

Declaration
National Park Seminary Master Association

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF

NATIONAL PARK SEMINARY

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
NATIONAL PARK SEMINARY**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF NATIONAL PARK SEMINARY ("Declaration") is made effective for all intents and purposes as of the 4th day of May, 2006, by and between **FOREST GLEN MAIN, LLC**, a Maryland limited liability company (hereinafter "FGM LLC" or "Apartment Developer"), **FOREST GLEN SF, LLC**, a Maryland limited liability company (hereinafter "SF LLC" or "Single Family Developer"), and **FOREST GLEN CONDO, LLC**, a Maryland limited liability company (hereinafter "Condo LLC" or "Condominium Developer"), **NPS HOMES ASSOCIATES LIMITED PARTNERSHIP**, a Maryland limited partnership (hereinafter "EYA" or "Townhouse Developer"), **NATIONAL PARK SEMINARY VENTURE LLC**, a Maryland limited liability company (hereinafter the "Declarant"), and **THE NATIONAL PARK SEMINARY MASTER ASSOCIATION, INC.**, a Maryland corporation (hereinafter the "Master Association").

WITNESSETH:

WHEREAS, FGM LLC is the owner of real property located in Montgomery County, Maryland, as more particularly described on Exhibit A which is attached hereto and incorporated herein by reference (the "Apartment Property"); and

WHEREAS, SF LLC is the owner of real property located in Montgomery County, Maryland, as more particularly described on Exhibit B which is attached hereto and incorporated herein by reference (the "Single Family Property"); and

WHEREAS, Condo LLC is the owner of real property located in Montgomery County, Maryland, as more particularly described on Exhibit C which is attached hereto and incorporated herein by reference (the "Condominium Property"); and

WHEREAS, EYA is the owner of real property located in Montgomery County, Maryland, as more particularly described on Exhibit D which is attached hereto and incorporated herein by reference (the "Townhouse Property"); and

WHEREAS, the Declarant is the owner of real property located in Montgomery County, Maryland, as more particularly described on Exhibit E which is attached hereto and incorporated herein by reference (the "Master Common Area Parcels"); and

WHEREAS, FGM LLC, SF LLC, Condo LLC, EYA and the Declarant by signing this Declaration consent to the recordation of this Declaration and to the submission of the Apartment Property, the Single Family Property, the Condominium Property, the Townhome Property and the Master Common Area Parcels to the operation and effect of

the Declaration, including each and every covenant, condition, restriction and easement set forth herein and further consents to the exercise of all reservations, easements, interests, exemptions, privileges and powers of the Declarant with respect to the Apartment Property, the Single Family Property, the Condominium Property, the Townhome Property and the Master Common Area Parcels by the Declarant;

WHEREAS, the Apartment Property, the Single Family Property, the Condominium Property, the Townhome Property and the Master Common Area Parcels (together with such other real property as may from time to time be annexed thereto and submitted to the operation and effect of this Declaration in accordance with Article II, Section 2 of this Declaration) shall hereinafter be collectively referred to as the "Property";

WHEREAS, FGM LLC, SF LLC, Condo LLC, EYA and the Declarant desire to create on the Property a residential community consisting of various housing types including townhomes, condominiums and apartment units, with permanent open spaces and other common facilities for the benefit of the community, including, but not limited to, certain private streets and such other areas as may be subjected to this Declaration of Covenants, Conditions and Restrictions; and

WHEREAS, in order to provide for the preservation and enhancement of the Property values, amenities, and opportunities in the community which will contribute to the personal and general health, safety, and welfare of residents and for the maintenance of the land and improvements thereon, FGM LLC, SF LLC, Condo LLC, EYA and the Declarant desire to subject the Property as further described in Article II hereof to the covenants, restrictions, conditions, easements, charges, and liens of this Declaration of Covenants, Conditions and Restrictions, said covenants, restrictions, easements, conditions, and charges running with said Property and binding all persons or entities having or acquiring any right, title, or interest in the Property or any part thereof, and inuring to the benefit of each owner thereof; and

WHEREAS, to provide a means for meeting the purposes and intents herein set forth, the Declarant, together with FGM LLC, SF LLC, Condo LLC and EYA have incorporated the Master Association as a non-stock, non-profit corporation under the laws of the State of Maryland.

NOW, THEREFORE, the Declarant, with the joinder of FGM LLC, SF LLC, Condo LLC and EYA, do hereby grant, establish, and convey to each Owner mutual non-exclusive rights, privileges, and easements of enjoyment on equal terms in common with all other Owners in and to the use of the Master Common Areas; and does hereby declare the Property to be held, transferred, sold, conveyed, encumbered, leased, rented, used, occupied and improved subject to the covenants, restrictions, easements, conditions, charges, and liens (hereinafter referred to as "Covenants and Restrictions") hereinafter set forth, which are for the purpose of protecting the value and desirability of, and shall run with, the real property and be binding on all parties having any right, title, or interest in the herein described real property or any portions thereof, and any other real property annexed within the jurisdiction of the Master Association in accordance with Article II

hereof, their heirs, personal representatives, successors, transferees and assigns, and shall inure to the benefit of, and be enforceable by, the Declarant, its successors and assigns, any persons acquiring or owning an interest in said property and improvements including, without limitation, any person, group of persons, corporation, trust or other legal entity, or any combination thereof.

AND FURTHER, the Declarant hereby delegates and assigns to the Master Association the powers of owning, maintaining, and administering the Master Common Areas, administering and enforcing the Covenants and Restrictions, collecting and disbursing the assessments and charges hereinafter created, and promoting the recreation, health, safety, and welfare of the residents.

ARTICLE I

DEFINITIONS

Unless the context clearly indicates to the contrary, the terms listed below shall be construed in accordance with the following definitions:

Section 1. "Affordable Units" shall mean and refer to each Apartment Unit which is designated as an "Affordable Dwelling Unit." The Apartment Property shall be subject to the Affordable Unit Covenants.

Section 2. "Affordable Unit Covenants" shall mean and refer to the covenants recorded against the Apartment Property which will provide for the inclusion of Affordable Units in the Lot 61 Building which will be made available for rent to persons who meet certain income eligibility standards established by the County. The restrictions shall be applicable to each Affordable Unit for a period of fifteen (15) years or more following the completion of construction of the Lot 61 Building.

Section 3. "Agreement for Supervised Fire System" shall mean and refer to the agreement entered into by and between the Alarm Monitoring Company and WSSC for the provision of a Supervised Fire System .

Section 4. "Alarm Monitoring Company" shall mean and refer to the monitoring company or companies providing monitoring services for the security systems in the Living Units on the Townhouse Property,

Section 5. "Alarm Monitoring Contract" shall mean and refer to the contract entered into by the Master Association with the Alarm Monitoring Company for purposes of providing monitoring services for the security systems in the Living Units on the Townhouse Property.

Section 6. "Annual Assessments" shall mean and refer to the assessments to be levied against Lots and collected and disbursed by the Master Association pursuant to Article V, Section 3 of this Declaration.

Section 7. "Apartment Developer" shall mean and refer to Forest Glen Main, LLC, its successors and assigns, which is the developer of the Apartment Property.

Section 8. "Apartment Owner" shall mean and refer to the Apartment Developer, as the owner of the Apartment Property, and any successor Owner of the Apartment Property.

Section 9. "Apartment Property" shall mean and refer to that portion of the Property identified as Lot 61, Block 1, Forest Glen Park Subdivision, on which the Lot 61 Building is located. The Declarant does not own or control the Apartment Property and makes no representation or warranty concerning the development of such Apartment Property, including, without limitation, the type of any improvements which may be constructed on the Apartment Property.

Section 10. "Apartment Unit" shall mean and refer to an individual unit within the Lot 61 Building which is intended for rent and not for sale as a Condominium Unit. The Transitional Housing Facility is not an Apartment Unit.

Section 11. "Approval" shall mean and refer to the issuance by any public agency of written approval, or any written waiver of approval rights, or a formal letter stating "No objection."

Section 12. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation for The National Park Seminary Master Association, Inc., filed with the Maryland State Department of Assessments and Taxation, as amended from time to time.

Section 13. "Ballroom" shall mean and refer to the ballroom facility located in the Lot 60 Building, which facility shall be a separate, privately owned Condominium Unit in the Lot 60 Building, but which facility will be open to the public in accordance with the requirements set forth in the MHT Easement.

Section 14. "Board of Directors" or "Directors" means the executive and administrative entity established by the Articles of Incorporation of the Master Association as the governing body of the Master Association.

Section 15. "Bridge" shall mean and refer to the one-way bridge located on the northwest portion of the Property off of Linden Lane, which leads to the Parking Deck. The Bridge is a Historic Improvement to be Maintained in accordance with the requirements set forth in the MHT Easement.

Section 16. "Bylaws" shall mean and refer to the Bylaws of the Master Association, as amended from time to time.

Section 17. "Commission" shall mean and refer to The Maryland National Capital Park and Planning Commission.

Section 18. "Common Area Attached Lights" shall mean and refer to lights that are attached to the exterior of a Living Unit (whether attached to the wall of a Living

Unit or on or under a deck of a Living Unit) or to the exterior of a Multifamily Building which are in the operational control of the Owner of such Living Unit or Multifamily Building and which have been designed and installed by the Declarant or a Participating Builder to provide lighting for the Master Common Areas (including private streets, private walkways, alleyways and/or sidewalks). The Common Area Attached Lights do not include other exterior light fixtures which may be attached to the exterior of Living Units or Multifamily Building and which serve only those Living Units or Multifamily Building to which such light fixtures are attached.

Section 19. "Common Expenses" shall mean and refer to the actual and estimated expenses of operating the Master Association, including, without limitation, a reasonable reserve and expenses for the Maintenance of the Master Common Areas (as hereinafter defined) and other areas of the Property which are the responsibility of the Master Association, in accordance with Article IV hereof, all as may be found to be necessary or appropriate by the Board of Directors of the Master Association pursuant to this Declaration, the Bylaws and the Articles of Incorporation of the Master Association.

Section 20. "Community Room" shall mean and refer to the community room to be included in the Lot 61 Building, which shall be available for use to all Owners and Occupants of the Living Units.

Section 21. "Condominium" shall mean and refer to a condominium regime established with respect to one or more Lots pursuant to the Maryland Condominium Act, Title 11 of the Real Property Article of the Annotated Code of Maryland.

Section 22. "Condominium Associations" shall collectively mean and refer to the Lot 22 Condominium Association, the Lot 43 Condominium Association, the Lot 54 Condominium Association, the Lot 55 Condominium Association, the Lot 60 Condominium Association and the Lot 62 Condominium Association.

Section 23. "Condominium Building" shall mean the structural improvements on a Lot on which a Condominium has been established.

Section 24. "Condominium Developer" shall mean and refer to Forest Glen Condo LLC, its successors and assigns, which is the developers of the Condominium Property.

Section 25. "Condominium Property" shall mean and refer to those portions of National Park Seminary identified as Lots 22, 43, 54, 55, 60 and 62, Block 1, Forest Glen Park Subdivision, which, based upon the Regulatory Plans which exist as of the date of this Declaration, are intended for development or redevelopment as multi-family residential improvements. The Declarant does not own or control the Condominium Property and makes no representation or warranty concerning the development of such Condominium Property, including, without limitation, the type of any improvements which may be constructed on all or any portion of the Condominium Property.

Section 26. "Condominium Unit" shall mean and refer to each residential dwelling unit within a Condominium created on the Condominium Property by recording

among the land records of the County, a declaration, bylaws, and condominium plat in compliance with the requirements specified in the Maryland Condominium Act (Title 11 of the Real Property Article of the Annotated Code of Maryland).

Section 27. "Conservation Easement Areas" shall mean and refer to those portions of the Open Space over which a Category I or Category II Forest Conservation Easement has been created as shown on the Record Plats.

Section 28. "County" shall mean and refer to Montgomery County, Maryland, and all agencies and divisions thereof.

Section 29. "Declarant" shall mean and refer to National Park Seminary Venture LLC, a Maryland limited liability company, its successors and assigns; provided, however, that no successor or assignee of the Declarant shall have any rights or obligations of the Declarant hereunder (i) unless such rights and obligations are specifically assigned by National Park Seminary Venture LLC by assignment recorded among the Land Records of the County, such assignment being approved by the Participating Builders, or (ii) unless said rights and obligations of the Declarant inure to the successor of National Park Seminary Venture LLC by operation of law. The Declarant is not a Participating Builder. Except as expressly provided herein, the rights and obligations of the Declarant set forth herein, shall cease ten (10) years after settlement on the sale of the first Lot to an Owner other than the Declarant or a Participating Builder, or in the event of the annexation of additional properties pursuant to Article II hereof, ten (10) years after the date of recordation of the last Supplementary Declaration among the Land Records of the County.

Section 30. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions, as the same may from time to time be amended by one or more Supplementary Declarations.

Section 31. "Development Agreement" shall mean and refer to the Development, Easement, Maintenance and Cost-Sharing Agreement entered into by the Apartment Developer, the Condominium Developer, the Single Family Developer, the Townhouse Developer and the Declarant relating to the development of the Property, which was recorded on or about the date of this Declaration among the Land Records of the County.

Section 32. "Development Plan" shall mean and refer to the development plan for the Property attached hereto as Exhibit F.

Section 33. "Dewitt Circle Parking Lot" shall mean and refer to the parking lot located on Parcel P, Block 1, Forest Glen Park Subdivision.

Section 34. "Eligible Mortgage Holder" shall mean and refer to a holder, insurer or guarantor of a First Mortgage on a Lot, which holder, insurer or guarantor has submitted a written request for notice from the Master Association of amendments to the Master Association documents or other significant matters which would affect the interests of the Mortgagee.

Section 35. "Entrance Features" shall mean and refer to the brick, stone or other permanent monuments (including signage thereon), if any, and all light fixtures, lights, landscaping, irrigation system and other amenities, if any, around the signage, constructed at one or more of the entrances to National Park Seminary, including the entrances at Steven Sitter Avenue and Linden Lane and at Sacks Street and Linden Lane.

Section 36. "Federal Mortgage Agencies" shall mean and refer to those Federally related agencies, if any, which may from time to time have an interest in the Property, or any portion thereof, including, but not limited to, the Federal Housing Administration ("FHA"), the Veterans Administration ("VA"), the Federal National Mortgage Association ("FNMA"), the Government National Mortgage Association ("GNMA"), and the Federal Home Loan Mortgage Corporation ("FHLMC").

Section 37. "First Mortgage" shall mean and refer to a Mortgage with priority over all other mortgages.

Section 38. "First Mortgagee" shall mean and refer to a Mortgagee who is the holder of a First Mortgage.

Section 39. "Fitness Center" shall mean and refer to the fitness center located in the improvements located or to be located in the Lot 61 Building, which fitness center shall be available for use by all Owners and Occupants of the Living Units.

Section 40. "Glen" shall mean and refer to those portions of the Property, including the Open Space, identified as Parcels Q and J, Block 1, Forest Glen Park Subdivision, on the Record Plats over which an easement is created pursuant to Article VII, Section 4(b)(iii) hereof.

Section 41. "Governing Documents" shall mean and refer to the Articles of Incorporation of the Master Association, this Declaration, any Supplementary Declarations or amendments to this Declaration, and the Bylaws of the Master Association, all as initially drawn by the Declarant and filed or recorded as the case may be, and the Rules, all as may be duly amended from time to time, as well as the Development Agreement, as each have been or may hereafter be amended.

Section 42. "Governmental Authority" or "Governmental Authorities" shall mean and refer to the State of Maryland, the County, the Commission, and any other governmental or quasi-governmental entity, or agency thereof, having jurisdiction over the Property, including, without limitation, MHT.

Section 43. "Historic Improvements" shall mean and refer to those certain improvements on the Property (which are located on the Apartment Property, the Condominium Property, the Single Family Property and the Master Common Area Parcels) and which are described more specifically in the MHT Easement, including the Statuaries, the Ballroom and the Bridge, which must be maintained in accordance with the requirements set forth in the MHT Easement.

Section 44. "**Historic District Signage**" shall mean and refer to those signs located within the Property which communicate the designation of the Property as an historic district and explain the history of the Property.

Section 45. "**Historic Trail**" shall mean and refer to the historic trail designated as "Historic Trail Easement" on the Record Plats, which trail runs through the Property and over which an easement has been created as described in Article VII, Section 4(b)(ii) hereof.

Section 46. "**Ingress/Egress Surface Easements**" shall mean and refer to those ingress/egress easements established at the ground level on Lots 58, 60, 61 and 62, Block 1, Forest Glen Park Subdivision, over which pedestrian and vehicular access have been granted as set forth on the Record Plats.

Section 47. "**Institutional Mortgagee**" or "**Institutional Holder**" shall mean and refer to one or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, mortgage companies, pension funds, mortgage insurance companies, Federal Mortgage Agencies, or business trusts, including, but not limited to, real estate investment trusts, any other lender regularly engaged in financing the purchase, construction, or improvement of real estate, or any assignee of loans made by such a lender, or any private or governmental institution which has insured a loan of such a lender, or any combination of any of the foregoing entities. In the event that any mortgage is insured by the FHA or guaranteed by the VA, then as to such mortgage, the expressions "Mortgagee" and "Institutional Mortgagee" shall include the FHA or the VA, as the circumstances may require, acting, respectively, through the Federal Housing Commission and the Secretary of Veterans Affairs, or through other duly authorized agents.

Section 48. "**Laws**" shall mean and refer to all applicable laws, rules, regulations codes or orders and ordinances applicable to the Property.

Section 49. "**Linden Lane**" shall mean and refer to that public road designated as such on the Development Plan and which provides access to the Property.

Section 50. "**Linden Lane Sidewalk Extension**" shall mean and refer to the pedestrian access easements established through Parcels L and M, Block 1, Forest Glen Park Subdivision, intended to provide alternative pedestrian access for the general public for the continuation of the sidewalk along Linden Lane, as said easements are shown on the Record Plats.

Section 51. "**Living Unit**" shall mean and refer to any structure or portion of a structure situated upon the Property designed and intended for use and occupancy as a residence by a Single Family, including single family detached dwelling units, townhouse units, Condominium Units, and Apartment Units. The Transitional Housing Facility is not a Living Unit; provided, however, the Transitional Housing Facility and the residents thereof shall be subject to all covenants, conditions and restrictions set forth in this

Declaration which are imposed upon Living Units, and the residents of the Transitional Housing Facility shall be considered Occupants for all purposes of this Declaration.

Section 52. "Lot" shall mean and refer to a portion of the Property designated as a separate subdivided lot of record on a plat of subdivision, resubdivision, consolidation, or boundary-line adjustment of a portion of the Property, or a Condominium Unit created by the recording of the condominium instruments, including the plat and plans of condominium subdivision, recorded among the Land Records of the County in accordance with Title 11 of the Maryland Condominium Act, or any other plot of land shown upon any recorded subdivision plat of the Property, upon which the planned or actual improvements are Living Unit(s). The Apartment Property is deemed to be a single Lot, notwithstanding that there are multiple Living Units on such Lot. The term "Lot" shall not include Master Common Area Parcels or outlots dedicated for public use.

Section 53. "Lot 22 Condominium Association" shall mean and refer to the council of unit owners formed with respect to the Condominium created on that portion of the Condominium Property identified as Lot 22 , Block1, Forest Glen Park Subdivision.

Section 54. "Lot 43 Condominium Association" shall mean and refer to the council of unit owners formed with respect to the Condominium created on that portion of the Condominium Property identified as Lot 43, Block1, Forest Glen Park Subdivision.

Section 55. "Lot 54 Building" shall mean and refer to the building constructed or to be constructed on Lot 54, Block 1, Forest Glen Park Subdivision, and which is intended to used for residential dwelling purposes.

Section 56. "Lot 54 Condominium Association" shall mean and refer to the council of unit owners formed with respect to the Condominium created on that portion of the Condominium Property identified as Lot 54, Block 1, Forest Glen Park Subdivision.

Section 57. "Lot 55 Condominium Association" shall mean and refer to the council of unit owners formed with respect to the Condominium created on that portion of the Condominium Property identified as Lot 55, Block 1, Forest Glen Park Subdivision.

Section 58. "Lot 60 Building" shall mean and refer to the building constructed or to be constructed on Lot 60, Block 1, Forest Glen Park Subdivision, and which is intended to used for residential dwelling purposes; provided, however, that the Lot 60 Building also includes the Ballroom. The Lot 60 Building does not include the Parking Deck which will also be located on said Lot 60.

Section 59. "Lot 60 Condominium Association" shall mean and refer to the council of unit owners formed with respect to the Condominium created on that portion

of the Condominium Property identified as Lot 60, Block 1, Forest Glen Park Subdivision.

Section 60. "Lot 61 Building" shall mean and refer to the building constructed or to be constructed on the Apartment Property (i.e., on Lot 61, Block 1, Forest Glen Park Subdivision), and which is intended to be used for residential dwelling purposes; provided, however, that the Lot 61 Building also includes the Community Room, the Fitness Center and the Transitional Housing Facility.

Section 61. "Lot 62 Condominium Association" shall mean and refer to the council of unit owners formed with respect to the Condominium created on that portion of the Condominium Property identified as Lot 62, Block 1, Forest Glen Park Subdivision.

Section 62. "Lot 61 Courtyard Area" shall mean and refer to the courtyard area located on Lot 61 which is designated on the Development Plan as "Lot 61 Courtyard Area."

Section 63. "Lot 62 Courtyard Area" shall mean and refer to the courtyard area located on Lot 62 which is designated on the Development Plan as "Lot 62 Courtyard Area."

Section 64. "Maintenance" shall mean and refer to, and shall include, inspection, testing, care, cleaning, maintenance, operation, refurbishing, repair (whether ordinary or extraordinary), restoration, replacement, decoration, renovation, alteration, rebuilding or reconstruction, including, without limitation, as a result of design defects, construction defects, wear and tear, or damage by fire, casualty or condemnation, as required to keep the item in question in good condition and substantially in accordance with all applicable Laws. To "Maintain" means to inspect, test, clean, maintain, operate, refurbish, repair, repaint, restripe, restore, replace, decorate, renovate, alter, reconstruct or rebuild, as the context may allow or require.

Section 65. "Maintenance Standards" shall mean and refer to the following standards to be utilized by the Master Association and all Owners when performing its Maintenance obligations under this Declaration: (i) preserve and enhance the values of the Property, (ii) avoid activities deleterious to the aesthetic or property values of the Property, (iii) Maintain a harmonious relationship among the structures and the natural vegetation and topography, (iv) promote the general welfare and safety of the Owners and the Occupants of the Living Units, and their respective guests, employees and invitees, (v) assure compliance of the improvements on the Property with the Regulatory Plans, (vi) Maintain all improvements on the Property in good condition and of at least the quality of improvements initially installed on the Property and comparable to the quality, condition, nature or operation found in other similar residential developments in the County of comparable age, quality and construction to the improvements on the Property. All Maintenance work is to be performed and completed on regular basis, in a good and workmanlike manner, and in accordance with all applicable Laws. All repairs and replacements, and in particular, emergency repairs, will be made in the most

expeditious manner possible, to prevent harm to the Property, or any portion thereof, and with the least adverse impact on the areas adjacent to the area in which the work is being performed and to the Owners and the Occupants of the Living Units.

Section 66. "Management Agent" shall mean and refer to a management agent or manager employed by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize pursuant to Article IX of this Declaration.

Section 67. "Master Association" shall mean and refer to The National Park Seminary Master Association, Inc., a Maryland corporation, as formed pursuant to the Master Association Governing Documents, the members of which shall include the Members of the Master Association.

Section 68. "Master Common Area Parcels" shall mean and refer to those portions of the Property described on Exhibit E attached hereto, including, without limitation, all Open Space and the Glen, and all interests in said portions of the Property, including easements and improvements thereon, owned by the Master Association, or otherwise available for use and enjoyment by all Members of the Master Association. The Master Common Area Parcels and all "Facilities" located within the Master Common Area Parcels must ultimately include all of the real property and all facilities depicted as common areas for the entire Property on the Regulatory Plans reviewed and approved by the Planning Board. "Facilities" include, as may be applicable, all Recreational Amenities, Storm Water Facilities, private roads, and other required features that are to be constructed on the Master Common Area Parcels pursuant to the Regulatory Plans (but Facilities shall specifically exclude the Fitness Center, the Community Room and the Ballroom). Facilities are to be timely constructed in a good and workmanlike manner. All Master Common Area Parcels and completed Facilities must be annexed within the Master Association by the Declarant in accordance with the terms and conditions of the approved Regulatory Plans, as may be amended from time to time, and must otherwise be in accordance with the terms of any Regulatory Plan Enforcement Agreement, including a phasing schedule, as may be amended. The Declarant reserves the right to seek an amendment to the Regulatory Plans for the purpose of modifying the location or amount of real property comprising the Master Common Area Parcels and for the purpose of modifying the improvements to be constructed on the Master Common Area Parcels, which amendment shall be reviewed by the Planning Board in accordance with applicable law. Such amendment shall become effective only if approved by the Planning Board. Notwithstanding that the Master Association is obligated to Maintain all or any portion of any Lot(s) as provided in this Declaration, such property shall not be considered Master Common Area Parcels.

Section 69. "Master Common Area Improvements" shall mean and refer to the improvements now existing or hereafter installed within the Master Common Area Parcels.

Section 70. "Master Common Areas" shall mean and refer to the Master Common Area Parcels and the Master Common Area Improvements.

Section 71. "Members" shall mean and refer to the members of the Master Association, each of whom shall be the Owner of a Lot. No tenant or occupant of a Living Unit who is not also the record Owner of the Lot on which the Living Unit is constructed shall be a Member of the Master Association.

Section 72. "MHT Easement" shall mean and refer to the Deed of Easement made by the County in favor of the Maryland Historical Trust, an instrumentality of the State of Maryland ("MHT"), dated as of October 25, 2004 and recorded October 29, 2004 among the County Land Records in Liber 28584 at folio 168, which Deed of Easement, inter alia, restricts construction and alterations to the Property, including (i) the Historic Improvements, (ii) all new improvements and (iii) the Master Common Areas, without the prior written consent of MHT.

Section 73. "MHT Specified Public Access Areas" shall mean and refer to the Master Common Area Parcels and those areas exterior to the Living Units and the Multifamily Buildings located on the Property north of Linden Lane, and those interior spaces of the Lot 54 Building, the Lot 61 Building and the Lot 60 Building, including the Ballroom, which are described or depicted on Exhibit C to the MHT Easement, and which areas are required, pursuant to the MHT Easement, to be open to the general public as described in Article VII, Section 4(b)(i) hereof.

Section 74. "Mortgagee" shall mean and refer to the holder of any recorded mortgage, or the party secured by or the beneficiary under, any recorded deed of trust, encumbering one or more of the Lots. "Mortgage," as used herein, shall include deeds of trust. As used in this Declaration, the term "Mortgagee" shall mean any mortgagee and shall not be limited to Institutional Mortgagees.

Section 75. "Multifamily Building" shall mean and refer to the Lot 61 Building and each Condominium Building.

Section 76. "National Park Seminary" shall mean and refer to all the real property subjected to the Declaration, including the Apartment Property, the Single Family Property, the Condominium Property, the Townhouse Property and the Master Common Area Parcels, as well as such other real property as may from time to time be annexed thereto and submitted to the operation and effect of this Declaration in accordance with Article II, Section 2 of this Declaration.

Section 77. "Notice" shall mean and refer to (i) written notice delivered personally or mailed, by first-class mail, postage prepaid, to the last known address of the intended recipient; or (ii) notices published at least once a week for two consecutive weeks in a newspaper having general circulation in the County; or (iii) notice published in two consecutive issues of the newsletter of the Master Association, if any, which is delivered personally or mailed to the address of the Owner of the Lot. Any Notice which is given to the Owner of a Lot shall also constitute delivery of such Notice to all Occupants of the Living Unit or Living Units on such Lot.

Section 78. "**Occupant**" shall mean and refer to a resident of a Living Unit, who is the lessee or sublessee in accordance with the leasing provisions in Article VI, Section 2(e) of this Declaration.

Section 79. "**Open Space**" shall mean and refer to those open space areas within the Property identified as Parcels Q and J, Block I, and to the extent that such parcel is not conveyed to a Governmental Authority, Parcel B, Block 10, Forest Glen Park Subdivision, as said parcels are shown on the Record Plats.

Section 80. "**Open Space Covenants**" shall mean and refer to those covenants made pursuant to the Regulatory Plans regarding the use and maintenance of the Master Common Areas, including, without limitation, (i) that certain Common Open Space Covenant With the Maryland-National Capital Park and Planning Commission recorded in Liber 28045 at folio 578 in the Land Records of Montgomery County, Maryland, (ii) that certain Declaration of Covenants made in favor of the County recorded in Liber 31389 at folio 240 among said Land Records, (iii) that certain Conservation Easement Agreement – Category I made in favor of the Commission recorded in Liber 31402 at folio 403 among said Land Records, and (iv) that certain Conservation Easement Agreement – Category II made in favor of the Commission recorded in Liber 13178 at folio 421 among said Land Records.

Section 81. "**Open Space Landscaping**" shall mean and refer to the landscaping, retaining walls, fences, trails and other improvements located or intended to be located within the Open Space (including the Glen, if necessary), all of which will be maintained by the Master Association pursuant to this Declaration.

Section 82. "**Owner**" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is included within the jurisdiction of the Master Association, including the Lot on which the Lot 61 Building is or will be located. The term "Owner" shall not include those having an interest merely as security for the performance of an obligation or by virtue of a contract to purchase a Lot (but the term Owner shall include contract sellers of Lots). The term "**Owner**" shall include the holder of a security interest in all or any portion of a Lot to the extent that such holder acquires a fee simple interest in all or any portion of a Lot as a result of a foreclosure proceeding or by a deed in lieu of foreclosure if such interest is held for purposes other than security for performance of an obligation.

Section 83. "**Parking Deck**" shall mean and refer to the parking deck located on Lot 60, Block 1, Forest Glen Park Subdivision.

Section 84. "**Parking Plan**" shall mean and refer to the parking plan for the Property attached hereto as Exhibit G.

Section 85. "**Participating Builder**" shall mean and refer to Forest Glen Condo LLC (the Condominium Developer), Forest Glen SF LLC (the Single Family Developer), Forest Glen Main, LLC (the Apartment Developer), and NPS Homes Associates Limited Partnership (the Townhouse Developer), or a person or entity who

acquires more than one Lot from the Declarant or a Participating Builder for the purpose of constructing Living Units on said Lots; provided, however, that a person or entity who acquires a single Lot for the purpose of constructing a Living Unit shall be deemed to be an Owner (with all rights and obligations of an Owner), but shall not be a Participating Builder, nor have the rights of a Participating Builder, for purposes of this Declaration.

Section 86. "Phase II Parcel" shall mean and refer to the real property which can be identified as Parcel K, Block 1, Forest Glen Park Subdivision, on Record Plat Number 23378, recorded in the Land Records of the County.

Section 87. "Planning Board" shall mean and refer to the Montgomery County Planning Board of the Maryland-National Capital Park and Planning Commission.

Section 88. "Private Trash Enclosure" shall mean and refer to the trash enclosures designated on the Development Plan as "Private Trash Enclosure" which will be Maintained by the Owner of the Lot(s) to which such Private Trash Enclosure is assigned as shown on the Development Plan.

Section 89. "Property" shall mean and refer to all real property which is hereby subjected to this Declaration, together with such other real property as may from time to time be annexed thereto in accordance with Article II, Section 2 of this Declaration, and all improvements now or hereafter existing thereon, and excluding any real property which is subjected to this Declaration and subsequently withdrawn in accordance with Article II, Section 3 of this Declaration. At this time, the Property consists of the real property described on Exhibits A, B, C, D and E attached hereto.

Section 90. "Public Access Area(s)" shall mean and refer to those areas of the Property which are (i) the MHT Specified Public Access Areas, (ii) the Historic Trail, and (iii) the Glen.

Section 91. "Public Access Easement" shall mean and refer to (i) as to the MHT Specified Public Access Areas, the easement granted to MHT under the MHT Easement and pursuant to which the MHT Specified Public Access Areas are required to be open to the public on a minimum of five (5) days per year from 10:00 a.m. to 5:00 p.m., or the equivalent of thirty-five (35) hours per year, and at other times by appointment as may be determined by the Master Association, (ii) as to the Historic Trail, the easement granted over the Historic Trail as set forth on the Record Plats for the non-exclusive use of said Historic Trail by the general public only during daylight hours, and (iii) as to the Glen, the easement granted pursuant to Article VII, Section 4(b)(iii) of this Declaration.

Section 92. "Public Road" shall mean and refer to the road within National Park Seminary identified on the Record Plats as Linden Lane, which street has been dedicated to the County and is intended to be publicly maintained after completion of construction.

Section 93. "Quorum of Members" shall mean and refer to the representation at a duly called meeting of the Members by presence or proxy of (a) Members who hold at least forty-one percent (41%) of the outstanding votes in the Association (other than the Class D Members and the Class E Member), and (b) the Class D Members, so long as the Class D membership shall continue to exist. In the event a "Quorum of Members" is not present at a duly called meeting of the Members, no action may be taken which requires the vote of a Quorum of Members. At the next duly called meeting of the Members after failure of the attending Members at the previous meeting to constitute a quorum, the quorum requirement may be reduced to constitute the representation by presence or proxy of (i) Members who hold at least thirty-six percent (36%) of the outstanding votes in the Association (other than the Class D Members and the Class E Member) and (b) the Class D Members, so long as the Class D membership shall continue to exist; provided that in order for the reduced quorum requirement to apply, the purpose of the meeting shall remain the same as that recited in the original notice given to all Members.

Section 94. "Record Plats" shall mean and refer to Plat Nos. 23359, 23360, 23361, 23362, 23363, 23364, 23374, 23375, 23376, 23377 and 23378 filed in the Land Records of the County.

Section 95. "Recreational Amenities" shall mean and refer to those recreational facilities including the Ballroom, the Fitness Center, the Community Room and other portions of the Master Common Area Improvements, including the benches, bicycle racks, trash receptacles (other than the Private Trash Enclosures and the receptacles in the Private Trash Enclosures) and other site furniture located within the Master Common Area Parcels (including the Open Space), and the Glen, Historic Trail and other walkways located within the Master Common Area Parcels.

Section 96. "Registered Notice" shall mean and refer to any notice which has been sent by registered or certified United States mail, return receipt requested, postage paid, to the last known address of the intended recipient and which has been signed for or has been certified by the United States Postal Service that delivery was attempted at the aforementioned address. Failure by refusal of an intended recipient to acknowledge or accept such Notice shall nevertheless constitute receipt.

Section 97. "Regulatory Plans" shall mean and refer collectively to all project plans, preliminary plans and/or site plans reviewed and approved by the Planning Board, including, without limitation, (i) approved Preliminary Plan No. 1-05054 approved by the Montgomery County Planning Board, and (ii) approved Site Plan 8-05024 approved by the Planning Board.

Section 98. "Reserved Parking" shall mean and refer to the parking spaces located within the Master Common Area Parcels which are (i) reserved for the exclusive use of the Owners and Occupants of the Living Units on certain Lots, as designated on the Parking Plan, or (ii) reserved for the operation of the Transitional Housing Facility, as designated on the Parking Plan. The Reserved Parking spaces described in the foregoing clause (i) shall not be used by Owners or Occupants of any Living Units, or their guests,

invitees, contractors or agents, other than the Owners and Occupants of the Living Units for which such Reserved Parking spaces under clause (i) are designated on the Parking Plan, and the Reserved Parking spaces described in the foregoing clause (ii) shall not be used by Owners or Occupants of any Living Units, or their guests, invitees, contractors or agents, except for the lessee and the operator of the Transitional Housing Facility and their respective employees, contractors and invitees, in connection with its operation of the Transitional Housing Facility.

Section 99. "Retaining Walls" shall mean and refer to the retaining walls initially constructed by the Declarant or a Participating Builder within the Property. Party walls (as described in Article VI, Section 4 of this Declaration) are not, and shall not be deemed to be, Retaining Walls.

Section 100. "Rules" shall mean and refer to the rules and regulations adopted from time to time by the Board of Directors governing the use, occupancy, operation and physical appearance of the Property.

Section 101. "Single Family" shall mean and refer to a single housekeeping unit which includes not more than three adults who are legally unrelated.

Section 102. "Single Family Developer" shall mean and refer to Forest Glen SF, LLC, its successors and assigns, which is the developer of the Single Family Property.

Section 103. "Single Family Property" shall mean and refer to those portion of National Park Seminary identified as Lots 56, 57, 58 and 59, Block 1, Forest Glen Park Subdivision, on the Record Plats, which are, based upon the Regulatory Plans which exist as of the date of this Declaration, intended for development as single-family detached residential improvements. The Declarant does not own or control the Single Family Property and makes no representation or warranty concerning the development of such Single Family Property, including, without limitation, the type of any improvements which may be constructed on the Single Family Property.

Section 104. "Special Assessments" shall mean and refer to the assessments which may be levied against Lots and collected and disbursed by the Master Association pursuant to Article V, Section 4 of this Declaration.

Section 105. "Statuaries" shall mean and refer to those historic statues located on the Property, more specifically designated on the Statuary Schedule. There are other historic statues located on the Property which are not listed on the Statuary Schedule and are not intended to be included in this definition.

Section 106. "Steven Sitter Parcel" shall mean and refer to that certain parcel of land which is owned by the United States Government and is located immediately adjacent to, and at the entrance to, the Property located at Steven Sitter Avenue and Linden Lane, as shown on the Development Plan. The use of the Steven Sitter Parcel is subject to a license agreement with the United States of America dated _____ (the "Steven Sitter Parcel License") The Steven Sitter Parcel is

not part of the Property and is not subject to the covenants and restrictions of this Declaration, except for the obligations to be performed under the Steven Sitter Parcel License.

Section 107. "Storm Water Facilities" shall mean and refer to the storm water management areas and/or facilities serving the Property, whether for retention, detention, or other purposes, and whether located on or off of the Property, including, without limitation, storm water lines, filters, drainage pipes, ditches, infiltration trenches, ponds, basins, stream beds swales, berms, out-flow control devices, underground vaults, manholes, meters, valves, conduits, bio-retention facilities, if any, drainage areas, filters, inlets, oil/grit separators, underground facilities and related facilities, if any.

Section 108. "Subassociation" shall mean and refer to any Maryland non-stock corporation or unincorporated residential association (other than the Master Association), and its successors and assigns, established in accordance with the Maryland Homeowners Association Act or the Maryland Condominium Act, whose membership shall consist of any Owners of Living Units within the Master Association.

Section 109. "Subassociation Board" shall mean and refer to the board of directors for a Subassociation.

Section 110. "Subassociation Governing Documents" shall mean and refer to the governing documents which establish the duties, rights and obligations of any Subassociation, Subassociation Board and the Owners who are members within a Subassociation.

Section 111. "Supervised Fire System" shall mean and refer to the 24-hour supervised fire system and/or hydrant system as required by WSSC, for Living Units of more than three (3) finished levels within the Townhouse Property.

Section 112. "Supplementary Declaration" shall mean and refer to any declaration of covenants, conditions, and restrictions which may be recorded by the Declarant, which amends, supplements or modifies the provisions of this Declaration.

Section 113. "Townhouse Developer" shall mean and refer to NPS Homes Associates Limited Partnership, its successors and assigns, which is the developer of the Townhouse Property.

Section 114. "Townhouse Property" shall mean and refer to those portion of the Property identified on the Record Plats as Lots 1-21, inclusive, Lots 23-42, inclusive, and Lots 44-53, inclusive, Block 1, and Lots 1-39, inclusive, Block 10, Forest Glen Park Subdivision, which are, based upon the Regulatory Plans which exist as of the date of this Declaration, intended for development as single family townhouse improvements. The Declarant does not own or control the Townhouse Property and makes no representation or warranty concerning the development of such Townhouse Property, including, without limitation, the type of any improvements which may be constructed on the Townhouse Property.

Section 115. "Trail Visitor Parking" shall mean and refer to the three (3) parking spaces located near the beginning of the Historic Trail on the south side of Linden Lane which are reserved for the exclusive use of the general public during daylight hours. Said Trail Visitor Parking is shown on Record Plats as Parking Easement, and is designated as "Trail Visitor Parking" on the Parking Plan.

Section 116. "Trails" shall mean and refer to the trails which are located, or intended to be located, on the Master Common Area Parcels, including the Historic Trail, which will be owned and maintained by the Master Association as provided for in the Regulatory Plans.

Section 117. "Transitional Housing Facility" shall mean and refer to the Carroll House, a transitional housing facility for men operated by Catholic Charities, located within the Lot 61 Building.

Section 118. "WSSC" shall mean and refer to the Washington Suburban Sanitary Commission.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

Section 1. The Property. The Property is and shall be held, transferred, sold, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to this Declaration and all covenants, restrictions, conditions, easements, charges and liens set forth in this Declaration, in the Governing Documents, and in the Regulatory Plans.

Section 2. Additions to The Property. So long as the Class E Membership continues to exist, the Declarant shall have the right, without the consent of the Class A Members, the Class B Members, the Class C Members, but with the consent of the Class D Members, to subject to this Declaration any additional property which the Declarant or any Participating Builder owns or acquires in the vicinity of the Property, including, but not limited to the Phase II Parcel, for a period of ten (10) years following the date of recordation of this Declaration among the Land Records of the County; provided, however, that if the Declarant or the Participating Builders is or 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 control of the Declarant or a Participating Builder, then the aforesaid ten (10) year period shall be extended by a period of time equal to the lesser of (i) the length of the delays or (ii) an additional five (5) years. The scheme of this Declaration shall not, however, be extended to include any such real property unless and until the same is annexed within the jurisdiction of the Master Association by the recordation of a Supplementary Declaration as provided in this Section. Except as otherwise provided above with respect to annexations of real property by the Declarant, annexations of real property within the jurisdiction of the Master Association shall require the consent of Members entitled to cast not less than sixty-seven

percent (67%) of the votes of all Members present, in person or by proxy, and voting at any meeting of the Master Association.

The Supplementary Declaration which subjects additional property to this Declaration shall describe the real property to be annexed to the scheme of this Declaration and shall state that it is being made pursuant to the terms of this Declaration for the purpose of annexing the property described in the Supplementary Declaration to the scheme of this Declaration and extending the jurisdiction of the Master Association to cover the real estate so described in such Supplementary Declaration. The Supplementary Declaration may contain such complementary additions and modifications to the covenants, conditions and restrictions set forth in this Declaration as may be considered necessary by the Declarant to reflect the different character, if any, of the real property being annexed or the various housing or community style characteristics and development approaches to which the annexed land or parts thereof may be subject, all of which may be significantly at variance with other portions of the Property, but all of which shall be consistent in quality with the improvements constructed on the Property. Every Owner of a Lot in property annexed as provided herein shall have an easement of enjoyment in and to the Master Common Areas, and such other rights of use as are provided in Article IV, Section 2 of this Declaration, but subject to the provisions of Article IV, Section 3 of this Declaration.

The additions authorized under this Section 2 shall be made by complying with the requirements of the applicable County zoning ordinances; by securing the Approval of the Federal Mortgage Agencies, if required; by recording in the Land Records of the County one or more Supplementary Declarations of covenants and restrictions with respect to the additional property; and by filing with the Master Association any applicable site plans and/or subdivision plats for such additions.

Section 3. Withdrawable Real Estate. The Declarant shall have the unilateral right, without the consent of the Class A Members, the Class B Members, the Class C Members, or the Class D Members (other than the consent of the Participating Builder which owns such portion of the Property), to execute and record an amendment to this Declaration withdrawing any portion of the Property on which Living Units have not been constructed for a period of ten (10) years following the date of recordation of this Declaration among the Land Records of the County; provided, however, that (i) such withdrawal of any portion of the Property shall not result in the Property failing to comply with applicable zoning ordinances, and (ii) the Declarant or a Participating Builder is the owner of such property at the time of withdrawal, or, if neither the Declarant nor a Participating Builder is the owner of such property, the Declarant withdraws such property with the written consent of the owner thereof; provided, further, that if the Declarant or a Participating Builder is 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 control of the Declarant or a Participating Builder, then the aforesaid ten (10) year period shall be extended by a period of time equal to the lesser of (a) the length of the delays or (b) an additional five (5) years. Such withdrawn property shall no longer be subject to the covenants, conditions and restrictions of this Declaration except for (x) any easements, rights, reservations, exemptions, powers or

privileges reserved to the Declarant or the Participating Builders pursuant to this Declaration which affect the withdrawn property and (y) any other easements, rights, reservations, exemptions, powers or privileges which are expressly reserved to the Declarant in the instrument effectuating such withdrawal. Such withdrawal shall be made by recording a Supplementary Declaration among the Land Records of the County withdrawing the effect of the covenants, conditions and restrictions of this Declaration from the withdrawn property. Such withdrawn property may be utilized by the Declarant or another Participating Builder, or any successor, assign or transferee thereof, for any lawful purpose or use.

Section 4. Merger. In accordance with its Articles of Incorporation, the real estate, personal property, rights, and obligations of the Master Association may, by operation of law, be transferred to another surviving or consolidated association similar in corporate nature and purposes. Similarly, the real estate, personal property, rights, and obligations of an association similar in corporate nature and purposes to the Master Association may, by operation of law, be added to the property, rights, and obligations of the Master Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration upon any other properties as one scheme. No such merger or consolidation shall, however, effect any revocation, change, or addition to the covenants established by this Declaration within the Property except as hereinafter provided. Such merger or consolidation shall require the affirmative vote of at least sixty-seven percent (67%) of each class of Members and the approval of the Class D Members, so long as the Class D membership shall continue to exist.

Section 5. History and Use of the Property. The National Park Seminary is an eclectic group of structures that began with the construction of a hotel in 1887, known as the "Ye Forest Inn", which was to serve as a summer retreat for city dwellers. In 1894, the property transitioned into use as a private school for women. The use of the property as an educational institution continued until 1942, when the United States Government annexed the property to be a part of the Walter Reed Army Medical Center pursuant to the War Powers Act. Initially, the Property was used as a peaceful place for the recovery of returning wounded soldiers.

National Park Seminary was placed on the National Register of Historic Places in 1972, with its areas of significance listed as: architecture, education, landscape architecture, and sculpture. Use of the property by the United States Government continued until in 2001 when the United States Army declared the property to be surplus to their needs and authorized the U.S. General Services Administration to dispose of the site. The transfer of the site was contingent on placing a preservation easement on the property, under which no alterations could be made without approval. The property is an historic district and is subject to conditions and restrictions of the MHT Easement, which is further described herein.

Also currently located on the Property is a Transitional Housing Facility for men known as the Carroll House. It shall be relocated from its current location to the Lot 61 Building. In accordance with the Affordable Unit Covenants encumbering the Apartment

Property, a portion of the Apartment Units are designated as Affordable Units as required by the Regulatory Plans.

ARTICLE III

THE MASTER ASSOCIATION

Section 1. Organization. The Master Association is a non-profit, non-stock corporation organized and existing under the laws of the State of Maryland and charged with the duties and vested with the powers prescribed by law and set forth in the Governing Documents, as the same may be amended from time to time; provided, however, that no other Governing Documents shall be amended for any reason, or otherwise changed or interpreted, so as to be inconsistent with the provisions of this Declaration.

Section 2. Membership.

(a) **Basis.** Membership shall be appurtenant to the Lot giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except as provided in the Governing Documents. Each person or entity which is a record Owner of a Lot shall be a Member of the Master Association.

(b) **Member's Rights and Duties.** Each Member shall have the rights, duties, and obligations set forth in the Governing Documents.

(c) **Voting Rights.** The Master Association shall have five (5) classes of voting membership as follows:

(i) **Class A.** Class A Members shall be (x) all Owners of the Lots within the Townhouse Property, except the Townhouse Developer (which is a Participating Builder), and (y) all Owners of the Lots within the Single Family Property, except the Single Family Developer (which is a Participating Builder). The Class A Members shall be entitled to an aggregate of ninety-four (94) votes in the Master Association (the "**Total Class A Votes**"), and each Lot within the Townhouse Property and the Single Family Property (and thus the Class A Members who own such Lot) is allocated one (1) vote in the Master Association, subject to the provisions of Article III, Section 2(d) below.

(ii) **Class B.** Class B Members shall be all Owners of the Lots within the Condominium Property, except the Condominium Developer (which is a Participating Builder). The Class B Members shall be entitled to an aggregate of ninety-one (91) votes in the Master Association (the "**Total Class B Votes**"), and each Lot within the Condominium Property (and thus the Class B Members who own such Lot) is allocated one (1) vote in the Master Association, subject to the provisions of Article III, Section 2(d) below, except for the Owner of the Ballroom which shall have no vote in the Master Association.

(iii) Class C. The Class C Member shall be the Apartment Owner, except where the Apartment Developer (which is a Participating Builder) is the Apartment Owner, in which case the Apartment Developer shall have the voting rights as a Class D Member until the conversion of the Class D membership to Class C membership as provided below in this Article III, Section 2(c). The Class C Member shall be entitled to sixty-six (66) votes in the Master Association.

(iv) Class D. The Class D Members shall be the Participating Builders, or any successor, nominee or assignee (i) to whom a Participating Builder assigns any or all of its rights as a Participating Builder pursuant to this Declaration by assignment recorded in the Land Records of the County, provided such assignment is consented to by the Declarant, or (ii) who is a purchaser at foreclosure with respect to a Participating Builder's interest in the Property or a grantee in a deed in lieu of foreclosure from a Participating Builder, who acquires not less than five (5) undeveloped Lots from that Participating Builder for development of Living Units thereon. Such assignment shall only operate as to the land which is owned by such successor or assignee and which is referenced specifically in the instrument of assignment.

The Townhouse Developer and the Single Family Developer shall each initially have three (3) votes for each Lot in which it owns a fee or undivided fee interest; the Condominium Developer shall initially have three (3) votes for each Lot in which it owns a fee or undivided fee interest (except for the Ballroom which has no vote); and the Apartment Developer shall initially have one hundred ninety-eight (198) votes in the Master Association.

These voting rights of the Townhouse Developer, the Single Family Developer and the Condominium Developer shall be increased for each Lot which is annexed within the jurisdiction of the Master Association in accordance with Article II, Section 2 of this Declaration, and shall be decreased by three (3) votes for each Lot conveyed to a Class A Member or Class B Member.

The Class D membership and Class D voting rights of (i) the Townhouse Developer and the Single Family Developer shall cease and be converted to a Class A membership with Class A voting rights as to each and every Lot in which the Townhouse Developer or the Single Family Developer then holds the interest otherwise required for Class A membership, and (ii) the Condominium Developer shall cease and be converted to Class B membership with Class B voting rights as to each and every Lot in which the Condominium Developer then holds the interest otherwise required for Class B membership, upon the earliest to occur of:

(A) one hundred twenty (120) days following the date on which at least seventy-five percent (75%) of all the Lots owned by the Townhouse Developer, the Single Family Developer and the Condominium Developer have been conveyed by such Participating Builders to other Owners, provided that all the Master Common Improvements have been completed at such time; or

(B) ten (10) years after the date of recordation of this Declaration by the Declarant; provided, however, that if the Townhouse Developer, the Single Family Developer or the Condominium Developer is delayed in the improvement and development of the Townhouse Property or the Single Family Property or the Condominium Property, as applicable, on account of a sewer, water or building permit moratorium or any other cause or event beyond the Participating Builder's reasonable control, the aforesaid ten (10) year period shall be extended by a period of time equal to the lesser of (1) the period of the delays, or (2) an additional five (5) years; or

(C) upon the surrender of said Class D membership by the Townhouse Developer, the Single Family Developer and the Condominium Developer for cancellation on the books of the Master Association;

The Class D membership and Class D voting rights of the Apartment Developer shall cease, and be converted to a Class C membership with Class C voting rights as to each and every Lot in which the Apartment Developer then holds the interest otherwise required for Class C membership upon the earlier to occur of (i) the issuance of a Certificate of Occupancy for the Lot 61 Building, or (ii) the conversion of the Class D membership and Class D voting rights of the Townhouse Developer, the Single Family Developer and the Condominium Developer to Class A or Class B membership with Class A or Class B voting rights, as applicable.

(v) Class E. The Class E Member shall be the Declarant. The Class E Member shall have no votes in any matter before the Master Association. The Class E membership shall cease and terminate at such time as the Class D membership of all Participating Builders shall have ceased and terminated pursuant to this Article III, Section 2(c).

(d) Exercise of Vote.

(i) Multiple Owners. Where title to a Lot is held by more than one person or entity, such multiple Owners of a Lot shall be entitled to cast, in the aggregate and as a single block, the one (1) vote allocated to the Lot (except in the case of the Apartment Property to which 66 votes have been allocated, and except in the case of the Class D voting rights as described above), and, except in the case of the Class C voting rights and the Class D voting rights, in no event shall more than one (1) vote be cast with respect to any Lot. The one (1) vote for any Lot (and in the case of the Apartment Property, the 66 votes) shall be cast as the Owners of the Lot among themselves shall determine, but it may be exercised by any one of them, provided that no objection or protest by any other holder of such membership is made prior to the completion of a vote. If such protest is lodged prior to the completion of the vote, the vote for such Lot shall not be counted, but the Member whose vote is in dispute shall be counted as present at the meeting for quorum purposes if the protest is lodged at such meeting..

(ii) Assignment of Voting Rights. Any Owner who leases his or her Lot in accordance with the leasing requirements set forth in Article VI, Section

2(c) may, in the lease or other written instrument, assign the voting right appurtenant to that Lot to the lessee, provided that a copy of such instrument is furnished to the Master Association. The leases for the Apartment Units shall each include a provision that acknowledges that the tenants of the Apartment Units are not Members of the Master Association and shall have no voting rights in the Master Association, and that the Apartment Owner retains all voting rights in the Master Association applicable to the Apartment Property. The deed or other instrument of conveyance with respect to the Ballroom shall include a provision that acknowledges that the Owner of the Ballroom shall have no voting rights in the Master Association.

Section 3. Board of Directors.

(a) Composition. The number of Directors and method of selection of Directors shall be as follows:

(i) So long as the Class D membership shall exist, the members of the Board of Directors shall be selected by the Participating Builders, who shall serve at the pleasure of the Participating Builders until the conversion of the Class D membership as provided for in Article III, Section 2(c) hereof (unless the Participating Builders shall elect to surrender this right to select Directors at any earlier time) as follows:

(A) the Townhouse Developer shall appoint two (2) persons to serve on the Board of Directors as Class A Director(s);

(B) the Condominium Developer shall appoint one (1) person to serve on the Board of Directors as the Class B Director; and

(C) the Apartment Developer shall appoint one (1) person to serve on the Board of Directors as the Class C Director.

(ii) Not later than sixty (60) days after the last Participating Builders' Class D membership is converted as provided for in Article III, Section 2(c) hereof, the Board of Directors shall call a special meeting for the purpose of electing five (5) Directors to serve until the next annual meeting of the Master Association. Upon such election, the members of the Board of Directors selected by the Declarant shall submit their resignations.

(iii) At the first annual meeting of the Master Association after the conversion of the last Participating Builders' Class D membership as provided for in Article III, Section 2(c) hereof, and at each annual meeting of the Master Association thereafter, the members of the Board of Directors shall be elected as follows:

(A) the Class A membership shall elect two (2) persons to serve on the Board of Directors as Class A Directors;

(B) the Class B membership shall elect two (2) persons to serve on the Board of Directors as the Class B Directors (the members of the Lot 60

Condominium Association shall elect one (1) person to serve of the Board of Directors as a Class B Director and the members of the Lot 22 Condominium Association, the Lot 43 Condominium Association, the Lot 54 Condominium Association, the Lot 55 Condominium Association, and the Lot 62 Condominium Association shall elect one (1) person to serve of the Board of Directors as a Class B Director); and

(C) the Class C membership shall appoint one (1) person to serve on the Board of Directors as the Class C Director.

The initial terms of the elected Directors shall be two (2) years each. At the expiration of the initial term of office of each respective member of the Board of Directors, successors shall be elected to serve for a term of three (3) years. Directors shall continue in office until their successors have been elected, unless a Director resigns, is removed or becomes disqualified to be a Director.

(b) Extent of Power.

(i) The Board of Directors shall have all powers to conduct the affairs of the Master Association which are enabled by law or the Governing Documents and which are not specifically reserved to Members, the Participating Builders or the Declarant by said Documents.

(ii) The Board of Directors shall exercise its powers in accordance with the Governing Documents.

(c) Powers and Duties. By way of example and without limiting the generality thereof, the Board of Directors shall have the power and obligation to perform the following duties:

(i) Real and Personal Property. To acquire (by gift, purchase or otherwise), own, hold, improve, Maintain, manage, lease, pledge, convey, transfer, or dedicate real or personal property for the benefit of the Members in connection with the affairs of the Master Association, except that no dedication, sale or transfer of the Master Common Areas shall be effective, nor shall any mortgaging of the Master Common Areas be effective, unless the consent of Members holding at least sixty-seven percent (67%) of the votes in the Master Association (and the consent of the Class D Members, so long as the Class D membership shall continue to exist) and the consent of fifty-one percent (51%) of the Eligible Mortgage Holders shall have been obtained with respect to such dedication, sale, transfer, or mortgaging of the Master Common Areas and provisions of Article II and Article VIII of this Declaration shall have been complied with, to the extent applicable; and further provided, that any conveyance of the Master Common Areas shall be subject to the easements granted across the Master Common Area Parcels pursuant to Article VII of this Declaration.

(ii) Rule Making. To establish, and amend from time to time, and enforce compliance with, such reasonable rules and regulations as may be necessary to govern the use of the Property and facilities thereon, and the personal conduct of the Members of the Master Association, the Occupants, and their respective guests thereon,

and to establish penalties for the violation of same; and to review and approve the Rules submitted by the Owner of the Ballroom governing the use of the Ballroom as provided in Article VI, Section 1(b) hereof, and to review and approve the Rules submitted by the Apartment Owner governing the use of the Fitness Center and Community Room as provided in Article VI, Section 1(c) hereof.

(iii) Assessments. To fix, levy, and collect assessments as provided in Article V, including, without limitation, the establishment of reserves as set forth in Article V of this Declaration:

(iv) Agreements; Easements. To enter into, make, grant, perform, enforce and vacate contracts, agreements, licenses, easements, dedications, leases, and/or rights-of-way over and across the Master Common Area Parcels (and to the extent provided in this Declaration, the Lots), including, without limitation, to public agencies to serve necessary public purposes, to Owners of Lots within National Park Seminary, to a Subassociation, to adjacent property owners, and to public or private utility companies, those that may otherwise be or become necessary, or those that are deemed reasonable by the Board of Directors, or those provided in Article VII or otherwise anticipated by this Declaration that is not inconsistent with the approved Regulatory Plans.

(v) Employment of Agents. To employ, enter into contracts with, delegate authority to, and supervise such persons or entities as may be appropriate to manage, conduct, and perform the business obligations and duties of the Master Association.

(vi) Mergers/Consolidations. To participate in mergers and consolidations with other corporations as provided in Article II, and subject to the provisions of Article VIII of this Declaration.

(vii) Enforcement of Governing Documents. To perform acts, as may be reasonably necessary or appropriate, including bringing suit, causing a lien to be filed or foreclosed, and suspending membership rights, for enforcing or effectuating any of the provisions of the Governing Documents.

(viii) Performance and Enforcement of Third Party Agreements. To take all actions, as may be reasonably necessary or appropriate to perform the obligations of the Master Association, and to perform, enforce or defend rights, the obligations, easements, burdens and benefits under any and all other agreements with third parties affecting the Property ("**Third Party Agreements**"), including without limitation, providing all consents, waivers, approvals, appointments, responses to requests for approval, performing all Maintenance obligations, preparing budgets as may be required, bringing or defending a suit, causing a lien to be filed or foreclosed, or removed, and exercising all remedies available for enforcing or effectuating any of the provisions of the Third Party Agreements. In furtherance of the foregoing, and not in limitation thereof, the Master Association shall perform all of the obligations imposed on

the Property (or the owners of the Property) under the MHT Easement, the Open Space Covenants and the Steven Sitter Parcel License.

(ix) Architectural Design; Compliance with Approvals, Easements. To promulgate, from time to time, architectural guidelines and to regulate the external design, appearance and location of the Master Association's property and the improvements thereon in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among the structures and the natural vegetation and topography, and to review, modify, and approve architectural standards recommended by the Architectural Review Board; and to monitor compliance with the requirements of any conservation easements and other restrictions imposed on Lots and/or the Master Common Area Parcels, or by Governmental Authorities, including, without limitation, the Planning Board, any and all Regulatory Plans, the conservation easement area restrictions established with respect to the Conservation Easement Areas, the requirements and restrictions established pursuant to the MHT Easement, and the requirements and restrictions imposed by the Regulatory Plans; and to periodically remind the Members of the Master Association of such restrictions.

(x) Ownership of Master Common Areas. Upon tender of a deed from the Declarant with respect to the Master Common Area Parcels, accept fee simple title to the Master Common Area Parcels from the Declarant, which deed shall include, if requested by the Declarant, an acknowledgment by the Master Association of its obligations with respect to the Master Common Areas.

(xi) Notice to Declarant upon Turnover. Within sixty (60) days following the later to occur of (i) the date upon which the last Class D Membership has converted to Class A Membership, Class B Membership or Class C Membership as provided for in Article III, Section 2(c) of this Declaration, or (ii) the date upon which final paving of the public streets, private streets and/or alleyways within the Property has been completed by the Declarant, designate and engage, together with the Declarant, an inspecting engineer mutually agreed upon by the Board of Directors (on behalf of the Master Association) and the Declarant (the "**Inspecting Engineer**") to conduct an assessment of the Master Common Areas of the Property in order to identify any and all portions of the Master Common Area Improvements which may require repairs or corrective work based upon the specifications of the Regulatory Plans, and to prepare a report (the "**Inspection Report**") of any such repairs or corrective work to be performed. Based upon the Inspection Report prepared by the Inspecting Engineer, a final list (the "**Corrective Work List**") of all such repairs and corrective work to be performed (the "**Corrective Work**") shall be agreed upon by the Declarant and the Board of Directors. The Declarant shall complete all Corrective Work on the Corrective Work List, at Declarant's sole cost and expense, and all Corrective Work shall be inspected by the Inspecting Engineer, as follows: within five (5) business days after the Declarant notifies the Inspecting Engineer that a component of the Corrective Work has been completed in accordance with the specifications of the Regulatory Plans, the Inspecting Engineer shall issue to both the Declarant and the Board of Directors, a written certificate of completion as to such component of the Corrective Work; and within five (5) business days after Declarant notifies the Inspecting Engineer that all Corrective Work has been completed in

accordance with the specifications of the Regulatory Plans, the Inspecting Engineer shall issue to both the Declarant and the Board, a written final certificate of completion as to all Corrective Work. Upon issuance by the Inspecting Engineer of the final certificate of completion, the Declarant shall have no further obligation, liability or responsibility for the repair or correction of any of the Master Common Areas of the Property. All costs of the Inspecting Engineer shall be shared equally by the Declarant and the Master Association. The failure of the Board to work jointly with the Declarant to engage such Inspecting Engineer as provided in this paragraph shall, to the extent permitted by law, be deemed as a waiver of the Master Association of any right to initiate an action, claim or litigation against the Declarant based upon, or by reason of, any deficiencies or damage in any manner relating to the Master Common Areas, including, without limitation, the design, construction, installation or repair of the Master Common Area Improvements, or any of same. The provisions of this Article III, Section 3(c)(xi) shall not be amended without the prior written consent of the Declarant.

Section 4. The Architectural Review Board.

(a) Composition. Until the last Class D Member's Class D Membership has converted to Class A membership, Class B membership or Class C membership, the Architectural Review Board shall be composed of two (2) members appointed by the Class D membership, as follows: the Townhouse Developer shall appoint one (1) member of the Architectural Review Board, and the Apartment Developer shall appoint one (1) member of the Architectural Review Board. When the Class D membership's rights cease, the Architectural Review Board shall consist of five (5) or more Owners who shall be appointed by the Board of Directors as follows: two (2) members of the Architectural Review Board shall be appointed by the Class A Directors, two (2) members of the Architectural Review Board shall be appointed by the Class B Directors, and one (1) member of the Architectural Review Board shall be appointed by the Class C Director. The affirmative vote of a majority of the members of the Architectural Review Board shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization or approval pursuant to the authority set forth in this Article III, Section 4, but in no event shall architectural guidelines be issued which are not uniformly applicable to, and enforced against, all portions of the Property.

(b) Powers and Duties. The Architectural Review Board shall recommend to the Board of Directors the adoption of Rules to regulate the external design, appearance, and location of improvements located on the Property in such a manner so as to (i) preserve and enhance values of the Property, (ii) avoid activities deleterious to the aesthetic or property values of the Property, (iii) maintain a harmonious relationship among the structures and the natural vegetation and topography, (iv) promote the general welfare and safety of the Owners, the Occupants and their households, guests, employees, agents and invitees, (v) comply with the Governing Documents, (vi) comply with the MHT Easement, and (vii) comply with the Regulatory Plans. Except for construction or development by, for or under contract with the Declarant or the Participating Builders, and except for any improvements to any Lot or to the Master Common Area Parcels accomplished by the Declarant or the Participating Builders, and

except for purposes of proper Maintenance and repair, no building, fence, wall, deck, windows, storm doors, window and door security bars or other improvements or structures shall be commenced, directed, placed, moved, altered or maintained upon the Property, nor shall any exterior addition to or change (including, without limitation, any exterior signs and/or any change of color on any exterior portion of a Living Unit) or other alteration thereupon be made, nor shall any alteration of any portion of a Living Unit, which alteration of the Living Unit shall be visible from the exterior of the Living Unit, be made, nor shall any landscaping or hardscape, including, without limitation, hot tubs, fountains, statuary, planters, plantings or shrubbery, be placed on any rooftop, rooftop terrace, deck or patio [other than planters, plantings and shrubbery on fenced-in patios (but not on rooftop terraces) which planters, plantings and shrubbery are not visible from the public or private streets or alleyways or from Master Common Area Parcels adjacent to the Lot, or from outside of the fenced-in area], until the complete plans and specifications showing the location, nature, shape, height, material, color, type of construction, or the type and size of planters, plantings and shrubbery, and any other proposed form of change (including, without limitation, any other information specified by the Architectural Review Board or MHT) shall have been submitted to and approved in writing as to safety, harmony of external design, color and location in relation to surrounding structures and topography and conformity with the design concept for the community, by the Architectural Review Board, and MHT, to the extent that such changes or alterations require the approval of MHT under the MHT Easement. To the extent that any proposed improvements or alterations shall require the approval of any Governmental Authority (including MHT), the Owner shall submit an application to the Governmental Authority simultaneously with submitting same to the Architectural Review Board. The Owner shall be solely responsible for processing such application with the Governmental Authority at the sole cost and expense of the Owner. The Owner shall provide the Architectural Review Board with copies of all correspondence with any Governmental Authority (including MHT) relating to the Owner's application, and shall provide the Architectural Review Board with a copy of any decision made by any Governmental Authority (including MHT) with respect to the Owner's application.

(c) Further Duties. In furtherance of its purposes, the Architectural Review Board shall:

(i) Review and approve, modify, or disapprove written applications of Owners and of the Association, for improvements or additions to Lots, Living Units, or Common Areas. Notice of any disapprovals of applications shall be by Registered Notice. Approvals shall be sent by regular first-class mail. A copy of the plans and specifications, as approved by the Architectural Review Board, shall be deposited among the permanent records of such Architectural Review Board. The Architectural Review Board shall have the absolute right to disapprove any application for improvements or additions to Lots, Living Units or Common Areas, notwithstanding any approvals of any Owner's application by any Governmental Authority for such improvements, alterations or additions.

(ii) Review a copy of the Owner's application submitted to any Governmental Authority for improvements or alterations, and provide information as may

be requested by any Governmental Authority in connection with the Owner's application submitted to any Governmental Authority, and review the decisions of the Governmental Authority with respect to the Owner's application.

(iii) Monitor Lots and Living Units for compliance with the architectural standards and plans for alterations approved in accordance with this Declaration.

(iv) Recommend to the Board of Directors for adoption of architectural standards subject to the confirmation of the Board of Directors (which shall in all events, be consistent with the MHT Easement and the Regulatory Plans), which may include standards for interior and exterior window treatments for Living Units, to the extent that such window treatments will be visible from the exterior of the Living Unit, storm doors, window and door security bars, and other items which will be visible from the exterior of the Living Unit.

(v) Adopt procedures for the exercise of its duties and enter them in the Rules.

(d) Failure to Act. In the event that the Architectural Review Board fails to approve, modify, or disapprove, in writing, a correctly filed application within sixty (60) days after the plans and specifications (and all other materials and information required by the Architectural Review Board) have been submitted to it in writing, and provided that the request set forth in such application does not violate any provision of this Declaration, the Regulatory Plans, or the Governing Documents, then approval by the Architectural Review Board will be deemed granted, subject, however, to approval of such proposed improvements or alterations by any Governmental Authority (including MHT) who must approve the proposed work, if any such approval is required. Notification of total or partial disapproval shall include the reasons for such disapproval. Failure of the Architectural Review Board or the Board of Directors to enforce the architectural standards or to notify an Owner of noncompliance with architectural standards or approved plans for any period of time shall not constitute a waiver by the Architectural Review Board or the Board of Directors of the enforcement of this Declaration or the architectural standards adopted by the Board of Directors at any later date.

(e) Appeal. An applicant may appeal an adverse decision of the Architectural Review Board, within thirty (30) days after such adverse decision is rendered, to the Board of Directors, which may reverse or modify such decision, but in no event shall the Architectural Review Board or the Board of Directors be required to reconsider an adverse decision where the proposal violates the Governing Documents, the Regulatory Plans, the MHT Easement, applicable zoning ordinances or approvals or architectural standards relating to the Property or where the proposal has been disapproved by any Governmental Authority. The Board of Directors is hereby authorized and empowered to promulgate reasonable rules of procedures for the conduct of such appeals.

(f) Limitations. Construction or alterations in accordance with plans and specifications approved by the Architectural Review Board pursuant to the provisions of this Article III, Section 4 shall be commenced within ninety (90) days following the date upon which the same are approved by the Architectural Review Board (whether by affirmative action or by forbearance from action, as in paragraph (d) of this Section 4 provided), and shall be substantially completed within six (6) months following the date of commencement, or within such other reasonable period as the Architectural Review Board shall specify in its approval. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Architectural Review Board shall be conclusively deemed to have lapsed and compliance with the provisions of this Section 4 shall again be required. There shall be no deviation from the plans and specifications approved by the Architectural Review Board without the prior written consent of the Architectural Review Board. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the Architectural Review Board to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance.

(g) Approvals. Design approval by the Architectural Review Board or by the Board of Directors shall in no way be construed as to pass judgment on the correctness of the location, structural design, suitability of water flow or drainage, location of utilities, or other qualities of the item being reviewed. The Board of Directors or the Architectural Review Board shall have the right to charge a reasonable fee for reviewing an application. In addition, the Owner shall pay the cost of any architect or engineer engaged by the Architectural Review Board to review the proposed plans. The Owner shall be solely responsible for all costs relating to obtaining the necessary approvals from all appropriate Governmental Authorities (including MHT), and all plans and permits required for the proposed improvements or alterations, and in no event shall the approval by the Architectural Review Board or by the Board of Directors be substituted in lieu of applicable governmental approvals and permits or be deemed to constitute a determination as to compliance with local zoning ordinances, governmental guidelines or restrictions.

Section 5. Fidelity Bonds. The Master Association shall obtain and maintain fidelity coverage against dishonest acts on the part of Directors, officers, managers, trustees, employees, volunteers, and agents, and all other persons handling or responsible for handling funds collected, held or administered by the Master Association, whether or not such person receives compensation for their services. Where the Board of Directors has delegated some or all of the responsibility for the handling of funds to a Management Agent, such Management Agent shall be covered by its own fidelity insurance policy which must provide the same coverage as fidelity insurance maintained by the Board of Directors. Except for fidelity insurance that a Management Agent obtains for its personnel, all other fidelity insurance policies should name the Master Association as the insured and should have their premiums paid as a Common Expense by the Master Association. To the extent available, fidelity insurance obtained by a Management Agent shall name the Master Association as an additional insured. The total amount of fidelity coverage required should be sufficient to cover the maximum funds (including reserve

funds) that will be in the custody of the Master Association or the Management Agent at any time while the fidelity insurance policy is in force, and should at least equal the sum of three (3) months aggregate assessments on all Lots within the Master Association, plus any reserves. Fidelity insurance policies should contain waivers by the insurers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The fidelity insurance policies should provide that they cannot be canceled or materially modified (including cancellation for non-payment of premium) without at least ten (10) days prior written Registered Notice to the Master Association.

Section 6. Association Insurance.

(a) Hazard Insurance. The Board of Directors of the Master Association, or its duly authorized Management Agent, shall be required to obtain, maintain and pay the premiums, as a Common Expense, upon a policy of hazard insurance covering the Master Common Area Improvements and any property required to be insured by the Master Association pursuant to any easement or lease agreement (except land, foundation, excavation and other items normally excluded from coverage) including fixtures and building service equipment, to the extent that they are a part of the Master Common Area Improvements or such other property which the Master Association may insure, as well as common personal property and supplies.

The hazard insurance policy shall afford, as a minimum, protection against loss or damage by fire and all other perils normally covered by the standard extended coverage endorsement, as well as all other perils which are customarily covered with respect to projects similar in construction, location and use, including all perils normally covered by the standard "all risk" endorsement, where such is available, and shall name the Master Association as a named insured. The insurance should cover one hundred percent (100%) of the current replacement cost (less a reasonable deductible) of the insured property. Coverage need not include land, foundations, excavations or other items that are usually excluded from insurance coverage. Unless a higher maximum amount is required pursuant to the law of the State of Maryland, the maximum deductible amount for coverage of the Master Common Area Improvements is the lesser of Ten Thousand Dollars (\$10,000.00) or one percent (1%) of the policy face amount. The funds to cover this deductible amount should be included in the Master Association's operating reserve account.

Each hazard insurance policy must be written by a hazard insurance carrier which has a current rating by the Best's Key Rating Guide of B/III or better (or its equivalent). Each insurer must be specifically licensed or authorized by law to transact business within the State of Maryland. The policy contract shall provide that no assessment may be made against the mortgagee, and that any assessment made against others may not become a lien on the mortgaged Lot superior to the First Mortgage.

The hazard insurance policy must provide that the insurance carrier shall notify the Master Association by written Registered Notice at least thirty (30) days prior to any cancellation or substantial change in the Master Association's coverage (including,

without limitation, any cancellation by reason of non-payment of premium). Such Registered Notice shall be sent simultaneously therewith to any Eligible Mortgage Holder who requests such Notice in writing.

All policies of hazard insurance must contain or have attached the standard mortgagee clause commonly acceded by private institutions as mortgage investors in the area in which the mortgaged premises are located. The following endorsements are also required: (i) an Inflation Guard Endorsement (if reasonably available); (ii) a Construction Code Endorsement if the Master Common Area Improvements are subject to a construction code provision which would become operative and require changes to undamaged portions of any structures, even when only part of a structure is destroyed by an insured hazard or peril, and (iii) a Steam Boiler and Machinery Coverage Endorsement if any structure within the Master Common Area Improvements has central heating or cooling, which should provide for the insurer's minimum liability per accident per location to be at least equal to the lesser of Two Million Dollars (\$2,000,000.00) or the insurable value of the structure(s) housing the boiler or machinery.

(b) Flood Insurance. If the Master Common Area Parcels are located in a Special Flood Hazard Area designated as A, AE, AH, AO, A1-30, A-99, V, VE, or V1-30 on a Flood Insurance Rate Map, the Master Association must maintain a "master" or "blanket" policy of flood insurance on the Master Common Area Parcels. The amount of flood insurance shall be at least equal to the lesser of one hundred percent (100%) of the insurable value of all structures and improvements situated in such Special Flood Hazard Area or the maximum coverage available under the applicable National Flood Insurance Administration program. Unless a higher deductible amount is required under the laws of the State of Maryland, the maximum deductible amount for flood insurance policies shall be the lesser of Five Thousand Dollars (\$5,000.00) or one percent (1%) of the policy's face amount. The funds to cover this deductible amount should be included in the Master Association's operating reserve account.

(c) Liability Insurance. The Master Association shall obtain and maintain a comprehensive general liability policy of insurance covering all of the Master Common Area Parcels, public ways and any other areas that are under the Master Association's supervision or Maintenance. The policy shall also cover any commercial space owned by the Master Association, even if such space is leased to others. The policy should provide coverage for bodily injury (including death) and property damage that results from the operation, Maintenance or use of the Master Common Areas and any legal liability that results from law suits related to employment contracts in which the Master Association is a party. Supplemental coverage to protect against additional risks should also be obtained, if required by a Mortgagee. Such insurance policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Master Association or other Owners. Liability coverage shall be at least One Million Dollars (\$1,000,000.00) per occurrence, for bodily injury and property damage, unless higher amounts of coverage are required by a Mortgagee. The liability policy must provide that the insurance carrier shall notify the Master Association in writing at least ten (10) days before it cancels or substantially modifies the Master Association's coverage.

(d) Errors and Omissions Insurance. The Master Association shall purchase Officers and Directors Errors and Omissions Insurance or similar coverage which shall include coverage for liability due to the acts of its agents and servants.

(e) Other Insurance; Premiums. The Master Association may purchase other insurance which the Board of Directors deems necessary or prudent. All insurance policies shall provide for at least ten (10) days written notice to the Master Association before material modification or cancellation of any policy. All premiums shall be paid as a Common Expense by the Master Association. In the event that the Master Association shall fail to maintain insurance for the Master Common Areas or allow insurance coverage to lapse, one or more of the First Mortgagees shall have the right, upon reasonable notice to the Master Association, to obtain such insurance and to advance premiums on behalf of the Master Association. The Master Association shall reimburse such First Mortgagees for premiums advanced.

Section 7. Individual Insurance. By virtue of taking title to a Lot, each Owner covenants and agrees with all other Owners and with the Master Association that each individual Owner shall carry blanket all risk casualty insurance on the Living Unit and all structures located upon the Lot (or in the case of the Condominium Associations, each Condominium Association shall carry blanket all risk casualty insurance on the Condominium Property and all structures located upon the Condominium Property). At a minimum, such coverage shall provide coverage against loss or damage by fire or other hazards in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from any insured hazard. The Board of Directors of the Master Association, or its duly authorized agent, shall have the authority to obtain insurance for all or any of the Living Units located on the Property, unless the Owners thereof have supplied proof of adequate coverage to the satisfaction of the Board of Directors. The Board of Directors and the Master Association shall incur no liability to any Owner or Mortgagee in the event that the Board of Directors or the Master Association shall elect not to exercise their authority to obtain such insurance for all or any of the Living Units located on the Property. In the event the Board of Directors obtains insurance for any Lot or Living Unit pursuant to this Section, the cost thereof shall be assessed against the Lot benefitting from such insurance and shall be collectible in the same manner as any other assessment under Article V of this Declaration. Each Owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction to the Living Unit and other structures constructed on the Lot, the Owner shall proceed promptly to repair or to reconstruct the Living Unit and other damaged structures in a manner consistent with the original construction. Each Owner of a Lot covenants and agrees that in the event that such Living Unit is totally destroyed, the Owner shall proceed promptly to repair or to reconstruct the Living Unit in a manner consistent with the original construction, unless approval to do otherwise is obtained from the Architectural Review Board or the Board of Directors.

ARTICLE IV

MASTER ASSOCIATION MAINTENANCE OBLIGATIONS;
MASTER COMMON AREAS

Section 1. Maintenance Obligations of the Master Association. The Master Association shall be responsible for the management, Maintenance, control and replacement, as necessary, of the Master Common Areas (and other elements of Property, to the extent specifically provided for herein) for the benefit of the Members of the Master Association.

(a) **Master Common Area Improvements.** The Master Common Area Improvements shall include the private streets, alleyways and drives within the Property, parking areas within the Master Common Area Parcels, street lights along the private streets and/or private alleyways, sidewalks along the private streets and walkways adjacent thereto, all Trails and walks, including the Historic Trail, driveways and curbs within the Master Common Area Parcels, all Storm Water Facilities (other than the Storm Water Facilities which are accepted for Maintenance by the County), all sanitary sewer lines and facilities not located within the boundaries of any Lot (other than the sanitary sewer lines and facilities which are accepted for Maintenance for Washington Suburban Sanitary Commission or other Governmental Authority), all steps in the Master Common Area Parcels (but not steps or stoops on Lots), all Recreational Amenities (but not the Ballroom, Fitness Center or the Community Room, the Maintenance of which is covered by Article IV, Section 2(e) hereof), the Statuaries, all furnishings, benches and equipment within the Master Common Area Parcels, all landscaping, planter boxes, tree boxes, trees, shrubbery and irrigation system within the Master Common Area Parcels, and all other improvements and facilities in the Master Common Area Parcels, including Retaining Walls and bollards, if any.

(b) **Maintenance Standards; Perpetual Obligation.** The Master Association shall Maintain the Master Common Areas and all Master Common Area Improvements located therein or thereon in accordance with the Maintenance Standards and in accordance with the Open Space Covenants at all times, except for (i) the Private Trash Enclosures which are to be Maintained by the Owner of the Lots to which such Private Trash Enclosures are assigned as shown on the Development Plan), (ii) the Bridge (which is to be Maintained by the Owner of the Lot 60 Building), and (iii) such other areas and improvements within the Master Common Area Parcels for which the Owners shall have responsibility for Maintenance as set forth in Article VI, Section 3 hereof. The obligation of the Master Association set forth herein with respect to the Maintenance of the Master Common Areas shall be perpetual and such obligations may not be amended without the prior written consent of the appropriate Governmental Authorities.

Section 2. Specific Maintenance Obligations. The Maintenance obligations of the Master Association with respect to the Property shall include the following:

(a) **Maintenance of Streets and Other Surfaces.** The Master Association shall Maintain all private streets (specifically excluding Linden Lane which

is a publicly-dedicated street), private alleyways, private sidewalks (including, without limitation, the Linden Lane Sidewalk Extension, even to the extent such Linden Lane Sidewalk Extension may be located within the boundaries of certain Lots and not within the Master Common Area Parcels), the Trails (including the Historic Trail), walkways, the parking areas (excluding the Parking Deck on Lot 60, the Maintenance of which is addressed by Article VI, Section 3 hereof), and steps within the Master Common Area Parcels in a clean manner and, to the extent possible, as a smooth surface. Maintenance of such private streets, private alleyways, private sidewalks (including the Linden Lane Sidewalk Extension), Trails (including the Historic Trail), walkways and other surfaces, as well as the steps within the Master Common Area Parcels, shall not include the removal of stains on such surfaces resulting from the use of such streets, alleyways, sidewalks, steps and other surfaces.

(b) Entrance Features; Retaining Walls. The Master Association will be responsible for the Maintenance of all (i) Entrance Features (except for the Bridge for which the Owner of the Lot 60 Building has Maintenance responsibility), (ii) signage for the National Park Seminary community, and (iii) all Retaining Walls installed by the Declarant or the Participating Builders during the initial construction of the Project, including all Retaining Walls (including any fencing which may be located on any of said walls) located within the Property.

(c) Landscape Maintenance. The Master Association will be responsible for Maintaining all landscaping within the Master Common Area Parcels, including the Open Space Landscaping. Such Maintenance shall include the regular mowing of grass areas in the Master Common Area Parcels and the grass areas within the front, rear and side yards, as applicable, of all Lots (but not the private courtyards on Lots 8 through 24, inclusive, Lot 38 and Lot 39, Block 10, nor the Lot 61 Courtyard nor the Lot 62 Courtyard which are the responsibility of the Owners of said Lots). The Master Association shall also be responsible for (i) pruning (limbed to a minimum of six (6) feet), feeding, spraying, mulching and weeding the grass areas and landscape areas installed by the Declarant, a Participating Builder or the Master Association within the Master Common Area Parcels and within the Lots, including those trees along the private streets, (ii) pruning and trimming shrubbery (maintained at a maximum of 36 inches) installed by the Declarant, a Participating Builder or the Master Association within the Master Common Area Parcels and within the front and side yards of the Lots, and (iii) the mulching of flower beds installed by the Declarant, a Participating Builder or the Master Association in the Master Common Area Parcels and in the front, rear and side yards of the Lots. An Owner (including a Condominium Association) may decline landscape Maintenance for his or its Lot by the Master Association, but there will be no reduction of such Owner's Assessments as a result of declining landscape Maintenance. To the extent that any such Owner or Condominium Association declines landscape Maintenance for his Lot by the Master Association, but the Owner or Condominium Association fails to Maintain the landscaping on his or its Lot at a level equal to the level of the Master Association's Maintenance for other Lots within the community, the Master Association shall resume the landscaping for the Lot in question. The Master Association shall be responsible for watering the grass, landscaping and shrubbery in the Master Common Area Parcels, but each Owner and Condominium Association shall be

responsible for watering the grass, landscaping and shrubbery on such Owner's Lot or Condominium Property.

To the extent that (i) the Declarant or a Participating Builder has installed any landscaping, including, without limitation, trees, shrubbery and other plantings, pursuant to the requirements of the Regulatory Plans and other development approvals for the Property, and (ii) the Declarant has provided an initial budget which anticipates Maintenance of all such landscaping by the Master Association, the Master Association shall not reallocate such funds designated in the budget for landscape Maintenance for any other purpose, but such funds shall be utilized by the Master Association solely for the Maintenance of such landscaping. It shall be the sole responsibility of the Master Association to Maintain all such landscaping installed by the Declarant and the Participating Builders in accordance with the requirements of the Regulatory Plans and other development approvals for the Property, including, without limitation, the pruning (limbed to a minimum of six (6) feet), feeding, spraying, mulching, weeding and watering of all landscape materials and the replacement of same with the same types of plantings and trees in the event any of the same shall die. Each Owner and Condominium Association shall be solely responsible for watering and Maintaining all planter boxes, flower boxes and the plantings in or on such planter boxes and flower boxes located anywhere on such Owner's Lot or Condominium Association's Condominium Property. To the extent that any Owner or Condominium Association fails to water all such areas for which the Owner or Condominium Association is responsible on a regular basis, and the Master Association is obligated to replace such materials which die as a result of the Owner's or Condominium Association's failure to water them on a regular basis, the Master Association shall have the right to levy a Special Assessment against the defaulting Owner or Condominium Association in the same manner as a Restoration Assessment pursuant to Article V, Section 4(b) hereof. No Owner or Condominium Association shall lock the gate to any fence or otherwise restrict access to such Owner's Lot or Condominium Association's Condominium Property, or place any decoration in the front or side yard of a Lot, which would interfere or impair the ability of the Master Association to perform its obligations under this Article IV, Section 2(c). The Master Association will not be responsible for the landscaping of the Lot 61 Courtyard or the Lot 62 Courtyard, or any courtyard area located on a Lot.

In addition to the landscaping maintenance provided above, the Master Association shall be responsible for Maintaining the landscaping within the Steven Sitter Parcel as provided in the Steven Sitter Parcel License.

(d) Snow Removal; Steps, Stoops and Leadwalks. The Master Association will be responsible for the removal of accumulated snow and ice from the interior private streets, the private alleyways, parking areas, including, without limitation, the Dewitt Circle Parking Lot, but excluding the Parking Deck, for which the Condominium Developer (and subsequently the Lot 60 Condominium Association, when established) shall have Maintenance responsibility, walkways, private sidewalks within the Property (including the Linden Lane Sidewalk Extension), and driveways to Living Units, but the Owners and Condominium Associations shall be solely responsible for the removal of snow and ice from the stoops, steps, decks, porches, rooftop terraces, and

leadwalks serving their respective Lots. In addition, the Master Association shall be responsible for snow removal from the Ingress/Egress Surface Easements. Certain areas of the Master Common Area Parcels, which areas are designated on the Development Plan as "Porous Pavement," will have a porous pavement, and those areas must not be sanded or salted by the Master Association for any reason, including, snow and ice removal.

(e) Recreational Amenities. The Master Association shall be responsible for Maintaining all Recreational Amenities on the Property, except that the Apartment Owner (i.e., the Owner of Lot 61) shall be solely responsible for the Maintenance of the Fitness Center and the Community Room (subject to the cost-sharing obligations set forth in Article V, Section 3(A)(viii)), and the Condominium Developer (and subsequently the owner of the Ballroom, if it is created as a separate Condominium Unit and owned by a separate entity) shall be responsible (subject to the cost-sharing obligations set forth in Article V, Section 3(a)(ix)) for the Maintenance of the Ballroom.

(f) Shared Mailboxes. The Master Association will be responsible for Maintaining those mailboxes which are shared by Owners of more than one Lot (except for mailboxes located within the interior of any improvements on the Property), whether such mailboxes are located on the Master Common Area Parcels or on any individual Lot (except for mailboxes located within the interior of any improvements on the Lot); provided, however, that to the extent that damage to any mailbox is caused by the misuse or abuse of same by any Owner, or the Occupants of a Living Unit, or the guests, tenants or invitees of an Owner or Occupant, then such Owner shall be responsible for the costs incurred to repair such damage and the Master Association shall charge the costs of repair to the Owner(s) of such Lots as a Special Assessment in the same manner as a Restoration Assessment pursuant to Article V, Section 4(b) hereof.

(g) Statuaries. The Master Association will be responsible for Maintaining the Statuaries located on the Statuary Schedule. All other statuaries located on the Property, other than those shown on the Statuary Schedule, shall be Maintained by the Owners of the Lots on which such statuaries are located.

(h) Historic District Signage. The Master Association will be responsible for Maintaining the Historic District Signage located on the Property.

(i) Ingress/Egress Surface Easements. The Master Association shall be responsible for Maintaining the Ingress/Egress Surface Easements and snow removal from said Ingress/Egress Surface Easements, notwithstanding that such Ingress/Egress Surface Easements are located on Lots and not within the Master Common Area Parcels. The Ingress/Egress Surface Easements shall be Maintained in a clean manner and, to the extent possible, as a smooth surface. Maintenance of the Ingress/Egress Surface Easements shall not include the removal of stains on such surfaces resulting from the use of such surfaces, nor shall the Master Association have any responsibility for the Maintenance of any improvements within the Ingress/Egress Surface Easement areas, or above or below the travel surface within the Ingress/Egress Surface Easements, other than the paving or other surface finish of the road within the Ingress/Egress Surface

Easements. The Owners of the Lots on which the Ingress/Egress Surface Easements are located shall have the right to make and install improvements above and below the Ingress/Egress Surface Easements (including overhangs), at their sole cost and expense, provided, however, that in no event shall the Owner of any Lot on which an Ingress/Egress Surface Easement exists prohibit or limit the use of such Ingress/Egress Surface Easement for vehicular and/or pedestrian access as provided for in the Regulatory Plans, and such Owner shall be obligated to make, at its sole cost and expense, any and all repairs to the Ingress/Egress Surface Easement that may be required as a result of such Owner's construction or other activities above or below the Ingress/Egress Surface Easements.

(j) Alarm Monitoring Contract. The Master Association shall be responsible for keeping in effect at all times an Alarm Monitoring Contract with respect to all Living Units on the Townhouse Property. Every Alarm Monitoring Contract entered into by the Master Association shall require the Monitoring Company to enter into an Agreement for Supervised Fire System with WSSC and to provide a copy of same to the Master Association.

Section 3. Maintenance Expenses. Except as provided below, all expenses incurred by the Master Association in performing the obligations of the Master Association pursuant to Article IV, Sections 1 and 2, including, but not limited to, reserves for the Maintenance of any such property or improvements, shall be Common Expenses of the Master Association. If, however, damage to the Master Common Area Parcels or any Master Common Area Improvements is caused by the misuse or abuse of same by any Owner or the guests, tenants, Occupants or invitees of an Owner, then such Owner shall be responsible for the costs incurred to repair such damage and the Master Association shall charge the costs of repair to the Owner(s) of such Lots as a Special Assessment in the same manner as a Restoration Assessment pursuant to Article V, Section 4(b) hereof.

Section 4. Easement for Maintenance; No Obstructions. The Master Association, its agents, employees and contractors are hereby granted an easement for ingress and egress to, over, across and through the Lots for the purposes of performing its obligations under this Article IV, Sections 1 and 2, and the Master Association, and its agents, employees, and contractors shall have the right to enter any Lot, without the consent of the Owner or Occupant, to perform such obligations. No Owner or Occupant shall cause or permit any furniture, furnishings, trash receptacles (other than the Private Trash Enclosures which shall be Maintained in the locations shown on the Development Plan), objects, planters, planter boxes, potted plants, signs or other items to be placed on the Master Common Area Parcels, it being understood that access to, through, over and across the Master Common Area Parcels must remain unencumbered and unrestricted and unimpaired at all times.

Section 5. Personnel to Provide Maintenance Services. The Master Association shall engage knowledgeable persons to perform the Maintenance required to be performed by the Master Association hereunder, including without limitation, the service required or recommended for the repair, Maintenance and or replacement of any

Recreational Amenities, Storm Water Facilities and any other major or complex systems to be Maintained by the Master Association.

Section 6. Easement of Enjoyment. Subject to the provisions in this Declaration, every Owner and Occupant shall have a right and non-exclusive easement of enjoyment in and to the Master Common Areas, the Fitness Center and Community Room, which right and easement shall be appurtenant to every Lot and shall pass with the title to every Lot, and every Owner and Occupant shall have a right of enjoyment to the Master Common Area Parcels and the Master Common Area Improvements thereon, as well as the Ingress/Egress Surface Easements and any Public Access Areas, all as contemplated in the Regulatory Plans.

Section 7. Extent of Easement of Enjoyment. The easement of enjoyment created hereby in Article IV, Section 6, shall be subject to the following:

(a) **Regulate Use of Master Common Area Parcels.** The right of the Master Association to regulate the use of the Master Common Area Parcels and the Master Common Area Improvements, as well as the Ingress/Egress Surface Easements, for the benefit of the Owners and Occupants of the Property, to establish Rules for the use of the Master Common Areas and Ingress/Egress Surface Easements;

(b) **Suspension of Voting Rights.** The right of the Master Association to suspend the voting rights of an Owner and the right of an Owner or Occupant (or any party who may have a right through such Owner or Occupant as provided in this Declaration) to use the Master Common Areas, including, without limitation, the Recreational Amenities (but not the Public Access Areas), (i) for any period during which any assessment against his Lot or Living Unit remains unpaid, and (ii) after notice and an opportunity for a hearing, for a period not to exceed sixty (60) days for any infraction of its published Rules; provided, however, that the obligation of such Owner to pay assessments shall continue unabated during such period of suspension of voting rights or right to utilize the Master Common Areas;

(c) **Conveyance of Master Common Areas.** The right of the Master Association to dedicate, sell or transfer all or any part of the Master 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, sale or transfer shall be effective without the consent of the Members holding at least sixty-seven percent (67%) of the votes in the Master Association and the consent of the Class D Members, so long as the Class D Membership shall continue to exist, and fifty-one percent (51%) of the Eligible Mortgage Holders;

(d) **Guests' Use of Master Common Areas.** The right of the Master Association to limit the number of guests of Owners and Occupants utilizing the Master Common Areas, including, without limitation, the Recreational Amenities;

(e) **Parking Plan.** The right of the Master Association to amend the Parking Plan or to provide for the exclusive use by specified Owners and Occupants of

certain designated parking spaces within the Master Common Area Parcels; provided, however, that in no event shall the Master Association modify the exclusive right to use the Reserved Parking spaces as shown on the Parking Plan attached hereto, nor the exclusive use of the Trail Visitor Parking for the general public as set forth in the Record Plats;

(f) Use of Easements. The right of the Master Association, the Declarant, the Participating Builders, utility companies and other Owners with respect to the easements established by this Declaration or specifically established by separate agreements with utility companies;

(g) Borrow Money. The right of the Master Association, in accordance with its Articles of Incorporation and Bylaws, and with the consent of Class A Members, Class B Members and Class C Members holding sixty-seven percent (67%) of the votes in the Master Association, and the consent of the Class D Members, so long as the Class D membership shall continue to exist, to borrow money for the purpose of improving the Master Common Areas in a manner designed to promote the enjoyment and welfare of the Members and in aid thereof to mortgage any of the Master Common Areas;

(h) Protect Against Default. The right of the Master Association to take such steps as are reasonably necessary to protect the property of the Master Association against mortgage default and foreclosures; provided, however, that the same are in conformity with the other provisions of this Declaration;

(i) Reserved Rights. The right of the Declarant and the Participating Builders, as more fully set forth in Article VII of this Declaration, (A) to grant licenses, rights of way and easements for access or construction, reconstruction, Maintenance of the Property, including, without limitation, any utility lines or appurtenances, whether public or private, to any Governmental Authority, public utility, cable television franchise, the Declarant, a Participating Builder, to an owner of other property within the immediate vicinity of the Property, or to any other person, (B) to utilize reserved rights and easements, and (C) to otherwise utilize the Master Common Areas as it deems appropriate in connection with the development of the Property;

(j) Granting of Easements and Licenses. The right of the Master Association, acting by and through its Board of Directors, to grant easements, licenses or other rights of use of the Master Common Areas to persons or entities that are not Members of the Master Association for such consideration and on such terms and conditions as the Board of Directors may from time to time consider appropriate or in the best interest of the Master Association or the Property;

(k) Right to Lease Master Common Areas. The right of the Master Association to be the lessee of any portion or all of the Master Common Areas and the right of the Master Association to enforce the terms of the lease with respect to such Master Common Areas against such property and the Owners, the Occupants and their guests, lessees and invitees;

(l) Boundary Line Adjustments. The right of the Master Association, acting by and through its Board of Directors, to transfer or convey portions of the Master Common Areas for purposes of adjusting the boundary lines of one or more Lots and/or the Master Common Area Parcels; provided, however, that (i) such transfer or conveyance has been approved, as necessary, by applicable local Governmental Authorities, or is otherwise in conformance with applicable law, local zoning ordinances, governmental guidelines, or restrictions, (ii) such transfer shall not reduce the portion of the Property required by the Planning Board be set aside for open space at the time of the transfer, (iii) all Lots which were adjacent to Master Common Area Parcels prior to such transfer remain adjacent to Master Common Area Parcels after such transfer, and (iv) the adjustment shall not materially alter the Master Common Area Parcels;

(m) Right of Access. The right of the Master Association to enter onto a Lot or into a Living Unit, or other improvements on a Lot, to perform Maintenance and emergency repairs or to perform the obligations of the Master Association set forth herein;

(n) Sales. The right of the Declarant and the Participating Builders (and its sales agents and representatives) to the non-exclusive use of the Master Common Areas for display and exhibit purposes, which right the Declarant hereby reserves, for itself and for the Participating Builders; provided, however, that such use shall not be for a period of more than ten (10) years after the later to occur of (1) the conveyance of the Master Common Area Parcels to the Master Association, or (2) the sale of all residential Lots within the Property, and the Declarant and/or the Participating Builders shall reasonably restore any damage to the Master Common Areas as a direct result of such use;

(o) Enforcement of Governing Documents. The right of the Master Association to enforce the obligations of the Owners and Occupants under the Governing Documents, as the same may be amended from time to time; and.

(p) Third Party Agreements. The covenants, restrictions, easements and provisions of any Third Party Agreements affecting the Property, including, without limitation, the MHT Easement and the Open Space Covenants.

Section 8. Limitations. Any other provision of this Declaration to the contrary notwithstanding, the rights of the Master Association shall be subject to the following limitations:

(a) Ingress/Egress. The Master Association shall have no right to suspend the right of any Owner or Occupant to use any private streets and roadways located upon the Master Common Area Parcels or the Ingress/Egress Surface Easements for both vehicular and pedestrian ingress and egress to and from such Owner's Lot.

(b) Use of Easements. The Master Association shall have no right to suspend the right of any Owner or Occupant to use any easement over the Master Common Area Parcels for storm water drainage, electrical energy, water, sanitary sewer,

natural gas, cable television or similar service, telephone service or similar utilities and services to the Lots.

(c) Uniform Rules. The Master Association shall have no right to adopt Rules which are not uniformly applicable to or uniformly enforceable against all Lots and Living Units.

(d) Rules Consistent with Regulatory Plans. The Master Association shall have no right to adopt Rules which violate the MHT Easement or the Regulatory Plans.

(e) Modification of Services. Notwithstanding anything to the contrary set forth herein, the Master Association shall have no right to modify the major components of those services to be provided by the Master Association pursuant to Article IV, Sections 1 and 2 of this Declaration, without the consent of the Members holding at least sixty-seven percent (67%) of the votes in the Master Association and the consent of the Class D Member, so long as the Class D membership shall continue to exist.

Section 9. Delegation of Use. Any Owner may delegate his right of enjoyment to the Master Common Areas to the Occupants of such Owner's Living Unit, subject to such Rules as may be established from time to time by the Board of Directors.

Section 10. Title to Master Common Areas. The Declarant hereby covenants that areas designated as Master Common Area Parcels which the Declarant conveys to the Master Association, shall be free and clear of financial liens and financial encumbrances at the time of conveyance, except for those that may exist pursuant to this Declaration, the Regulatory Plans, or those obligations imposed by other existing covenants affecting the Property. In the event that a lien or encumbrance shall attach to all or a portion of the Master Common Area Parcels, one or more of the Eligible Mortgage Holders shall have the right to discharge said lien or encumbrance after reasonable notice to the Master Association and to seek reimbursement for amounts paid to discharge the lien or encumbrance. All Master Common Area Parcels and the Facilities thereon conveyed to the Master Association shall be owned by the Master Association in accordance with the Regulatory Plans, the MHT Easement and established phasing schedules, if any, established by the Planning Board. The Master Association shall accept title to any real estate or personal property offered to the Master Association by the Declarant or the Participating Builders. The Master Association may acquire, lease, hold, and dispose of tangible and intangible personal property and real property, subject to the requirements of this Declaration. The Board of Directors, acting on behalf of the Master Association, will accept any real or personal property, leasehold, or other property interests within the Property conveyed to it by the Declarant or a Participating Builder.

Section 11. Repair and Reconstruction of Master Common Areas After Fire or Other Casualty. In the event of damage to or destruction of any portion of the Master Common Area Improvements covered by insurance payable to the Master Association as

a result of fire or other casualty, the Board of Directors shall arrange for the prompt repair and restoration thereof, and shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration, as appropriate. Promptly after a casualty causing damage or destruction of any portion of the Master Common Area Improvements for which the Master Association has the responsibility of Maintenance, the Board of Directors shall obtain reliable and detailed estimates of the cost to place the damaged portions of the Master Common Area Improvements in as good a condition as existed prior to the casualty. Such costs may include, without limitation, professional fees and premiums for such bonds as the Board of Directors may desire.

Section 12. No Dedication to Public Use. Nothing herein contained shall be construed as a dedication to public use or as an acceptance for Maintenance of the Master Common Areas, or any portion thereof, or any community facilities by any public or municipal agency, authority, or utility and no public or municipal agency, authority or utility shall have any responsibility or liability for the Maintenance or operation of any of the Master Common Areas or community facilities, except to the extent expressly provided for in the Regulatory Plans.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. There are hereby created assessments for Common Expenses as may be from time to time specifically authorized by the Board of Directors to be commenced at the time and in the manner set forth in this Article V. Each Owner of any Lot by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree, to pay to the Master Association such Annual Assessments and Special Assessments, as are established herein and to pay same in the manner hereinafter provided. Where there is more than one Owner of a Lot, the Owners of a Lot shall be deemed to jointly and severally covenant and agree to pay to the Master Association such Annual Assessments and Special Assessments.

All such assessments, together with interest thereon and costs of collection thereof, late fees and reasonable attorneys fees, all as hereinafter provided, shall be a charge on the Lot (including all improvements thereon), and shall be a continuing lien upon the property against which each such assessment is made, subject to the requirements of the Maryland Contract Lien Act, if applicable. Each such assessment, together with interest thereon and costs of collection thereof, late fees and reasonable attorneys' fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due and shall not pass as a personal obligation to his successors in title unless expressly assumed by them. Prior to or at the time of any conveyance of a Lot by an Owner, all liens, unpaid charges and assessments shall be paid in full and discharged. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use or waiver of the use or enjoyment of the Master Common Areas, or any portion thereof, or abandonment of his Living Unit or

Lot, or for the alleged failure of the Board of Directors or the Master Association to fulfill any of its obligations under this Declaration.

Section 2. Method of Assessment. All assessments shall be levied by the Master Association against Lots and collected and disbursed by the Master Association; provided, however, with respect to any Lot that has been annexed within the jurisdiction of a Subassociation, the Master Association shall collect each such Lot's share of the assessments charged pursuant to this Declaration directly from the governing body of the Subassociation. Payment of the Annual Assessments and the Special Assessments shall be an obligation of the Subassociation, provided that each Owner shall remain personally liable for all Annual Assessments and Special Assessments against such Owner's Lot and each Lot shall remain subject to the lien for the Annual Assessments and Special Assessments established by this Declaration. All notices regarding Annual Assessments and Special Assessments shall be sent to the governing body of the Subassociation; provided, however, that notice of any action to foreclose the lien against such Owner's Lot shall also be sent to the Owner of such Lot. This Section 2 shall not be deemed to limit or waive, and shall be without prejudice to, any rights, remedies or recourses available to the Master Association for non-payment of any assessments. The Board of Directors of the Master Association shall fix the amount of the assessments as provided hereinafter and set the dates on which such assessments shall become due.

Section 3. Annual Assessments.

(a) **Purpose.** The Annual Assessments shall be based upon the Master Association's operating costs and the Master Association's obligations to promote the health, safety, and welfare of the Members of the Master Association as a whole and in particular to improve, Maintain, and operate the Master Common Areas, and the Master Association's other obligations under this Declaration, and shall cover the following:

- (i) The cost of all Common Expenses and all operating expenses of the Master Common Areas, including the services furnished to or in connection with the Master Common Areas and charges by the Master Association for any services furnished by it.
- (ii) The cost of necessary management and administration of the Master Common Areas, including fees paid to any management agent.
- (iii) The amount of all taxes and assessments levied against the Master Association or upon the Master Common Areas.
- (iv) The cost of casualty, if any, and extended liability insurance on the Master Common Areas, and the cost of such other insurance as the Master Association may effect with respect to the Master Common Areas.
- (v) The costs of utilities and other services which may be provided by the Master Association, including, without limitation, site security (if the Board of Directors elects to include such security).

(vi) The cost of Maintaining all exterior areas which are expressly described in this Declaration as the Master Association's responsibility, whether designated as Master Common Area Parcels or Lots, the cost of Maintenance of all Master Common Area Improvements, and the cost of Maintenance of the Statuaries, and the cost of Maintenance of any other items as the Master Association is expressly responsible for as described in this Declaration, whether located on the Master Common Area Parcels or the Lots, in the manner that the Board of Directors shall determine to be necessary and proper in connection therewith.

(vii) The cost of funding all reserves established by the Master Association, including, when appropriate, a general operating reserve and a reserve for repair and replacements of the Master Common Areas.

(viii) The costs associated with (A) the utilities required for the operation of, (B) the regular cleaning of, and (c) the Maintenance of the furniture, fixtures and equipment for, the Fitness Center and the Community Room (but expressly excluding all other Maintenance costs and capital improvements with respect to the Fitness Center and Community Room), provided that the Apartment Owner (i.e., the Owner of Lot 61) shall be responsible for performing all Maintenance required with respect to the Fitness Center and the Community Room.

(ix) The costs associated with providing the insurance required with respect to the Ballroom, as well as the funds needed to reasonably and adequately establish a reserve for replacements for capital improvements for the Ballroom (but not the costs of Maintenance of the Ballroom), provided that the Owner of Lot 60 (and when the Condominium is established on Lot 60, the Owner of the Ballroom) shall be responsible for performing, at its sole cost, all Maintenance required with respect to the Ballroom, at its sole cost.

(x) The implementation, administration, and enforcement of this Declaration, including, but not limited to, court costs and attorney's fees. The Board of Directors shall from time to time set the total Annual Assessment at an amount sufficient to satisfy the annual budget of the Master Association established pursuant to Article V, Section 3(d) hereof.

(b) Allocation of Annual Assessments; Initial Maximum Annual Assessments.

(i) Except to the extent provided in Article V, Section 3(b)(ii), the total Annual Assessment shall allocated among the Members as follows:

(A) Class A Members: Thirty-seven and forty-five one hundredths percent (37.45%) of the total Annual Assessment for any fiscal year of the Master Association shall be paid by the Class A Members (the "**Class A Annual Assessment**") and shall be shared by all Class A Members on an equal basis. Until the first day of the fiscal year following commencement of Annual Assessments, the

maximum Annual Assessments applicable to each Lot owned by a Class A Member shall be One Thousand Eight Hundred Dollars (\$1,800.00).

(B) Class B Members: Thirty-six and one-quarter percent (36.25%) of the total Annual Assessment for any fiscal year of the Master Association shall be paid by the Class B Members (the "**Class B Annual Assessment**") and shall be shared by all Class B Members, an equal basis. Until the first day of the fiscal year following commencement of Annual Assessments, the maximum Annual Assessments applicable to each Lot owned by a Class B Member shall be One Thousand Eight Hundred Dollars (\$1,800.00).

(C) Class C Member: Twenty-six and three-tenths percent (26.30%) of the total Annual Assessment for any fiscal year of the Master Association shall be paid by the Class C Member (i.e., the Apartment Owner) (the "**Class C Annual Assessment**"). Until the first day of the fiscal year following commencement of Annual Assessments, the maximum Annual Assessments applicable to the Apartment Property shall be One Hundred Eighteen Thousand Eight Hundred Dollars (\$118,800.00).

(D) Class D Members: The obligations of the Class D Members to pay Annual Assessments is set forth in Article V, Section 3(b)(ii) below.

(ii) Notwithstanding any provision hereof to the contrary, Lots owned by the Declarant or a Participating Builder on which Living Units have been constructed, but which have not been initially occupied by a Single Family, and all Lots owned by Class D Members on which Living Units have not been constructed or construction has not been completed shall not at any time be subject to any Annual Assessments, Special Assessments, fees or other charges levied by the Master Association, and the Class D Member shall have no obligation whatsoever to pay any such Annual Assessments, Special Assessments, working capital contributions, fees or other charges. In consideration for its exemption from all Annual Assessments, Special Assessments, fees and charges, the Class D Members hereby covenant and agree for the benefit of the Class A Members, the Class B Members and the Class C Member, to provide funds to cover all "operating budget deficits" (as defined below) incurred by the Master Association during the "Deficit Period" (as defined below) in furtherance of the Master Association's purposes; provided, however, that at no time shall the obligation of a Class D Member during any fiscal year exceed one hundred percent (100%) of the Annual Assessments, Special Assessments, fees and other charges that would have been applicable to the Lots during such fiscal year had such Class D membership been converted to a Class A membership, Class B membership or Class C membership as provided in Article III, Section 2(c)(iv). For purposes of this Section, an "**operating budget deficit**" shall be deemed to exist if, in any given fiscal year of the Master Association, the income received by the Master Association, plus all accumulated working capital, minus operating expenses and reserve transfers, does not provide sufficient funds to operate the Master Association; provided, however, that the Class D Members shall have no obligation to fund any operating budget deficit to the extent that such deficit is caused by or results from (A) the failure of the Members (other than the Class D Members) to make timely payment of any installment of the Annual

Assessments, Special Assessments, fees and/or other charges levied by the Master Association in accordance with this Declaration; or (B) any extraordinary cost or expense incurred by the Master Association, including, without limitation, any capital expense which is not included as part of the original annual budget for that fiscal year, and any cost or expense incurred by the Master Association that results from acts of God, fire, earthquake, flood, explosion or other natural catastrophes, or that results from hazardous environmental conditions or substances. As used herein, the term "Deficit Period" shall mean that period of time commencing on the date of recordation of this Declaration and ending on the earlier of (x) the date on which the Class D membership lapses and becomes a nullity in accordance with the provisions of this Declaration; or (y) the date upon which the Class D Members declare in writing that they waive their right to the exemption from payment of Annual Assessments, Special Assessments, fees and other charges. Each Class D Member may make such declaration independently with respect to the Lots which it owns, in which event the Deficit Period shall terminate only with respect to those Lots owned by the Class D Member making such declaration.

(c) Increase in Expenses Due to Owner Actions. In the event that the actions or activities of any Owner causes or results in increased expenses for the Master Association, the Board of Directors may assess such increase in expenses against the Owner and such Owner's Lot as a Special Assessment, after notice to such Owner and an opportunity for a hearing. For example, and for purposes of illustration only, the Board of Directors may assess the amount of any insurance deductible paid by the Master Association against any Owner and such Owner's Lot if the Master Association is required to pay such deductible as a result of the misuse or neglect of the Owner. Such assessment shall be a lien against the Owner's Lot and shall be payable and collectible in the same manner as any other assessments required to be paid to the Master Association; provided, however, that neither the Declarant nor any Participating Builder shall be subject to any assessment based upon this provision.

(d) Master Association Annual Budget. The Board of Directors shall make a reasonable effort to prepare, or to cause to be prepared, at least thirty (30) days before the beginning of each fiscal year of the Master Association, an annual operating budget for the Master Association which shall provide, without limitation, for the management, operation and Maintenance of all Master Common Areas and other areas for which the Master Association is responsible (if any) and to meet the other responsibilities of the Master Association. Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital (available cash for day-to-day expenses which is otherwise uncommitted), the reserve fund(s) (in accordance with a reserve fund budget separately prepared by the Board of Directors pursuant to Article V, Section 3(e) hereof), and sufficient funds to meet the assessment obligations of the Master Association and its Members. The amount allocated by the Declarant in the initial operating budget for the Maintenance of the landscaping as contemplated by the approvals obtained by the Declarant for the construction of the improvements on the Property shall not be reallocated or used for any other purpose without the prior written consent of the Declarant and the Participating Builders until the later of (A) three (3) years following the date of recordation of this Declaration, or (B) such time as all Maintenance obligations of the Declarant set forth in

the Regulatory Plans, or in any agreement with the County or any other Governmental Authority, shall have expired and the Master Common Area Parcels have been conveyed to the Master Association.

(i) By a vote of at least two-thirds of the Board of Directors, the Directors shall fix the Annual Assessments to be collected annually at an amount sufficient to meet the obligations imposed by the Declaration and any Supplementary Declarations. The Board of Directors shall make reasonable efforts to fix the amount of the Annual Assessments against each Lot for each assessment period at least thirty (30) days in advance of the commencement of such period. The Board of Directors shall prepare a roster of the Lots and the Annual Assessments applicable thereto, which shall be kept in the office of the Master Association and shall be open to inspection by any Owner upon Registered Notice to the Board of Directors. The Board of Directors shall cause a copy of the budget and written notice of the Annual Assessments levied against each Lot for the following year to be sent to all Members of the Master Association at least fourteen (14) days prior to the commencement of the new Annual Assessments.

(ii) The budget and the new Annual Assessments shall become effective as to all Lots unless a special meeting of the Master Association is duly held and at such special meeting the budget and the new Annual Assessments are disapproved by a vote of Class A Members, Class B Members and Class C Members entitled to cast not less than sixty-seven percent (67%) of the votes in the Master Association present, and the Class D Member, so long as the Class D membership shall continue to exist, in person or by proxy, and voting at such meeting. Notwithstanding the foregoing, however, in the event the membership disapproves the budget, or the Board of Directors fails for any reason, before the expiration of any assessment period, to determine the budget for any fiscal year of the Master Association and fix the amount of the Annual Assessments hereunder for that or the next period, such disapproval or failure to adopt the budget or determine the amount of the Annual Assessments shall not be deemed a waiver or modification in any respect of the provisions of this Article or a release of any Member from the obligation to pay Annual Assessments, or any installment thereof, for that or any subsequent assessment period, but the budget then in effect and the Annual Assessments fixed for the preceding fiscal year shall continue until the new budget is determined and the new Annual Assessments are fixed.

(e) Reserve Fund Budget and Contribution. The Board of Directors shall annually prepare a reserve fund budget which shall take into account the number and nature of the replaceable assets of the Master Association (including, without limitation, the Master Common Area Improvements), the expected life of each asset, and the expected renovation, repair or replacement cost of each asset with a useful life of less than fifty (50) years, and contingencies (potential costs or liabilities which have not been incurred but which should be planned for) and insurance deductibles. The Board of Directors shall set the required reserve fund contribution, if any, in an amount sufficient to meet the projected reserve needs of the Master Association, as shown on the reserve fund budget, with respect both to amount and timing by the imposition of Annual Assessments over the period of the budget. The reserve fund contribution shall be fixed by the Board of Directors and included within the budget and Annual Assessments. Such

reserve fund contribution shall be payable as part of the Annual Assessments, applicable to all Lots [except as otherwise provided with respect to Lots owned by the Class D Member in Article V, Section 3(b)(ii)], to the extent such reserve fund will be utilized to replace assets which are determined by the Board of Directors to benefit substantially all Owners. A copy of the reserve fund budget shall be distributed to each Owner in the same manner as the operating budget.

(f) Notice of Meeting and Quorum. Written notice of any meeting of the Board of Directors called for the purpose of determining a new budget (or an amendment to the budget which will result in an increase or decrease of more than fifteen percent (15%) of approved annual budget) and the new Annual Assessments as provided in Article V, Section 3(d) hereof, or for the purpose of establishing a Special Assessment in accordance with Article V, Section 4 hereof, shall be sent to all Members not less than thirty (30) days in advance of such meeting.

(g) Date of Commencement of Annual Assessments. Except as otherwise provided in Article V, Section 3(b)(ii), the first Annual Assessments provided for herein shall commence as to all Lots (including the Townhouse Property, the Condominium Property and the Apartment Property) simultaneously upon the earlier to occur of (i) the date of the conveyance of the first Lot to an Owner, other than the Declarant or a Participating Builder, or (ii) the issuance of a Certificate of Occupancy with respect to the Lot 61 Building. The first installment of such Annual Assessments shall be adjusted according to the number of months remaining in the fiscal year of the Master Association. Written notice of the Annual Assessment shall be sent to every Owner subject thereto, or in the case of the Condominium Property, to the applicable Condominium Association or in the case of the Apartment Property, to the Apartment Owner. Due dates for the Annual Assessments shall be established by the Board of Directors.

(h) Payment of Annual Assessments. The Annual Assessments, when assessed for each year, shall become a lien on the Lot for the entire Annual Assessment, but shall be payable in monthly installments equal to one-twelfth (1/12th) of the Member's proportionate share of the Annual Assessment payable by such Member. Upon resolution of the Board of Directors, installments of Annual Assessments may be levied and collected on a quarterly, semi-annual or annual basis, rather than on a monthly basis.

(i) No Waiver. No Member may escape or exempt himself from liability for Annual Assessments, Special Assessments or any other assessments by abandonment of any Living Unit or Lot belonging to him or by the non-use or waiver of use and enjoyment of the Master Common Areas (including the Recreational Amenities), or for the alleged failure of the Board of Directors or the Master Association to fulfill any of its obligations under this Declaration.

(j) Surplus and Deficit. If any amount accumulated in excess of the amount required for actual expenses as set forth in Section 3(a) above and reserves established by the Board of Directors for working capital, replacements and contingencies, shall exist at the end of any fiscal year of the Master Association, then at

the next annual meeting of the Master Association, the Members shall determine, by an affirmative vote of Class A Members, Class B Members and Class C Members holding at least fifty-one percent (51%) of the votes in the Master Association, who are present and voting in person or by proxy, at a meeting of the Master Association duly called for such purpose, and the Class D Members, so long as the Class D membership shall continue to exist, on whether such surplus funds shall: (i) be placed in reserve accounts, (ii) be placed in a special account to be expended solely for the general welfare of the Owners, (iii) be credited to the next periodic installment of Annual Assessments due from Owners under the current fiscal year's budget, until exhausted, (iv) be distributed to each Owner (including the Declarant and Participating Builders) in proportion to the percentage (if any) of Annual Assessments paid by such Owner, or (v) be used to adjust the budget for the succeeding fiscal year to amortize the deficit from any preceding fiscal year. If there is a deficit in any fiscal year, the Board of Directors may levy a Special Assessment to cover such deficit.

Section 4. Special Assessments. In addition to the Annual Assessments authorized in Article V, Section 3 above, the Master Association may levy a Special Assessment or Special Assessments applicable to that year for such purposes as the Board of Directors may deem appropriate, including, without limitation, one or more of the following Special Assessments:

(a) **Capital Improvement Assessment.** The Master Association may levy in any assessment year a Special Assessment against Lots, applicable to that year and payable over not more than the next three (3) succeeding years, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement with respect to the Master Common Areas, including fixtures and personal property related thereto, or other specified purpose primarily for the Maintenance and upkeep of the Master Common Areas; provided, however, that any such Special Assessment for a capital improvement with respect to the Master Common Areas shall require the affirmative vote of (i) Class A Members, Class B Members and Class C Members entitled to cast not less than sixty-seven percent (67%) of the votes in the Master Association, who are present and voting in person or by proxy, at a meeting of the Master Association duly called for such purpose within sixty (60) days of promulgation of the notice of the Special Assessment at which a Quorum of Members is present, and (ii) the Class D Members, if the Class D membership has not ceased to exist. A vote of (i) all Class A Members, Class B Members and Class C Members entitled to cast not less than sixty-seven percent (67%) of the votes in the Master Association who are present and voting, in person or by proxy, at a meeting of the Members duly called for such purpose in accordance with the provisions of the Bylaws, and (ii) the Class D Members, within sixty (60) days of promulgation of the notice of the Special Assessment, shall rescind or reduce the Special Assessment. No Director or officer of the Master Association shall be liable for failure to perform his fiduciary duty if a Special Assessment for the funds necessary for the Director or officer to perform his fiduciary duty is rescinded by the Members, and the Master Association shall indemnify such Director or officer against any charges resulting from any claimed breach of fiduciary duty arising therefrom.

(b) Restoration Assessment. The Master Association may levy a Restoration Assessment upon any Lot whose Owner or Condominium Association fails to Maintain such Lot or Condominium Property as provided in this Declaration, or who fails to provide such Maintenance funds as may be required by any Supplementary Declaration. Restoration Assessments shall be limited to the amount necessary to meet the cost of restoration or deficiency in required funds and all costs of collection, including the costs of administering such Restoration Assessment. Such a Special Assessment may be levied upon the vote of the Board of Directors after notice to the Owner or Condominium Association and an opportunity for a hearing before the Board of Directors.

(c) Utility Assessments. To the extent that there are any utilities which serve more than one Lot, but not all of the Lots, and such utilities are billed to the Master Association, the Master Association will levy a Special Assessment against those Lots for which such utilities are provided for the purpose of paying the entire bill, with each Lot being assessed an equal share of such invoice. Each such assessment shall be due and payable upon receipt of the invoice from the Master Association.

(d) Alarm Monitoring Assessment. The Master Association will levy a Special Assessment against all lots within the Townhouse Property for the purpose of paying the costs incurred by the Master Association under the Alarm Monitoring Contract. Each Lot within the Townhouse Property shall be assessed an equal share of such costs incurred by the Master Association, and such assessments shall be due and payable by the Owners of the Lots within the Townhouse Property upon receipt of an invoice from the Master Association for such costs.

Section 5. Effect of Nonpayment of Assessments; Remedies of the Master Association.

(a) Notice of Default; Interest; Late Charges; Remedies. Any installment of any Annual Assessment or Special Assessment not paid within fifteen (15) days after the due date shall be delinquent and shall bear interest from the due date until paid at a rate determined by the Board of Directors, not to exceed the maximum rate of interest permitted under the laws of the State of Maryland. The Master Association or the Management Agent at the request of the Board of Directors, shall provide Notice of such delinquency and may, at its option (i) charge a reasonable late fee in an amount equal to ten percent (10%) of the delinquent installment or such other amount as may be set by Board of Directors (not to exceed any limit established under applicable law) against any Owner (and/or such Owner's Lot) or Condominium Association who is more than fifteen (15) days delinquent in the payment of any installment of any Annual Assessment or Special Assessment; and (ii) upon Registered Notice to the Owner of the Lot, or to the Condominium Association or Apartment Owner, suspend the right of such Owner (or the rights of all Owners who are members of such defaulting Condominium Association) to vote and the right of the Owner (and the right of any Occupant of the Living Unit, if applicable), and the right of a defaulting Condominium Association (and all members of such Condominium Association) to use the Master Common Areas until the assessment, accrued interest, penalties and costs of collection are paid in full.

(b) Acceleration of Installments. Upon default in the payment of any one or more installments of any Annual Assessment or Special Assessment levied pursuant to this Declaration, the entire balance of said assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

(c) Actions Against Owners. The Master Association may also bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Lot (and all improvements thereon) provided the provisions of the Maryland Contract Lien Act, if applicable, are substantially fulfilled. The Owner shall also be obligated to pay all attorneys' fees, court costs and administrative costs incurred in connection with the collection of assessments if not paid when due. The remedies under this Article V, Section 5 shall not be deemed to limit or waive, and shall be without prejudice to, any and all rights, remedies, or recourses as may be available to the Master Association for non-payment of assessments.

(d) Priority of Lien; Subordination of the Lien to First Mortgages. Once perfected, the lien for assessments provided for herein shall be prior to all other subsequent liens and encumbrances except (i) real estate tax liens on the Lot, (ii) liens securing First Mortgagees, (iii) encumbrances recorded prior to the recordation of this Declaration, and (iv) sums unpaid on and owing under any First Mortgage recorded prior to the perfection of said lien. The lien evidenced hereby shall bind the Lot(s) herein described and the Owner thereof, his heirs, devisees, personal representatives, and the personal obligation of the Member to pay such assessment shall, in addition, remain his personal obligation for the statutory period. In the event any proceeding to foreclose the lien for any assessment due the Master Association pursuant to this Article is commenced with respect to any Lot in the Property, then the Owner of such Lot, upon resolution of the Board of Directors, may be required to pay reasonable rental for the Living Unit on the Lot and the Master Association shall be entitled to the appointment of a receiver to collect the same.

Notwithstanding any other provision of this Declaration to the contrary, the lien of any Annual Assessment or Special Assessment levied pursuant to this Declaration upon any Lot, as in this Article provided, shall be subordinate to the lien of any First Mortgage and shall in no way affect the rights of any First Mortgagee; provided, however, that such subordination shall apply only to those assessments, or installments thereof, which have become due and payable prior to a sale or transfer of the Lot pursuant to a foreclosure of such First Mortgage, or any deed, assignment or in any other proceeding or arrangement in lieu of foreclosure. Such sale, foreclosure, deed, assignment or other proceeding or arrangement in lieu of foreclosure shall not, however, relieve the mortgagee in possession or the purchaser at any foreclosure sale from liability for any assessments thereafter becoming due, or from the lien of any such subsequent assessments, which lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein.

No amendment to this Section shall affect the rights of any First Mortgagee on any Lot (or the indebtedness secured thereby) recorded prior to recordation of such

amendment unless the holder thereof (or of the indebtedness secured thereby) shall join in the execution of such amendment.

The Board of Directors may, in its sole and absolute discretion, extend the provisions of this Section to the holders of Mortgages (or of the indebtedness secured thereby) not otherwise entitled thereto.

(e) Additional Default. Any recorded First Mortgage secured on a Lot in the Property shall provide that any default by the mortgagor in the payment of any assessment levied pursuant to this Declaration, or any installment thereof, shall likewise be a default in such First Mortgage (or the indebtedness secured thereby); but failure to include such a provision in any such First Mortgage shall not affect the validity or priority thereof and the protection extended to the holder of such First Mortgage (or the indebtedness secured thereby) by reason of Section 5(d) of this Article V shall not be altered, modified or diminished by reason of such failure.

(f) Remedies Cumulative. No remedy reserved to the Master Association herein is intended to be exclusive of any other remedy or remedies, and each and every remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law, in equity or by statute.

(g) Collection Costs. If default is made in the payment of any assessment payable hereunder, then the Owner who is so delinquent shall pay to the Master Association, upon demand, all costs of collection, including the Master Association's attorney's fees, whether suit is brought or not.

(h) Prepayment. Any Member may prepay one or more installments on any Annual Assessment levied by the Master Association, without penalty or interest, and without discount, but such prepayment shall not relieve any Class A Member, Class B Member or the Class C Member for increases in the Annual Assessment which may become due and payable during the period for which the prepayment was made.

(i) Assessment Certificates. The Master Association shall, upon request at any time, furnish to any Member or Condominium Association liable for any assessment levied pursuant to this Declaration (or any other party legitimately interested in the same) a certificate, in writing, signed by an officer or agent of the Master Association, or designee thereof, setting forth the status of said assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid. A reasonable charge may be levied in advance by the Master Association for each certificate so delivered.

Section 6. Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charges and liens created herein: (a) all properties to the extent dedicated and accepted by a public authority and devoted to public use; (b) all Master Common Area Parcels; (c) the Ballroom (if it is created as a separate Condominium Unit), and (d) all properties exempted from taxation by the County or any other political subdivision having jurisdiction over the Property upon the

terms and to the extent of such legal exemption, provided that no property utilized for residential purposes shall be exempt.

Section 7. Working Capital Fund. At the time of the conveyance of each Lot to an Owner (other than the Declarant or a Participating Builder), and in the case of the Class C Member, at such time as a Certificate of Occupancy is issued with respect to the Lot 61 Building, each such Owner (including the Class C Member) shall pay to the Master Association a non-refundable one-time contribution to the Master Association's working capital fund in an amount equal to three times one-twelfth the Annual Assessment applicable to such Lot. The Master Association's working capital fund shall be used for the initial and forthcoming expenses of the Master Association.

ARTICLE VI

USE OF PROPERTY

Section 1. Permitted Uses.

(a) Living Units. All Living Units shall be used for private residential purposes exclusively, and may not be used for any commercial or business activities, and no Living Unit shall be used as a "family day care home" (as such term is defined in the Real Property Article of the Annotated Code of Maryland, Section 11B-111.1); or a "child day care facility," a "domiciliary care home," a "group home," a "medical or dental clinic," or a "boardinghouse" (as such terms are defined in the Montgomery County Code Zoning Ordinance, Chapter 59, Article 59-A). Notwithstanding the foregoing, to the extent permitted by the County, a professional office for a "no-impact home-based business" (as defined in the Real Property Article of the Annotated Code of Maryland, Section 11B-111.1) or a "no-impact home occupation" (as defined in the County Zoning Ordinance, Chapter 59, Article 59-A) may be maintained in a Living Unit, provided that (i) such office or business is limited to a person actually residing in the Living Unit; (ii) such "no-impact home-based business" or "no-impact home occupation" shall not be conducted on or adversely impact the Master Common Areas (including, without limitation, the private streets, access aisles, and parking areas), nor adversely impact the access to or parking for any other Lots, and parking shall be in compliance with the provisions set forth in this Declaration, (iii) the hours of operation of such professional office or business shall be limited to Monday through Friday, 8:00 a.m. to 6:00 p.m., and Saturday, 9:00 a.m. to 5:00 p.m., with no hours of operation on Sunday, (iv) the Maintenance and use of such "no-impact home-based business" or "no-impact home occupation" shall not disturb any other Owner's or Occupant's quiet enjoyment of his or her Living Unit, (v) such operation, Maintenance, use and signage of a "no-impact home-based business" or "no-impact home occupation" shall be in strict conformity with the provisions of any applicable Laws, including, without limitation, all applicable zoning laws, ordinances, or regulations, and the Regulatory Plans and shall be subject to the approval of the Architectural Review Board, (vi) the Owner or Occupant conducting such "no-impact home-based business" or "no-impact home occupation" shall obtain and maintain at all times all permits and licenses necessary to conduct such office or business, and (vii) the Owner or Occupant shall notify the Master Association of such use, in

writing, at least thirty (30) days prior to the opening of the "no-impact home-based business" or "no-impact home occupation", which notice shall include a detailed description of the proposed "no-impact home-based business" or "no-impact home occupation" use and the hours of operation and a copy of the required permit, if any, issued by the appropriate Governmental Authority to the Owner. The foregoing limitations shall not prohibit the operation of the Transitional Housing Facility within the Lot 61 Building in accordance with all applicable laws, ordinances and regulations and the Regulatory Plans and MHT Easement (to the extent applicable).

(b) Ballroom. The use of the Ballroom shall be governed by Rules proposed by the Owner of the Lot 60 Building, or after the Condominium is established on Lot 60, the Owner of the Ballroom, which Rules shall be submitted to and approved by the Lot 60 Condominium Association and the Board of Directors of the Master Association prior to any use of the Ballroom. Such Rules shall include, without limitation, regulations regarding the use of the Ballroom, the number of persons who may be present in the Ballroom at any one time, the hours of operation of the Ballroom, and parking restrictions for guests, visitors and invitees to the Ballroom or functions therein, and a proposed form of lease or license agreement to be used for the use of the Ballroom. In all events, the operation and use of the Ballroom shall be in compliance with all applicable laws, ordinances and regulations and the Regulatory Plans and MHT Easement. The Ballroom may not be used for any purposes, or in any manner, other than as set forth in the approved Rules for the Ballroom and consistent with the provisions of this Declaration.

(c) Fitness Center and Community Room. The use of the Fitness Center and the Community Room shall be governed by Rules proposed by the Apartment Owner, which Rules shall be submitted to and approved by the Board of Directors of the Master Association prior to any use of the Fitness Center and Community Room. Such Rules shall include, without limitation, regulations regarding the use of the Fitness Center and Community Room, the number of persons who may be present in the Fitness Center or Community Room at any one time, the hours of operation of the Fitness Center and the Community Room, and parking restrictions for guests, visitors and invitees to the Fitness Center and Community Room or functions therein. In all events, the operation and use of the Fitness Center and the Community Room shall be in compliance with all applicable laws, ordinances and regulations and the Regulatory Plans and MHT Easement (to the extent applicable). The Fitness Center and Community Room may not be used for any purposes, or in any manner, other than as set forth in the approved Rules for the Fitness Center and the Community Room and consistent with the provisions of this Declaration.

(d) Garages. All garages, whether included within a Living Unit or constructed separately shall be used solely for the purposes of parking and storing of vehicles, and no garage shall be used for residential or office purposes or for other storage purposes, except by the Declarant or a Participating Builder as provided in Article VI, Section 1(c) hereof. During the period October 1 through March 30 of each calendar year, each Owner of a Living Unit within the Townhouse Property must keep the door of the garage of his/her Living Unit closed at all times, except when entering or exiting the

garage, to prevent damage to the Supervised Fire System which may be caused by inclement weather.

(e) Exemption for the Participating Builders. Nothing contained in this Article, or elsewhere in this Declaration, shall be construed to prohibit the Participating Builders from the use of any Lots, Living Units or garages for promotional, marketing, display or customer service purposes, or as "model homes", a sales office, construction office, management office, or any other lawful purpose. The Participating Builders may assign their rights under this section to, or share such rights with, one or more other parties, exclusively, simultaneously or consecutively with respect to Lots, Living Units or garages owned or leased by the Participating Builders or such assignees of the Participating Builders.

Section 2. Protective Covenants. Except for the activities of the Declarant or Participating Builder during construction and development of the Property, all Lots, Owners and Occupants shall be subject to the following covenants and restrictions:

(a) Nuisances; Noise. No nuisance shall be permitted to exist or operate upon the Property, or any portion thereof, so as to jeopardize property values or be detrimental to the well-being of the Members. There shall be no emissions of dust, sweepings, dirt, cinders, odors, gases or other substances into the atmosphere (other than normal residential chimney emissions), no production, storage or discharge of hazardous wastes on the Property or discharges of liquid, solid wastes or other harmful matter into the ground or any body of water, if such emissions, products, storage or discharge may adversely affect the use or intended use of any portion of the Property or may adversely affect the health, safety or comfort of any person. No waste nor any substance or materials of any kind shall be discharged into any public sewer serving the Property or any part thereof in violation of any regulation of any public body having jurisdiction over such public sewer. No Owner shall cause or permit any unreasonable loud noise (except for devices used solely for security purposes) anywhere on the Property, and in that regard, no speaker, horn, whistle, siren, bell or other sound device, except for such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any improvements. No portion of the Property shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth. No skateboarding shall be permitted on any portion of the Property.

(b) Restriction on Further Subdivision. No Lot upon which a Living Unit has been constructed shall be further subdivided or separated into smaller Lots by any Owner, and no portion less than all of any such Lot, nor any easement or other interest therein, shall be conveyed or transferred by an Owner, provided that this shall not prohibit deeds of correction, deeds to resolve boundary line disputes and similar corrective instruments, and easements to public agencies or authorities or for utilities; and further provided that the Participating Builders shall have the unilateral right, without the consent of any other party, to resubdivide Lots owned by the Participating Builders. The provisions of this subsection shall not be deemed to preclude the Condominium Developer from establishing one or more condominium regimes on the Condominium

Property, nor shall they prohibit any Owner from granting an easement or right-of-way to any municipality, political subdivision, public utility or other public body or authority, or to the Master Association, to serve necessary public purposes, or from dedicating or conveying a portion of such Owner's Lot for such purposes.

(c) Leasing. Any lease or rental agreement for the lease of a Lot and the improvements thereon shall be in writing and shall be subject to the conditions, restrictions and requirements of this Declaration. A Lot, together with the Living Unit or Living Units thereon, may be leased in its entirety, but no Lot and Living Unit, may be leased or rented separately, and no portion of a Lot or Living Unit may be leased or rented separately, except for the rental of individual apartments within the Lot 61 Building and the lease of the Transitional Housing Facility for its intended purposes; provided, however, that roomers and boarders are expressly prohibited throughout the Property, except in the Transitional Housing Facility. Any permitted lease shall be for a period of not less than thirty (30) days and the initial term of such lease shall be for a minimum period of one (1) year. No subleasing will be permitted. All leases shall (i) contain provisions advising the tenant of his or her obligation to comply with all provisions of this Declaration, the Bylaws and the rules and regulations of the Master Association, and (ii) provide that the Master Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of this Declaration, the Bylaws or rules and regulations of the Master Association, or of any other document, agreement or instrument governing the Property. The Owner of a leased Lot shall notify the Master Association in writing of the Owner's current address and the name of each tenant and/or subtenant of the Living Unit(s) on such Lot. The Owner of a leased Lot shall be jointly and severally liable with his or her tenant(s) to the Master Association to pay any claim for injury or damage to persons or property caused by any action or omission, including, without limitation, the negligence of the tenant(s). Every lease shall be subordinate to any lien filed by the Master Association, whether before or after such lease was entered into. The Board of Directors may suggest or require a standard form of lease or certain standard form language to be incorporated into any lease agreement to be used by Owners for the leasing of Living Units in order to assure compliance with the terms, conditions, covenants, restrictions, rules and regulations under this Declaration, and the form of lease or license agreement for the use of the Ballroom shall be included in the Rules to be established for the use of the Ballroom pursuant to Article VI, Section 1(b) hereof. Each Owner shall, promptly after entering into any lease of a Living Unit, forward a photocopy of the lease to the Board of Directors. Notwithstanding the foregoing, the Apartment Owner shall not be obligated to use the form of lease required by the Board of Directors, nor to provide copies of each lease of a rental unit or the Ballroom within the Lot 61 Building, so long as the lease form utilized by the Apartment Owner or the Owner of the Ballroom includes language to assure compliance with the terms, conditions, covenants and restrictions, rules and regulations under this Declaration.

(d) Conditions for Architectural Control. No improvements, alterations, repairs, excavations, changes in grade or other work which in any way alters the exterior of any Lot or the improvements located thereon, or the Master Common Area Parcels or the Master Common Area Improvements from its natural or improved state, existing on the date such property was first subjected to this Declaration [or such

improvements approved pursuant to the Regulatory Plans or any other zoning approvals issued by the County, MHT or other Governmental Authority (including Regulatory Plans and architectural drawings included therewith), as amended from time to time], shall be made or done without the prior approval of the Architectural Review Board, the MHT, and any other Governmental Authority, if required, as provided in Article III, Section 4 of this Declaration. In furtherance of the foregoing, no building, residence, or other structure, fence, wall, deck, patio, balcony, porch, window, storm door, or window or door security bars or other improvements or structures, shall be commenced, erected, maintained, improved, altered, made, or done on such property without the prior written approval of the Architectural Review Board and MHT, if applicable. No bay windows, decks, patios, balconies, or porches, other than those approved as part of the Regulatory Plans or other zoning approvals for the Property (issued by Montgomery County), nor any bay windows, decks, patios, balconies or porches, if any, larger than those shown on the approved Regulatory Plans for the Property shall be constructed without the prior written consent of the Architectural Review Board and MHT, if applicable; and no changes of paint colors on the exterior of any Living Unit, and no alteration of any portion of a Living Unit, which alteration of the Living Unit shall be visible from the exterior of the Living Unit shall be made, or on any other improvements on a Lot, or on improvements in the Master Common Area Parcels, shall be made without the prior written approval of the Architectural Review Board and MHT, if applicable. It shall also be prohibited to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, screens, awnings, flags (other than official flags of the United States of America which do not exceed 24 square feet in size), flagpoles, banners, patio, deck, porch or balcony covers, walls, slabs, sidewalks, curbs, gutters, driveways, or to combine or otherwise join two (2) or more Living Units (other than Condominium Units), or to partition same after combination, or to remove or alter any windows and exterior doors of any Living Units, without the prior written consent of the Architectural Review Board and MHT, if applicable, all in accordance with Article III, Section 4 of this Declaration. Furthermore, no improvements of any kind shall protrude or encroach beyond the boundary line of any Lot, except as shown on the Regulatory Plans or as initially constructed by the Declarant or a Participating Builder. No Owner may remove any planter boxes installed by the Declarant or a Participating Builder on the Property, including any planter box, decorative trellis or rails installed within the Common Areas or on any Lot. In the event that the Architectural Review Board or MHT determines that any interior window treatments adversely affect the general exterior appearance of the Living Units or are not otherwise in conformance with the architectural standards promulgated by the Architectural Review Board or MHT for window treatments, the Architectural Review Board shall have the authority to require the removal of such window treatments.

(e) Fences; Walls. No fences or walls shall be constructed upon the Property other than those initially installed in the construction of the improvements as shown on the Regulatory Plans, or replacements of such fences or walls in the same manner as initially constructed by the Declarant or the Participating Builders. All Retaining Walls, screening walls and fences which are initially installed by the Declarant or a Participating Builder, on one or more Lots or on the Master Common Area Parcels shall be perpetually Maintained, and any replacements of such Retaining Walls,

screening walls and fences shall be of similar material and style as initially installed. No fences shall be installed in the front yards of any Lots (i.e., they may not extend forward of the rear building line of the Living Unit on the Lot upon which any such fence is erected). Chain link and other wire fencing is specifically prohibited for any fencing on the Property. No gate which provides access to the front, rear or side yard of a Lot shall be locked or blocked in a manner which will prevent or interfere with readily available access to the front, rear or side yard of such Lot.

(f) Parking. Parking on the Property shall be subject to the following restrictions:

(i) No parking shall be permitted upon the Master Common Area Parcels, or within the Ingress/Egress Surface Easements, including, without limitation, the private streets or alleyways within the Property, except for the Trail Visitor Parking and the Reserved Parking, the use of which spaces shall be restricted as set forth in this Article VI, Section 2(f) and in the definitions of said Trail Visitor Parking and Reserved Parking in Article I of this Declaration, and in those spaces designated as "Visitor Parking" on the Parking Plan, the use of which is restricted as set forth below in Article VI, Section 2(f)(iii). No vehicle belonging to any Owner or Occupant, or to any guest or employee of any Owner or Occupant, shall be parked in a driveway or elsewhere on the Property in a manner which interferes with access to or along, or encroaches upon, the private streets or alleyways, the sidewalks or the pedestrian walkways or emergency vehicle, ingress/egress, or other private driveways within the Property. Each garage which is included in a Living Unit shall be used for passenger vehicle storage only, except as provided in Article VI, Section 2(h) below. Except in connection with the construction activities of the Declarant and the Participating Builders, no truck, boat, recreational vehicle, motor home, camp truck or trailer, whether owned by an Owner or any other person, shall be permitted to remain on the Property, including, without limitation, the Master Common Area Parcels or garages in Living Units, or to be parked in driveways. Only vehicles of a size and dimension which would allow for such vehicle to be parked totally within the Owner's garage with the garage door closed attached to his/her Living Unit shall be permitted to remain on the Property. For the purposes of the foregoing sentence, sports utility vehicles and pick-up trucks are not deemed to be a truck. No junk or derelict vehicle shall be kept on any portion of the Property. The repair (except for bona fide emergencies) or extraordinary maintenance of automobiles or other vehicles shall not be carried out at any place on the Property. Nothing shall be stored upon any of the streets, alleyways or walkways, nor shall the same be permitted to accumulate trash or debris.

(ii) The Reserved Parking which is marked on the Parking Plan is designated for the exclusive use of the Owners and Occupants of the Lots to which such Reserved Parking is assigned on the Parking Plan, and no Owner or Occupant shall park in the Reserved Parking spaces except for the Owners and Occupants of those portions of the Property to which such Reserved Parking Spaces are assigned as shown on the Parking Plan. The Owner of a Lot to which one or more Reserved Parking Spaces are assigned as shown on the Parking Plan may, at such Owner's option, further assign

said Reserved Parking Spaces to the Owners and Occupants of particular Living Units within the Lot designated on the Parking Plan.

(iii) All parking areas within the Master Common Area Parcels (other than the Reserved Parking and the Trail Visitor Parking) are restricted to visitor parking only for the guests and invitees of the Owners and Occupants, and no Owner or Occupant shall park on the Master Common Area Parcels (other than the Reserved Parking which are restricted as set forth in this Declaration). The Trail Visitor Parking is reserved for the exclusive use of the general public during daylight hours who are visiting the Historic Trail and/or the Glen. During all other hours, said Trail Visitor Parking shall be restricted to visitor parking for the guests and invitees of the Owners and Occupants. All visitor parking will be available on a first-come, first-served, basis, subject to the Rules adopted by the Board of Directors from time to time. No vehicle shall be parked so as to interfere with the flow of vehicular traffic on any road such parking is allowed.

(iv) The Master Association shall have the right, in addition to all other rights and remedies provided herein, to have any and all vehicles which are parked on the Property in violation of the provisions set forth herein or any additional Rules promulgated by the Board of Directors towed away at the expense of the Owner of the Lot where the Owner, Occupant or guest of such Owner or Occupant of such Lot was the violating party, to the extent that the Master Association incurs any costs in connection with such towing.

(g) Pets. Pets shall not be permitted upon the Master Common Area Parcels unless accompanied by a responsible person and unless they are carried or leashed. The Board of Directors shall have the authority to determine whether a number of pets maintained in any Living Unit or on any Lot is reasonable and Owners may not maintain more than the number of pets determined by the Board of Directors to be reasonable. No pets may be kept, bred or maintained for commercial purposes. Any Owner or Occupant who keeps or maintains any pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Master Association, each of the other Owners, Occupants, the Declarant, the Participating Builders and Management Agent free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet at the Property. All pets shall be registered, inoculated and tagged as required by law. The Board of Directors shall have the right to order any person whose pet is a nuisance to remove such pet from the Property and the Board of Directors, after affording the right to a hearing to the Owner or Occupant affected, shall have the exclusive authority to declare any pet a nuisance. Each Owner or Occupant who walks a pet on any Master Common Area Parcel is required to clean up any and all solid waste deposited by their pet in that area. The Board of Directors shall have the right to adopt such additional Rules regarding pets as it may from time to time consider necessary or appropriate.

(h) Refuse. Except in connection with the construction activities of the Declarant and the Participating Builders, no burning of any trash and no unreasonable or unsightly accumulation or storage of litter, new or used materials, refuse, litter, lumber, scrap metals, bulk materials, building materials or trash of any other kind shall be

permitted on any Lot or upon any of the Master Common Area Parcels. All refuse shall be deposited with care in covered containers for such purpose. All trash containers, recycle containers and other refuse disposal systems must be maintained inside the garage of the Living Unit (if a Living Unit is within the Townhouse Property), or in the garage or designated area on the Lot (if a Living Unit is within the Single Family Property), or in the designated areas on the Condominium Property or Apartment Property (if the Living Unit or Ballroom is within the Condominium Property or the Apartment Property, except for the Private Trash Enclosures which shall be Maintained in the locations on the Master Common Area Parcels designated on the Development Plan), and shall not be permitted to remain in public view from another Lot, except on days of trash collection. Each Owner shall be responsible for removing his or her trash, recycle and other refuse disposal containers from public view after refuse collection hours on the day of such collection. No incinerator shall be kept or maintained upon any Lot.

(i) Temporary Structures; Clothes Lines. Except for temporary structures for the Declarant's and the Participating Builders' construction activities at the Property and the Participating Builders' sales activities (including sales/marketing signs), no structure of a temporary character, and no trailer, tent, shed, shack, barn, pen, kennel or stable, shall be maintained upon any Lot or upon the Master Common Area Parcels at any time. Outdoor clothes dryers or clotheslines shall not be maintained upon any of the Lots or the Master Common Area Parcels at any time. No clothing, laundry or the like shall be hung from any part of any Living Unit (including, without limitation, the rooftop terraces) or upon any of the Master Common Area Parcels or from or upon any window, balcony, deck, rooftop terrace, or patio. No tables, chairs, play equipment or other furniture, furnishings or equipment shall be placed or stored in the front yard of any Lot or on a rooftop terrace, patio, deck, terrace or balcony, except for deck/patio furnishings (but not play equipment) which do not exceed forty-two (42) inches in height.

(j) Outdoor Antennas. Except as specifically permitted by applicable Federal regulations, no exterior antenna or satellite dish for the transmission of radio or television signals or for the reception of direct broadcast satellite service which exceed one meter in diameter and/or exterior antenna for receiving video programming services via MMDS (wireless cable) that exceed one meter in diameter may be maintained upon the exterior of any Living Unit or garage, the Ballroom, the Fitness Center, the Community Room, or upon the Master Common Area Parcels without the prior written consent of the Board of Directors and/or the Architectural Review Board. Any antennas, satellite dishes, microwave dishes and other similar devices (collectively, "**Outdoor Antenna**") must not unreasonably interfere with the ownership, use and occupancy of other Lots or the Master Common Area Parcels and must be installed in the location designated by the Declarant or the Participating Builders in the initial construction of the Living Unit, Ballroom, Fitness Center and Community Room, or such other location approved by the Board of Directors or the Architectural Review Board, with appropriate regard for the visual impact on the Property and the National Park Seminary community. The location of the Outdoor Antenna must not violate any restrictions imposed by the Regulatory Plans on the Property. The Board of Directors or the Architectural Review Board may adopt additional reasonable regulations as to screening and location of any Outdoor Antenna. In the event that the Architectural Review Board determines that the

placement of any Outdoor Antenna is not in the designated location, or interferes with the ownership, use and occupancy of other Lots or the Master Common Area Parcels, or adversely affects the general exterior appearance of a Living Unit, Ballroom, Fitness Center, Community Room or garage, or is not otherwise in conformance with the architectural standards promulgated by the Architectural Review Board for Outdoor Antenna, or in conformance with the requirements set forth in the Regulatory Plans, then the Board of Directors shall have the authority to require the relocation of such Outdoor Antenna, by and at the cost of the Owner of the Living Unit, Ballroom, Fitness Center, Community Room for which the Outdoor Antenna is installed, to the original designated location on the Living Unit, Ballroom, Fitness Center, Community Room, or to such other location (but only if reception is not available with the placement of the Outdoor Antenna in the location designated in the initial construction of the Living Unit, Ballroom, Fitness Center, or Community Room) reasonably determined by the Board of Directors. Aerials and antennas situated entirely within a Living Unit, Ballroom, Fitness Center, Community Room and not visible from the exterior, shall be permitted.

(k) Landscaping; Utility Lines. No tree, hedge or other landscape feature shall be planted, installed or Maintained in a location which obstructs sight lines for vehicular traffic on public or private streets and alleyways. All landscaping and screening shall be Maintained in good condition, and no landscaping shown on the Regulatory Plans shall be allowed to die without replacement of like landscaping materials or otherwise eliminated or reduced. Pavement, plantings and other landscape materials shall not be placed or permitted to remain upon any Lot (i) if such materials may damage or interfere with any easement for the installation or Maintenance of utilities, (ii) in violation of the requirements of such easements, or (iii) if such materials may unreasonably change, obstruct, or retard direction or flow of any drainage channels. Except for hoses and the like which are reasonably necessary in connection with landscape Maintenance, no water pipe, sewer pipe, gas pipe, drainage pipe, television cable or other similar transmission line shall be installed or maintained upon any Lot above the surface of the ground. No decorative lawn ornaments shall be erected, installed, used or maintained on or in the front or side yard of any Lot. The Architectural Review Board may from time to time recommend to the Board of Directors for adoption such additional rules and regulations regarding the preservation of trees and other natural resources as it may consider appropriate.

(l) Signs. Except for sales/marketing signs posted at the Property in connection with the Participating Builders' sales activities, entrance signs, directional signs, signs for traffic control or safety, or except as may be expressly permitted by the Maryland Homeowners Association Act, as amended, and except for limited hour or restricted parking signs for visitor parking, Reserved Parking, and Trail Visitor Parking, and except as permitted under Article VI, Section 1(a) hereof, no signs of any character shall be erected, posted, or displayed in a location that is visible from another Lot or Living Unit that does not comply with the Regulatory Plans and the rules established by the Board of Directors. No sales/marketing signs for the resale of a Living Unit or Ballroom shall exceed two (2) feet in width or two (2) feet in height, and such signs shall be posted only on Saturdays and Sundays. Such temporary real estate sales/marketing signs shall be removed promptly following the sale or rental of such Living Unit or

Ballroom. No signs which support any candidate for public office or a slate of candidates for public office, or a sign which advertises the support or defeat of any proposition submitted to the voters in accordance with the Election Law Article of the Maryland Code, may be posted in any portion of the Master Common Area Parcels or Master Common Area Improvements. Unless applicable Law requires that such signs be posted for lesser periods of time, all such signs on Lots may not be posted more than thirty (30) days before the primary election, general election or vote on the proposition, and must be removed within seven (7) days after the primary election, general election or vote on the proposition. All signs posted under Article VI, Section 1(a) of this Declaration shall be subject to approval by the Architectural Review Board, and to the extent signs are regulated by the MHT Easement, comply with the requirements of MHT.

(m) Compliance with Laws. No unlawful, improper or offensive use shall be made of any Living Unit, Lot, any portion of the Master Common Area Parcels or any Master Common Area Improvements, or Ingress/Egress Surface Easements, and all Laws, zoning and other ordinances, regulations of Governmental Authorities shall be observed at all times. All Laws, orders, rules, regulations or requirements of any Governmental Authority (including MHT) having jurisdiction over the Property shall be complied with by, and at the sole expense of, the Owner, the Master Association or the Declarant or a Participating Builder, whichever party shall have the obligation for the upkeep of such portion of the Property, and if the Master Association is the responsible party, then the cost of compliance shall be a Common Expense included in the Annual Assessment.

(n) Obstructions. No Owner shall obstruct any portion of the Master Common Areas or Ingress/Egress Surface Easements, or otherwise impede the rightful access of any person on any portion of the Property upon which such person has a right to be. No Owner shall cause or permit to be placed or constructed anything on or in any of the Master Common Areas, nor shall any Owner cause or permit to be placed or constructed anything within the Ingress/Egress Surface Easements which would impede the access or use of the Ingress/Egress Surface Easements as contemplated by the Regulatory Plans.

(o) House Numbers. House numbers shall be posted and maintained at all times on the front and rear of the Living Units (except for the Condominium Units and the units within the Lot 61 Building) such that they shall be visible at all times from the public streets, private streets and alleyways on which the Living Units are situated.

(p) Mailboxes. Mailboxes serving more than one Living Unit (including without limitation, gang mailboxes) may be maintained on the Master Common Area Parcels, or on any individual Lot. The Master Association shall be responsible for Maintenance of the mailboxes (other than mailboxes located on the interior of a building); provided, however, that an Owner shall be responsible for any damage to the mailboxes caused by such Owner, or any Occupant or guest, invitee, licensee or contractor of such Owner.

(q) Walls. No Owner shall cause or permit any signs or objects of any kind to be attached to, affixed to, or hung from any of the Retaining Walls, screening walls, fences, guard rails, if any, or any other exterior walls on the Property.

(r) Rooftop Terraces, Patios, Balconies and Porches. The removal of any railings, decorative trellises or other perimeter barriers installed by the Declarant or a Participating Builder shall be strictly prohibited, except for repairs or replacements with the improvements of the same type and of the same functional and physical appearance. In addition, no umbrellas, furniture, landscaping, trees, sculpture, artwork, flags or banners exceeding 42 inches in height may be placed on the rooftop terraces, patios, balconies or porches, and no such items on rooftop terraces shall be visible from the public or private streets or alleyways or from Master Common Area Parcels adjacent to the Lot. All planters, trees and shrubbery to be placed upon any rooftop terrace, patio, balcony or porch shall be subject to the approval of the Architectural Review Board. Furthermore, in no event shall any decorative lights be placed on rooftops or rooftop terraces, patios, balconies or porches, or on the exterior of the Living Unit, Ballroom, Fitness Center or Community Room above the first floor level, which can be viewed from the roadway, alleyway or any property adjacent to the Property.

(s) Third Party Agreements. There are certain agreements of record which encumber the Property, including, without limitation, the Development Agreement, the MHT Easement and the Open Space Covenants, which provide for the sharing of certain obligations. In addition, the Steven Sitter Parcel License affects the Property. To the extent that such agreements affecting the Property impose any obligations on the Owners of the Lots, the Owners shall comply with all such obligations.

(t) Notice of Sale, Conveyance or Transfer. Prior to the sale, conveyance or transfer of any Lot or Living Unit to any person, the Owner shall notify the Board of Directors in writing of the name and address of the person to whom the proposed sale, conveyance or transfer is to be made and provide to it such other information as the Board of Directors may reasonably require. Failure to comply with the provisions of this Article VI, Section 2(t) shall not void, prohibit or otherwise invalidate the sale, conveyance or transfer of any Lot or Living Unit nor may it have any affect upon any mortgage or deed of trust thereon.

(u) Wells. No domestic water supply wells, groundwater monitoring wells or groundwater observation wells shall be installed anywhere on the Property.

(v) Rules. From time to time the Board of Directors shall adopt additional general Rules, including, but not limited to, Rules to regulate potential problems relating to the use of Property and the well-being of the Members, such as signage, storage and use of machinery, the use of parking areas (except that no Rules may change the use of the Reserved Parking or the Trail Visitor Parking as set forth in this Declaration), use of the Recreational Amenities, Maintenance and removal of vegetation on the Property, and the type and manner of application of fertilizers or other chemical treatments to the Property in accord with non-point source pollution control standards. Ninety (90) days after the earlier to occur of (A) the conveyance of the first Lot to an

Owner or (B) the issuance of a certificate of occupancy for the Lot 61 Building, such Rules may only be adopted or amended by a vote of at least two-thirds (2/3rds) of the Board of Directors, following a hearing for which due notice has been provided to all Members. A majority of votes cast, in person or by proxy, at a meeting of the Members at which a Quorum of Members is present, convened in accordance with the Bylaws and called for that purpose, shall have the ability to repeal or amend any Rules adopted by the Board of Directors; provided, however, that no Rule may be repealed which would violate the Regulatory Plans. No Rules shall be adopted which do not apply uniformly to all Lots or all Living Units. All such Rules, including any subsequent amendments thereto, shall be placed in the Rules and shall be binding on all Members, except where expressly provided otherwise in such Rules.

(w) Exceptions. The Board of Directors may issue temporary permits to except any prohibitions expressed or implied by this section, provided the Board of Directors can show good cause and acts in accordance with adopted guidelines and procedures. So long as the Declarant and the Participating Builders are engaged in developing or improving any portion of the Property, the Declarant and the Participating Builders shall be exempted from Rules affecting movement, disposition, and storage of building materials and equipment, erection and maintenance of directional and promotional signs and conduct of sales activities, including maintenance of model Living Units, temporary structures, obstructions and parking. Such exemption shall be subject to such rules as may be established by the Declarant and the Participating Builders to maintain reasonable standards of safety, cleanliness, and general appearance of the Property.

Section 3. Maintenance of Property.

(a) Owner Obligation.

(i) Each Owner shall keep all Lots owned by him, and all improvements therein or thereon, and all improvements and equipment located within the Master Common Area Parcels, if any, but which are appurtenant to and for the benefit of such Lot(s), including, without limitation, the Living Unit, steps, stoops, fences, patios, porches, decks, mailboxes, air-conditioning equipment, individual driveways, curbs adjacent to the driveways, posts, piers and columns, if any (whether in the front or rear of the Lot, and whether such improvements or equipment are located on the Lot or within the Master Common Area Parcels adjacent to the Lot or on or over the property line dividing the Lot from the adjacent Lot), in good order and repair, in a clean and sanitary condition, free of debris, all in a manner and with such frequency as is consistent with good property management. Except as specifically provided in Article IV, Sections 1 and 2 of this Declaration, the Master Association shall have no responsibility for the Maintenance of any Living Unit or Lot, and each Owner shall be responsible for the Maintenance of his or her Living Unit and Lot. Each Owner of a Condominium Unit shall cause the Condominium Association with respect to the Condominium in which such Condominium Unit is located to Maintain the common elements of such Condominium.

(ii) In addition, except for the Ingress/Egress Surface Easements for which the Master Association is responsible, each Owner shall be responsible for the removal of snow and ice from such Owner's Lot, including, without limitation, the leadwalk, steps, stoop, porch (if any), and deck (if any), appurtenant to the Living Unit. Each Owner shall also be responsible for keeping the front, side and rear yards of his or her Lot in a clean and sanitary condition, free of debris.

(iii) Each Owner shall be solely responsible for the Maintenance, painting, replacement and repair of the rooftops, rooftop terraces, patios, balconies, porches, stairwell enclosures, if any, on the rooftops and privacy fences or other dividers between the adjacent rooftops, patios, balconies and porches; provided, however, that each Owner of a Condominium Unit shall cause the Condominium Association with respect to the Condominium in which such Condominium Unit is located to Maintain the common elements of such Condominium.

(iv) The Master Association's responsibility with respect to the mowing of grass, feeding, fertilizing, pruning and trimming of shrubbery, mulching, and the replacement of shrubbery, bushes, trees is set forth in Article IV, Section 2(c). If the Owner elects, he may be responsible for the mowing of grass, pruning and trimming of shrubbery, mulching and the replacement of shrubbery within his Lot and within any enclosed front and side yards (or enclosed portions thereof) as set forth in Article IV, Section 2(c). The Owner shall also be responsible for watering the landscaping, shrubbery, bushes and trees located within the front, side and rear yards of his or her Lot (including, without limitation, any portions of the front, side and rear yards located within the public space adjacent to the Lot). In furtherance of the foregoing, and not in limitation thereof, each Owner shall be responsible for Maintaining the landscaping within any courtyard located on such Owner's Lot. The Apartment Owner shall be responsible for Maintaining and watering all landscaping, shrubbery, bushes and trees located with the Lot 61 Courtyard Area, the Condominium Developer (and the Lot 62 Condominium Association at such time as the Lot 62 Condominium Association is established) shall be responsible for Maintaining and watering all landscaping, shrubbery, bushes and trees located with the Lot 62 Courtyard Area.

(v) The Common Area Attached Lights shall be Maintained by the Owner of such Living Unit on which a Common Area Attached Light is attached in good operating order. Such Common Area Attached Lights will be wired to the electric service of the Living Unit to which the light fixture is attached. No Owner shall disconnect or otherwise impair the use of any such Common Area Attached Lights. The Owners of the Living Units to which Common Area Attached Lights are attached shall keep such lights lit during all hours from dusk to dawn. An Owner of a Living Unit with Common Area Attached Lights will be responsible for assuring that the Common Area Attached Lights are operational so as to provide lighting for the Master Common Area Parcels during those designated times.

(vi) Each Owner shall also be responsible for the repair and/or replacement of any fences on the Owner's Lot, whether such fence is located on the Lot, within the Master Common Area Parcels adjacent to the Lot, or on or over the property

line dividing the Lot from the adjacent Lot. No Owner shall lock a gate or otherwise block access to such Owner's Lot(s) which will prevent access to such Owner's Lot.

(vii) The Condominium Developer (and subsequently the Lot 60 Condominium Association, when it is established) shall be responsible for the Maintenance of the Parking Deck, the costs of which Maintenance shall be shared by the Condominium Developer (or the Lot 60 Condominium Association, as applicable) and the Apartment Owner pursuant to a separate agreement between such parties.

(viii) The Apartment Owner shall be solely responsible for the Maintenance of the Fitness Center and the Community Room (subject to the cost-sharing obligations set forth in Article V, Section 3(a)(viii) hereof), and the Condominium Developer (and subsequently the owner of the Ballroom, if it is created as a separate Condominium Unit and owned by a separate entity) shall be responsible for the Maintenance of the Ballroom (subject to the cost-sharing obligations set forth in Article V, Section 3(a)(ix) hereof).

(ix) The Condominium Developer (and subsequently the Lot 60 Condominium Association, when it is established) shall be responsible for the Maintenance of the Bridge, at its sole cost and expense.

(x) The Owners of the Lot(s) to which the Private Trash Enclosures are assigned as shown on the Development Plan shall be responsible for the Maintenance of the Private Trash Enclosures and the trash receptacles located therein, at the sole cost and expense of said Owners. To the extent that the County does not provide trash or recycling pick-up and removal services for any Lot or Living Unit, then the individual Owners of such Lots shall be responsible for contracting, at their sole cost, for trash removal and recycling pick-up service for such Lots on no less than a weekly basis.

(xi) The Owners of the Condominium Units within a Condominium regime shall be jointly responsible for the Maintenance of the general common elements of said Condominium and the performance of the obligations of the respective Condominium Association of which they are members under this Declaration.

(xii) No Owner of a Living Unit within the Townhouse Property shall disconnect or cause to be disconnected, or otherwise impair the operation of, the alarm monitoring system which serves such Owner's Living Unit, nor shall any part of the Supervised Fire System which serves a Living Unit within the Townhouse Property be disconnected or its use otherwise impaired. During the period October 1 through March 30 of each calendar year, each Owner of a Living Unit within the Townhouse Property must keep the door of the garage of his/her Living Unit closed at all times, except when entering or exiting the garage, to prevent damage to the Supervised Fire System which may be caused by inclement weather. In the event that any fees, penalties, fines or other costs are incurred by the Master Association arising out of any damage to or impairment of the Supervised Fire System by or on behalf of an Owner, then the Master Association shall have the right to levy a Special Assessment against the

defaulting Owner in the same manner as a Restoration Assessment pursuant to Article V, Section 4(b) hereof.

(xiii) Any obligations not specifically stated to be the Master Association's as described in said Article IV, Sections 1 or 2, shall be the obligation of the Owners. Each Owner shall perform his or her responsibilities hereunder in such a manner as shall not unreasonably interfere with the other Owners or Lots.

(b) Failure to Maintain Right to Remove or Correct Violations. If any Owner shall fail to Maintain such Owner's Lot or Living Unit in good repair and condition and in a neat and orderly condition consistent with the covenants set forth in this Declaration (including all sections of this Article) and such Rules as may be promulgated by the Board of Directors, or in the event of any violation or attempted violation of any of the covenants or restrictions contained in this Article or the Rules, or in the event of any other conduct in violation of any of the provisions or requirements of this Declaration or the Rules, then the same shall be considered to have been undertaken in violation of this Declaration and without the approval of the Architectural Review Board or the Board of Directors required herein, and, upon Registered Notice from the Architectural Review Board or the Board of Directors, such violation shall be promptly removed or abated. In the event the same is not removed, or the violation is not otherwise terminated or abated, within fifteen (15) days (or such shorter period as may be required in any such Registered Notice) after Registered Notice of such violation is delivered to the Owner of the Lot upon which such violation exists, or to the Owner responsible for such violation if the same shall be committed or attempted on premises other than the Lot owned by such Owner, then the Master Association shall have the right, through its agents and employees, to enter upon such Lot and (in the event of an emergency, the Living Unit or Ballroom) and take such steps as may be necessary to remove or otherwise terminate or abate such violation and the cost thereof may be assessed and collected as a Restoration Assessment against the Lot upon or in which such violation occurred. When so assessed, a statement for the amount thereof shall be rendered to the Owner of said Lot, at which time the assessment shall become due and payable and a continuing lien upon such Lot, and a binding personal obligation of the Owner of such Lot, in all respects as provided in Article V of this Declaration. The Master Association shall have the further right, through its agents, employees or committees, to enter upon and inspect any Lot at any reasonable time for the purpose of ascertaining whether any violation of the provisions or requirements of this Declaration exists on such Lot or in such Living Unit, and neither the Master Association nor any such agent, employee or committee member shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection. Notwithstanding anything else contained in this paragraph to the contrary, the Master Association shall initiate judicial proceedings before any item of construction can be altered or demolished.

(c) Enforcement; Fines. In addition to the means for enforcement provided elsewhere herein, the Master Association shall have the right to levy fines against an Owner or such Owner's guests, relatives, lessees or invitees, in the manner set forth herein, and such fines shall be collectible as any other assessment such that the Master Association shall have a lien against the Lot of such Owner as provided in this

Declaration, the Articles of Incorporation and other Governing Documents, and such fine(s) shall also become the binding personal obligation of such Owner.

(i) The Board of Directors shall be charged with determining where there is probable cause that any of the provisions of this Declaration regarding the use of the Living Units, Ballroom, Fitness Center, Community Room, Lots, Master Common Areas or other Master Association property, are being or have been violated. In the event that the Board of Directors determines an instance of such probable cause, it shall provide Registered Notice to the person alleged to be in violation (to the extent that the Board of Directors has such person's contact information), and the Owner of the Lot which that person occupies or is visiting if such person is not the Owner, of the specific nature of the alleged violation and of the opportunity for a hearing before the Board of Directors upon a request made within five (5) days of the sending of the Registered Notice. The notice shall also specify, and it is hereby provided, that each recurrence of the alleged violation or each day during which it continues shall be deemed a separate offense, subject to a separate fine not to exceed a reasonable amount established by the Board of Directors for each offense. The amount of the fine shall be based upon the costs and inconvenience caused to the Master Association and shall not be a penalty. The Notice shall also specify, and it is hereby provided, that in lieu of requesting a hearing, the alleged violator or Owner may respond to the Notice within five (5) days of its sending, acknowledging in writing that the violation occurred as alleged and promising that it will henceforth cease and will not recur, and that such acknowledgment and promise, and performance in accordance therewith, shall terminate the enforcement activity of the Master Association with regard to such violation.

(ii) If a hearing is timely requested, the Board of Directors shall hold the same, and shall hear any and all defenses to the charges, including any witnesses that the alleged violator, Owner or the Board of Directors may produce. Any party at the hearing may be represented by counsel.

(iii) Subsequent to any hearing, or if no hearing is timely requested and if no acknowledgment and promise is timely made, the Board of Directors shall determine whether there is sufficient evidence of a violation or violations as provided herein. If the Board of Directors determines that there is sufficient evidence, it may levy a fine for each violation in the amount provided herein.

(iv) A fine pursuant to this Article VI, Section 3(c), shall be assessed against the Lot which the violator occupied or was visiting or using at the time of the violation, whether or not the violator is the Owner of that Lot, and shall be collectible in the same manner as any other assessment, including by the Master Association's lien rights as provided in this Declaration. Nothing herein shall be construed to interfere with any right that an Owner may have to obtain payment of the amount of any fine(s) assessed against such Owner's Lot from a violator occupying or visiting such Owner's Lot.

(v) Nothing herein shall be construed as a prohibition of, or limitation on, the right of the Master Association to pursue any other means of

enforcement of the provisions of this Declaration or the other Governing Documents, including, but not limited to, legal action for damages or injunctive relief.

(d) Assignment of Insurance Proceeds. Each Owner covenants and agrees, by ownership of one or more Lot(s) within the Property, that if any insurance proceeds are payable by reason of any event or circumstances causing a condition rectified by the Master Association pursuant to this Article, those proceeds are hereby assigned to the Master Association to the extent not assigned to the First Mortgagee for such Lot. Each Owner shall, promptly upon request of any Director or Officer of the Master Association, execute such documents as may be necessary to effect or confirm such assignment. The amount thereof received by the Master Association in rectifying that condition and any amount in excess of those costs shall be returned by the Master Association to the Owner, subject to the rights of any First Mortgagee having a lien upon such Owner's Lot.

Section 4. Party Walls.

(a) General Rules of Law to Apply. Each wall built as a part of the original construction of the Living Unit upon the Property and placed on the dividing line between the Lots shall constitute a "party wall," and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. Each privacy fence (including walls or fences between rooftop terraces, patios and balconies), decorative fence, trellises or other dividers which may be located on the dividing line between two Lots shall also be deemed "party walls" for purposes of this Section 4, and the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) Sharing of Repair and Maintenance and Destruction by Fire or Other Casualty. If any such party wall [including, without limitation, any fence or other divider] is damaged or destroyed by fire (other than a fire caused by the Owner or Occupant of one of the Lots) or other casualty or by some cause other than the act of one of the Owners or Occupants, or the agents, guests or family of any Owner or Occupant (including ordinary wear and tear and deterioration from lapse of time), or if a party wall, party wall fence or other divider requires Maintenance (including, without limitation, painting), then in such event both such adjoining Owners shall proceed forthwith to rebuild, repair or paint the same to as good condition (and same color) as was formerly existing and they shall share equally the costs of Maintaining the party wall, party wall fence or other divider.

(c) Damage Caused by One Owner. If any such party wall or party wall fence or divider is damaged or destroyed through the act of one adjoining Owner or Occupant or any of the agents, guests, or members of the such Owner's or Occupant's household (whether or not such act is negligent or otherwise culpable), or if one adjoining Owner or Occupant fails to Maintain the party wall or party wall fence or other divider in good repair and condition [including painting and pointing of party walls and party wall fences] so as to deprive the other adjoining Owner or Occupant of the full use

and enjoyment of the wall, fence or other divider, then the Owner who is at fault (or the Owner of the Lot whose Occupant, agent, guest or member of such Owner's or Occupant's household is at fault) shall forthwith proceed to rebuild and repair (or repaint in the previous color) the same to as good condition as formerly existed at its sole cost and expense, without cost to the adjoining Owner or Occupant. If any retaining wall on the Master Common Area Parcels, is damaged or destroyed other than by the act of one of the Owners or Occupants, or the agents, guests or members of any Owner's or Occupant's household, then in such event the Master Association shall be responsible for rebuilding or repairing the retaining wall to as good condition as was formerly existing. If a retaining wall on the Master Common Area Parcels is damaged or destroyed by the act of one or more of the Owners or Occupants, or the agents, guests or members of any Owner's or Occupant's household, then in such event the Owner(s) of the Lot (where the Owners or Occupants of such Lot, or the agents, guests or members of such Owner's or Occupant's household caused the damage) shall be responsible for the cost of rebuilding or repairing the retaining wall to its prior condition. The repair, replacement or rebuilding of any retaining wall on a Lot shall be the sole responsibility of the Owner of such Lot.

(d) Damage by Exposure. If any party wall, party wall fence or other divider is damaged by reason of exposure to the elements caused by the negligence or intentional acts of the Owner(s) or Occupant(s) of a Lot sharing the use of such party wall, party wall fence or other divider, then the Owner of such Lot shall be responsible for the prompt repair of such party wall, party wall fence or divider at such Owner's sole expense.

(e) Other Changes. In addition to meeting the other requirements of these restrictive covenants and of any building code or similar regulations or ordinances, any Owner or Occupant proposing to modify, make additions to or rebuild a residence in any manner which requires the extension or other alteration of any party wall (including party wall fences, courtyard walls, piers or columns, and other property line dividers, to the extent the same exist) shall first obtain the written consent of the adjoining Owner.

(f) Right to Contribution Runs with the Land. The right of any Owner to contribution from any other Owner under this Section 4 shall be appurtenant to the land and shall pass to the successors in title to the Owner entitled to such contribution.

(g) Dispute. In the event of a dispute between Owners with respect to the Maintenance of a party wall or party wall fence, courtyard wall or other property divider, or with respect to the sharing of the cost thereof, then, upon written request of any one of such Owners addressed to the Master Association, the matter shall be submitted to the Board of Directors, who shall decide the dispute, and the decision of such Board of Directors shall be final and conclusive upon the parties. If any Owner fails to repair, replace or Maintain any party wall, party wall fence, courtyard wall or other property divider in good repair and condition after a decision by the Board of Directors that such work is required, then such failure by an Owner shall be deemed a violation of this Declaration and the rights of the Master Association pursuant to Article VI, Sections 3(b) and 3(c) shall apply.

Section 5. Maintenance by Association. The Master Association shall be responsible for the management and Maintenance of the Master Common Areas including, without limitation, all those obligations of the Master Association described in Article IV, Section 1 of this Declaration, but specifically excluding those items for which Owners are responsible as set forth in Article VI, Section 2. The cost of upkeep of the Master Common Areas shall be assessed as a Common Expense against all Lots as part of the Annual Assessments. The Master Association shall not have any responsibility for the Maintenance of the Lots, except as set forth in Article IV, Sections 1 and 2. If the Board of Directors determines that certain Maintenance was necessitated by the negligence, misuse or neglect of an Owner or Occupant, the cost of such repairs or replacements shall be assessed against such Owner's Lot as a Restoration Assessment pursuant to Article V, Section 4 of this Declaration.

Section 6. Resale of Lots. Reference to Declaration. The deed or instrument transferring title to any Lot shall contain a provision incorporating by reference the covenants, restrictions, servitudes, easements, charges and liens set forth in this Declaration and in any applicable Supplementary Declaration.

(a) **Notification.** The contract seller of a Lot shall notify the Master Association of the contract purchaser and the scheduled date and place conveyance will be accomplished.

(b) **Statement of Assessments.** Upon receipt of the notification described in Article VI, Section 6(b), the Board of Directors or the Management Agent shall prepare a written statement which shall set forth any assessments and charges due upon such Lot at the time of conveyance (or a statement that the amount of unpaid assessments and charges is zero) and shall certify as to whether there are any violations of the Governing Documents remaining on the Lot as of the date of preparation of such statement. This statement shall be delivered to the place of closing, and outstanding assessments, if any, shall be deducted from the Seller's account at the closing and transmitted directly to the Master Association. The Board of Directors may charge a reasonable fee for the preparation of this statement.

ARTICLE VII

EASEMENTS

Section 1. Utility Easements.

(a) **Installation and Operation of Utilities.** There is hereby created a perpetual easement upon, across, over, through, and under the Property for ingress, egress, and for the location, installation, Maintenance of all utility and service lines and systems, including, but not limited to, water, sanitary sewers, storm water drainage and sewers, gas, telephones, electricity, cable television, communication lines, and irrigation systems, whether public or private, and all pipes, wires, lines, ducts, shafts, conduits and equipment related thereto. By virtue of this easement, it shall be expressly permissible for the Declarant, a Participating Builder, or the providing utility or service company

with the consent of the Declarant and/or a Participating Builder, to install and Maintain facilities and equipment on the Property, to excavate for such purposes, and to affix and Maintain wires, circuits, and conduits underground and on, in, and under the roofs and exterior walls of Living Units and garages, provided that such company restores as nearly as is practicable all disturbed areas to the condition in which they were found. No Owner shall lock a gate which provides access to the rear or side yard of such Owner's Lot in a manner which will prevent the Declarant, a Participating Builder or any utility company from obtaining access to such Owner's Lot for the above purposes.

(b) Maintenance of Utilities. Portions of the underground storm water management facilities, water lines and sanitary sewer lines serving the Property may be located below the Master Common Area Parcels or one or more Lots and Living Units. There is hereby created across, over, through and upon each Lot and the Master Common Area Parcels an easement for the benefit of the Declarant, the Participating Builders and the Master Association for purposes of Maintaining the storm water lines, water lines, sanitary sewer lines, pipes, conduits and related storm water, water and sanitary sewer transmission facilities located on or under such Lot and/or Living Unit or the Master Common Area Parcels; provided, however, that such Maintenance shall not unreasonably interfere with the use or occupancy of the Living Units. There is also hereby created across, over, through and upon each Lot within the Townhouse Property and the Master Common Area Parcels an easement for the benefit of the Declarant, the Townhouse Developer, the Master Association, the Alarm Monitoring Company and WSSC, and any contractors engaged by such parties, for the inspection and Maintenance of the Supervised Fire System.

(c) Reservation of Right to Grant Utilities Easements. For a period of ten (10) years following the date of recordation of this Declaration, the Declarant, with respect to the Master Common Area Parcels, and each Participating Builder, with respect to the Lots which it then owns or at any time has owned, shall have the unilateral right to enter into easement agreements with Governmental Authorities and private utility companies more specifically establishing easements over and across the Lots and Master Common Area Parcels for such storm water, water and sanitary sewer lines.

(d) Master Service Panels for Utilities. Certain utility and service lines and systems may be distributed to multiple Living Units from master service panels attached to the exterior of one or more Living Units. To the extent that any master service panel exists on the Property, each Owner of a Living Unit served by such master service panel shall have an easement over, across and upon the Lot on which the Living Unit to which the master service panel is attached which serves his or her Living Unit in order to Maintain the master service panel; provided, however, that such Owner entering upon the Lot of another Owner shall use best efforts not to disturb the Owner of the Living Unit to which the master service panel is attached and not to disturb utility service to any of the Living Units serviced by the master service panel, and the Owner exercising this easement shall be responsible for repairing any damage caused by reason of his or her entrance, or that of his or her contractors, upon the Lot of another Owner. As used herein, the term "master service panel" shall mean and refer to a grouping of one or more utility service meters and distribution lines (i.e., a group of electric meters). In

addition, there is hereby created an easement across all portions of the Property, including Lots, for the location of transformers and utility meters and meter boxes which serve some or all of the Living Units.

(e) Limitation. Notwithstanding anything to the contrary contained in this Article VII, Section 1: (1) no sanitary sewers, storm water drainage facilities, electrical lines, water lines, gas lines, or other utility service lines or facilities for such utilities may be installed or relocated on the Property, except as approved by the Declarant and the Participating Builders prior to the conveyance of the first Lot to an Owner or approved by the Participating Builders and the Master Association thereafter, and (2) Article VII, Section 1 shall not be construed to apply to the relocation, installation or removal of utility lines within a Living Unit which serve only that Living Unit. This easement shall in no way affect, avoid, extinguish or modify any other recorded easements on the Property.

Section 2. Easements for Drainage.

(a) Easement for Drainage. Each Lot is hereby subject to an easement and right of passage upon, across and under such Lot for the drainage and discharge of water from any storm drain, down spout or yard drain situated on another Lot and the Owner of such Lot may not alter or obstruct such drainage or flow of water to the detriment of any Living Unit, Lot or the Master Common Area Parcels.

(b) Reservation of Right to Correct Drainage. For a period of ten (10) years from the date of submission of each Lot to this Declaration, the Declarant hereby reserves for itself and for each Participating Builder (as to the Lot then or at any time previously owned by such Participating Builder) a blanket easement and right on, over, and under the Property, including, without limitation, the ground within each Lot, to establish, maintain, modify and to correct drainage of surface water in order to maintain reasonable standards of health, safety, and appearance. Such right expressly includes the right to cut any trees, bushes, or shrubbery, perform any grading of the land, and to take any other similar action which may be reasonably necessary, following which the Declarant or the responsible Participating Builder shall restore the affected property to its original condition as nearly as practicable. The Declarant and the applicable Participating Builder shall give reasonable notice of its intent to take such action to all affected Owners, unless in the opinion of the Declarant or the Participating Builder, an emergency exists which precludes such notice. Each Lot is hereby subject to an easement and right of passage upon, across and under such Lot for the drainage and discharge of water from any storm drain, downspout, or yard drain situated on another Lot and the Owner of such Lot may not alter or obstruct such drainage or flow of water to the detriment of any Lot or the Master Common Area Parcels.

Section 3. Construction Easements and Rights. Notwithstanding any provision of this Declaration or of any Supplementary Declaration, there is hereby reserved unto the Declarant (or its successors and assigns to whom such easement has been specifically assigned in writing), and the Participating Builders, and their respective employees, agents, and assigns, a non-exclusive perpetual blanket easement and right-of-

way, upon, across and over (a) any portion of the Property, as to the Declarant, and (b) the Lots owned or at any time previously owned by a Participating Builder (but not within the interior of a Living Unit which has been occupied) for (i) the movement and storage of building materials and equipment, (ii) the location, installation, construction, replacement and Maintenance of all utility and service lines and systems, including, but not limited to, water, sanitary sewer lines, cables, storm drains, gas lines, telephone lines, electric lines, communication lines and systems, and appurtenances to any of same, (iii) the construction, installation and Maintenance of improvements (including, without limitation, buildings, landscaping, street lights, directional and promotional signs) and utilities in, on, across and/or under the Property, (iv) the conduct of sales activities, including, but not limited to, the maintenance of model Living Units, a sales office, storage area, signs and displays, (v) curb cuts, slope or grading easements, (vi) vehicular and pedestrian ingress and egress, (vii) all other purposes reasonably related to the completion of development and construction of the Property, (viii) to carry out any obligations it may have, or assume, with respect to the curing of any defects in workmanship or materials in the Property or the improvements thereon, and (ix) the furnishing of warranty services.

By virtue of this easement, it shall be expressly permissible to erect, install and Maintain the necessary poles, pipes, lines, service boxes and other equipment on the Property, to affix and Maintain electrical or telephone wires and conduits, sewer and water drainage lines, on, above, or below any portion of the Property, including any improvements constructed thereon, and to have construction vehicles, equipment and the like exercise the aforesaid right of ingress and egress over the Property. There is further reserved unto the Declarant for itself and for each of the Participating Builders, the right to erect entry features, promotional and other similar items within the Property provided they do not unreasonably interfere with the use, operation and enjoyment of the Property. There is further reserved unto the Declarant for itself and for each of the Participating Builders, the right to grant specific easements, both temporary and permanent, to any person or entity, including, without limitation, all public authorities and public and private utility companies, over any part of the Property in furtherance of the blanket easement created by this subsection. Further, without limiting the generality of the foregoing, the Declarant and the Participating Builders reserve the right to unilaterally execute and record such additional easements and agreements as may be necessary in order to give effect to the foregoing easements and other rights, which additional easements and other agreements need not be consented to or joined in by any party having an interest in the Property; provided, however, that if requested by the Declarant or a Participating Builder, any party having an interest in the Property shall promptly join in and execute such confirmatory easements and other agreements.

Section 4. MHT Easement and Public Access Easements.

(a) **MHT Easement.** Pursuant to the MHT Easement, the Property is subject to certain restrictions on the alteration and construction of improvements on the Property and the availability of portions of the Property to the general public, including the MHT Specified Public Access Areas. The MHT Easement specifically prohibits any construction which would alter or change that portion of the Property subject to the MHT

Easement without the prior written consent of the Director of MHT. The MHT Easement further provides for the protection of any archeological resources found or located on the Property; and allows the MHT a right of inspection of the Property; and provides for remedies available to MHT in the event of a breach of the MHT Easement.

(b) Public Access.

(i) Pursuant to the MHT Easement, the MHT Specified Public Access Areas shall be open to the general public on a minimum of five (5) days per year from 10:00 a.m. to 5:00 p.m., or the equivalent of thirty-five (35) hours per year, and at other times by appointment as may be determined by the Master Association.

(ii) In accordance with the provisions of the Record Plats, an easement has been granted over and across the Historic Trail for the non-exclusive use of the Historic Trail by the general public during daylight hours only.

(iii) There is hereby created an easement over and across the Glen for the non-exclusive use of the Glen by the general public during daylight hours only; provided, however, that access to the Glen by members of the general public shall be only through the Historic Trail and through no other portion of the Property.

Section 5. Easement to Inspect and Maintain. There is hereby created an easement in favor of the Declarant, the Participating Builders and the Master Association for ingress and egress over any Lot (a) to inspect such property for alleged violations of the Governing Documents, based on formal, written complaints, for compliance with architectural standards and approved plans for alterations and improvements and (b) to perform such Maintenance as is required by this Declaration or the Supplementary Declaration for such Lot, provided the Owner of such Lot is given Notice of the purpose and time of inspection at least three (3) days in advance thereof and such inspection is performed during reasonable hours.

Section 6. Easement for Maintenance. The right of access over, across and through any portion of the Property (including occupied Living Units with Notice to the Owner or Occupant) is hereby granted to the Master Association, the Declarant, the Participating Builders, the Management Agent and any other persons authorized by the Board of Directors in its exercise and discharge of their respective powers and responsibilities, including, without limitation, performance of Maintenance of the Master Common Areas, the Ingress/Egress Surface Easements, the Living Units, and other improvements located on the Property for which the Declarant or the Master Association is responsible for upkeep or Maintenance, or to correct any condition which violates the Governing Documents. No notice to any Owner shall be required in connection with the Maintenance of the Master Common Areas or the Ingress/Egress Surface Easements by the Master Association. The agents, contractors, officers and Directors of the Master Association may also enter any portion of the Property (including any occupied Living Unit upon Notice to the Owner or Occupant) in order to provide for the upkeep of the areas subject to easements granted to the Master Association by this Declaration. Each Owner shall be liable to the Master Association for the Maintenance performed or made

by the Master Association and necessitated by any act, neglect, carelessness or failure to comply with the Governing Documents and the costs incurred by the Master Association shall be assessed against such Lot as a Special Assessment in accordance with the provisions of Article V, Section 4(b) hereof.

Section 7. Easement for Governmental Personnel. A right of entry on any Lot or Master Common Area Parcels is hereby granted to the Master Association, its Directors, officers, agents and employees, to any manager employed by or on behalf of the Master Association, and to all law enforcement officers, fire and rescue personnel as needed to carry out their duties, including enforcement of cleared emergency vehicle access.

Section 8. Easement for Landscaping, Signs, and Related Purposes. There shall be and is hereby reserved to the Declarant and to each Participating Builder, with respect to Lots or other portions of the Property then or previously owned by such Participating Builder, for a period of ten (10) years from the date of recordation of this Declaration, a non-exclusive easement over all Lots (as to the Declarant, and those Lots then or previously owned by a Participating Builder, as to a Participating Builder) and Master Common Area Parcels for a distance of ten (10) feet behind any Lot line which parallels a street (whether public or private) for the purpose of erecting and Maintaining street intersection signs, directional signs, temporary promotional signs, mailboxes, plantings, street lights, entrance features and/or "theme areas," lighting, stone, wood, or masonry wall features, related landscaping, or any combination of the foregoing. Exercise of this easement will be with the consent of the Owner of the affected Lot, or the Architectural Review Board if the said Owner does not consent.

Section 9. Buffer Easement. The Master Association shall have the right to inspect and Maintain any area which lies within a buffer easement, if any, conveyed to the Master Association, and to remove any improvements or other items which are constructed or located within the buffer easement in contravention of the terms of said easement. Where the buffer easement lies within any Lot, any cost incurred by the Master Association in maintaining the easement or removing any improvements or other items shall be chargeable to the Lot as a Restoration Assessment, as is set forth in Article V, Section 4(b) above.

Section 10. Easements for Access and Use.

(a) **Linden Lane Sidewalk Extension.** An easement for the benefit of the general public for pedestrian access was created on the Record Plats upon, across, over and through the Linden Lane Sidewalk Extension.

(b) **Community Room.** There is hereby created for the benefit of all Owners and Occupants a non-exclusive perpetual easement and right of way upon, across, over and through the Lot 61 Building solely for purposes of utilizing the Community Room and ingress and egress thereto and therefrom. The use of the Community Room shall be subject to the Rules established pursuant to Article VI, Section 1(c) hereof.

(c) Fitness Center. There is hereby created for the benefit of all Owners and Occupants a non-exclusive perpetual easement and right of way upon, across, over and through the Lot 61 Building for purposes of utilizing the Fitness Center and ingress and egress thereto and therefrom. The use of the Fitness Center shall be subject to the Rules established pursuant to Article VI, Section 1(c) hereof.

(d) Ballroom. There is hereby created for the benefit of all Owners and Occupants a non-exclusive perpetual easement and right of way upon, across, over and through the Lot 60 Building for purposes of utilizing the Ballroom and ingress and egress thereto and therefrom. The use of the Ballroom shall be subject to the Rules established pursuant to Article VI, Section 1(b) hereof.

(e) Ingress/Egress Surface Easements. Easements over, across and through the Ingress/Egress Surface Easements (at ground level) have been created on the Record Plats for purposes of providing pedestrian and vehicular access through such easement areas.

(f) Historic Trail. An non-exclusive easement over, through and upon the Historic Trail has been created on the Record Plats for the benefit of the general public during daylight hours only.

(g) General Easement. There is hereby created a non-exclusive perpetual easement and right of way upon, across, over and through all of the Master Common Area Parcels, and any sidewalk or walkway (or the replacement thereof) constructed within the Property by the Declarant or a Participating Builder, that may be reasonably deemed to have been constructed or intended for pedestrian use, for the benefit of the Owners and Occupants of the Property, and their respective invitees, contractors, agents, and employees and their successors and assigns, for the purpose of ordinary and reasonable pedestrian ingress and egress to and from the Property and ingress and egress to and from each of the Lots and Living Units and the Master Common Area Parcels and Master Common Area Improvements within the Property.

(h) Mailboxes. As provided in Article VI, Section 2(p), to the extent that there are mailboxes which serve more than one Living Unit located on a Lot, each Owner whose mailbox is located on that Lot is hereby granted an easement over and across such Lot for ingress and egress to access his or her mailbox; provided, that no Owner or Occupant shall cause damage to the Lot on which the mailboxes are located.

(i) Additional Record Plat Easements. Additional easements have been granted over, across and through the Property, and portions thereof, on the Record Plats, and the Master Association shall own the Master Common Area Parcels, and the Owners shall own their respective Lots, subject to said easements.

Section 11. Easement for Emergency Access. An easement is hereby granted over, through and across all or any portion of the Property for emergency vehicle access, including, without limitation, to all police, fire, ambulance and other rescue personnel, for the lawful performance of their functions during emergencies.

Section 12. Easements for Support, Encroachments, Enclosed Areas.

(a) Easements of Support. There is hereby created across, through and under each Lot and the Master Common Area Parcels, including both land and improvements, a perpetual, non-exclusive easement of support in and to all structural members, columns, footings, caissons, beams, walls, piles, slabs and other supporting components and foundations which are necessary for support of improvements in adjacent Lots and the Master Common Area Parcels. To the extent that any Living Unit on a Lot or the Master Common Area Improvements encroaches on any other Lot or on the Master Common Area Parcels, whether by reason of settling or shifting of any land or improvements, or by deviation in the construction, repair, restoration or replacement of any improvements, a valid easement shall exist for the encroachment and for the Maintenance of same so long as the encroaching Living Unit or Master Common Area Improvements exist. In the event that any Living Unit shall be partially or totally destroyed as a result of a fire or other casualty or as a result of condemnation or eminent domain proceedings, and such Living Unit is reconstructed or repaired, the shared improvements may be reconstructed in the same location and manner as they previously existed and valid easements for the shared use of such improvements shall continue to exist. The encroachment of parts of the Master Common Area Improvements upon any Living Unit, or any Living Unit upon the Master Common Area Parcels, resulting from such reconstruction or repair shall be permitted, and valid easements for such encroachment shall exist so long as the encroaching improvements shall exist.

(b) Easements for Encroachments. With respect to any step, stoop, patio, deck, downspout, yard drain, overhang, air-conditioning equipment or other similar structure or equipment or improvement which may encroach upon any portion of the Master Common Area Parcels or an adjacent Lot, and that may benefit any Lot, which encroachment occurs by reason of (i) construction or installation by the Declarant or a Participating Builder, (ii) deviations within normal construct tolerances in the Maintenance of any improvements, or (iii) the settling or shifting of any land or improvement, there is hereby reserved for the benefit of the Lot from which such step, stoop, patio, deck, overhang, downspout, drain, air-conditioning equipment or other structure or equipment originates, a perpetual easement over and across the Master Common Area Parcels and/or the adjacent Lot for the location, Maintenance and use of such structure, equipment or other items within the Master Common Area Parcels or adjacent Lot. The Owner of the Lot benefitting from such easement agrees to Maintain such structure, equipment or improvement and to indemnify and hold the Master Association and the Owner of the adjacent Lot on which such structure, equipment or improvement is located, harmless from any loss, liability or damage arising out of or resulting from the use, enjoyment and benefit of the easement granted hereby. These easements do not relieve any Owner of a Lot from liability for such Owner's negligence or willful misconduct, and do not extend to any encroachment caused by alterations or inadequate Maintenance, resulting in unreasonable interference with the normal use and enjoyment of the Lot.

(c) Easements for Use of Enclosed Areas. There is hereby created for the benefit of each Lot, which is enclosed, in whole or in part, by any wooden, brick,

stone or other similar fence and/or wall constructed by the Declarant or a Participating Builder, a perpetual easement to use any portion of the Master Common Area Parcels that may be located between such fence and/or wall and the record platted lot line (whether a record lot or assessment and taxation lot) for such benefitted Lot; and the obligation to Maintain such portion of the Master Common Area Parcels shall be that of the Owner of the benefitted Lot and the obligation to Maintain the wooden, brick, stone, or other similar fencing located within the Master Common Area Parcels, which encloses the benefitted Lot, shall be that of the Owner of the benefitted Lot. The Owner of any Lot benefitting from the foregoing easement agrees to indemnify and hold the Master Association harmless from any loss, liability or damage arising out of or resulting from the use, enjoyment and benefit of the easement rights provided for herein.

(d) Mutual Easements for Utilities. A mutual right and easement for utility services is hereby established for the benefit of all Owners, such that no Owner shall take any action which would in any way interfere with utility services being provided to other Owners within the Property. If a Lot contains any utility pipes, ducts, conduits, wires or the like, whether through walls, floors or ceilings of a Living Unit or garage, and which are for the benefit, in whole or in part, of other Owners within the Property, then the Owner of such Lot shall promptly, at the Owner's expense, repair any damage to such utilities caused by the Owner, or such Owner's tenants, lessees, agents, guests, invitees, licensees or family members.

Section 13. Reservation of Right to Grant Easements and Dedicate Rights-of-Way. The Declarant and the Participating Builders hereby reserves the absolute right, for a period of ten (10) years following the date of recordation of this Declaration, to grant easements, both temporary and permanent, over any part of the Lots or Master Common Area Parcels, or any portion or portions thereof, as may be required by any Governmental Authority, public or private utility company, or as are otherwise in accordance with the Regulatory Plans for the Property. In furtherance of the foregoing, and not in limitation thereof, the Declarant, the Participating Builders and the Master Association shall have the right to grant an easement to the U.S. Government for purposes of drainage from the adjacent property owned by the U.S. Government through the storm water and sanitary sewer lines located on the Property to the outfall within the Glen. In addition, the Declarant and the Participating Builders hereby reserves the absolute right, for a period of ten (10) years following the date of recordation of this Declaration, to dedicate all, or any portion of the private streets within the Property for public use.

Section 14. Association Easements. The Board of Directors of the Master Association shall have the right to grant easements, rights-of-way, licenses and similar interests over any part of the Master Common Area Parcels for any lawful purpose which the Board determines, in its sole discretion, to be in the best interests of the Master Association.

Section 15. Reservation of Right to Modify Plans. The Declarant and the Participating Builders hereby reserve the right to modify or alter the size, number, type and location of the Master Common Area Parcels and Lots, as well as the improvements thereon, as it deems necessary or desirable in conjunction with the development of the

Property. Without limiting the generality of the foregoing, the Declarant and the Participating Builders reserve the right to resubdivide all or a portion of the Property, to convey Master Common Area Parcels, to modify the Regulatory Plans, to construct improvements on the Master Common Area Parcels, and to take whatever other action with respect to the Master Common Area Parcels and the Lots as the Declarant and Participating Builders may deem necessary or desirable.

ARTICLE VIII

RIGHTS OF MORTGAGEES AND PUBLIC AGENCIES

Section 1. Consents. Subject to the right of the Declarant to annex additional properties and subject them to this Declaration, as provided in Section 2(a) of Article II, the Master Association shall not, without the consent of (i) Class A Members, Class B Members and Class C Members holding at least sixty-seven percent (67%) of the votes in the Master Association, (ii) the Class D Members, so long as the Class D Membership exists, and (iii) subject to the provisions of Article X, Section 2 hereof, at least fifty-one percent (51%) of the First Mortgagees, take any of the following actions unless the action is required by one or more of the Federal Mortgage Agencies or any Governmental Authority, in which case none of these consents shall be required:

(a) **Abandon, Partition, Encumbrance of Master Common Areas.** By act or omission seek to abandon, partition, encumber, sell or transfer the Master Common Area Parcels or other property owned by the Master Association. The granting of easements for public utilities or other public purposes consistent with the intended use of the Property, or in accordance with Article VII, shall not be deemed a transfer within the meaning of this clause.

(b) **Failure to Maintain Insurance.** Fail to maintain fire and extended coverage insurance on insurable parts of the Master Common Areas or other Master Association property on a current replacement-cost basis in an amount not less than one hundred percent (100%) of the insurable value, based on current replacement costs, not including land value.

(c) **Misappropriation of Insurance Proceeds.** Use hazard insurance proceeds for other than the repair, replacement or reconstruction of such property.

(d) **Amendments to Declaration.** Add or amend any material provisions of this Declaration or related Master Association documents concerning the following:

- (i) voting rights of any Member;
- (ii) assessments, assessment liens, collection of assessments or subordination of such liens for assessments;

(iii) reserves for Maintenance, repair, and replacement of those parts of the Master Common Areas that may be replaced or require Maintenance on a periodic basis;

(iv) insurance or fidelity bond coverages;

(v) responsibility for Maintenance of the Property;

(vi) architectural controls;

(vii) annexation or withdrawal of property to or from the Property, subject to the provisions of Article II;

(viii) leasing of Living Units;

(ix) imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer or otherwise convey his property;

(x) a decision by the Master Association to establish self-management when professional management had been required previously by a First Mortgagee;

(xi) restoration or repair of the Master Common Areas or any improvements thereon after a hazard, damage or partial condemnation;

(xii) termination of this Declaration after substantial destruction or condemnation occurs; or

(xiii) any provisions that are for the express benefit of First Mortgagees.

An addition or amendment to this Declaration or related Master Association documents shall not be considered material if it is for the purpose of correcting technical errors or for clarification only. A First Mortgagee who receives a written request to approve material additions or amendments who does not deliver or post to the requesting party a negative response within thirty (30) days shall be deemed to have approved such request.

Section 2. Notice and Other Rights. The Master Association shall maintain a file of all Eligible Mortgage Holders, with a designation of the property in which they have an interest; and shall send a copy of such list to any First Mortgagee who makes a written request for such list at least once every twelve months. The Master Association shall give prompt written Notice to each Eligible Mortgage Holder (and each Owner hereby consents to, and authorizes such Notice) of the following:

(a) **Condemnation or Casualty.** Any condemnation loss or any casualty loss which affects a material portion of the Master Common Area Parcels or any

Lot which is subject to a First Mortgage or security interest held, insured or guaranteed by such Eligible Mortgage Holder;

(b) Assessment Delinquency. Any delinquency in the payment of Annual Assessments, Special Assessments or other charges owed by an Owner whose Lot is subject to a First Mortgage or security interest held, insured or guaranteed by such Eligible Mortgage Holder, which delinquency remains uncured for a period of sixty (60) days;

(c) Modification of Cancellation of Insurance Policies. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Master Association.

(d) Other Matters. Any other matter with respect to which Eligible Mortgage Holders are entitled to Notice or to give the consent as provided in this Declaration.

To be entitled to receive Notice of the foregoing, the Eligible Mortgage Holder must send a written request to the Master Association, stating both its name and address and the Lot and Block designation or address of the Lot on which it has (or insures or guarantees) the Mortgage. Any Eligible Mortgage Holder or Mortgagee who is notified of any matter for which it is entitled to Notice as provided herein (such notice to be Registered Notice), and which fails to respond within thirty (30) days of receipt of such notice shall be deemed to have consented, if applicable, to the matter of which the Eligible Mortgage Holder or Mortgagee was provided Notice.

Section 3. Payment of Taxes and Charges. A First Mortgagee may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Master Common Area Parcels, and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage upon the lapse of a policy for such Master Common Area Parcels. The First Mortgagee or First Mortgagees making such payments shall be owed, upon demand, reimbursement therefor by the Master Association.

Section 4. Casualty Losses. In the event of substantial damage or destruction to any of the Master Common Area Improvements, the Board of Directors of the Master Association shall give prompt written notice of such damage or destruction to the Eligible Mortgage Holders who hold First Mortgages of record on the Lots. No provision of this Declaration or the Articles of Incorporation or the Bylaws of the Master Association shall entitle any Member to any priority over the holder of any First Mortgage of record on his or her Lot with respect to the distribution to such Member of any insurance proceeds paid or payable on account of any damage or destruction of any of the Master Common Area Improvements.

Section 5. Condemnation or Eminent Domain. In the event any part of the Master Common Area Parcels is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning

authority, then the Board of Directors of the Master Association shall give prompt written notice of any such proceeding or proposed acquisition to the Eligible Mortgage Holders who hold First Mortgages of record on the Lots. No provision of this Declaration or the Articles of Incorporation or the Bylaws of the Master Association shall entitle any Member to any priority over the holder of any First Mortgage of record on his or her Lot with respect to the distribution to such Member of the proceeds of any condemnation or settlement relating to a taking of any of the Master Common Area Parcels.

Section 6. Collection of Assessments. Mortgagees shall have no obligation to collect Master Annual Assessments or Special Assessments, or other charges owed by an Owner to the Master Association.

Section 7. Approvals. So long as the Participating Builders shall have Class D voting rights, the following actions shall require the prior approval of the Federal Mortgage Agencies: (a) annexation of additional properties not within the initial Property (other than the Phase II Property); (b) dedication of the Master Common Area Parcels, except to the extent contemplated by this Declaration; (c) mergers and consolidations; (d) mortgaging of the Master Common Areas; and (e) amendment of this Declaration and any Supplementary Declaration in a manner restricted by the regulations of such Federal Mortgage Agency.

ARTICLE IX

MANAGEMENT

Section 1. Management Agent. The Board of Directors may employ for the Master Association a Management Agent at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing, including, but not limited to, the following:

(a) Collection of Assessments. To establish (with the approval of the Board of Directors of the Master Association) and provide for the collection of the Annual Assessments and Special Assessments provided for in this Declaration and to provide for the enforcement of liens therefor in a manner consistent with the law and the provisions of this Declaration; and

(b) Maintenance. To provide for the care, upkeep, Maintenance and surveillance of the Master Common Areas; and

(c) Personnel. To designate, hire and dismiss such personnel as may be required for the good working order, maintenance and efficient operation of the Master Common Areas; and

(d) Rules. To promulgate (with the approval of the Board of Directors of the Master Association) and enforce the Rules and restrictions or requirements, "house rules" or the like as may be deemed proper respecting the use of the Master Common Areas; and

(e) Other Services. To provide such other services (including legal and accounting services) for the Master Association as may be consistent with law and the provisions of this Declaration.

Section 2. Term of Management Agreement. Any management agreement entered into by the Master Association shall provide, inter alia, that such agreement may be terminated for cause by either party upon thirty (30) days written notice thereof to the other party. The term of any such management agreement shall not exceed one (1) year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive periods of one (1) year each.

Any management agreement entered into while the Participating Builders are in control of the Master Association must be terminable, without cause, any time after transfer of control, on not less than thirty (30) days, nor more than ninety (90) days, notice, and no charge or penalty may be associated with such termination.

ARTICLE X

COVENANT IN FAVOR OF THE MARYLAND NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Any other provision of this Declaration or the other Governing Documents of the Master Association to the contrary notwithstanding, neither the Members, the Board of Directors nor the Master Association shall, by act or omission, take any of the following actions without the prior written consent of the Commission, which consent shall not be unreasonably withheld or delayed:

(a) Annexation. Make any annexation or additions of real property, other than as contemplated by this Declaration; or

(b) Abandonment or Transfer of Master Common Areas. Abandon, partition, dedicate, subdivide, encumber, sell or transfer any of the Master Common Areas; provided, however, that the granting of rights-of-ways, easements and the like for public utilities and cable television or for other purposes consistent with the use of the Master Common Areas by the Members of the Master Association shall not be considered a transfer within the meaning of this Article X; or

(c) Abandonment or Termination of Declaration. Abandon or terminate this Declaration or other Governing Documents; or

(d) Amendment of Governing Documents. Modify or amend any material or substantive provision of this Declaration, or the Bylaws or the Articles of Incorporation of the Master Association; or

(e) Merger or Consolidation. Merge or consolidate the Master Association with any other entity or sell, lease, exchange or otherwise transfer all or substantially all of the assets of the Master Association to any other entity; or

(f) Assessments. Substantially modify the method of determining and collecting assessments as provided in this Declaration; or

(g) Regulatory Plans. Take any action which would violate or be inconsistent with the requirements set forth in the Regulatory Plans.

The Commission shall have the right to bring action for any legal or equitable relief necessary to enforce the rights and powers granted to the Commission hereunder.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Duration. Except where permanent easements or other permanent rights or interests are herein created, the covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of twenty-five (25) years, unless the covenants and restrictions are expressly terminated by an instrument signed by (i) not less than seventy five percent (75%) of the total authorized votes in the Association held by the Class A Members, the Class B Members and the Class C Members, (iii) the Class D Member, if the Class D membership shall continue to exist, and (iv) sixty seven percent (67%) of the First Mortgagees. A termination must be recorded among the Land Records of the County in order to become effective.

Section 2. Amendment. This Declaration may only be amended by an instrument signed by, or the affirmative vote of, the Class A Members, the Class B Members and the Class C Members entitled to cast not less than sixty-seven percent (67%) of the total authorized votes in the Master Association, and the Class D Member (so long as the Class D membership shall continue to exist). Notwithstanding the foregoing, the prohibition on the use of a Living Unit as a "family day care home" set forth in Article VI, Section 1(a) may be eliminated by approval of a simple majority of the total authorized votes of all Members. All amendments must be recorded in the Land Records of the County, in order to become effective.

Section 3. Changes and Modifications by the Declarant. Notwithstanding any other provision, express or implied, of this Declaration to the contrary, for a period of ten (10) years after the recordation of this Declaration, the Declarant may unilaterally (without the consent of the Members of the Master Association or any other party, except as provided in Section 4 of this Article XI), make any amendment to this Declaration, in the exercise of its sole discretion and with the irrevocable power as attorney-in-fact on behalf of all Members (which power shall be deemed coupled with an interest) which is required by any of the Federal Mortgage Agencies or any Governmental Authority as a condition of approval of the development of the Property, or which is required in connection with any changes in the governmental approvals which exist as of the date of this Declaration with respect to the Property, or to reflect the grant and conveyance of any easements reserved to the Declarant or the Participating Builder, or to correct errors

or omissions herein, or an inconsistency or a scrivener's error, or to clarify an ambiguity in this Declaration (including, without limitation, recalculating the liability for assessments or the number of votes in the association appertaining to a Lot), or to modify, amend or change any of the provisions of this Declaration, the Articles of Incorporation and the Bylaws of the Master Association, as the Declarant may deem necessary or desirable. Any such amendment shall be made by the execution and recordation of such amendment and Registered Notice of such amendment shall be provided to all Owners. After such ten (10) year period, or to make any amendment which is not one required by the Federal Mortgage Agencies or any Governmental Authority, or which is not otherwise permitted above to be made unilaterally by the Declarant, any amendment shall be accompanied by (a) a document signed by (i) Class A Members, Class B Members and Class C Members holding not less than sixty seven percent (67%) of the votes in the Master Association, (ii) the Class D Member, if Class D membership still exists, and (iii) the Master Association, and (b) evidence of the approval required in Article VIII above. Regardless of the date of recordation of this Declaration, the principal officer of the Master Association may also unilaterally execute and record such a corrective amendment as described above upon a vote of sixty-seven percent (67%) of the members of the Board of Directors of the Master Association. All amendments must be recorded in the Land Records of the County in order to become effective.

Section 4. Restrictions on Changes and Modifications for the benefit of the Maryland Historic Trust. Notwithstanding any other provision regarding amendment of this Declaration, the obligations of the Master Association set forth in this Declaration to comply with the MHT Easement shall be perpetual and may not be amended without prior written consent of the Maryland Historical Trust.

Section 5. Enforcement. The Master Association, the Declarant, each Participating Builder, any Owner, and any First Mortgagee, as their interests may appear, 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 and any Supplementary Declarations. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. There shall be and there is hereby created and declared to be a conclusive presumption that any violation or breach or attempted violation or breach of any of the covenants or restrictions in this Declaration or any provision of the Bylaws or Articles of Incorporation of the Master Association cannot be adequately remedied by action at law or exclusively by recovery of damages. If the Master Association, or a Participating Builder, or any Owner or Mortgagee of any Lot, successfully brings an action to extinguish a violation or otherwise enforce the provisions of this Declaration or the Articles of Incorporation or Bylaws of the Master Association, the costs of such action, including legal fees, shall become a binding, personal obligation of the Owner committing or responsible for such violation, and such costs shall also be a lien upon the Lot of such Owner.

Section 6. Certain Rights of the Declarant and Participating Builders. For such time as the Participating Builders (or an assignee or successor to the Participating

Builders as described in Article III, Section 2(c) hereof) shall own Lots, the rights and interests of the Participating Builders and the Declarant shall not be prejudiced by any amendment to the Governing Documents which results in any of the following actions unless it shall, in writing, join in such actions:

- (a) Discrimination. Discriminates or tends to discriminate against its rights as an Owner;
- (b) Definitions. Changes Article I, Definitions, in a manner which alters its rights or status;
- (c) Annexation. Alters its rights under Article II with respect to the annexation of additional properties;
- (d) Membership Rights. Alters the character and rights of membership or the rights of the Declarant or the Participating Builders as set forth in Article III;
- (e) Agreements with Governmental Authorities. Alters previously recorded or written agreements with Governmental Authorities with respect to easements and rights of way;
- (f) Conveyance of Master Common Area Parcels. Denies the right to convey Master Common Area Parcels to the Master Association so long as such Master Common Area Parcels lie within the land area represented in the Property;
- (g) Design Controls. Alters its rights as set forth in Article III relating to design controls;
- (h) Assessments. Alters the basis for assessments;
- (i) Protective Covenants. Alters the provisions of the protective covenants as set forth in Article VI;
- (j) Directors. Alters the number or selection of Directors as established in the Bylaws; or
- (k) Rights of Declarant and Participating Builders. Alters the Declarant's or the Participating Builders' rights as they appear under this Article.

No amendment to this Declaration, the Articles of Incorporation or the Bylaws may remove, revoke, or modify any right, reservation or privilege of the Declarant or the Participating Builders without the prior written consent of the Declarant and the Participating Builders or any successors or assigns of the Declarant or the Participating Builders.

Section 7. Implied Rights of the Master Association. The Master Association may exercise any other right or privilege given to it expressly by this Declaration or the Bylaws or any lease, easement or other agreement or document affecting the Master

Association, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Section 8. Participating Builders' Power of Attorney. Notwithstanding any provision to the contrary contained in the Articles of Incorporation or Bylaws of the Master Association or this Declaration, each Participating Builder hereby reserves for itself, its successors, transferees and assigns, for a period of ten (10) years from the date the last Lot is conveyed to either a Class A Member, Class B Member or the Class C Member, the right to execute on behalf of all contract purchasers, Owners, Eligible Mortgage Holders, mortgagees, and other lien holders or parties claiming a legal or equitable interest in any Lot or the Master Common Area Parcels, any such agreements, documents, amendments or supplements to this Declaration, the Articles of Incorporation and Bylaws of the Master Association which may be required by FNMA, FHA, VA, FHLMC, GNMA, or by the State of Maryland or any other Governmental Authority having regulatory jurisdiction over the Master Association, any public or private utility company designated by the Declarant or by the respective Participating Builder, any institutional lender or title insurance company designated by the Declarant or by the respective Participating Builder, or as may be required to comply with the Fair Housing Amendments Act of 1988, as amended, to comply with the Act, or to comply with other applicable Laws.

(a) **Consent by Other Parties.** By acceptance of a deed to any Lot or by the acceptance of any other legal or equitable interest in the Lots or Master Common Area Parcels, each and every such contract purchaser, Owner, Eligible Mortgage Holder, Mortgagee or other lien holder or party having a legal or equitable interest in any Lot or the Master Common Area Parcels does automatically and irrevocably name, constitute, appoint and confirm the Declarant, and each Participating Builder, its successors, transferees and assigns, as attorney-in-fact for the purpose of executing such agreement, document, amendment, supplement and other instrument(s) necessary to effect the foregoing subject to the limitations set forth herein.

(b) **Required Consent.** No agreement, document, amendment, supplement or other instrument which adversely affects the value of a Lot, or substantially increases the financial obligations of an Owner, or reserves any additional or special privileges for the Declarant or the Participating Builder not previously reserved, shall be made without the prior written consent of the affected Owner(s) and all owners of any Mortgage(s) encumbering the Lots owned by the affected Owner(s). Any such agreement, document, amendment, supplement or instrument which adversely affects the priority or validity of any Mortgage which encumbers any Lot or the Master Common Area Parcels shall not be made without the prior written consent of the owners of all such Mortgages.

(c) **Power of Attorney Coupled with an Interest.** The power of attorney aforesaid is expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all Lots and Master Common Area Parcels and shall be binding upon the heirs, personal

representatives, successors, transferees and assigns of any of the foregoing parties. Further, said power of attorney shall not be affected by the death or disability of any principal and is intended to deliver all right, title and interest of the principal in and to said power of attorney. Said power of attorney shall be vested in each of the Participating Builders for its respective Lots, its successors, transferees and assigns until the initial conveyance of all Lots and Master Common Area Parcels planned to be annexed within the jurisdiction of the Master Association or the expiration of same.

Section 9. Successors of Declarant and Participating Builders. Any and all rights, reservations, easements, interests, exemptions, privileges and powers of the Declarant hereunder, or any part of them, may be assigned and transferred (exclusively or non-exclusively) by the Declarant by an instrument, in writing, without notice to the Master Association. Any and all rights, reservations, easements, interests, exemptions, privileges and powers of each Participating Builder hereunder, or any part of them, may be assigned and transferred (exclusively or non-exclusively) by the respective Participating Builder by an instrument, in writing, without notice to the Master Association.

Section 10. Limitation of Liability. The Master Association shall not be liable for any failure of any services to be obtained by the Master Association or paid for out of the Common Expense funds, or for injury or damage to persons or property caused by the elements or resulting from water which may leak or flow from any portion of the Master Common Area Parcels or Master Common Area Improvements, or other property within the control or supervision of the Master Association, or from any wire, pipe, drain, conduit or the like. The Master Association shall not be liable to any Owner or Occupant for loss or damage, by theft or otherwise, of articles which may be stored upon the Master Common Area Parcels or other property within the control or supervision of the Master Association. No diminution or abatement of assessments, as herein elsewhere provided for, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Master Common Area Parcels, the Master Common Area Improvements, or other property within the control or supervision of the Master Association, or from any action taken by the Master Association to comply with any of the provisions of this Declaration or with any law or ordinance or with the order or directive of any Governmental Authority.

Section 11. Litigation. Except for purposes of collecting assessments hereunder, or enforcing the obligations of the Owners (other than the Declarant or the Participating Builders) under the Governing Documents, or actions involving a claimed amount of less than \$10,000, no litigation shall be initiated by or on behalf of the Master Association without the affirmative vote of Class A Members, the Class B Members and the Class C Members holding at least sixty-seven percent (67%) of the votes in the Master Association, and the Class D Member (so long as the Class D Membership shall continue to exist).

Section 12. Limitations. As long as the Declarant and the Participating Builders have an interest in developing the Property as defined in Article I hereof, the Master Association may not use its financial resources to defray any costs of opposing

the development activities of the Declarant and the Participating Builders. Nothing in this Section shall be construed to limit the rights of Members to act as individuals or in affiliation with other Members or groups.

Section 13. Severability. Each provision of a Governing Document is severable from every other provision, and the invalidity of any one of the provisions of a Governing Document by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect. To the extent that any provision of the Governing Documents is determined to be overly broad or unenforceable, and a narrower or partially enforceable construction may be given to such provision, then the narrower or partially enforceable construction shall be applied and, to the extent practicable, the provision shall be enforced.

Section 14. Conflict. In the event of conflict among the Governing Documents, this Declaration shall control, then any Supplementary Declarations, then the Articles of Incorporation of the Master Association, then the Bylaws, and then the Rules; provided, however, that in all cases where the Governing Documents are found to be in conflict with any statute, the statute shall control.

Section 15. Interpretation. 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." This Declaration shall be liberally construed in favor of the party seeking to enforce the provisions hereof to effectuate the purpose of protecting and enhancing the value, marketability, and desirability of the Property by providing a common plan for the development thereof. The headings used herein are for indexing purposes only and shall not be used as a means of interpreting or construing the substantive provisions hereof.

Section 16. Taxes and Assessments. It is the intent of this Declaration that inasmuch as the interest of each Owner to use and enjoy the Master Common Areas is an interest in real property appurtenant to each Lot, the value of the interest of each Owner in such Master Common Area Parcels shall be included in the Annual Assessment for each such Lot, and, as a result, any assessment directly against such Master Common Area Parcels should be of a nominal nature reflecting that the full value of the same should be included in the several assessments of the various Lots.

Section 17. Perpetuities. If any of the covenants, restrictions, or other provisions of this Declaration shall be unlawfully void, or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

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ARTICLE XII

DISSOLUTION OF THE MASTER ASSOCIATION

The Master Association may be dissolved with the written consent of (i) at least seventy five percent (75%) of the votes in the Master Association held by the Class A Members, the Class B Members and the Class C Members, (ii) the consent of the Class D Members (so long as the Class D Membership shall continue to exist), and (iii) the consent of at least sixty seven percent (67%) of the First Mortgagees. Prior to the dissolution of the Master Association, other than incident to a merger or consolidation, the assets of the Master Association shall be offered for dedication to the State of Maryland. In the event that such dedication is refused acceptance upon dissolution, such assets shall be granted, conveyed, and assigned to any non profit corporation, association, trust, or other organization to be devoted to similar purposes.

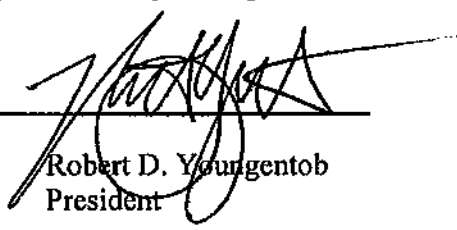
[Signatures on following pages]

IN WITNESS WHEREOF, the Declarant, National Park Seminary Venture LLC, a Maryland limited liability company, has caused this Declaration to be duly executed this 4th day of May, 2006.

**NATIONAL PARK SEMINARY VENTURE
LLC, a Maryland limited liability company**

By: NPS Homes Associates Limited
Partnership, a Maryland limited partner, as
Managing Member


By: NPS Homes, Inc., a Maryland
corporation, its general partner

By: 
Robert D. Youngentob
President

And

By: Forest Glen Main, LLC,
a Maryland limited liability company, as
Managing Member


By: The Alexander Company, Inc., a
Wisconsin corporation, its member

By: 
Randall P. Alexander
President

IN WITNESS WHEREOF, the Participating Builders hereby join in this Declaration to evidence their consent to said Declaration.

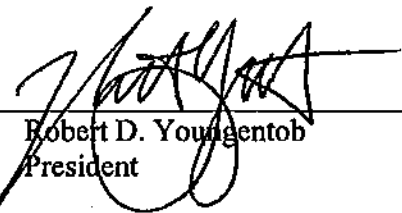
FOREST GLEN MAIN, LLC,
a Maryland limited liability company

By: The Alexander Company, Inc., a
Wisconsin corporation, its member

By: 
Randall P. Alexander
President

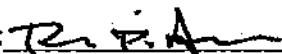
**NPS HOMES ASSOCIATES LIMITED
PARTNERSHIP,** a Maryland limited
partnership

By: NPS Homes Inc., a Maryland corporation,
its general partner

By: 
Robert D. Youngentob
President

FOREST GLEN CONDO, LLC,
a Maryland limited liability company

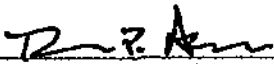
By: The Alexander Company, Inc., a
Wisconsin corporation, its member

By: 
Randall P. Alexander
President

32290 317

FOREST GLEN SF, LLC,
a Maryland limited liability company

By: The Alexander Company, Inc., a
Wisconsin corporation, its member

By: 
Randall P. Alexander
President

STATE OF MARYLAND)
)
) SS:
COUNTY OF MONTGOMERY)

On this the 4th day of May, 2006, before me, Jennifer L. Pfeiffer the undersigned officer, personally appeared Robert D. Youngentob, who acknowledged himself to be the President of NPS Homes, Inc., a Maryland corporation, which is named as the General Partner of NPS Homes Associates Limited Partnership, a Maryland limited partnership, which NPS Homes Associates Limited Partnership is named as a Managing Member of National Park Seminary Venture LLC, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of NPS Homes Associates Limited Partnership by the corporation by himself as President.

Given under my hand and seal this 4th day of May, 2006.



[Notarial Seal]

My commission expires

Jennifer L. Pfeiffer
Notary Public

STATE OF Wisconsin)
)
COUNTY OF Dane) ss:

On this the 2nd day of May, 2006, before me, Julie Hughes, the undersigned officer, personally appeared Randall P. Alexander, who acknowledged himself to be the President of The Alexander Company, Inc., a Wisconsin corporation, which is named as the Sole Member of Forest Glen Condo, LLC, a Maryland limited liability company, and Forest Glen SF, LLC, a Maryland limited liability company, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of each limited liability company by the corporation by himself as President.

Given under my hand and seal this 2nd day of May, 2006.

Julie Hughes
Notary Public

[Notarial Seal]

My commission expires: 6/22/2008

STATE OF Wisconsin)
)
COUNTY OF Dane) ss:

On this the 2nd day of May, 2006, before me, Julie Hughes the undersigned officer, personally appeared Randall P. Alexander, who acknowledged himself to be the President of The Alexander Company, Inc., a Wisconsin corporation, which is named as the Sole Member of Forest Glen Main, LLC, a Maryland limited liability company, which Forest Glen Main, LLC is named as a Managing Member of National Park Seminary Venture LLC, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of Forest Glen Main, LLC by the corporation by himself as President.

Given under my hand and seal this 2nd day of May, 2006.

Julie Hughes
Notary Public

[Notarial Seal]

My commission expires: 6/28/2008

32290 321

IN WITNESS WHEREOF, The National Park Seminary Master Association, Inc., has caused this Declaration to be duly executed this 4th day of May, 2006, by Natalie L. Bock, its President.

THE NATIONAL PARK SEMINARY MASTER ASSOCIATION, INC., a Maryland corporation

WITNESS:

J.P. Morgan
J.P. Morgan
Secretary

By:

Natalie L. Bock
Natalie L. Bock
President

STATE OF Wisconsin)
COUNTY OF Dane)

ss:

I, Julie Hughes the undersigned Notary Public, in and for the aforesaid jurisdiction, do hereby certify that Natalie L. Bock, President of The National Park Seminary Master Association, Inc., whose name is signed to the foregoing Declaration of Covenants, Conditions and Restrictions, personally appeared before me and acknowledged that she executed said instrument bearing date as of the 4th day of May, 2006, as the act and deed of said corporation on behalf of The National Park Seminary Master Association, Inc.

GIVEN under my hand and seal this 2nd day of May, 2006.

Julie Hughes
Notary Public

[Notarial Seal]

My commission expires: 6/22/2008

The undersigned Beneficiary and Trustee under that certain Deed of Trust and Security Agreement made by NPS Homes Associates Limited Partnership, dated May 4, 2006 and recorded on or about the date hereof among the Land Records of Montgomery County, Maryland, securing Wachovia Bank, National Association, hereby consent to the within Declaration and hereby subordinate the lien of said Deed of Trust to the lien, legal effect and operation of said Declaration.

IN WITNESS WHEREOF, the Beneficiary has caused this instrument to be executed by Ronald J. Sanders, its Vice President, as the act and deed of the Beneficiary as of the date first above written; and the Trustee has caused this instrument to be executed by Ronald J. Sanders, its Vice President, as the act and deed of the Trustee as of the date first above written.

WITNESS:

BENEFICIARY

WACHOVIA BANK, NATIONAL ASSOCIATION

Tracy D. [Signature]
Name: Tracy D. [Signature]
Title: Vice President

By: [Signature]
Name: RONALD J. SANDERS
Title: VICE PRESIDENT

WITNESS:

TRUSTEE

TRSTE, INC., a Virginia corporation

Tracy D. [Signature]
Name: Tracy D. [Signature]
Title: Vice President

By: [Signature]
Name: RONALD J. SANDERS
Title: VICE PRESIDENT

COMMONWEALTH OF VIRGINIA)
)
) ss:
COUNTY OF FAIRFAX)

On this the 3rd day of May, 2006, before me, Ronald J. Sanders, the undersigned officer, personally appeared Ronald J. Sanders, who acknowledged himself/herself to be the Vice President of Wachovia Bank, National Association, a national banking association, and that he/she, as such officer, being authorized so to do executed the foregoing instrument for the purposes therein contained, by signing the name of Wachovia Bank, National Association by himself/herself as Ronald J. Sanders.

GIVEN under my hand and seal this 3rd day of May, 2006.

Frances Q. Wilson
Notary Public

[Notarial Seal]

My commission expires: 8-31-09

COMMONWEALTH OF VIRGINIA)
)
) ss:
COUNTY OF FAIRFAX)

On this the 3rd day of May, 2006, before me, Ronald J. Sanders, the undersigned officer, personally appeared Ronald J. Sanders, who acknowledged himself/herself to be the Vice President of TRSTE, INC., a Virginia corporation, and that he/she, as such officer, being authorized so to do executed the foregoing instrument for the purposes therein contained, by signing the name of TRSTE, INC, by himself/herself as Ronald J. Sanders.

GIVEN under my hand and seal this 3rd day of May, 2006.

Frances Q. Wilson
Notary Public

[Notarial Seal]

My commission expires: 8-31-09

32290 3241

EXHIBIT A

LEGAL DESCRIPTION OF APARTMENT PROPERTY

All those certain parcels of land located in the Montgomery County, Maryland and described as follows:

Lot 61, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23375 among the Land Records of Montgomery County, Maryland.

32290 325

EXHIBIT B

LEGAL DESCRIPTION OF SINGLE FAMILY PROPERTY

All those certain parcels of land located in the Montgomery County, Maryland and described as follows:

Lot 56 through 59, inclusive, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23376 among the Land Records of Montgomery County, Maryland.

EXHIBIT C

LEGAL DESCRIPTION OF CONDOMINIUM PROPERTY

All those certain parcels of land located in the Montgomery County, Maryland and described as follows:

Lot 22, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23377 among the Land Records of Montgomery County, Maryland.

And

Lot 43, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23374 among the Land Records of Montgomery County, Maryland.

And

Lots 54 and 55, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23375 among the Land Records of Montgomery County, Maryland.

And

Lot 60, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23364 among the Land Records of Montgomery County, Maryland.

And

Lot 62, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23378 among the Land Records of Montgomery County, Maryland

EXHIBIT D

LEGAL DESCRIPTION OF TOWNHOUSE PROPERTY

All those certain parcels of land located in the Montgomery County, Maryland and described as follows:

Lots 1 through 21, inclusive, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23374 among the Land Records of Montgomery County, Maryland.

And

Lots 23 through 42, inclusive, Block 1, and Lots 44 through 53, inclusive, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23377 among the Land Records of Montgomery County, Maryland.

And

Lots 1 through 11, inclusive, Block 10, and Lots 21 through 24, inclusive, Block 10, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23359 among the Land Records of Montgomery County, Maryland

And

Lots 25 through 30, inclusive Block 10, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23362 among the Land Records of Montgomery County, Maryland

And

Lots 12 through 20, inclusive, Block 10, and Lots 31 through 39, inclusive, Block 10, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No.23363 among the Land Records of Montgomery County, Maryland.

EXHIBIT E

LEGAL DESCRIPTION OF THE MASTER COMMON AREA PARCELS

All those certain parcels of land located in the Montgomery County, Maryland and described as follows:

Parcel Q, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23360 among the Land Records of Montgomery County, Maryland.

And

Parcels G, H and I, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23375 among the Land Records of Montgomery County, Maryland.

And

Parcels C, D and E, Block 10, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23362 among the Land Records of Montgomery County, Maryland.

And

Parcel L, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23376 among the Land Records of Montgomery County, Maryland.

And

Parcels D, E and F, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23377 among the Land Records of Montgomery County, Maryland.

And

Parcels F and G, Block 10, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23363 among the Land Records of Montgomery County, Maryland.

And

Parcels A, B and C, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23374 among the Land Records of Montgomery County, Maryland.

And

32290 329:

Parcel A, Block 10, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23359 among the Land Records of Montgomery County, Maryland.

And

Parcel J, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23378 among the Land Records of Montgomery County, Maryland.

And

Parcels M, N and P, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23364 among the Land Records of Montgomery County, Maryland

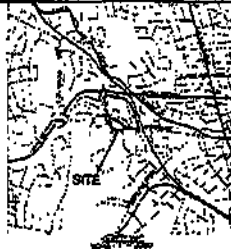
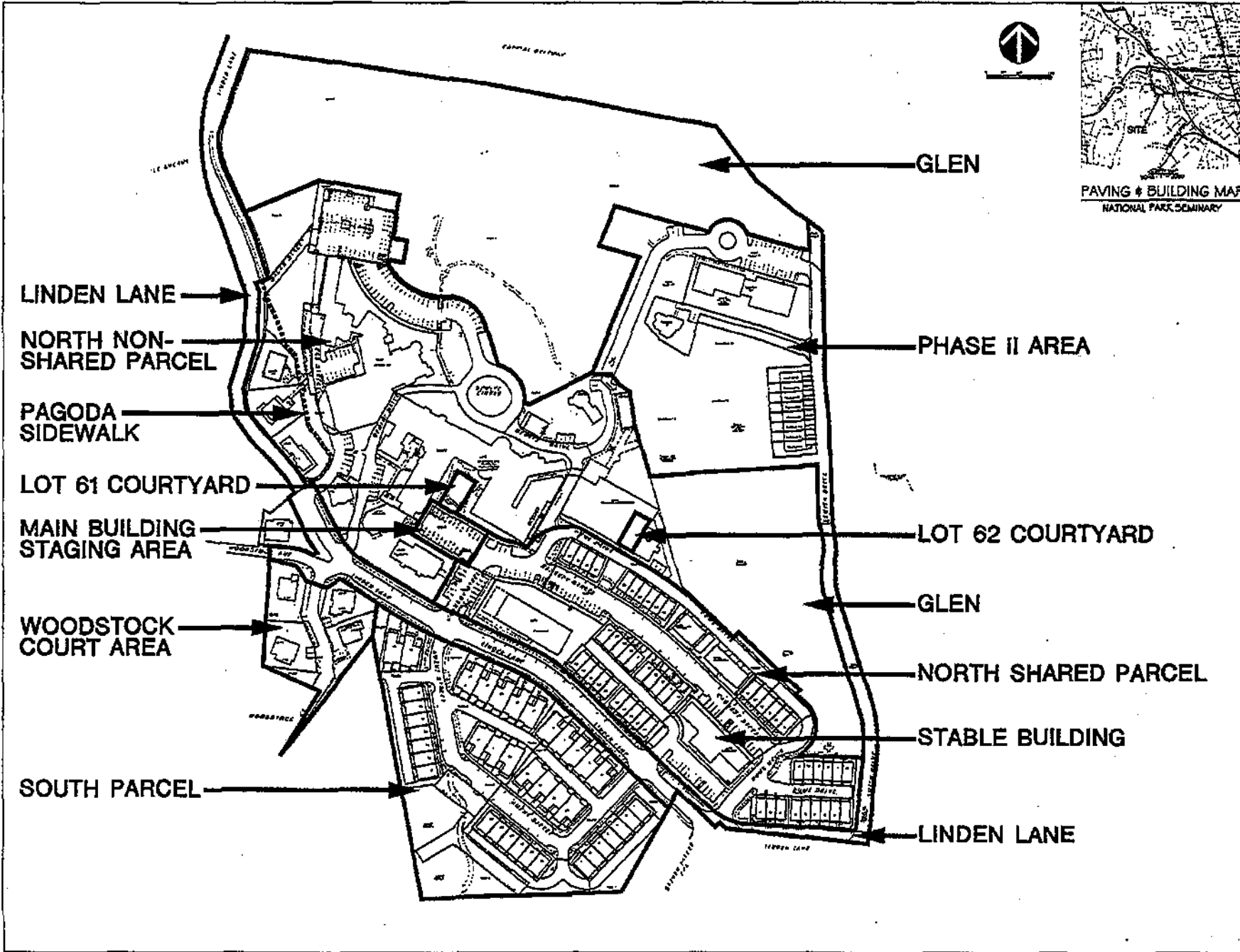
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EXHIBIT F

DEVELOPMENT PLAN

[SEE ATTACHED]

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PAVING & BUILDING MAP
NATIONAL PARK SEMINARY

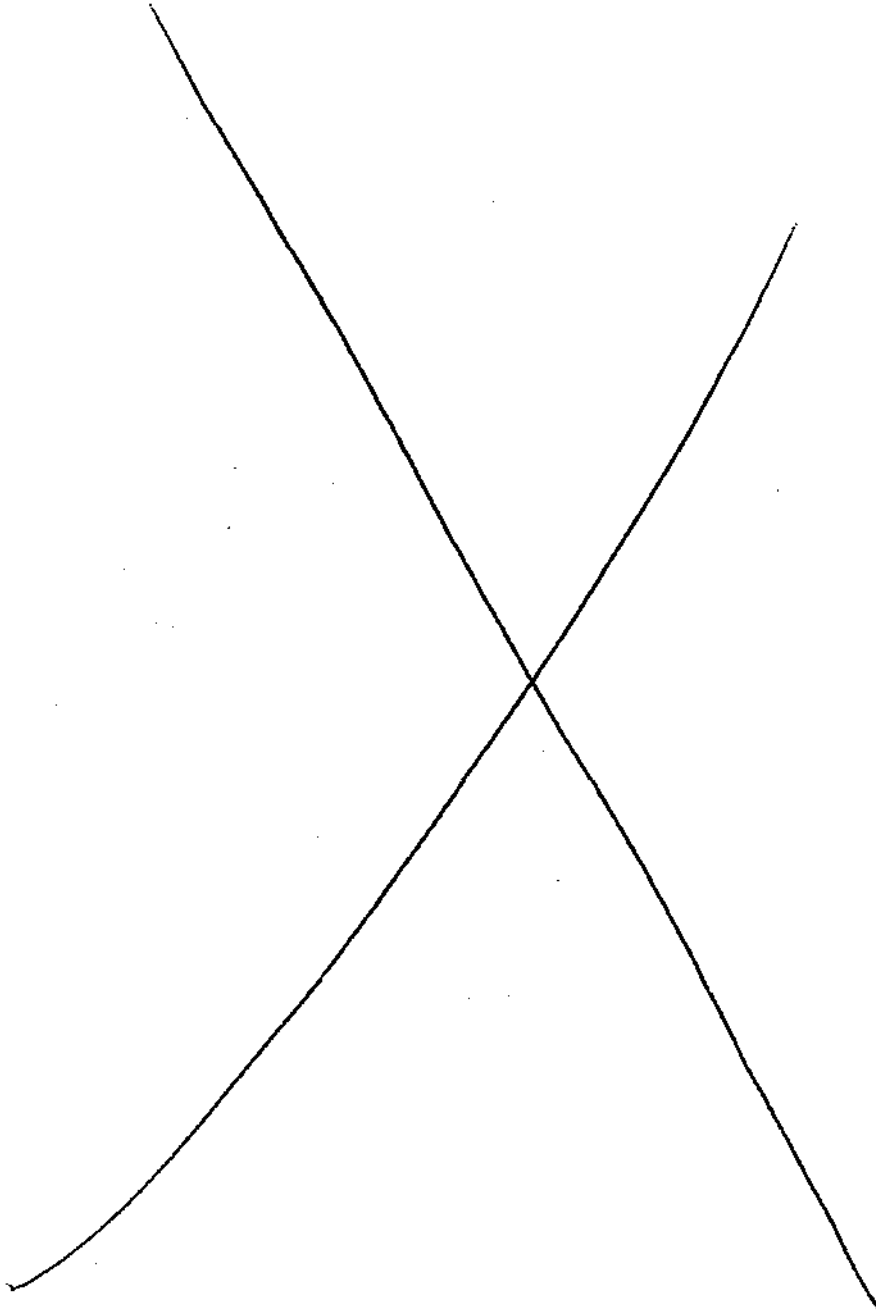
PROJECT TEAM	
ARCHITECT	...
ENGINEER	...
LANDSCAPE ARCHITECT	...
PLANNING	...
CONSTRUCTION	...
DATE	...
SCALE	...
NATIONAL PARK SEMINARY 1500 ...	
PAVING & BUILDING MAP	
VIA KEYWORDS	
NO.	...
DATE	...
SCALE	...
1 OF 1	

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EXHIBIT G

PARKING PLAN

[SEE ATTACHED]



Parking Key

- A - Lot 43 Parking
- B - Transitional Housing Parking
- C - Lot 22 Parking
- D - Lot 62 Parking
- E - Lot 54 Parking
- F - Lot 55 Parking
- G - Lots 56, 57, 58, 59 Parking (2 each)
- H - Lot 61 Parking
- I - Lot 60 Parking
- J - Trail Visitor Parking
- V - Visitor Parking
- * - Lower level of parking structure is shown on plan. Upper level of parking structure is controlled by Lot 61.

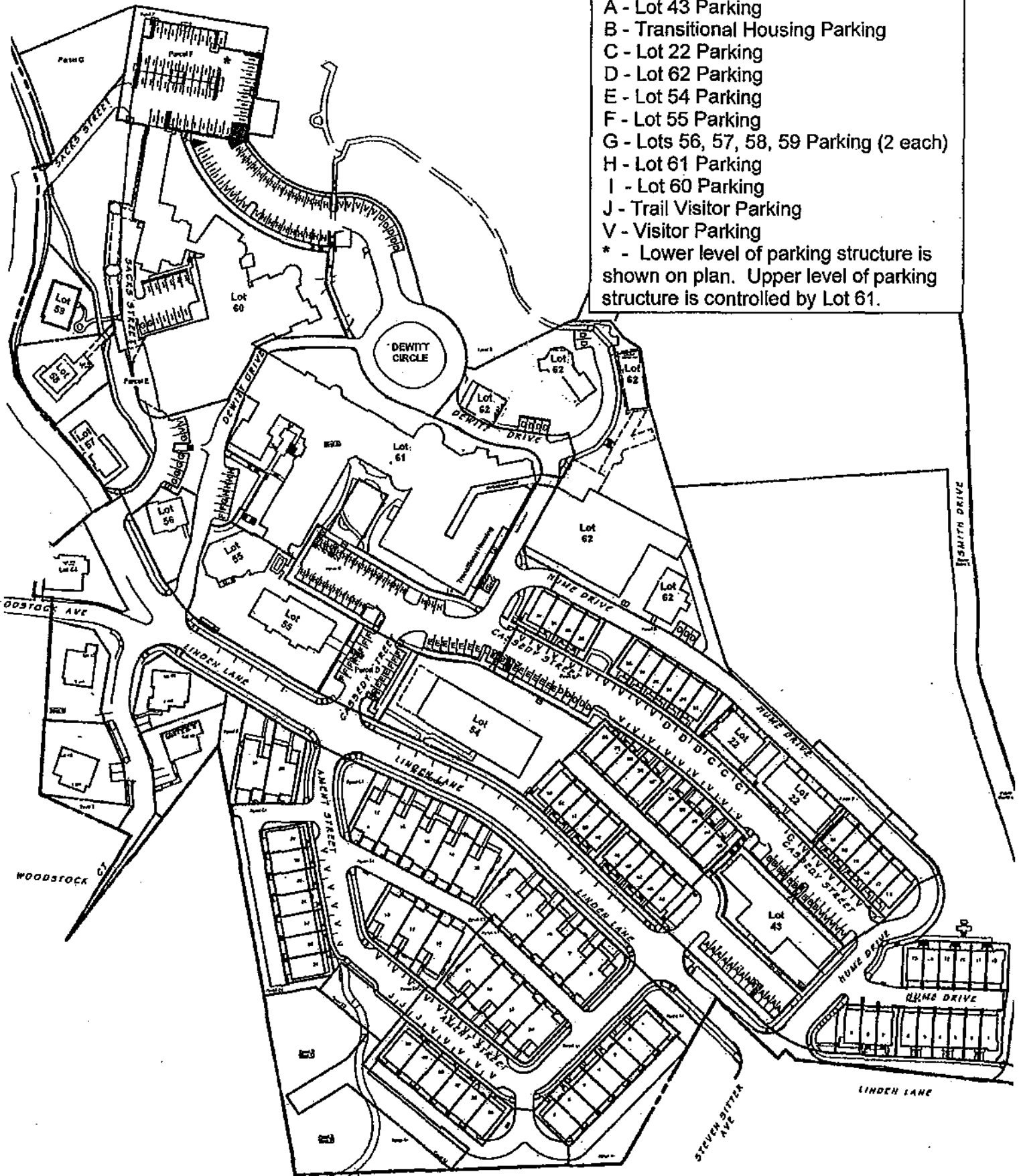


EXHIBIT H**STATUARY SCHEDULE**

<u>STATUE OR OTHER ITEM</u>	<u>LOCATION</u>
Indian	Parcel J, Block 1
Caryatid 1	Parcel E, Block 10
Caryatid 2	Parcel F, Block 10
Columns with Busts	Lot 62, Block 1
Reclining Lion	Lott 55, Block 1
Griffins	Lot 61, Block 1
Leo & Theo	Parcel P, Block 1
Italianate Fountain	Parcel P, Block 1
Grief of Cyporissus	Parcel Q, Block 1
Joan of Arc	Lot 60, Block 1
Standing Lions	Parcels N and Q, Block 1
Nymph & Faun	Parcel L, Block 1
Existing Urn	Parcel L, Block 1
Lamp	Lot 56, Block 1
Hiawatha	Lot 9, Block 2

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DEED # 1

TAX IDENTIFICATION NUMBERS
FOREST GLEN PARK SUBDIVISION
MONTGOMERY COUNTY, MARYLAND

<u>LOT/PARCEL NUMBER</u>	<u>BLOCK NUMBER</u>	<u>STREET ADDRESS</u>	<u>IDENTIFICATION NUMBER</u>
			All District 13-7
Lot 1	Block 1	2601 Linden Lane	3532568
Lot 2	Block 1	2603 Linden Lane	3532570
Lot 3	Block 1	2605 Linden Lane	3532581
Lot 4	Block 1	2607 Linden Lane	3532592
Lot 5	Block 1	2609 Linden Lane	3532604
Lot 6	Block 1	2611 Linden Lane	3532615
Lot 7	Block 1	2613 Linden Lane	3532626
Lot 8	Block 1	2615 Linden Lane	3532637
Lot 9	Block 1	2617 Linden Lane	3532648
Lot 10	Block 1	2601 Hume Drive	3532650
Lot 11	Block 1	2603 Hume Drive	3532661
Lot 12	Block 1	2605 Hume Drive	3532672
Lot 13	Block 1	2607 Hume Drive	3532683
Lot 14	Block 1	2609 Hume Drive	3532694
Lot 15	Block 1	2611 Hume Drive	3532706
Lot 16	Block 1	2701 Cassedy Street	3532717
Lot 17	Block 1	2703 Cassedy Street	3532728
Lot 18	Block 1	2705 Cassedy Street	3532730
Lot 19	Block 1	2707 Cassedy Street	3532741
Lot 20	Block 1	2709 Cassedy Street	3532752
Lot 21	Block 1	2711 Cassedy Street	3532763
Lot 23	Block 1	2729 Cassedy Street	3532956
Lot 24	Block 1	2731 Cassedy Street	3532967
Lot 25	Block 1	2733 Cassedy Street	3532978
Lot 26	Block 1	2735 Cassedy Street	3532980
Lot 27	Block 1	2737 Cassedy Street	3532991
Lot 28	Block 1	2739 Cassedy Street	3533005
Lot 29	Block 1	2743 Cassedy Street	3533016
Lot 30	Block 1	2745 Cassedy Street	3533027
Lot 31	Block 1	2747 Cassedy Street	3533038
Lot 32	Block 1	2749 Cassedy Street	3533040
Lot 33	Block 1	2736 Cassedy Street	3533051
Lot 34	Block 1	2734 Cassedy Street	3533062
Lot 35	Block 1	2732 Cassedy Street	3533073

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<u>LOT/PARCEL NUMBER</u>	<u>BLOCK NUMBER</u>	<u>STREET ADDRESS</u>	<u>IDENTIFICATION NUMBER</u>
			All District 13-7
Lot 36	Block 1	2730 Cassedy Street	3533084
Lot 37	Block 1	2728 Cassedy Street	3533095
Lot 38	Block 1	2726 Cassedy Street	3533107
Lot 39	Block 1	2724 Cassedy Street	3533118
Lot 40	Block 1	2722 Cassedy Street	3533120
Lot 41	Block 1	2720 Cassedy Street	3533131
Lot 42	Block 1	2718 Cassedy Street	3533142
Lot 44	Block 1	2711 Linden Lane	3533153
Lot 45	Block 1	2713 Linden Lane	3533164
Lot 46	Block 1	2715 Linden Lane	3533175
Lot 47	Block 1	2717 Linden Lane	3533186
Lot 48	Block 1	2719 Linden Lane	3533197
Lot 49	Block 1	2729 Linden Lane	3533200
Lot 50	Block 1	2731 Linden Lane	3533211
Lot 51	Block 1	2733 Linden Lane	3533222
Lot 52	Block 1	2735 Linden Lane	3533233
Lot 53	Block 1	2737 Linden Lane	3533244
Lot 1	Block 10	9500 Ament Street	3531963
Lot 2	Block 10	9502 Ament Street	3531974
Lot 3	Block 10	9504 Ament Street	3531985
Lot 4	Block 10	9506 Ament Street	3531996
Lot 5	Block 10	9508 Ament Street	3532001
Lot 6	Block 10	9510 Ament Street	3532012
Lot 7	Block 10	9512 Ament Street	3532023
Lot 8	Block 10	2710 Linden Lane	3532034
Lot 9	Block 10	2712 Linden Lane	3532045
Lot 10	Block 10	2714 Linden Lane	3532056
Lot 11	Block 10	2716 Linden Lane	3532067
Lot 12	Block 10	2718 Linden Lane	3532318
Lot 13	Block 10	2730 Linden Lane	3532320
Lot 14	Block 10	2732 Linden Lane	3532331
Lot 15	Block 10	2734 Linden Lane	3532342
Lot 16	Block 10	2736 Linden Lane	3532353
Lot 17	Block 10	2738 Linden Lane	3532364
Lot 18	Block 10	9539 Ament Street	3532375
Lot 19	Block 10	9537 Ament Street	3532386

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<u>LOT/PARCEL NUMBER</u>	<u>BLOCK NUMBER</u>	<u>STREET ADDRESS</u>	<u>IDENTIFICATION NUMBER</u>
			All District 13-7
Lot 20	Block 10	9535 Ament Street	3532397
Lot 21	Block 10	9527 Ament Street	3532078
Lot 22	Block 10	9525 Ament Street	3532080
Lot 23	Block 10	9523 Ament Street	3532091
Lot 24	Block 10	9521 Ament Street	3532103
Lot 25	Block 10	9520 Ament Street	3532238
Lot 26	Block 10	9522 Ament Street	3532240
Lot 27	Block 10	9524 Ament Street	3532251
Lot 28	Block 10	9526 Ament Street	3532262
Lot 29	Block 10	9528 Ament Street	3532273
Lot 30	Block 10	9530 Ament Street	3532284
Lot 31	Block 10	9560 Ament Street	3532400
Lot 32	Block 10	9562 Ament Street	3532411
Lot 33	Block 10	9564 Ament Street	3532422
Lot 34	Block 10	9566 Ament Street	3532433
Lot 35	Block 10	9568 Ament Street	3532444
Lot 36	Block 10	9570 Ament Street	3532455
Lot 37	Block 10	9572 Ament Street	3532466
Lot 38	Block 10	2750 Linden Lane	3532477
Lot 39	Block 10	2752 Linden Lane	3532488

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DEED #2

TAX IDENTIFICATION NUMBERS

**FOREST GLEN PARK SUBDIVISION
MONTGOMERY COUNTY, MARYLAND**

<u>LOT/PARCEL NUMBER</u>	<u>BLOCK NUMBER</u>	<u>STREET ADDRESS</u>	<u>IDENTIFICATION NUMBER</u>
			All District 13-7
Lot 8	Block 2	9517 Woodstock Court	3532136
Lot 9	Block 2	9519 Woodstock Court	3532147
Lot 10	Block 3	9516 Woodstock Court	3532160
Lot 11	Block 3	9518 Woodstock Court	3532171
Outlot 1	Block 3	Woodstock Court	3532158
Lot 21	Block 9	Woodstock Avenue	3532182
Lot 56	Block 1	9600 Dewitt Drive	3532876
Lot 57	Block 1	2801 Linden Lane	3532887
Lot 58	Block 1	2803 Linden Lane	3532898
Lot 59	Block 1	2805 Linden Lane	3532901

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Deed #20

TAX IDENTIFICATION NUMBERS

FOREST GLEN PARK SUBDIVISION
MONTGOMERY COUNTY, MARYLAND

<u>LOT/PARCEL NUMBER</u>	<u>BLOCK NUMBER</u>	<u>STREET ADDRESS</u>	<u>IDENTIFICATION NUMBER</u>
			All District 13-7
Parcel A	Block 1	Linden Lane	3532535
Parcel B	Block 1	Cassedy Street	3532546
Parcel C	Block 1	Hume Drive	3532557
Parcel D	Block 1	Linden Lane	3532912
Parcel E	Block 1	Cassedy Street	3532923
Parcel F	Block 1	Hume Drive	3532934
Parcel G	Block 1	Cassedy Street	3532808
Parcel H	Block 1	Cassedy Street	3532810
Parcel I	Block 1	Dewitt Drive	3532821
Parcel J	Block 1	Linden Lane	3533255
Parcel L	Block 1	Dewitt Drive	3532865
Parcel M	Block 1	Linden Lane	3532490
Parcel N	Block 1	Linden Lane	3532502
Parcel P	Block 1	Dewitt Circle	3532513
Parcel Q	Block 1	Linden Lane	3532114
Parcel A	Block 2	Woodstock Court	3532125
Parcel A	Block 10	Ament Street	3531952
Parcel B	Block 10	Ament Street	3532193
Parcel C	Block 10	Ament Street	3532205
Parcel D	Block 10	Ament Street	3532216
Parcel E	Block 10	Ament Street	3532227
Parcel F	Block 10	Ament Street	3532295
Parcel G	Block 10	Linden Lane	3532307

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Deed #6

TAX IDENTIFICATION NUMBERS

**FOREST GLEN PARK SUBDIVISION
MONTGOMERY COUNTY, MARYLAND**

<u>LOT/PARCEL NUMBER</u>	<u>BLOCK NUMBER</u>	<u>STREET ADDRESS</u>	<u>IDENTIFICATION NUMBER</u>
			All District 13-7
Lot 22	Block 1	Hume Drive	3532945
Lot 43	Block 1	Linden Lane	3532774
Lot 54	Block 1	2747 Linden Lane	3532832
Lot 55	Block 1	2755 Cassedy Street	3532843
Lot 60	Block 1	9610 Dewitt Drive	3532524
Lot 62	Block 1	Linden Lane	3533277

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is a publicly-dedicated street), private alleyways, private sidewalks (including, without limitation, the Linden Lane Sidewalk Extension, even to the extent such Linden Lane Sidewalk Extension may be located within the boundaries of certain Lots and not within the Master Common Area Parcels), the Trails (including the Historic Trail), walkways, the parking areas (excluding the Parking Deck on Lot 60, the Maintenance of which is addressed by Article VI, Section 3 hereof), and steps within the Master Common Area Parcels in a clean manner and, to the extent possible, as a smooth surface. Maintenance of such private streets, private alleyways, private sidewalks (including the Linden Lane Sidewalk Extension), Trails (including the Historic Trail), walkways and other surfaces, as well as the steps within the Master Common Area Parcels, shall not include the removal of stains on such surfaces resulting from the use of such streets, alleyways, sidewalks, steps and other surfaces.

(b) Entrance Features; Retaining Walls. The Master Association will be responsible for the Maintenance of all (i) Entrance Features (except for the Bridge for which the Owner of the Lot 60 Building has Maintenance responsibility), (ii) signage for the National Park Seminary community, and (iii) all Retaining Walls installed by the Declarant or the Participating Builders during the initial construction of the Project, including all Retaining Walls (including any fencing which may be located on any of said walls) located within the Property.

(c) Landscape Maintenance. The Master Association will be responsible for Maintaining all landscaping within the Master Common Area Parcels, including the Open Space Landscaping. Such Maintenance shall include the regular mowing of grass areas in the Master Common Area Parcels and the grass areas within the front, rear and side yards, as applicable, of all Lots (but not the private courtyards on Lots 8 through 24, inclusive, Lot 38 and Lot 39, Block 10, nor the Lot 61 Courtyard nor the Lot 62 Courtyard which are the responsibility of the Owners of said Lots). The Master Association shall also be responsible for (i) pruning (limbed to a minimum of six (6) feet), feeding, spraying, mulching and weeding the grass areas and landscape areas installed by the Declarant, a Participating Builder or the Master Association within the Master Common Area Parcels and within the Lots, including those trees along the private streets, (ii) pruning and trimming shrubbery (maintained at a maximum of 36 inches) installed by the Declarant, a Participating Builder or the Master Association within the Master Common Area Parcels and within the front and side yards of the Lots, and (iii) the mulching of flower beds installed by the Declarant, a Participating Builder or the Master Association in the Master Common Area Parcels and in the front, rear and side yards of the Lots. An Owner (including a Condominium Association) may decline landscape Maintenance for his or its Lot by the Master Association, but there will be no reduction of such Owner's Assessments as a result of declining landscape Maintenance. To the extent that any such Owner or Condominium Association declines landscape Maintenance for his Lot by the Master Association, but the Owner or Condominium Association fails to Maintain the landscaping on his or its Lot at a level equal to the level of the Master Association's Maintenance for other Lots within the community, the Master Association shall resume the landscaping for the Lot in question. The Master Association shall be responsible for watering the grass, landscaping and shrubbery in the Master Common Area Parcels, but each Owner and Condominium Association shall be

responsible for watering the grass, landscaping and shrubbery on such Owner's Lot or Condominium Property.

To the extent that (i) the Declarant or a Participating Builder has installed any landscaping, including, without limitation, trees, shrubbery and other plantings, pursuant to the requirements of the Regulatory Plans and other development approvals for the Property, and (ii) the Declarant has provided an initial budget which anticipates Maintenance of all such landscaping by the Master Association, the Master Association shall not reallocate such funds designated in the budget for landscape Maintenance for any other purpose, but such funds shall be utilized by the Master Association solely for the Maintenance of such landscaping. It shall be the sole responsibility of the Master Association to Maintain all such landscaping installed by the Declarant and the Participating Builders in accordance with the requirements of the Regulatory Plans and other development approvals for the Property, including, without limitation, the pruning (limbed to a minimum of six (6) feet), feeding, spraying, mulching, weeding and watering of all landscape materials and the replacement of same with the same types of plantings and trees in the event any of the same shall die. Each Owner and Condominium Association shall be solely responsible for watering and Maintaining all planter boxes, flower boxes and the plantings in or on such planter boxes and flower boxes located anywhere on such Owner's Lot or Condominium Association's Condominium Property. To the extent that any Owner or Condominium Association fails to water all such areas for which the Owner or Condominium Association is responsible on a regular basis, and the Master Association is obligated to replace such materials which die as a result of the Owner's or Condominium Association's failure to water them on a regular basis, the Master Association shall have the right to levy a Special Assessment against the defaulting Owner or Condominium Association in the same manner as a Restoration Assessment pursuant to Article V, Section 4(b) hereof. No Owner or Condominium Association shall lock the gate to any fence or otherwise restrict access to such Owner's Lot or Condominium Association's Condominium Property, or place any decoration in the front or side yard of a Lot, which would interfere or impair the ability of the Master Association to perform its obligations under this Article IV, Section 2(c). The Master Association will not be responsible for the landscaping of the Lot 61 Courtyard or the Lot 62 Courtyard, or any courtyard area located on a Lot.

In addition to the landscaping maintenance provided above, the Master Association shall be responsible for Maintaining the landscaping within the Steven Sitter Parcel as provided in the Steven Sitter Parcel License.

(d) Snow Removal, Steps, Stoops and Leadwalks. The Master Association will be responsible for the removal of accumulated snow and ice from the interior private streets, the private alleyways, parking areas, including, without limitation, the Dewitt Circle Parking Lot, but excluding the Parking Deck, for which the Condominium Developer (and subsequently the Lot 60 Condominium Association, when established) shall have Maintenance responsibility, walkways, private sidewalks within the Property (including the Linden Lane Sidewalk Extension), and driveways to Living Units, but the Owners and Condominium Associations shall be solely responsible for the removal of snow and ice from the stoops, steps, decks, porches, rooftop terraces, and

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**SECOND AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS OF NATIONAL PARK SEMINARY**

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS OF NATIONAL PARK SEMINARY (this
"Amendment") is made this 31st day of December, 2013 (the "Effective Date")
NATIONAL PARK SEMINARY VENTURE LLC, a Maryland limited liability company
("Declarant"), and is joined in by **THE NATIONAL PARK SEMINARY MASTER
ASSOCIATION, INC.**, a Maryland corporation (hereinafter the "**Master Association**")

FILED
LORETTA E. MONTGOMERY
CLERK'S OFFICE
MONTGOMERY COUNTY, MD.

2014 JAN -9 PM 12:08

WITNESSETH:

WHEREAS, Declarant is the declarant under that certain Declaration of Covenants,
Conditions and Restrictions of National Park Seminary, dated as of May 4, 2006, and recorded
May 9, 2006, among the land records of Montgomery County, Maryland (the "**County Land
Records**") in Liber 32290 at folio 212 (the "**Original Declaration**"), as amended by that certain
First Amendment to Declaration of Covenants, Conditions and Restrictions of National Park
Seminary, dated January 30, 2007, recorded March 20, 2007, among the County Land Records in
Liber 33997 at folio 562, and re-recorded May 2, 2007, among the County Land Records in
Liber 34230 at folio 432 (the "**First Amendment**"), the Original Declaration, as amended by the
First Amendment, being hereinafter referred to as the "**Declaration**"); and

WHEREAS, pursuant to Section 3 of Article XI of the Declaration, the Declarant
reserved the right, for a period of ten (10) years following the recordation of the Original
Declaration, to make any amendment to the Declaration, in the exercise of its sole discretion and
with the irrevocable power as attorney-in-fact on behalf of all Members, for purposes, among
other things, of correcting errors or omissions in the Declaration, or an inconsistency or a
scrivener's error, or clarifying an ambiguity in the Declaration (including, without limitation,
recalculating the liability for assessments or the number of votes in the association appertaining
to a Lot); and

WHEREAS, the Declarant intended that, subject to the exemption for Lots owned by the
Declarant and Participating Builders, each of the Lots within the Property would be assessed an
equal Annual Assessment based upon the approved Regulatory Plans for the development of the
Property, and the Declarant wishes to revise the language in the Declaration to provide for such
clarification, effective on and after the Effective Date of this Amendment, and in that regard, the
Declarant wishes to amend the Declaration such that owners of plots of land that have been
approved for development of multiple Living Units pursuant to the Regulatory Plans, but which
have not yet been completed, including but not limited to Lots 22, 43, 54, and 62 in Block 1 of
Forest Glen Park, will be responsible, following the Effective Date of this Second Amendment
for paying Annual Assessments for each such Living Unit approved for development on such
Lots; and

RECORDING FEE 13.00
STATE TAX 40.00
NOTARY FEE 115.00
TOTAL 168.00
RCP# 1 36432
BLK # 1354
JAN 09 2014 12:06 PM

WHEREAS, the Declarant wishes to correct certain errors or omissions in the
Declaration and to clarify certain ambiguities in the Declaration.

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NOW, THEREFORE, in consideration of the foregoing, and in accordance with the rights granted to the Declarant under the Declaration, the Declarant hereby modifies and amends the Declaration as follows:

1. Capitalized Terms; Construction. Except as otherwise expressly set forth herein, each capitalized term appearing in this Amendment shall have the meaning ascribed to such term in the Declaration. The terms and provisions of the Declaration and the terms and provisions of this Amendment shall be reconciled to the fullest extent reasonably possible. In the event of any irreconcilable conflict between any term or provision of the Declaration and any term or provision of this Amendment, such term or provision of this Amendment shall control.

2. Definitions. Notwithstanding any provision of the Declaration to the contrary, the terms listed below shall be construed in accordance with the following definitions:

(a) Section 52 "**Lot**" shall mean and refer to a portion of the Property designated as a separate subdivided lot of record on a plat of subdivision, resubdivision, consolidation, or boundary-line adjustment of a portion of the Property, or a Condominium Unit created by the recording of the condominium instruments, including the plat and plans of condominium subdivision, recorded among the Land Records of the County in accordance with Title 11 of the Maryland Condominium Act, or any other plot of land shown upon any recorded subdivision plat of the Property, upon which the planned or actual improvements are Living Unit(s). To the extent that a single recorded plot of land is approved for the development of multiple Living Units pursuant to the Regulatory Plans, whether or not such Living Units have in fact been developed, and regardless of whether Condominium Units have been created by the recording of the condominium instruments as defined above, each such Living Unit approved for development pursuant to the Regulatory Plans shall be deemed to be a Lot; provided, however, the Apartment Property is deemed to be a single Lot, notwithstanding that there are multiple Living Units on such Lot. The term "Lot" shall not include Master Common Area Parcels or outlots dedicated for public use.

(b) Section 72 "**MHT Easement**" shall mean and refer to the Deed of Easement made by the County in favor of the Maryland Historical Trust, an instrumentality of the State of Maryland ("**MHT**"), dated as of October 25, 2004 and recorded October 29, 2004 among the County Land Records in Liber 28584 at folio 168, as the same may be amended from time to time, which Deed of Easement, inter alia, restricts construction and alterations to the Property, including (i) the Historic Improvements, (ii) all new improvements, and (iii) the Master Common Areas, without the prior written consent of MHT.

(c) Section 85. "**Participating Builder**" shall mean and refer to Forest Glen Condo LLC (the Condominium Developer), Forest Glen SF LLC (the Single Family Developer), Forest Glen Main, LLC (the Apartment Developer), and NPS Homes Associates Limited Partnership (the Townhouse Developer), or a person or entity who acquires more than one Lot (or a single Lot which is approved for the development of

more than one Living Unit) from the Declarant or a Participating Builder for the purpose of constructing Living Units on said Lots; provided, however, that a person or entity who acquires a single Lot for the purpose of constructing a single Living Unit shall be deemed to be an Owner (with all rights and obligations of an Owner), but shall not be a Participating Builder, nor have the rights of a Participating Builder, for purposes of this Declaration.

(d) Section 88. "**Private Trash Enclosure**" shall mean and refer to the trash enclosures (including the trash receptacles or other items located within the trash enclosures) designated on the Development Plan as "Private Trash Enclosure" which will be Maintained by the Owner of the Lot(s) to which such Private Trash Enclosure is assigned as shown on the Development Plan.

(e) Section 106. "**Steven Sitter Parcel**" shall mean and refer to that certain parcel of land which is owned by the United States Government and is located immediately adjacent to, and at the entrance to, the Property located at Steven Sitter Avenue and Linden Lane, as shown on the Development Plan. The use of the Steven Sitter Parcel is subject to an easement agreement with the United States of America dated February 21, 2006 (the "**Steven Sitter Parcel License**"). The Steven Sitter Parcel is not part of the Property and is not subject to the covenants and restrictions of this Declaration, except for the obligations to be performed under the Steven Sitter Parcel License.

3. Article V, Section 3(b) of the Declaration is hereby amended to read as follows:

(b) Allocation of Annual Assessments; Initial Maximum Annual Assessments.

(i) Except to the extent provided in Article V, Section 3(b)(ii), the total Annual Assessment shall allocated among the Members as follows:

(A) Class A Members: Thirty-seven and forty-five one hundredths percent (37.45%) of the total Annual Assessment for any fiscal year of the Master Association shall be paid by the Class A Members (the "**Class A Annual Assessment**") and shall be shared by all Class A Members, divided equally among the Lots owned by the Class A Members. Until the first day of the fiscal year following commencement of Annual Assessments, the maximum Annual Assessments applicable to each Lot owned by a Class A Member shall be One Thousand Eight Hundred Dollars (\$1,800.00).

(B) Class B Members: Thirty-six and one-quarter percent (36.25%) of the total Annual Assessment for any fiscal year of the Master Association shall be paid by the Class B Members (the "**Class B Annual Assessment**") and shall be shared by all Class B Members, divided equally among the Lots owned by the Class B Members. Until the first day of the fiscal year following commencement of Annual Assessments, the maximum Annual Assessments applicable to each Lot owned by a Class B Member shall be One Thousand Eight Hundred Dollars (\$1,800.00).

(C) Class C Member: Twenty-six and three-tenths percent (26.30%) of the total Annual Assessment for any fiscal year of the Master Association shall be paid by the Class C Member (i.e., the Apartment Owner) (the "**Class C Annual Assessment**"). Until the first day of the fiscal year following commencement of Annual Assessments, the maximum Annual Assessments applicable to the Apartment Property shall be One Hundred Eighteen Thousand Eight Hundred Dollars (\$118,800.00).

(D) Class D Members: The obligations of the Class D Members to pay Annual Assessments is set forth in Article V, Section 3(b)(ii) below.

(ii) Notwithstanding any provision hereof to the contrary, Lots owned by the Declarant or a Participating Builder on which Living Units have been constructed, but which have not been initially occupied by a Single Family, and all Lots owned by Class D Members on which Living Units have not been constructed or construction has not been completed shall not at any time be subject to any Annual Assessments, Special Assessments, fees or other charges levied by the Master Association, and the Class D Member shall have no obligation whatsoever to pay any such Annual Assessments, Special Assessments, working capital contributions, fees or other charges. In consideration for its exemption from all Annual Assessments, Special Assessments, fees and charges, the Class D Members hereby covenant and agree for the benefit of the Class A Members, the Class B Members and the Class C Member, to provide funds to cover all "operating budget deficits" (as defined below) incurred by the Master Association during the "Deficit Period" (as defined below) in furtherance of the Master Association's purposes; provided, however, that at no time shall the obligation of a Class D Member during any fiscal year exceed one hundred percent (100%) of the Annual Assessments, Special Assessments, fees and other charges that would have been applicable to the Lots during such fiscal year had such Class D membership been converted to a Class A membership, Class B membership or Class C membership as provided in Article III, Section 2(c)(iv). For purposes of this Section, an "**operating budget deficit**" shall be deemed to exist if, in any given fiscal year of the Master Association, the income received by the Master Association, plus all accumulated working capital, minus operating expenses and reserve transfers, does not provide sufficient funds to operate the Master Association; provided, however, that the Class D Members shall have no obligation to fund any operating budget deficit to the extent that such deficit is caused by or results from (A) the failure of the Members (other than the Class D Members) to make timely payment of any installment of the Annual Assessments, Special Assessments, fees and/or other charges levied by the Master Association in accordance with this Declaration; or (B) any extraordinary cost or expense incurred by the Master Association, including, without limitation, any capital expense which is not included as part of the original annual budget for that fiscal year, and any cost or expense incurred by the Master Association that results from acts of God, fire, earthquake, flood, explosion or other natural catastrophes, or that results from hazardous environmental conditions or substances. As used herein, the term "**Deficit Period**" shall mean that period of time commencing on the date of recordation of this Declaration and ending on the earlier of (x) the date on which the Class D membership lapses and becomes a nullity in accordance with the provisions of this Declaration; or (y) the date upon which the Class D Members declare in writing that they waive their right to the exemption from payment of Annual Assessments, Special Assessments, fees and other charges. Each Class D Member may make such declaration independently with respect to the Lots which it owns, in which event the Deficit

Period shall terminate only with respect to those Lots owned by the Class D Member making such declaration."

4. Participating Builder Status. While there are still Participating Builders with rights granted under the Declaration applicable to Participating Builders, the Class D membership and Class D voting rights have lapsed in accordance with the provisions of Article III, Section 2(c) of the Declaration. As a result, the provisions of Article V, Section 3(b)(ii) of the Declaration are no longer applicable to any Participating Builders effective as of this Second Amendment, and the revised provisions of Section 3 (revising Article V, Section 3(b) of the Declaration) shall be effective from and after the Effective Date of this Second Amendment. However, this provision shall have no impact on any rights and obligations that existed for any Participating Builder under the provisions of Article V, Section 3(b)(ii) of the Declaration prior to the Effective Date of this Second Amendment, it being understood that the Participating Builder's rights and obligations under Article V, Section 3(b)(ii) of the Declaration were governed by the provisions of Article V, Section 3(b)(ii) which existed prior to the Effective Date of this Second Amendment.

5. Master Common Area Parcels. Exhibit E to the Declaration which is a legal description of the Master Common Area Parcels is hereby deleted and the attached Exhibit E is hereby substituted in lieu thereof. The parties hereto acknowledge that the Master Common Area Parcels include Land Unit A, NPS LOT 62 SITE CONDOMINIUM recorded among the Land Records of Montgomery County, Maryland as Condominium Plat No. 10322, as the same may be amended.

6. Development Plan. The Declaration included as Exhibit F thereto a Development Plan which was to reflect, among other things, the Lot 61 Courtyard Area, the Lot 62 Courtyard Area, the Private Trash Enclosures and the designated of the Lot(s) to which such Private Trash Enclosures are assigned, as well as the location of the Steven Sitter Parcel and Linden Lane and areas within the Master Common Areas noted as "Porous Pavement". The Development Plan did not clearly indicate each of these items which were to be reflected on the Development Plan, and a corrected Development Plan is hereby attached which is hereby inserted as Exhibit F to the Declaration in lieu of the Development Plan attached to the Original Declaration.

7. Parking Plan. The Declaration included as Exhibit G thereto a Parking Plan which reflected those parking spaces which were reserved for use by the Owners and Occupants of the Lots to which such parking spaces were assigned. Several of the Reserved Parking Spaces shown on the Parking Plan which were designated for use by the Owners and Occupants of Lot 54 (and indicated by the letter "E" on the Parking Plan and in the Parking Key thereon) and several of the Reserved Parking Spaces shown on the Parking Plan which were designated for use by the Owners and Occupants of Lot 62 (and indicated by the letter "D" on the Parking Plan and in the Parking Key thereon) were inadvertently reversed. In addition, several parking spaces were indicated in the Common Area Parcels which are actually occupied by equipment, and one space was indicated in a garage which does not exist. A corrected Parking Plan is hereby attached which is hereby inserted as Exhibit G to the Declaration in lieu of the Parking Plan attached to the Original Declaration and the revised Parking Plan attached to the First Amendment.

8. Joinder by Other Parties. The Master Association, for itself and all of its members, to the extent permitted under the Declaration, and the Owners of Lot 54, the Owners of Lot 62, the Owners of Lot 43 and the Owners of Lot 22 are joining in this Amendment for purposes of acknowledging and consenting to the modifications to the Declaration set forth in this Amendment as described in the Consent and Joinder signature pages that follow, and to evidence their agreement to be bound by the terms set forth in the Declaration, as amended by this Amendment..

9. Effect of Amendment. Except as amended hereby, all terms and conditions of the Declaration remain unchanged and in full force and effect.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the Declarant, National Park Seminary Venture LLC, a Maryland limited liability company, has caused this Second Amendment to be duly executed this 28th day of October, 2013.

DECLARANT

NATIONAL PARK SEMINARY VENTURE LLC,
a Maryland limited liability company

By: **NPS Homes Associates Limited Partnership,** a Maryland limited partner,
as Managing Member

By: NPS Homes, Inc., a Maryland corporation, its general partner

By: [Signature]
Name: Frank R. Connors
Title: Sr. Vice President

And

By: **Forest Glen Main, LLC,** a Maryland limited liability company,
as Managing Member

By: Forest Glen Manager, LLC,
a Maryland limited liability company
Managing Member

By: The Alexander Company,
Inc., a Wisconsin corporation,
Sole Member

By: _____
Joseph M. Alexander
President

[Signatures continued on following page]

IN WITNESS WHEREOF, the Declarant, National Park Seminary Venture LLC, a Maryland limited liability company, has caused this Second Amendment to be duly executed this 31st day of December, 2013.

DECLARANT

NATIONAL PARK SEMINARY VENTURE LLC,
a Maryland limited liability company

By: **NPS Homes Associates Limited Partnership,** a Maryland limited partner,
as Managing Member

By: NPS Homes, Inc., a Maryland corporation, its general partner

By: _____
Robert D. Youngentob
President

And

By: **Forest Glen Main, LLC,** a Maryland limited liability company,
as Managing Member

By: Forest Glen Manager, LLC,
a Maryland limited liability company
Managing Member

By: The Alexander Company,
Inc., a Wisconsin corporation,
Sole Member

By: _____
Joseph M. Alexander
President

[Signatures continued on following page]

STATE OF MARYLAND)
)
COUNTY OF MONTGOMERY) ss:

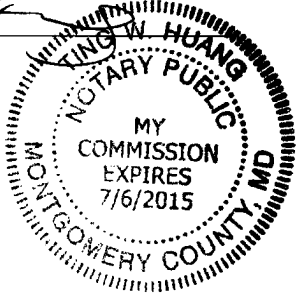
On this the 28th day of October, 2013, before me, Ting W. Huang, the undersigned officer, personally appeared Frank R. Connors, who acknowledged himself to be the Sr. Vice President of NPS Homes, Inc., a Maryland corporation, which is named as the General Partner of NPS Homes Associates Limited Partnership, a Maryland limited partnership, which NPS Homes Associates Limited Partnership is named as a Managing Member of National Park Seminary Venture LLC, and that he, as such Sr. Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of NPS Homes Associates Limited Partnership by the corporation by himself as Sr. Vice President.

Given under my hand and seal this 28th day of October, 2013.

Ting W. Huang
Notary Public

[Notarial Seal]

My commission expires: July 6, 2015



STATE OF WISCONSIN)
)
COUNTY OF Dane) ss:

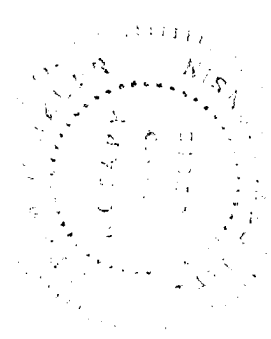
On this the 21 day of October, 2013, before me, Adam Winkler, the undersigned officer, personally appeared Joseph M. Alexander, who acknowledged himself to be the President of The Alexander Company, Inc., a Wisconsin corporation, which is named as the Sole Member of Forest Glen Manager, LLC, a Maryland limited liability company, which is the Managing Member of Forest Glen Main, LLC, a Maryland limited liability company, which Forest Glen Main, LLC is named as a Managing Member of National Park Seminary Venture LLC, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of The Alexander Company, Inc. by himself as President.

Given under my hand and seal this 21 day of October, 2013.

[Signature]
Notary Public

[Notarial Seal]

My commission expires: 1/12/2014



CONSENT AND JOINDER

IN WITNESS WHEREOF, the undersigned, being all of the owners of portions of Lot 62, Block 1, Forest Glen Park, and in the aggregate, being the owners of all of said Lot 62, Block 1, Forest Glen Park, hereby consent to the foregoing Second Amendment to Declaration of Covenants, Conditions and Restrictions, and each and every correction and modification to the Declaration set forth in said Second Amendment to Declaration of Covenants, Conditions and Restrictions, and hereby agree to be bound by the Declaration, as amended, including, without limitation, the foregoing Second Amendment to Declaration of Covenants, Conditions and Restrictions.

LAND UNIT 20, NPS LOT 62 SITE CONDOMINIUM

WITNESS:

Print Name: Richard H. Birdsong

Richard H. Birdsong
Richard H. Birdsong

Print Name: Paula Doulaveris

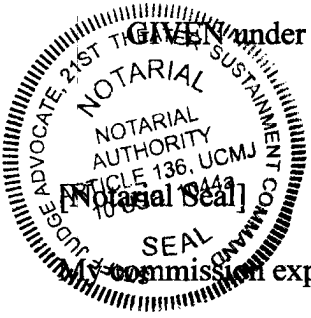
Paula Doulaveris
Paula Doulaveris

STATE OF MARYLAND)
)
COUNTY OF MONTGOMERY)

ss:

I, Sgt Jerry A Jarvis the undersigned ^{Military Notary} ~~Notary Public~~, in and for the aforesaid jurisdiction, do hereby certify that Richard H. Birdsong and Paula Doulaveris, whose names are signed to the foregoing Consent and Joinder to Second Amendment to Declaration of Covenants, Conditions and Restrictions, personally appeared before me and acknowledged that they executed said instrument bearing date as of the 24 day of October, 2013, as their act and deed.

I have ^{GIVEN} under my hand and seal this 24 day of October, 2013.



Jerry A Jarvis
Notary Public ^{Military Notary}
Sgt Jerry A Jarvis
U.S. Army Paralegal

CONSENT AND JOINDER

IN WITNESS WHEREOF, the undersigned, being the owner of Lot 54, Block 1, Forest Glen Park, hereby consents to the foregoing Second Amendment to Declaration of Covenants, Conditions and Restrictions, and each and every correction and modification to the Declaration set forth in said Second Amendment to Declaration of Covenants, Conditions and Restrictions, and hereby agree to be bound by the Declaration, as amended, including, without limitation, the foregoing Second Amendment to Declaration of Covenants, Conditions and Restrictions.

GYMNASIUM AT NPS LLC,
a Maryland limited liability company

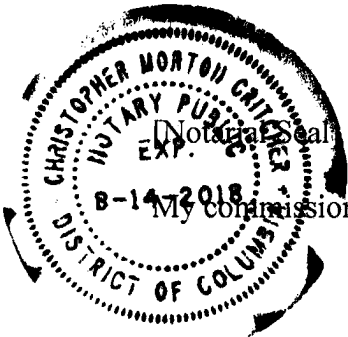
By: J. Karl A. Voglmayr
J. Karl A. Voglmayr
Sole Member

DISTRICT OF
STATE OF MARYLAND)
COLUMBIA) ss:
COUNTY OF MONTGOMERY)

On this the 31ST day of DECEMBER, 2013, before me,
~~CHRISTOPHER MORTON CRITCHER~~ the undersigned officer, personally appeared
J. KARL A. VOGLMAYR who acknowledged himself to be the SOLE MEMBER of
GYMNASIUM AT NPS LLC, a Maryland limited liability company, and that he, as such
SOLE MEMBER, being authorized so to do, executed the foregoing instrument for the
purposes therein contained, by signing the name of each limited liability company by himself as
SOLE MEMBER

Given under my hand and seal this 31ST day of DECEMBER, 2013. [Signature]

Notary Public



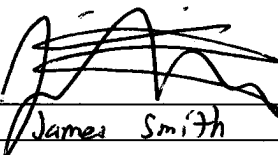
My commission expires: 8/14/18

CHRISTOPHER MORTON CRITCHER
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires August 14, 2018

CONSENT AND JOINDER

IN WITNESS WHEREOF, the undersigned, being the owner of Lot 22, Block 1, Forest Glen Park, hereby consents to the foregoing Second Amendment to Declaration of Covenants, Conditions and Restrictions, and each and every correction and modification to the Declaration set forth in said Second Amendment to Declaration of Covenants, Conditions and Restrictions, and hereby agree to be bound by the Declaration, as amended, including, without limitation, the foregoing Second Amendment to Declaration of Covenants, Conditions and Restrictions.

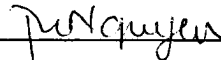
AVAMERE NPS CARPENTERS, LLC,
a Maryland limited liability company

By: 
James Smith

VIRGINIA
STATE OF ~~MARYLAND~~ (TV))
FAIRFAX) ss:
COUNTY OF ~~MONTGOMERY~~ (N))

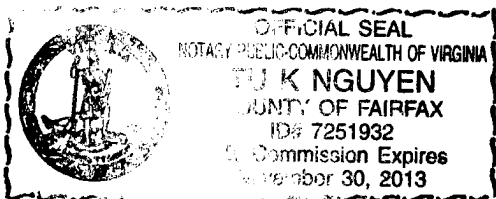
On this the 25 day of OCTOBER, 2013, before me,
TU NGUYEN, the undersigned officer, personally appeared
JAMES SMITH, who acknowledged himself to be the OWNER/SOLE MEMBER of
AVAMERE NPS CARPENTERS, LLC, a Maryland limited liability company, and that he, as
such OWNER/SOLE MEMBER, being authorized so to do, executed the foregoing instrument for
the purposes therein contained, by signing the name of each limited liability company by himself
as OWNER/SOLE MEMBER

Given under my hand and seal this 25 day of OCTOBER, 2013.


Notary Public

[Notarial Seal]

My commission expires: 11/30/2013



CONSENT AND JOINDER

IN WITNESS WHEREOF, the undersigned, being the owner of Lot 43, Block 1, Forest Glen Park, hereby consents to the foregoing Second Amendment to Declaration of Covenants, Conditions and Restrictions, and each and every correction and modification to the Declaration set forth in said Second Amendment to Declaration of Covenants, Conditions and Restrictions, and hereby agree to be bound by the Declaration, as amended, including, without limitation, the foregoing Second Amendment to Declaration of Covenants, Conditions and Restrictions.

AVAMERE NPS STABLES, LLC,
a Maryland limited liability company

By: [Signature]
James Smith
Sole Member

VIRGINIA
STATE OF ~~MARYLAND~~ (IN))
FAIRFAX) ss:
COUNTY OF ~~MONTGOMERY~~ (IN))

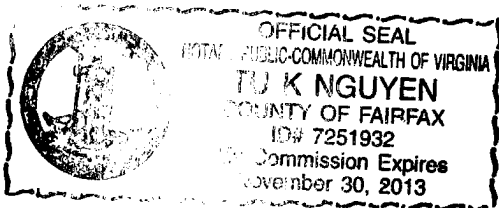
On this the 25 day of OCTOBER, 2013, before me,
TU NGUYEN, the undersigned officer, personally appeared
JAMES SMITH, who acknowledged himself to be the OWNER/SOLE MEMBER of
AVAMERE NPS STABLES, LLC, a Maryland limited liability company, and that he, as such
OWNER/SOLE MEMBER, being authorized so to do, executed the foregoing instrument for the
purposes therein contained, by signing the name of each limited liability company by himself as
OWNER/SOLE MEMBER

Given under my hand and seal this 25 day of OCTOBER, 2013.

[Signature]
Notary Public

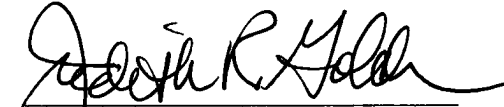
[Notarial Seal]

My commission expires: 11/30/2013



Attorney's Certificate

I hereby certify that the foregoing instrument was prepared by me, an attorney admitted to practice law in any court of the State of Maryland and in good standing.



Judith R. Goldman

EXHIBIT E**LEGAL DESCRIPTION OF THE MASTER COMMON AREA PARCELS**

All those certain parcels of land located in the Montgomery County, Maryland and described as follows:

Parcel Q, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23360 among the Land Records of Montgomery County, Maryland.

Parcels G, H and I, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23375 among the Land Records of Montgomery County, Maryland.

Parcels C, D and E, Block 10, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23362 among the Land Records of Montgomery County, Maryland.

Parcel L, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23376 among the Land Records of Montgomery County, Maryland.

Parcels D, E and F, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23377 among the Land Records of Montgomery County, Maryland.

Parcels F and G, Block 10, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23363 among the Land Records of Montgomery County, Maryland.

Parcels A, B and C, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23374 among the Land Records of Montgomery County, Maryland.

Parcel A, Block 10, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23359 among the Land Records of Montgomery County, Maryland.

Parcel J, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23378 among the Land Records of Montgomery County, Maryland.

Parcels M, N and P, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23364 among the Land Records of Montgomery County, Maryland

AND

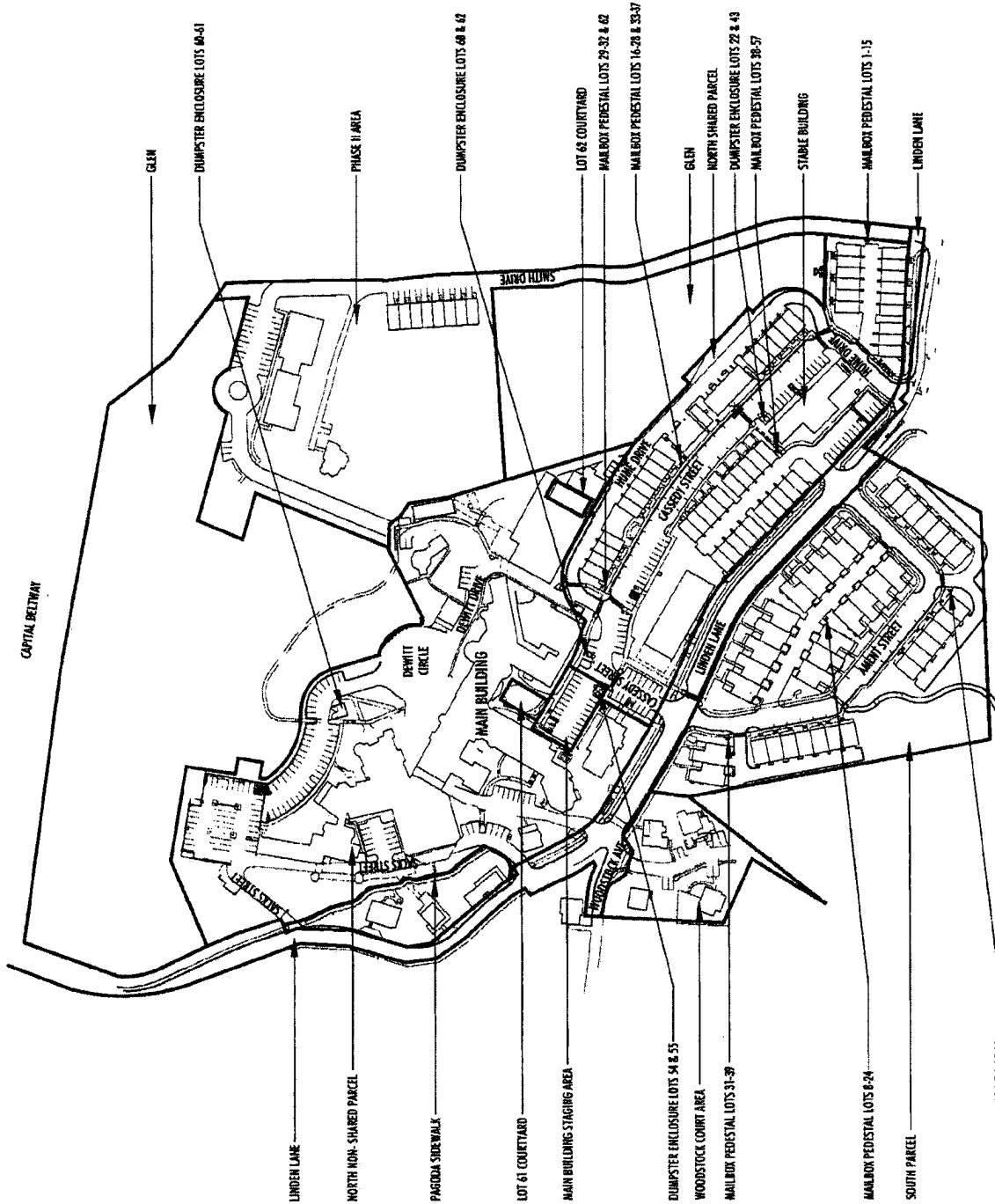
Part of Lot 62, Block 1, in a subdivision known as "FOREST GLEN PARK" per plat thereof recorded as Plat No. 23378 among the Land Records of Montgomery County, Maryland, known as Land Unit A, NPS LOT 62 SITE CONDOMINIUM recorded among the Land Records of Montgomery County, Maryland as Condominium Plat No. 10322, as the same may be amended.

TOGETHER with all of the appurtenances incident to said Land Unit as contained in the Declaration of Condominium for NPS Lot 62 Site Condominium recorded in Liber 39296 at folio 265 among the Land Records of Montgomery County, Maryland.

The foregoing land is a portion of the land conveyed by Forest Glen Condo, LLC to Forest Glen Condo Lot 62, LLC by Deed recorded among said Land Records in Liber 39261 at folio 488.

EXHIBIT F
DEVELOPMENT PLAN

(See Attached)



DEVELOPMENT PLAN
 NATIONAL PARK SEMINARY
 SILVER SPRING, MD

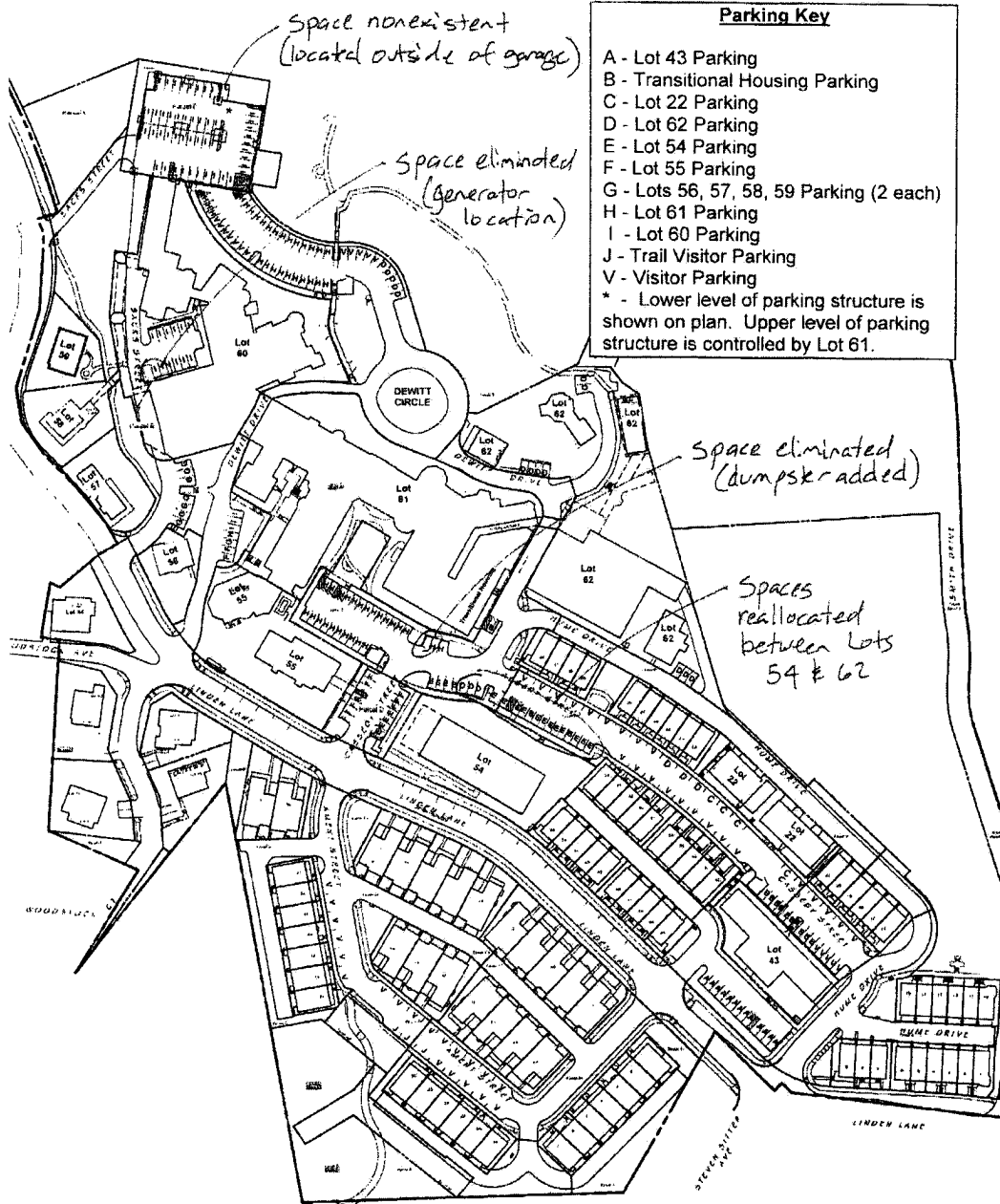


1. THE DESIGN TEAM'S RESPONSIBILITY IS LIMITED TO THE INFORMATION PROVIDED.

EXHIBIT G
PARKING PLAN

(See Attached)

Proposed Second Amendment (Parking Exhibit)



- Parking Key**
- A - Lot 43 Parking
 - B - Transitional Housing Parking
 - C - Lot 22 Parking
 - D - Lot 62 Parking
 - E - Lot 54 Parking
 - F - Lot 55 Parking
 - G - Lots 56, 57, 58, 59 Parking (2 each)
 - H - Lot 61 Parking
 - I - Lot 60 Parking
 - J - Trail Visitor Parking
 - V - Visitor Parking
 - * - Lower level of parking structure is shown on plan. Upper level of parking structure is controlled by Lot 61.

LAND UNIT 18, NPS LOT 62 SITE CONDOMINIUM

WITNESS:

Annick Briggs

Print Name: Annick Briggs

Gregory Wahl

Gregory Wahl

Annick Briggs

Print Name: Annick Briggs

Abigail K. Wahl

Abigail K. Wahl

STATE OF MARYLAND)

ss:

COUNTY OF MONTGOMERY)

Annick Briggs AKW 10-23-13

I, ~~Gregory Wahl~~ the undersigned Notary Public, in and for the aforesaid jurisdiction, do hereby certify that Gregory Wahl and Abigail K. Wahl, whose names are signed to the foregoing Consent and Joinder to Second Amendment to Declaration of Covenants, Conditions and Restrictions, personally appeared before me and acknowledged that they executed said instrument bearing date as of the 23 day of October, 2013, as their act and deed.

GIVEN under my hand and seal this 23rd day of October, 2013.

Annick Briggs
Notary Public

[Notarial Seal]

My commission expires: Sept. 13, 2016

LAND UNIT 21, NPS LOT 62 SITE CONDOMINIUM

WITNESS:

Amy Hawk

Print Name: Amy Hawk

Amy Hawk

Print Name: Amy Hawk

Eric Rosenberg

Eric Rosenberg

Christine Price

Christine Price

STATE OF MARYLAND)

ss:

COUNTY OF MONTGOMERY)

I, Julie Benkreira the undersigned Notary Public, in and for the aforesaid jurisdiction, do hereby certify that Eric Rosenberg and Christine Price, whose names are signed to the foregoing Consent and Joinder to Second Amendment to Declaration of Covenants, Conditions and Restrictions, personally appeared before me and acknowledged that they executed said instrument bearing date as of the 6th day of November, 2013, as their act and deed.

GIVEN under my hand and seal this 6th day of November, 2013.

Julie Benkreira
Notary Public

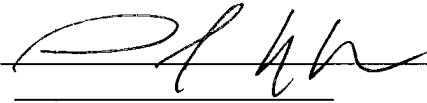
[Notarial Seal]

My commission expires: 06/30/2015

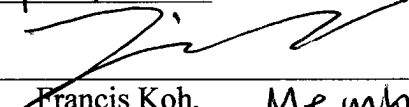
LAND UNIT PPB, NPS LOT 62 SITE CONDOMINIUM

WITNESS:

NATIONAL PARK SEMINARY HOUSE, LLC,
a Maryland limited liability company



Print Name:

By: 

Francis Koh, Member

DAVID G VOS

STATE OF MARYLAND)
)
COUNTY OF MONTGOMERY)

ss:

I, Deepak Verma the undersigned Notary Public, in and for the aforesaid jurisdiction, do hereby certify that Francis Kohn, whose name is signed to the foregoing Consent and Joinder to Second Amendment to Declaration of Covenants, Conditions and Restrictions, as the Member of National Park Seminary House, LLC, personally appeared before me and acknowledged that they executed said instrument bearing date as of the 6th day of NOV., 2013, as the act and deed of said National Park Seminary House, LLC.

GIVEN under my hand and seal this 6th day of NOV., 2013.



Notary Public

[Notarial Seal]

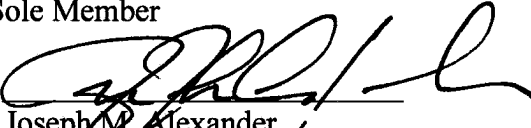
DEEPAK VERMA
Notary Public State of Maryland
My Commission Expires March 5, 2015

My commission expires: 03/05/2015

LAND UNIT A, NPS LOT 62 SITE CONDOMINIUM

FOREST GLEN CONDO LOT 62, LLC,
a Wisconsin limited liability company

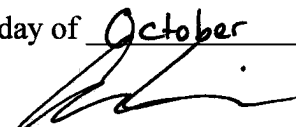
By: The Alexander Company, Inc., a
Wisconsin corporation,
its Sole Member

By: 
Joseph M. Alexander
President

STATE OF WISCONSIN)
) ss:
COUNTY OF Dane)

On this the 29 day of October, 2013, before me,
Adam Winkler, the undersigned officer, personally appeared Joseph M.
Alexander, who acknowledged himself to be the President of The Alexander Company, Inc., a
Wisconsin corporation, which is named as the Sole Member of Forest Glen Condo Lot 62, LLC,
a Wisconsin limited liability company, and that he, as such President, being authorized so to do,
executed the foregoing instrument for the purposes therein contained, by signing the name of
each limited liability company by the corporation by himself as President.

Given under my hand and seal this 29 day of October, 2013.



Notary Public

[Notarial Seal]

My commission expires: 1/12/2014