles shall control.

(b) Between Association Amended Declaration and Sub-Association Declaration. In the event of any conflict between this Amended Declaration and a Sub-Association Declaration, this Amended Declaration shall control.

Section 13.11. Dissolution of the Association. In the event of a dissolution of the Association, its rights, powers, and duties set forth herein shall be deemed to devolve and be transferred to that entity to which the substantive portion of its assets shall be granted, conveyed or assigned.

Section 13.12 Ownership by Governmental Entity. The terms and provisions contained in this Declaration shall not apply to the Property or any portion thereof owned or leased by the United States, State of Maryland, Anne Arundel County or any instrumentality or agency thereof for so long as such entity shall be the owner or lessee thereof, but such terms and provisions shall continue to apply to the Property, or any portion thereof, at such time as the Property or any portion thereof, is no longer owned or leased by the United States, State of Maryland, Anne Arundel County or any instrumentality, or agency thereof.

Section 13.13 Limitation of Liability. The Association shall not be liable for any failure of any services or amenities to be obtained or provided by the Association, or paid for out of the

Common Expense funds or for injury or damage to person or property caused by the elements or resulting from water which may leak or flow from any portion of the Common Area, or from any pipe, drain, conduit or the like. No diminution or abatement of the Annual Charge 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 or inaction by the Association.

Section 13.14 Governing Law. This Amended Declaration shall be governed and construed under the laws of the State of Maryland.

Section 13.15 Perpetuities. If any of the covenants, conditions, easements, restriction or other provisions of this Amended Declaration shall be unlawfully, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the members of the 115th United States Congress