201C October 15, 2001 CKH

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

SHADOWCREEK HOMEOWNERS ASSOCIATION, INC.

TABLE OF CONTENTS

PAGE

Article I - D	Definitions	
Section 1-14	4 Definitions	2
Article II - I	Property Rights	
	Owner's Easement of Enjoyment Delegation of Use Encroachments Party Walls Utility Lines	3 4 4 5 5
Article III -	Membership and Voting Rights	
Section 1. 2. 3. 4.	Membership Classes of Voting Membership Assignment of Membership Irrevocable Proxy	5 5 6 6
Article IV -	Annexation of Additional Property	
Section 1. 2. 3.	Property Subject to Declaration Annexation De-annexation	7 7 8

Article V – Assessments

Section	1. Covenant to Pay Assessments	8
	2. Purpose of Assessments	8
	3. Annual Assessments	9
	4. Special Assessments	10
	5. Notice and Quorum for any Action	
	Authorized Under Sections 3 and 4	10
	6. Uniform Rate of Assessment	11
	7. Commencement of Assessments	11
	8. Certificate of Payment	11
	9. Non-Payment of Assessments	11
	10. Enforcement and Priority of Lien	11
	11. Release of Lien	12
	12. One Satisfaction; Cumulative Remedies;	
	Waiver	12
	13. Subordination of the Lien to Mortgages	12
	14. Notice to Mortgagees	13
Article VI	– Maintenance	

1. H.O.A. Common Areas	13
2. Improved Areas	13
3. Individual Lots	14
4. Limitation of Liability	14
	 H.O.A. Common Areas Improved Areas Individual Lots Limitation of Liability

Article VII - Powers and Duties of The Association

Section	 General Powers and Duties Books and Records 	15 15
Article VII	I - Architectural Control	
Section	1. Architectural Committee	16
	2. Architectural Approval	16

		-
3.	Declarant's Exemption	18

4. Architectural Violations 18

Article IX - Use Restrictions

Section	1.	Itemization	19
	2.	Non-Residential Use	21
	3.	Rental of Lots	22
	4.	Use Violations	23
	5.	Exemptions	23
Article X -	Right of	Entry to Abate Violations	
Section	1.	Notice of Violation	23
	2.	Right of Entry	24
	3.	Right to Recover Cost of Entry and Abatement	24
	4.	Entry for Inspection Purposes	24
Article XI	- Easeme	ents	
Section	1.	Property Subject to Easements	24
	2.	General Easements	24
Article XII	- Gener	al Provisions	
Section	1.	Enforcement	25
	2.	Severability	25
	3.	Construction	25
	4.	Notices	26
	5.	Amendment and Termination	26
	6.	FHAIV A Approval	27

4.	Notices	26
5.	Amendment and Termination	26

2

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

SHADOWCREEK HOMEOWNERS ASSOCIATION, INC.

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

(hereinafter referred to as "Declaration"), made the __ day of., 2001,

by ROBINCYN DEVELOPMENT, LLC (hereinafter referred to as "Declarant").

EXPLANATORY STATEMENT

A. The Declarant is the owner of certain real property located in the 11 th Election District of Baltimore County, Maryland, more particularly described in the subdivision plat entitled "Plat 1 and 2, Section "0", Forge Heights" and recorded among the Land Records of Baltimore County, Maryland, in Plat Book SM 73, Folios 49 and 50. The Declarant is developing and will develop a residential community on the aforesaid tract known as "Forge Heights" and also to be known as "Shadowcreek" (hereinafter referred to as the "Community".)

B. The Declarant is developing and intends to develop 27 single family detached residential lots, plus or minus. The 27 lots are more particularly described in the subdivision plat entitled "Plat 1 and 2, Section "0", Forge Heights" and recorded among the Land Records of Baltimore County, Maryland, in Plat Book SM 73, Folios 49 and 50, and any amendments thereto (hereinafter referred to as the "Plat").

C. The Declarant desires to provide for the preservation, protection and enhancement of values, the property and amenities in the Community, and to this end, desires to subject the property described in the Plat, to the covenants, conditions, easements, charges, liens and restrictions, hereinafter set forth, all of which are for the benefit of the property and subsequent owners of any and all parts thereof.

D. The Declarant has deemed it desirable, for the efficient preservation, protection and enhancement of the values, the property and the amenities in the Community, to create an entity to which is delegated and assigned certain authority, powers and duties with respect to owning, maintaining and administering the common real and personal property, if any; administering and enforcing the covenants, conditions and restrictions hereafter set forth; and collecting and disbursing the assessments hereinafter created.

E. To that end, the Declarant has formed (or intends to form) SHADOWCREEK HOMEOWNERS ASSOCIATION, INC., a homeowners association as that term is defined in Title 11 B of the Real Property Article of the Annotated Code of Maryland, for the purpose of carrying out the powers and duties aforesaid.

NOW, THEREFORE, the Declarant hereby declares that the Property (hereinafter defined) is and will be held, conveyed, hypothecated or encumbered, sold, leased, used, occupied and improved subject to the covenants, restrictions, easements, charges and liens (hereinafter sometimes referred to as "covenants," "conditions" or "restrictions") hereinafter set forth.

ARTICLE I. DEFINITIONS

<u>Section 1</u>. "Assessment" means an "Annual Assessment" or a "Special Assessment or either of them, as the context may require, imposed by the Association pursuant to Article V of this Declaration.

<u>Section 2.</u> "Association" means SHADOWCREEK HOMEOWNERS ASSOCIATION, INC., a Maryland non-profit, non-stock corporation, its successors and assigns.

Section 3. **"Board"** means the Board of Directors of the Association.

<u>Section 4.</u> **"Builder"** means any builder who has entered into an agreement with the Declarant to purchase a Lot or Lots from the Declarant for the purpose of development of the Lot and construction of a Dwelling thereon.

<u>Section 5.</u> **"H.O.A. Common Areas"** means all real property (including the improvements thereon) owned by the Association for the common use and enjoyment of the Owners. The H.O.A. Common Areas to be owned by the Association are described in "Exhibit A," attached hereto and made a part hereof.

Section 6. "Declarant" means ROBINCYN DEVELOPMENT, LLC, its successors and assigns.

<u>Section 7.</u> **"Development Period"** means that period of time commencing with the date of this Declaration and ending on the later to occur of (a) the fifth (5th) anniversary date thereof, or (b) the issuance of a use and occupancy permit by the County for the occupancy of a Dwelling for at least 26 of the total number of Lots in the Community. Notwithstanding the foregoing, at any time, the Declarant may sign a written instrument declaring the Development Period to be officially terminated as of a date certain by the Declarant.

<u>Section 8.</u> **"Dwelling"** means any building constructed on any portion of the Property intended for use and occupancy as a residence in accordance with applicable subdivision, building and zoning laws, codes, ordinances and regulations.

-2-

<u>Section 9.</u> **"Lot"** means any plot of land shown upon any recorded subdivision Plat of the Property intended as a building lot for the development, use and occupancy of a Dwelling.

Section 10. **"Member"** means every Owner of a Lot in the Association, including the Declarant.

<u>Section 11.</u> **"Mortgagee"** means the holder of any mortgage or trustee or beneficiary of any deed of trust on any Lot within the Property.

<u>Section 12.</u> **"Owner"** means the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is part of the Property, including contract sellers, but excluding contract purchasers and those having such interest as security for the performance of an obligation.

<u>Section 13.</u> **"Property"** means that certain real property in Section "D" of Forge Heights described herein and in the Plat, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 14. "Structure" means any structure defined as such by the County zoning regulations provided that, in addition thereto for purposes of this Declaration, the term Structure includes (a) a Dwelling; (b) any other thing, item or device, the placement of which affects the physical appearance of the Dwelling or the Lot; (c) any excavation or fill, the volume of which exceed 10 cubic yards; and (d) any excavation, diversion or disturbance of the land which affects the physical appearance of the Dwelling or the Lot or alters the natural flow of surface waters upon or across any Lot.

<u>Section 15.</u> "Use" means any use defined as such by the County zoning regulations provided that, in addition thereto for purposes of this Declaration, the term Use includes (i) any purpose for which a Structure or a Lot is used or occupied, and (ii) any activity, occupation, business or operation carried on or in a Structure or on or in a Lot.

ARTICLE II.

PROPERTY RIGHTS

<u>Section 1.</u> **Owner's Easement of Enjoyment.** Every Owner shall have a right and easement of enjoyment in and to the H.O.A. Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to assess annual fees for the operations of the Association and the maintenance and improvement of the H.O.A. Common Areas and the amenities, if any, located thereon;

(b) the right of the Association to suspend the voting rights and right of use of the H.O.A. Common Areas and the amenities, if any, located thereon, by an Owner for (i) any period during which an Assessment against the Owner's Lot is delinquent; ii) any period during which an Owner continues to violate the published rules and regulations of the Association; and iii) any period (not to exceed sixty (60) days) for a non-continuous infraction of the published rules and regulations of the Association;

(c) the right of the Association to dedicate or transfer all or any part of the H.O.A. Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3rds) of each class of Members and fifty-one percent (51 %) of all Mortgagees holding first mortgages or first deeds of trust on Lots in the Association;

(d) the right of Declarant prior to the conveyance of the H.O.A. Common Areas, and of the Association to grant and reserve easements and rights-of-way through, under, and over and across the H.O.A. Common Areas, for installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, fuel oil, communications systems (including cable television), and other utilities;

(e) the right of the Association to limit the number and charge reasonable fees for guests of Members utilizing H.O.A. Common Areas and amenities, if any, located thereon;

(f) the right of the Association to establish uniform rules and regulations pertaining to the use of the H.O.A. Common Areas and amenities, if any, located thereon; and

(g) the right of the Association to regulate the use, maintenance, repair and replacement of the H.O.A. Common Areas and amenities, if any, located thereon.

<u>Section 2.</u> Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the H.O.A. Common Areas to any person or persons residing on his Lot, including the Members of his family, his lessees, or contract purchasers, subject to such rules which the Association, by and through its Board of Directors, may from time to time adopt; provided, however, that such delegation shall not abrogate a) the duty of the Owner to pay assessments as provided in Article V hereof, and b) the duty of the Owner, his family, his lessees and or contract purchaser to abide by the covenants, conditions and restrictions contained in this Declaration.

<u>Section 3.</u> **Encroachments.** In the event that any portion of any Dwelling encroaches upon the H.O.A. Common Areas and facilities as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the aforesaid Dwelling, a valid easement for such encroachment and for the maintenance of same exists so long as such encroachment exists. <u>Section 4.</u> <u>Party Walls.</u> In the event that two Dwellings abut each other and share a common wall or "party wall," the following provisions shall apply:

(a) each Owner who shares a party wall shall be solely responsible for the care and maintenance of the inner perimeter of the party wall, up to and including the space bounded by and contained within the outside surface or stud side of the paneling, sheetrock or drywall portion of the party wall located within the Owner's property lines;

(b) each Owner who shares a party wall shall be jointly and severally responsible with the other Owner(s) of the party wall for the care and maintenance of the structural elements of the party wall, and the respective Owners shall share equally in the costs of any necessary repairs thereto.

(c) in the event that any construction, reconstruction or repair of the structural elements of a party wall is necessary, the Owner doing same shall have the right to enter onto the property of the abutting Owner insofar as it may be reasonably necessary in connection with said construction, reconstruction or repair. The Owner so entering shall take due precautions and care not to damage the property of the other party, and shall be responsible for restoring the property to its condition prior to his entry.

<u>Section 5.</u> <u>Utility Lines.</u> Each Owner shall be solely responsible for the care and maintenance of sanitary sewer, water, gas, electric, telephone, storm sewer, cable television or other utility conduits or lines that exclusively service each such Owner's Dwelling. In the event such conduits or lines are in need of repair and/or replacement and any portions thereof are located in, under and/or through an abutting Lot or property of any abutting Lot Owner, the Owner so repairing and/or replacing such lines shall have the right to enter upon and is hereby granted an easement to enter in and onto the front ten (10) feet of the Lot of an abutting Owner to perform the repair and/or replacement. The Owner so entering shall perform such construction and/or work as promptly as possible and shall take due precautions and care not to damage the Lot and/or property of the abutting Owner and to the extent the abutting Lot and/or property is dug into, displaced and/or replacement, be restored to the same condition it was prior to such work being commenced by the Lot Owner performing the construction and/or work.

ARTICLE III.

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot within the Property shall be a Member of the Association.

<u>Section 2.</u> <u>Classes of Voting Membership.</u> The Association shall have two (2) classes of voting Membership:

CLASS A. Class A Members shall be all Owners, with the exception of the Declarant and all Class B Member(s), and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in the Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

CLASS B. The Class B Members shall be the Declarant, and its grantees, successors and assigns, including Builders, who acquire more than one (1) Lot prior to completion of a Dwelling thereon. The Class B Members shall be entitled to three (3) votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

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

(b) expiration of the Development Period; provided, however, that if the Class B Members are delayed in the improvement and development of the Property on account of a sewer, water or building permit moratorium or any other cause or event beyond the Class B Members' control, then the aforesaid Development Period shall be extended by a period of time equal to the length of the delays or three (3) years, whichever is less.

Provided further, that the Class B Membership shall be revived (and the Class B Members shall again be entitled to three (3) votes for each Lot owned by any Class B Members), during any periods of time occurring before December 31,2008, when by reason of the annexation, additional Lots owned by the Class B Members exist which, when added to the other Lots already in the Property owned by the Class B Members, would result in the Class B Members having more than fifty percent (50%) of the votes of the Association, were the Class B Members to have three (3) votes for each Lot owned by the Class B Members instead of only a single vote for each Lot owned by the Class B Members.

Notwithstanding the conversion of the Class B Membership and transfer of governing control in the Board of Directors of the Association to the Class A Membership, the Declarant shall have the right to retain architectural control power and authority for the Association as hereinafter provided.

<u>Section 3.</u> Assignment of Membership. The Class A Membership, but not the Class B Membership, shall be appurtenant to the Lot owned by a Member and may not be assigned except in conjunction with the Lot to which they are appurtenant. During the Development Period, the Class B Membership shall be freely assignable to any legal entity.

Section 4. Irrevocable Proxy. Each Builder, who alone or with any other Person,

becomes an Owner shall be conclusively presumed, by having accepted conveyance of legal title to a Lot (i) to have given the Declarant an irrevocable, exclusive proxy entitling

the Declarant, at each meeting of the Membership of the Association which is held during the Development Period, to cast the votes in the affairs of the Association which such Builder and other Person hold on each question that comes before such meeting and (ii) to have agreed with the Declarant that such proxy is irrevocable, is given or made with, and relied upon by, the Declarant in connection with the Declarant's development, construction, marketing, sale and leasing of any or all of the Property, and is therefore coupled with an interest.

ARTICLE IV.

ANNEXATION OF ADDITIONAL PROPERTY

<u>Section 1.</u> **Property Subject to Declaration.** The real property which is, and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to this Declaration consists of the twenty seven (27) Lots and H.D.A. Common Areas, Section "0" Forge Heights, located in Baltimore County, Maryland, as shown on the Plat. No other real property shall be subject to this Declaration unless annexed pursuant to the provisions of Section 2 below, it being understood that the Declarant, its successors and assigns, has the right to freely develop any other real property owned by it and not annexed pursuant to the provisions of Section 2 in any fashion and for any use not prohibited by law or governmental regulation.

Section 2. Annexation.

(a) Additional property outside the boundaries of the Property may be annexed only with the consent of two-thirds (2/3rds) of the Class A and Class B Members of the Association who are voting in person or by proxy at a meeting duly called for this purpose. Written notice setting forth the purpose of the meeting shall be sent to all Members not less than thirty (30) days and not more then sixty (60) days in advance of the meeting. At the first such meeting, the presence of Members or proxies entitled to cast sixty percent (60%) of the votes of each class of Membership shall constitute a quorum. If the required quorum is not present at any meeting, another meeting may be called, subject to the notice requirements set forth above, except that notice shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting, and the required quorum at any such subsequent meeting shall be one-half (%) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

(b) In the event any portion of the Property has been approved for federally insured mortgage financing purposes by the Federal Housing Administration or the Veterans Administration then the prior written consent of such approving agency to the annexation shall be required.

(c) Any annexations made pursuant to this Article, or otherwise, shall be made by recording an Amendment to this Declaration among the Land Records of Baltimore County, Maryland, which Amendment shall extend the scheme of these covenants, conditions and restrictions to such annexed property. Any such Amendment may contain additions and modifications to the covenants, conditions and restrictions set forth in this Declaration as may be necessary to reflect the different character or use, if any, of such annexed property.

Section 3. De-annexation.

(a) The Declarant, its successors and assigns, may de-annex any property owned by it from the Property for a period of ten (10) years from the date of this Declaration. Such de-annexed property shall no longer be subject to the covenants, conditions and restrictions of this Declaration except for any easements, rights, reservations, exemptions, power or privileges reserved to the Declarant pursuant to this Declaration which affect the de-annexed property. Such de-annexation shall be made by recording an Amendment to this Declaration among the Land Records of Baltimore County, Maryland, withdrawing the effect of the covenants, conditions and restrictions of this Declaration from the de-annexed property. Such de-annexed property may be utilized by the Declarant, or any successor, assign or transferee thereof, in any fashion and for any use not prohibited by law or governmental regulation.

(b) In the event any portion of the Property has been approved for federally insured mortgage financing purposes by the Federal Housing Administration or the Veterans Administration, no de-annexation shall be made pursuant to this Article, or otherwise, except following a determination by the approving agency that the deeannexation is not contrary to a general plan for the development of the community previously approved or, if no such general plan was previously approved by the agency, except following the prior written approval of the agency.

ARTICLE V.

ASSESSMENTS

<u>Section 1.</u> **Covenant to Pay Assessments.** Each Owner of a Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, shall be deemed to have covenanted and agreed to pay to the Association: (a) Annual Assessments and (b) Special Assessments. The Annual and Special Assessments, together with interest, late charges, costs of collection, and reasonable attorneys' fees, shall be a charge on, and shall be a continuing lien upon the Lot against which each such Assessment is made. Each Assessment, together with interest, late charges, costs of collection and reasonable attorneys' fees, shall also be the personal obligation of the Owner of the Lot as of the date of imposition of the Assessment. The Owner's personal obligation for Assessments shall not pass to the Owner's successor in title unless expressly assumed by such successor.

Section 2. **Purpose of Assessments.** The primary purpose of the Association

is to organize a community with a uniform architectural scheme of development, to maintain the H.O.A. Common Areas and to maintain the appearance and thereby value of

the Lots and Dwellings in the Property. To that end, the Assessments levied by the Association, by way of example rather than as a limitation, may be used for the following purposes:

(a) to promote the health, safety, welfare and recreation of the residents of the Property;

(b) to pay all administrative, managerial, legal, insurance (including ancillary coverage for the Association, its Directors, officers, employees and agents) and any other costs or expenses incurred by the Association in the operation of the Association, including the costs associated with enforcement of maintenance requirements, architectural control, use restrictions, and the enforcement of rules and regulations;

(c) for the use, improvement, maintenance, repair, and replacement of the Association's real and personal property, if any;

(d) to provide an adequate reserve for maintenance, repair and replacement of the Association's real and personal property, if any; and

(e) such other reasonable and necessary expenses to pay for the responsibilities of the Association.

Section 3. Annual Assessments.

(a) The first Assessment Year shall commence on the first day of the month following conveyance of the first Lot to an Owner and shall terminate on the thirty-first (31st) day of December next succeeding such date. Thereafter, each calendar year shall be an Assessment Year unless the Board of Directors shall chose a different fiscal year in which case the Assessment Year shall equal the fiscal year. Not more than one Annual Assessment may be levied against a Lot in any Assessment Year.

(b) The Board of Directors may fix the Annual Assessment against each Lot at an amount less than or equal to the Maximum Allowable Annual Assessment. During the first Assessment Year, the Maximum Allowable Annual Assessment shall be Five Hundred Dollars (\$500.00) per Lot prorated for the number of full months in the first Assessment Year. The Annual Assessment may be payable in monthly, quarterly, semi-annually or annually installments, as determined by the Board of Directors, and as prescribed in the Notice of Assessment.

(c) From and after the first Assessment Year, the Maximum Allowable Annual Assessment may be increased each Assessment Year not more than ten percent (10%) above the permitted Maximum Allowable Annual Assessment for the previous Assessment Year, such increase to be determined by the Board of Directors, without the necessity of a vote by Membership of the Association.

(d) From and after the first Assessment Year, the Annual Assessment may be increased more that ten percent (10%) above the permitted Maximum Allowable Annual Assessment for the previous Assessment Year by a vote of two-thirds (2/3rds)of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

(e) Sixty (60) days before the end of the Assessment Year, the Board of Directors shall adopt a budget for the next Assessment Year. Fifteen (15) days before the start of the next Assessment Year, the Board shall mail to each Owner of a Lot in the Property a copy of the budget and a Notice of the Assessment for the next Assessment Year. The budget and the Notice of Assessment shall be sent pursuant to the notice requirements of Article XII, Section 4. The Association's failure to act in the manner provided herein shall not invalidate any such action if taken at a later time. Until a budget is established for any Assessment Year, however, the Annual Assessment applicable to an Owner and his Lot shall be presumed to be the Annual Assessment applicable to the preceding Assessment Year and each Owner shall be bound to pay such Annual Assessment in the manner applicable to the preceding Assessment Year.

Section 4. Special Assessments.

(a) In addition to the Annual Assessments authorized above, the Association may levy Special Assessments for the purpose of (i) defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement, including fixtures and personal property; or (ii) the payment of unexpected or unbudgeted costs resulting from extraordinary events; or (iii) the payment of expenses for any other purpose; provided that any such Special Assessment will have the assent of two-thirds (2/3rds) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

(b) A Notice of Special Assessment shall be given at least thirty (30) days prior to the due date of the Special Assessment or the first installment thereof (if permitted to be paid in installments) and sent pursuant to the notice requirements set forth in Article XII, Section 4. The Special Assessment may be payable in monthly, quarterly, semi-annually or annually installments, as determined by the Board of Directors, and as prescribed in the Notice of Special Assessment.

<u>Section 5.</u> Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action under Sections 3 or 4 above shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of Membership shall constitute a quorum. If the required quorum is not present

at any meeting, another meeting may be called, except that notice shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting, and the required quorum at any subsequent meeting shall be reduced to one-half (%) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

<u>Section 6.</u> <u>Uniform Rate of Assessment.</u> Except as otherwise provided below in Section 7, any Annual Assessments levied for any Assessment Year shall be fixed at a uniform rate for all Lots.

<u>Section 7.</u> <u>Commencement of Assessments.</u> The Annual Assessments against each Lot shall commence as of the date a use and occupancy permit is issued for the Dwelling on the Lot by the local government agency.

<u>Section 8.</u> <u>Certificate of Payment.</u> The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specific Lot have been paid. A properly executed certificate of the Association as to the status of Assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 9. Non-Payment of Assessments. If any Assessment, or any installment thereof (if such Assessment was permitted to be paid in installments), is not paid within fifteen (15) days after the due date, then the entire unpaid balance of the Assessment shall be immediately due and payable and shall be delinquent and shall bear interest from the due date at the rate of eighteen percent (18%) per annum or the highest interest rate allowed by law, whichever is greater. The delinquent Assessment or each installment thereof shall also subject to a late charge of Fifteen Dollars (\$15.00) or one-tenth (1/10th) of the delinquent Assessment or installment thereof, whichever is greater, provided the late charge may not be imposed more than once for the same delinquent payment and may only be imposed if the delinquency has continued for at least fifteen (15) calendar days. Each delinquent Owner shall also be responsible for payment of all costs of collection and reasonable attorneys' fees incurred by the Association as a result of non-payment of any Assessment or installment thereof. The Association shall also have the right to enforce collection of the delinquent Assessments by bringing an action at law against each Owner personally obligated to pay same, or may establish and foreclose a lien against the Lot pursuant to Title 14 of the Real Property Article of the Annotated Code of Maryland, as amended from time to time, and any successor statute thereto. No Owner may waive or otherwise escape liability for the Assessments provided for herein by abandonment of his Lot.

Section 10. Enforcement and Priority of lien.

(a) So long as the Maryland Contract Lien Act remains in effect, when entitled to a lien under this Declaration, the Association may proceed to establish and enforce the lien in accordance with the Maryland Contract Lien Act.

(b) In the event the Maryland Contract Lien Act shall not be in force and effect, when entitled to a lien under this Declaration, the Association shall have the immediate right to enforce collection of the delinquent Assessments through foreclosure in the same manner and subject to the same requirements as the foreclosure of mortgages and deeds of trust on real property in the State of Maryland containing a power of sale or an assent to a decree.

(c) By acceptance of a deed therefore, whether or not it shall be so expressed in such deed, each Owner of a Lot shall be deemed to have expressly authorized the establishment, enforcement and foreclosure of the lien by the Association subject to the rules pertaining to foreclosures of mortgages and deeds of trust containing a power of sale or an assent to a decree, in accordance with the public general laws of the State of Maryland and the Maryland Rules of Procedure, as amended from time to time, or any successor statute, relating to the foreclosure of real property, as if the Association were the mortgagee and the Owner were the mortgagor.

(d) Any sale or transfer pursuant to foreclosure shall not relieve the Owner or the Lot from the liability for any Assessments thereafter becoming due, nor from the lien for any subsequent delinquent Assessment.

<u>Section 11.</u> <u>Release of Lien.</u> Upon the timely curing of any default for which a lien was filed or recorded by the Association, the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such lien, upon payment by the defaulting Owner of a release fee, to be determined by the Association, but not to exceed One Hundred Dollars (\$100.00), to cover the costs of preparing and filing or recording such release.

<u>Section 12.</u> <u>One Satisfaction; Cumulative Remedies; Waiver.</u> The lien, the right to institute suit for collection and the right to foreclose pursuant to the lien shall be in addition to and not in substitution for all other rights and remedies which the Association, its successors and assigns, may have hereunder or now or hereafter existing at law or in equity, by statute or otherwise, provided there be but one satisfaction of the claim. The election of anyone or more of the remedies shall not constitute a waiver of the right to pursue other available remedies.

<u>Section 13.</u> <u>Subordination oft he Lien to Mortgages.</u> The lien provided for herein shall be subordinate to the lien of any institutional Mortgagee providing purchase money financing in either the form of a single purchase money first mortgage or a combination purchase money first and purchase money second mortgage, such purchase money first and purchase money second mortgage combination designed to facilitate financing due to statutory lending limits which may prohibit financing of first mortgages in excess of certain dollar amounts. Sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien as to delinquent assessments and permitted charges which became due prior to such sale or transfer except to the extent of surplus proceeds realized as a result of such sale or transfer. No sale or transfer shall

relieve such Owner from liability for any assessments and permitted charges becoming due after such sale or transfer.

<u>Section 14.</u> <u>Notice to Mortgagees</u>. Upon written request from the Mortgagee, the Association shall give written notice to the Mortgagee of any Assessment or installment thereof (if such Assessment is permitted to be paid in installments) that becomes delinquent for a period in excess of sixty (60) days and of any other default by the Owner with respect to the performance of any other obligation hereunder for a period in excess of sixty (60) days.

ARTICLE VI.

MAINTENANCE

<u>Section 1</u>. <u>**H.O.A. Common Areas.**</u> The Association shall be responsible for the care and maintenance of the H.O.A. Common Areas and all improvements of any kind located therein.

Section 2. Improved Areas.

(a) To the extent that same is the responsibility of the Owner or not assumed by the Owner of the Lot, or the County, or if responsibility is delegated to the Association by the County, the Association may care for, beautify, maintain, and repair all or portions of the public rights-of-way, entrance ways, islands, parking bays, sidewalks and walkways that are located within the Property (hereinafter referred to as "Improved Areas"), including maintenance of entranceway monuments; areas planted with grass, flowers, shrubs, trees or other foliage; sidewalks and walkways; islands or parking bays adjacent to the sidewalks, walkways, or to the Lots, whether or not such Improved Areas have been dedicated to Baltimore County, Maryland or any other appropriate governmental or quasi-governmental authority or group. It is intended by this Section that the Association should be given the authority to provide for uniform maintenance and beautification of the Improved Areas so as to enhance the values and amenities of the Community, however, it is not intended by this Section that the Association should assume or subsume significant obligations and/or financial responsibilities belonging to the County or to individual Owners.

(b) Unless the Association has been delegated and/or has assumed such responsibility, the responsibility for care, maintenance, repair and replacement of the Improved Areas shall remain with the County or the individual Lot Owner, who by virtue of ownership of the Lot or by applicable law, is deemed to have responsibility therefor.

(c) In the event of damage or destruction of any portion or all of the Association's real or personal property by fire or other casualty, the same shall be promptly repaired or reconstructed in substantial conformity with the original plans and specifications with the proceeds of insurance available for that purpose, if any. In the event that the proceeds of insurance are not sufficient to repair such damage or destruction, or in the event such damage or destruction is caused by any casualty not herein required to be -13-

insured against, then the repair or reconstruction of the damaged property shall be accomplished promptly by the Association at its common expense. The ratable share of the expense of such repairs or reconstruction may be assessed in the Annual Assessment or in a Special Assessment as provided for in this Declaration. Notwithstanding the foregoing, it any such damage is caused by the negligence of an Owner, his family members or guests, then the cost of repair or reconstruction shall not be a common expense but rather shall be assessable to and recoverable from such Owner. I n the event the Owner fails to promptly pay the assessed costs, then the same shall be recoverable in the same manner as Assessments pursuant to Article V hereof.

Section 3. Individual lots.

(a) Except as otherwise provided herein or in a separate agreement, the Owner of each Lot shall be responsible for the care, maintenance, repair and replacement of his Lot, Dwelling and all improvements situated thereon. Care and maintenance shall include, but not be limited to, keeping the grass cut to an acceptable height of no more than 6"; keeping hedges, trees and bushes trimmed and pruned; keeping the lawn, landscaping and flower beds in good health and free from weeds; keeping the Dwelling painted and maintained; keeping the yard area clean and free from clutter and debris.

(b) In the event that an Owner fails to maintain, repair or restore any Lot, Dwelling and all improvements thereon in a manner satisfactory to the Board of Directors, following notice to the Owner and opportunity to cure, the Declarant or the Association shall have (i) the right to fine the Owner; or (ii) the right to enter upon the Lot or Unit and maintain, repair or restore the Lot or Unit in accordance with Article X hereof.

<u>Section 4.</u> <u>limitation of liability.</u> The Association shall not be liable for any failure of utilities or other services to be obtained by the Association or paid out of the common funds, or for injury or damage to person or property caused by the elements or by the Owner of any Lot, or any other person, or flow from any portion of the Property owned and/or maintained by the Association or from any wire, pipe, drain, conduit, appliance or equipment. The Association shall not be liable to the Owner of any Lot for loss or damage, by theft or otherwise, of articles which may be left out in the open. No diminution or abatement of Assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Association to comply with any law, ordinance or with the order or directive of any municipal of other governmental authority. THE ASSOCIATION IS NOT A PROVIDER OF SECURITY SERVICES FOR THE LOTS OR DWELLINGS, AND OWNERS SHOULD IMPLEMENT SECURITY MEASURES, IF DESIRED, TO PROTECT THEIR PERSONS, LOTS, DWELLINGS AND PERSONAL TV.

ARTICLE VII.

POWERS AND DUTIES OF THE ASSOCIATION

<u>Section 1.</u> General Powers and Duties. In addition to the powers and duties enumerated in the Articles of Incorporation, and By-Laws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall:

(a) Own, maintain, improve, construct, reconstruct (in the event of deterioration or destruction) and manage all of the Association's real and/or personal property, if any, and any improvements and landscaping thereon, and to pay all the costs thereof;

(b) Have the authority to contract for fire, casualty, liability and other insurance on behalf of the Association and maintain such policy or policies of insurance as the Board of Directors deems necessary or desirable in furthering the purposes of and protecting the interests of the Association, its Board of Directors, its officers, its employees, its Members and its property;

(c) Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed shall not exceed one (1) year in term unless approved by a majority of the Members of the Association, with the exception of an insurance contract that may be for a period not to exceed three (3) years;

(d) Have the authority to enforce the provisions of this Declaration and the By-Laws of the Association, and to establish and impose sanctions, including fines, for the violation thereof; and

(e) Have the authority to establish and enforce uniform rules and regulations pertaining to the use, maintenance, repair and restoration of the Lots and the Property, and any improvements located thereon and to establish and impose sanctions, including fines, for the violation thereof.

<u>Section 2.</u> <u>Books and Records.</u> The Association shall maintain adequate books and records of the Association pursuant to Title 11 B of the Real Property Article of the Annotated Code of Maryland, and any other applicable law now existing or hereinafter enacted. Any Member, Owner and Mortgagee shall have the right to inspect and examine the books and records of the Association during regular business hours and upon reasonable written notice. Such inspection and examination may be further subject to applicable law and/or rules and regulations adopted by the Association with respect thereto.

-15-

ARTICLE VIII.

ARCHITECTURAL CONTROL

Section 1. Architectural Committee.

(a) There shall be an architectural committee (hereinafter referred to as the "Architectural Committee") for the Lots. The Architectural Committee shall have a minimum of three (3) members, each of whom shall (notwithstanding the expiration of the period referred to in the provisions of subsection (b) of this Section 1) serve as such until the earlier to occur of:

(i) his resignation from the Architectural Committee, or

(ii) his replacement pursuant to the following provisions of this Section by the Declarant or the Board of Directors.

(b) The Declarant shall have the exclusive right from time to time to designate and replace the members of the Architectural Committee until the later to occur of:

(i) the expiration of the Development Period, or

(ii) in the event of earlier termination of the Development Period and transfer of control of the Board of Directors to the Class A Membership, five (5) years from the date of this Declaration.

Notwithstanding the foregoing, at any time prior to the foregoing events, the Declarant may delegate architectural review powers and duties to the Association's Class A Members by express written instrument signed by the Declarant and recorded among the Land Records of Baltimore County, Maryland.

(c) Thereafter, the Board, or the Class A Members (if the Board is still controlled by the Declarant), by the majority vote of those voting in person or by proxy at a meeting duly called for such purpose, shall have the right to designate and replace the members of the Architectural Committee who will serve at the pleasure of the Board or the Class A Members as the case may be. Once the Declarant transfers control of the Board of Directors to the Class A Members, the Board shall have the exclusive right to designate and replace the members of the Architectural Committee who shall serve at the pleasure of the Board.

Section 2. Architectural Approval.

(a) It is intended by the provisions of this Declaration, that the Declarant shall have sole architectural review and enforcement powers and duties until transfer of control of the Architectural Committee as set forth above. Nothing herein shall prevent the

Declarant from creating an Advisory Architectural Committee whose members are from the Class A Membership; however such Advisory Architectural Committee shall have nonbinding advisory powers only and only the decision of the Declarant-appointed Architectural Committee shall be final and binding.

(b) No Lot and no Structure on a Lot may be modified in a manner that changes the exterior appearance thereof (including (i) exterior painting, (ii) interior painting or modifications that are visible from or affect the exterior of the Dwelling and (iii) changes to elevation, topography or landscaping)(but excluding (i) exterior repainting in the same color as the existing color, and (ii) interior painting or other interior modifications not visible from or affecting the exterior of the Dwelling); No Structure may be commenced, constructed, erected, placed, maintained or permitted to remain on a Lot, and no Use may be commenced or changed on a Lot unless, prior thereto, plans and specifications for and a description of any such Use (hereinafter referred to collectively as "Plans"), have been submitted to and expressly approved in writing by the Architectural Committee.

(c) Where necessary for the full consideration of the proposed modification, Structure or Use, the Plans should include (i) a reference to the Lot number and address; (ii) an exterior elevation plan showing the nature, exterior color scheme, kind, shape, height and location of all existing and proposed Structures on the Lot and on the adjoining Lots; (iii) a site plan showing the location and size of all existing and proposed Structures, all setbacks, all parking spaces, driveways and sidewalks; (iv) detailed construction plans; (v) description of materials and equipment; (vi) such other information required by the Architectural Committee.

(d) The Architectural Committee shall have the absolute right to refuse to accept an application or to withhold acceptance of an application until Plans showing in reasonable detail the nature of the proposed modification, Structure or Use, have been submitted to and accepted for consideration by the Architectural Committee. The Architectural Committee shall have the absolute right to refuse to grant such approval for any aesthetic or other reasonable cause. In considering whether to grant any such approval, the Architectural Committee may consider the suitability of the proposed modification, Structure or Use with relation to the Lot and to the other Lots, and may base such consideration upon such, if any, information concerning the nature, kind, shape, height, materials, location and approximate cost of the proposed modification, Structure or Use as is furnished to the Architectural Committee, all to the end that any approved proposed modification, Structure or Use shall be in harmony with, and have no adverse effect upon, its immediate surroundings and the other Lots.

(e) The application for the proposed modification, Structure or Use shall be in such form and content as the Architectural Committee shall determine. The Architectural Committee may propose to the Board of Directors and the Board may adopt and publish (i) rules and regulations regarding the form and content of the Plans and (ii) any statements of policy or architectural guidelines as may be appropriate to further the scheme of development and the harmony of design in the Property. Such rules and

regulations and guidelines may be amended or revoked at any time, however, such amendment or revocation shall not affect approvals granted prior thereto. Such rules and regulations and guidelines shall not be deemed to bind the Architectural Committee to approve or disapprove any Plans or otherwise impinge upon the Architectural Committee's unfettered discretion with respect to architectural control.

(f) If any Owner submits a written application for a proposed modification, Structure or Use to the Architectural Committee and such application is accepted by the Architectural Committee as to form and content, and the Architectural Committee fails to take action on said application within sixty (60) days of receipt and acceptance of the application as complete, such application and the proposed modification, Structure or Use shall be deemed to have been approved. Notwithstanding any other provisions of this Declaration to the contrary, "action on the application" includes any of the following: oral notification of a denial, written notification of a denial, oral or written approval, oral or written approval with conditions, or return of the application for additional information. In the event of oral or written notification of a denial or return of the application for additional information, the application shall be considered denied.

(g) The affirmative vote of a majority of the members of the Architectural Committee shall be required to take any action; however, during the period of Declarant control of the Architectural Committee, the majority may designate one member to act for it.

(h) The Architectural Committee shall not be liable to any Owner for any damage, loss or prejudice suffered or claimed on account of (i) the approval or disapproval of any Plans, or (ii) the construction or performance of any work, whether or not pursuant to approved Plans. Notwithstanding anything contained herein to 'the contrary, all modifications, Structures and Uses shall be constructed, erected, commenced or maintained only in accordance with applicable laws, regulations and policies of the County or any other governmental body having authority and jurisdiction over the Property.

<u>Section 3.</u> <u>Declarant's Exemption.</u> The provisions set forth in this Article VIII shall not apply to any proposed modification, Structures or Uses commenced, erected or maintained by the Declarant on any Lot owned by it until after completion of the Dwelling and any improvements thereon and the conveyance thereof to a Class A Member. Notwithstanding the foregoing, all house designs to be built by builders other than the Declarant or any entity related to the Declarant shall be required to submit said house designs for pre-approval of the architectural design and layout of the Dwelling and any other improvements to the Dwelling and the Lot.

<u>Section 4.</u> <u>Architectural Violations.</u> In the event an Owner fails to obtain architectural approval, or proceeds to effect an architectural modification, Structure or Use that does not conform to the approval granted, or otherwise violates the provision of this Article VIII, following notice to the Owner and opportunity to cure, the Association may, in accordance with a published penalty procedure, fine the Owner; or, following notice to the

Owner and opportunity to cure, the Declarant and/or the Association, shall have the right to enter upon the Lot and abate the violation in accordance with Article X hereof.

ARTICLE IX.

USE RESTRICTIONS

Section 1. Itemization.

(a) No noxious or offensive trade or activity shall be carried on upon any Lot, nor shall any odor, noise or light emanate there from, nor shall anything be done upon the Property which may be or become an annoyance or nuisance to the neighborhood or the other Owners.

(b) No livestock, poultry, birds, insects, or other animals of any kind, regardless of number, temporarily or permanently, shall be raised, bred or maintained on any Lot, except that up to three (3) household domestic pets, including dogs, cats, birds, fish or similar household domesticated animal may be kept on a Lot, provided they are not raised, bred or maintained for commercial purposes, and provided further, that the Owner of the Lot insures that all applicable State and County animal control laws and ordinances are followed and provided further that no such animal shall be or become an annoyance or a nuisance or cause a disturbance to the neighborhood or other Owners.

(c) No incinerators and no accumulation or storage of bulk materials, lumber, metals, new or used building materials or trash of any kind shall be permitted, kept, stored, or allowed to accumulate on any Lot (except for building material being utilized during the construction reconstruction or repair of any approved Structure may be stored while such activities are being carried on.)

(d) No junk vehicle, commercial vehicle, trailer, truck over 3/4 ton, camper, camp truck, house trailer, recreational vehicle, boat or boat trailer shall be parked, stored or maintained in the open on any Lot, or on the dedicated rights-of-way or upon the parking areas of the Property. No automobile or other permitted vehicle which does not display current registration (except for vehicles eligible for registration as "Historic Motor Vehicles" under applicable State or local laws) shall be parked, stored or maintained in the open on any Lot, or on the dedicated rights-of-way or upon the parking areas of the Property. The repair or extraordinary maintenance of automobiles or other permitted vehicles shall not be carried out anywhere on the Property, except as provided for below (and except for bona fide emergencies). The Association, through its Board, may designate, provide and maintain a suitable area for designated activities with respect to such vehicles as the Association's Board may determine.

(e) Trash and recycling containers shall be kept in a clean and sanitary condition and shall not be permitted to remain in public view except on days of trash or

recycling collection. Such containers shall be kept in the rear of the Lot and stored in a manner so they are not generally visible from the street. The Association may, in its discretion, adopt rules and regulations relating to the size, shape, color, number, type and manner of storage of such containers.

(f) Baltimore County regulations govern the removal of trees, especially trees located in Forest Conservation and Private Forest Retention easement areas. No tree shall be removed from any Lot without written approval of the Architectural Committee and, if applicable, Baltimore County. The removal of trees shall be subject to prior written architectural approval and shall not be subject to the automatic approval provision set forth in Article VIII, Section 2(h).

(g) No fence or wall shall be located within the area lying between the front property line of the Lot and the Dwelling located thereon; nor shall any fence or wall interfere with any underground or surface drainage structure, pipe or ditch. Generally, all fences and walls are to be located to the rearmost portion of the Lot behind the Dwelling with exceptions being made only in instances where the physical characteristics of the Lot support a different placement. All fences and walls are subject to prior written architectural approval and shall not be subject to the automatic approval provision set forth in Article VIII, Section 2(h).

(h) No permanent exterior clothes dryer or clothesline shall be erected, installed or maintained on any Lot or on any Structure thereon. Only collapsible or retractable clothes dryers or clotheslines shall be used, and they shall be collapsed or retracted when not in use and shall be located in the rearmost portion of the Lot behind the Dwelling.

(i) No shack, shed, barn, or other outbuilding or like structures of a permanent or temporary nature shall be used, erected, installed or maintained on any Lot except with the prior written approval of the Architectural Committee. Temporary playhouses, recreational structures or the like may be installed and maintained provided (1) their primary purpose is juvenile recreation; (2) they are removed or disassembled when not in use; and (3) prior written approval by the Architectural Committee has been obtained. Permanent, temporary or portable basketball hoops shall be located to the rearmost portion of the Lot behind the Dwelling only. All Structures covered by this subsection shall require prior written architectural approval and shall not be subject to the automatic approval provision set forth in Article VIII, Section 2(h).

U) Except for political signs as may be allowed by State or local law, and except for such signs as may be posted by the Declarant for promotional purposes and signs of a directional nature, no signs, flags, banners or hangings of any character shall be erected, posted, or displayed upon, in or about any Lot or Dwelling so as to be visible on the exterior of the Lot or Dwelling; however the American flag and the State flag and one temporary real estate sign not exceeding six (6) square feet in area, may be erected upon any Lot. Temporary real estate signs shall remain upon the Lot only during the

period the Lot is marketed for sale or rent. It is intended by this sub-section that there be no signs of any type except as expressly exempted herein and except as permitted by government law or regulation specifically pre-empting the effect of these private covenants.

(k) No Structure, planting or material shall be placed or permitted to remain upon any Lot which may damage or interfere with any easement for the installation or maintenance of utilities, or which may change, obstruct or retard direction or flow of any drainage channels.

(I) Except for satellite dishes less than one meter in diameter as allowed by Federal law, no outside television or radio aerial, dish, tower or antenna, or other aerial, dish, tower or antenna, for reception or transmission, shall be maintained upon any Lot. To the extent allowed by applicable law, the Association shall have the authority to enforce architectural requirements with respect the placement, screening and the aesthetics of any such permitted antenna structures. It is intended by this sub-section that there be no outside antenna type Structures except as permitted by government law or regulation specifically pre-empting the effect of these private covenants.

(m) No exterior lighting on any Lot shall be directed outward from the boundaries of the Lot or placed in a manner so as to be or become an annoyance or nuisance to the neighborhood or the other Owners.

(n) No broadcast or loudspeaker unit(s) shall be placed outside or be directed to the outside of the Dwelling so as to be or become an annoyance or nuisance to the neighborhood or the other Owners.

(0) No Lot shall be subdivided, split, divided or combined with another Lot for sale, resale, gift, transfer or any other purpose.

(p) No Dwelling or appurtenance thereto, including a wall or fence, shall be erected, placed, altered or permitted to remain on a Lot nearer to the boundary line of the Lot than the minimum building set back line for the Lot shown on the Plat thereof.

Section 2. Non-Residential Use.

(a) Except as otherwise permitted herein, no Lot shall be devoted to a Use other than a residential use; no Lot may contain more that one (1) residential Structure at anyone time (which Structure may constitute not more than one Dwelling; No Dwelling may be occupied at anyone time by more than one (1) family); No Lot may be used for transient or hotel purposes; and no outbuilding or other temporary Structure may be used as a temporary or permanent residence.

(b) Home based businesses and/or home offices not constituting a primary or substantial Use of the Dwelling or the Lot (no-impact home based businesses) are permitted with the following restrictions. Any such no-impact home based businesses

shall obtain prior written approval from the Board of Directors or the Architectural Committee. No home based business and/or home office shall be conducted on the H.O.A. Common Areas. No home based business and/or home office shall be conducted on any Lot that may be or become an annoyance or nuisance to the Property or the other Owners. Such profession or home industry shall be deemed a nuisance and prohibited if the activity relating thereto can be seen, heard, smelled, or if any activity relating thereto, overburdens the Property with noise, traffic or other visual or audible effects, i.e., creates an impact on the Property or the Owners.

(c) A Lot may be used as a Family Day Care Home or may be used by any Family Day Care Home providers as an area for Family Day Care Home activities under the following conditions:

(i) "Family Day Care Home" means a home registered or required to be registered under Title 5 of the Family Law Article of the Annotated Code of Maryland, as amended from time to time, and includes any Lot within which Family Day Care is provided;

(ii) The number of Family Day Care Homes operating in the Association shall not exceed seven and one half percent $(7 \sim \%)$ of the total number of Lots in the Association;

(iii) In order to assure compliance with subparagraph (ii) above, each Family Day Care Home shall register with the Association before opening a Family Day Care Home;

(iv) The "Day Care Providers" (as such term is defined in Section 11 B -111.1 of the Real Property Article of the Annotated Code of Maryland) shall pay on a pro rata basis, based on the total number of Family Day Care Homes operating in the Association, any increase in insurance costs that are solely and directly attributable to the operation of the Family Day Care Home(s) therein;

(v) Each Family Day Care Home which is registered and operating in the Association shall pay to the Association an annual fee for the use of the Property in an amount not to exceed Fifty Dollars (\$50.00);

(vi) Each Family Day Care Home and Family Day Care Provider shall otherwise comply with all of the provisions of Section 11 B -111.1 referenced above, including but not limited to licensing and insurance requirements; and

(vii) The use for a Family Day Care Home may be eliminated by the affirmative vote of the Owners having at least two thirds (2/3rds) of the total number of votes then held by all of the Owners, in the manner provided for voting in the By-Laws of the Association.

Section 3. **Rental of Lots.** The Owner of any Lot may lease his Lot subject to the following terms and conditions:

(a) any lease between an Owner and a lessee must be in writing and shall not be for a term of less than one (1) year;

(b) the lease shall state that it is subject in all respects to, and that the lessee shall comply with, all of the provisions of the Declaration, Articles of Incorporation and the By-Laws, and that failure of the lessee to comply with any of the terms of the aforementioned documents shall be a default under the lease;

(c) the lease shall in no way relieve the Owner of any duty or obligation imposed by this Declaration, the Articles of Incorporation, the By-Laws or the rules and regulations of the Association, including penalties for the violation thereof, even if such violation shall be caused by the actions of the Owner's lessee.

<u>Section 4.</u> <u>Use Violations.</u> In the event an Owner violates any provision of this Article IX, the Declarant and/or the Association, may, in accordance with a published penalty procedure, fine such Owner for the violation; or, following notice to the Owner and opportunity to cure, the Declarant and/or the Association, shall have the right to enter upon the Lot and abate the violation in accordance with Article X hereof.

Section 5. Exemptions.

(a) The provisions set forth in this Article IX shall not apply to the Declarant, any Builder or any Class B Member, their respective successors and assigns, agents, employees, contractors and invitees. Nor shall the provisions of this Article apply to any modification, Structures, proposed Structure or Uses commenced, erected or maintained by any Builder or any Class B Member on any Lot or within the Property until after completion thereof by the Builder or the Class B Member and the conveyance thereof to a Class A Member; provided, that general Dwelling type designs and general improvement options offered with respect to the newly constructed Dwellings and improvements on the Lots built by any Builder or Class B Member shall be subject to the prior approval thereof by the Declarant.

(b) On any part of the Property and on or in any Structure which has not yet been conveyed to the County or to a Class A Member, the Declarant, any Builder and any Class B Member may construct, maintain and operate real estate sales and construction offices, model homes, displays, signs, and special lighting reasonably related to the development, construction and sale of the Lots and Dwellings thereon, subject only to the approval thereof by the Declarant.

(c) The Declarant, any Builder and any Class B Member shall be entitled to conduct on any Lot and on the Property all activities normally associated with and convenient to the development of the Property and the development, construction,

reconstruction, maintenance, repair, sale and lease of the Lots and the Dwellings and such activities shall not be construed as offensive or a nuisance hereunder.

ARTICLE X.

<u>RIGHT OF ENTRY TO ABATE VIOLATIONS</u>

<u>Section 1.</u> <u>Notice of Violation.</u> In the event of a violation of the maintenance provisions of Article VI, the architectural provisions of Article VIII or the use restrictions of Article IX, the Declarant and/or the Association, may give written notice to the Owner to remove or abate the violation.

<u>Section 2.</u> <u>**Right of Entry.**</u> In the event the Owner fails to remove, abate or otherwise terminate the violation within the time specified in the notice of violation, the Declarant or the Association, and/or their respective agents, employees or contractors, shall have the right to enter upon the Lot for the purpose of abating or terminating any violation or breach or any attempted violation of any of the covenants, conditions and restrictions contained herein. Such right of entry and abatement shall be exercisable by the Declarant or by the Association (upon a resolution of its Board of Directors), only upon fifteen (15) days' prior written notice to the Owner of the intent to enter and abate the violation, unless, in the discretion of the Declarant or the Association's Board, an emergency necessitates a shorter period of time.

<u>Section 3.</u> <u>**Right to Recover Cost of Entry and Abatement.**</u> The cost of any such entry and abatement (including administrative costs and reasonable attorneys' fees) may be assessed against the Lot and the Owner thereof and shall become due and payable to the Declarant or the Association and a continuing lien with respect to such Lot and a personal obligation of the Owner thereof. In the event the Owner fails to promptly pay the assessed costs, the Association shall have the right to collect the assessed costs in the same manner as Assessments pursuant to Article V hereof and shall promptly reimburse the party who incurred the costs upon collection thereof.

<u>Section 4.</u> <u>Entry for Inspection Purposes.</u> The Declarant or the Association, or their respective agents, employees or contractors, shall further have the right to enter upon a Lot at any reasonable time for the purpose of inspecting the Lot for violations of the provisions of this Declaration. Any entry pursuant to this Article X shall not be considered a trespass or other wrongful act by reason of such entry, abatement or inspection.

ARTICLE XI. EASEMENTS

<u>Section 1.</u> <u>Property Subject to Easements.</u> The easements created pursuant to this Article shall inure to the benefit of all Owners within the Association, pursuant to Article II hereof.

<u>Section 2.</u> <u>General Easements.</u> In addition to the easements reserved on the Plat herein described which are for the benefit of the Declarant, its successors and assigns, and any applicable Mortgagees, the following general easements shall burden and benefit the Property:

(a) Declarant for itself, its successors and assigns, hereby declares that every Owner shall have a perpetual easement in, upon, through and over the land shown on the Plat for ingress and egress to the Owner's Lot, and for use of all sidewalks, walkways, islands, parking areas and bays and roadways upon the Property, subject to reasonable regulation by the Association as provided in this Declaration.

(b) Declarant reserves unto itself, its successors and assigns, and unto Baltimore County (i) an easement on, over, under and through any part of the Property, for installation, inspection, maintenance, repair and replacement of any public improvements located therein and for any other purpose relating to the obligations of the property owner, the Declarant, its successor and assigns, or Baltimore County; and (ii) an easement on, over, under and through any part of the Property for the purpose of installation, maintenance, repair and replacement of all sewer, water, power, telephone and other communication systems, pipes, lines, mains, conduits, poles, transformers and any other equipment or machinery, necessary or incidental to the proper functioning of any utility system or public improvements serving the Property. In the event Baltimore County enters the Property for the purpose of maintaining a storm water management facility, the County shall have the right to assess any cost involved in such maintenance to the owner(s) of the facility.

(c) The Declarant, the Builders and any Class B Members shall have the right to store building supplies, construction equipment, and other similar items on the Property. This reserved right shall expire upon the expiration of one (1) year after completion of construction of (i) all modifications, improvements, public utilities, Structures or Uses or (ii) all Lots within the portion of the Property subject to such reserved easement, whichever shall last occur.

ARTICLE XII GENERAL PROVISIONS

Section 1. Enforcement. The Declarant or the Association, or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. In the event legal action is instituted to compel enforcement, in addition to any damages, the instituting party shall be entitled to recover all court costs and reasonable attorneys' fees incurred from the violating Owner. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

<u>Section 2.</u> <u>Severability.</u> Invalidation of anyone of these covenants, conditions or restrictions of this Declaration or of the Record Plat, by any court, governmental or

administrative body shall in no way affect any other provision which shall remain in full force and effect and which shall be construed wherever possible as being consistent with applicable law.

<u>Section 3.</u> <u>Construction.</u> All references made herein (i) in the neuter, masculine, or feminine gender shall be deemed to have been made in all such genders, and (ii) in the singular or plural numbers shall be deemed to have been made respectively in the plural or the singular where appropriate as well.

Section 4. Notices.

The Association shall maintain a roster of Owners' names. In the event of a sale or (a) transfer of any Lot, the purchaser shall notify the Association in writing of his interest in the Lot. Further, the Owner shall notify the Association in writing of any alternate mailing address in the event the Owner leases the Lot or otherwise does not receive mail at the Lot address. Any notice required to be given hereunder by the Association ("Notice"), shall be deemed to be duly given the business day the Notice is delivered or the business day following the day such Notice shall be deposited in the United States mail if delivery is by first-class postage prepaid, registered or certified mail, addressed (i) if to an Owner (other than the Declarant), to the address of such Owner as it appears on the Owners' roster; (ii) if to a Mortgagee, to the address furnished to the Association in writing by the Mortgagee, and in the absence of such notice by the Mortgagee then to the address, if any, on the face of the mortgage as recorded among the Land Records for such Mortgagee. Nothing herein contained shall preclude the personal service of any Notice in the manner prescribed for personal service of a summons or other legal process, nor shall anything contained herein be construed to alter the required method for service under any applicable Federal, State, County or local law.

(b) Any first Mortgagee of a Lot, upon proper notice and written request filed with the Secretary of the Association, shall be entitled to written notification at least sixty (60) days in advance of any proposed amendment to the Declaration.

(c) Unless an Owner has furnished the Association with Notice of his correct address, the Association shall have the right to use the mailing address for the Lot owned by such Owner. Any Owner, Mortgagee, or other person entitled to Notice from the Association hereunder who has not given Notice to the Association of his correct mailing address, if different from the Lot address, shall have no right under the provisions of this Declaration (i) to be given any Notice by the Association; or (ii) to participate in the consideration of or cast any vote on any question voted upon by the Members of the Association; or (iii) otherwise, to be recognized as such by the Association.

<u>Section 5.</u> <u>Amendment and Termination.</u> The covenants, conditions and restrictions of this Declaration shall run with, bind and burden the Property, for a term of forty (40) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless terminated by an

instrument signed by fifty percent (50%) of the Owners and (50%) of the Mortgagees and recorded among the Land Records of Baltimore County, Maryland. This Declaration may be amended during the first ten (10) years by an instrument signed by not less than two thirds (2/3rds) of the Owners and thereafter by not less than fifty one percent (51%) of the Owners. Any instrument amending the Declaration during the Development Period must also be signed by the Declarant. Any amendment(s) must be properly recorded among the Land Records of Baltimore County, Maryland.

Until the fortieth (40th) anniversary date hereof, this Declaration and the Plat may be terminated only by an instrument signed by the Declarant (or the assignee or assignees of all of the Declarant's rights and powers hereunder) and the Owners and Mortgagees of all of the Lots.

If the Association sends prior written notification to all Mortgagees entitled or required to give consent to an amendment to this Declaration and any Mortgagee fails to return written consent to such amendment within sixty (60) days, such Mortgagee shall be deemed to have consented to such amendment and written consent shall not be required. The instrument amending the Declaration shall contain a certification by an officer of the Association of the date and the manner in which the certification was sent and the response, if any, received by the Mortgagee. The provisions set forth above with respect to automatic approval by a Mortgagee shall not apply a) in the event of a proposed termination of this Declaration; or b) in the event applicable Federal, State, County or local law, rules, regulations or ordinances (including regulations of the Federal Housing Administration or the Veterans Administration, or any successor agencies thereto) require otherwise.

<u>Section 6.</u> **FHAIVAApproval**. Notwithstanding anything contained herein to the contrary, the Declarant shall have the absolute unilateral right, power and authority to modify the provisions of this Declaration, if such modification is required by the Veterans Administration or the Federal Housing Administration or any successor agencies thereto or any other Federal, State or County or local government agencies, as a condition precedent to the approval of the Property or any part thereof or any Lots thereon, for mortgage financing qualification under applicable government mortgage financing programs. If the Federal Housing Administration or Veterans Administration (or any successor agency or any similar governmental agency) has approved the Property or any part thereof or any Lots thereon for any applicable government mortgage financing programs, and if approval by the FHA or the VA (or any successor agency or any similar governmental agency) of an amendment is required by applicable law or regulation for qualification under such financing programs, then any amendments to this Declaration shall also require the consent of any such approving agency.

-27-

IN WITNESS WHEREOF, the Declarant has caused these presents to be executed in its name and by its authorized representatives the day and year first above written.

ATTEST:

ROBINCYN DEVELOPMENT, LLC

By:_____

Gary S. Houston, Member

By: _____ Paul Amirault, Member

STATE OF MARYLAND

COUNTY OF_____, TO WIT:

On this _____ day of _____, 2001, before the undersigned officer, personally appeared GARY S. HOUSTON, who acknowledged himself to be a Member of Robincyn Development, LLC, and that he as such Member being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing in his representative capacity.

IN WITNESS WHERE OF. I have hereunto set my hand and official seal.

NOTARY PUBLIC

My Commission Expires: ____

STATE OF MARYLAND

COUNTY OF _____, TO WIT:

On this ______ day of ______, 2001, before the undersigned officer, personally appeared PAUL AMIRAULT, who acknowledged himself to be a Member of Robincyn Development, LLC, and that he as such Member being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing in his representative capacity.

IN WITNESS WHEREOF. I have hereunto set my hand and official seal.

NOTARY PUBLIC

My Commission Expires: _____

-28-

CERTIFICATION

I HEREBY CERTIFY that this instrument was prepared by me or under my direction and that I am an attorney admitted to practice before the Court of Appeals for the State of Maryland.

CYNTHIA HITT KENT

AFTER RECORDING PLEASE RETURN TO: CYNTHIA HITT KENT Watermark Press Building 3600 Crandall Lane, Suite 105 Owings Mills, Maryland 21117

-30-EXHIBIT A

TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FORGE HEIGHTS, ALSO KNOWN AS SHADOWCREEK

H.O.A. Common Areas

11 th Election District

Baltimore County, Maryland

ALL those parcels of land and improvements located thereon situated in the 11th Election District of Baltimore County and described as:

H.O.A. Common Area #1 H.O.A. Common Area #2 H.O.A. Common Area #3 H.O.A. Common Area #4 H.O.A. Common Area #5 2.294 acres, more or less 4.668 acres, more or less 0.895 acres, more or less 7.172 acres, more or less 0.543 acres, more or less

as more particularly described in the subdivision plat entitled "Plats 1 and 2, Section D, Forge Heights" and recorded among the Land Records of Baltimore County, Maryland, in Plat Book SM 73, Folios 49 and 50, and any amendments thereto.

Deed References:

4549/149 and 14325/404

Tax Account Number:

11-19-083000

CONSENT OF BENEFICIARY AND TRUSTEES

The undersigned Trustees, pursuant to a certain Deed of Trust dated ______, and recorded in Liber _____, Folio _____ among the Land Records of Baltimore County, made by Robincyn Development Co., LLC, Grantor, and Scott Nicholson and John Scalera, Trustees for Columbia Bank, Beneficiary, do hereby consent to the terms of the Declaration of Covenants, Conditions and Restrictions for the Shadowcreek Homeowners Association, Inc. and subordinate the aforesaid Deed of Trust to the legal operation and effect thereof.

WITNESS:

TRUSTEES:

Scott Nicholson, Trustee

John Scalera, Trustee

STATE OF MARYLAND, COUNTY OF ______, to wit:

I HEREBY CERTIFY, that on this _____ day of _____, 2001, before me, the subscriber, a Notary Public of the State aforesaid, personally appeared Scott Nicholson, who acknowledged himself to be a Trustee of Columbia Bank, a Maryland corporation, and that he as such Trustee, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Trustee.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

NOTARY PUBLIC

My Commission Expires:

STATE OF MARYLAND, COUNTY OF , to wit:

I HEREBY CERTIFY, that on this _____ day of _____, 2001, before me, the subscriber, a Notary Public of the State aforesaid, personally appeared John Scalera, who acknowledged himself to be a Trustee of Columbia Bank, a Maryland corporation, and that he as

such Trustee, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Trustee.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

NOTARY PUBLIC

My Commission Expires: _____