

AVONDALE RUN HOMEOWNERS ASSOCIATION, INC.

62236

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter referred to as this "Declaration"), made this 6th day of July, 1987, by THE ANVIL CORPORATION, a corporation organized and existing under the law of Maryland having an address at Suite 200, 124 Slade Avenue, Baltimore, Maryland 21208 (hereinafter referred to as "Declarant").

(hereinafter referred to as "Declarant")
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WITNESSETH:

WHEREAS, Declarant is the owner of a parcel of land in the City of Westminster, Carroll County, Maryland, which shall be known as "Avondale Run", and is more particularly described in Exhibit A attached hereto and hereby made as a part hereof; and

WHEREAS, the Declarant intends to create on such real property a residential community of single family residential lots and common areas for the benefit of the owners of such lots; and

WHEREAS, the Declarant desires to reserve the right hereafter to subject additional land, together with the improvements thereon and the appurtenances thereto, to the operation and effect of this Declaration, thereby expanding the land, improvements and appurtenances which are hereby subjected thereto; and

NOW, THEREFORE, Declarant hereby declares that the parcel of land described in Exhibit A (hereinafter referred to as "the Property"), shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of and which shall run with the Property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Annual Assessment" shall have the meaning ascribed to it by the provisions of Section 2 of Article VI herein.

Section 2. "Architectural Committee" means the entity so named and established under the By-Laws of the Association and charged with the responsibilities allocated to it under Article VIII.

Section 3. "Assessment" shall have the meaning ascribed to it in Section 1 of Article VI.

Section 4. "Assessment Lien" shall have the meaning ascribed to it in Section 10 of Article VI.

Section 5. "Association" shall mean and refer to Avondale Run Homeowners Association, Inc., a Maryland corporation, its successors and assigns.

Section 6. "Avondale/Fenby" shall mean Avondale/Fenby Joint Venture, a Maryland joint venture and the owner of the Avondale/Fenby Land on the date hereof, and its successors and those assigns that are expressly granted the rights of Avondale/Fenby hereunder.

Section 7. "Avondale/Fenby Land" shall mean that land situate in the City of Westminster, Carroll County, Maryland and more fully described in Exhibit D attached hereto and hereby made a part hereof.

Section 8. "Board of Directors" means the board of directors of the Association.

Section 9. "Builder" means each person who acquires a Lot from the Declarant, Avondale/Fenby or another Builder, not to occupy it as a residence, but in the ordinary course of such person's business, to construct a dwelling on such Lot and sell or lease it to another person to occupy as such person's residence.

Section 10. "Common Areas" shall mean and refer to all portions of the Property (including all improvements thereon) owned by the Association, the Declarant or Avondale/Fenby for future conveyance to the Association, including active and passive open space, non-tidal wetlands, private streets, roadways and parking areas, and neighborhood identification signs, and real property or other facilities in which the Association acquires a right of use for the benefit of it and its members. The initial Common Areas to be conveyed to the Association prior to the conveyance of an improved Lot to an Owner are described in Exhibit E attached hereto as a part hereof.

Section 11. "Common Driveway" shall mean and refer to any private driveway constructed on two or more

adjacent Lots and intended to be used by the Owners of all such Lots.

Section 12. "Contract Lien Act" means the statute entitled "Maryland Contract Lien Act" which is codified as Subtitle 2, Title 14 of the Real Property Article of the Annotated Code of Maryland.

Section 13. "Declarant" shall mean and refer to the party hereinabove referred to as such, its successors and those assigns that are expressly granted the rights of the Declarant in conjunction therewith by virtue of a written instrument recorded in the Land Records in which this Declaration is recorded.

Section 14. "Development Period" shall have the meaning ascribed to it by the provisions of Section 4 of Article V.

Section 15. "Federal Mortgage Agencies" shall mean and refer to the Federal Housing Administration, the Federal National Mortgage Association, the Veterans Administration, the Federal Home Loan Mortgage Corporation or their successors.

Section 16. "Lot" shall mean and refer to any plot of land now or hereafter shown as a lot upon any recorded subdivision map of all or any part of the Property, together with all buildings and improvements thereon, excluding, however, all Common Areas.

Section 17. "Member" has the meaning ascribed to it by the provisions of Section 1 of Article V herein.

Section 18. "the Membership" means all of the Members.

Section 19. "Mortgage" means any mortgage or deed of trust encumbering any Lot or any or all of the Common Areas, and any other security interest existing by virtue of any other form of security instrument or arrangement, provided that such mortgage, deed of trust or other form of security instrument, and an instrument evidencing any such other form of security arrangement, has been recorded among the Land Records.

Section 20. "Mortgagee" means the person secured by a Mortgage.

Section 21. "Notice of Lien" shall have the meaning ascribed to it in Section 8 of Article VI.

Section 22. "Open Space" shall have the meaning ascribed to it in Section 8 of Article III.

Section 23. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers but excluding Mortgagees.

Section 24. "person" means any natural person, trustee, corporation, partnership or other legal entity.

Section 25. "Property" shall mean and refer to that parcel of land described in Exhibit A attached hereto as a part hereof and such additions thereto as may hereafter be added thereto pursuant to the provisions of Article VI hereof.

Section 26. "Special Assessment" shall have the meaning ascribed to it by the provisions of Section 2 of Article VI herein.

Section 27. "Statement of Lien" shall have the meaning ascribed to it in Section 5 of Article VI.

ARTICLE II

RESIDENTIAL LOTS

Section 1. Number of Lots. As of the date hereof, the Property shall contain 31 Lots. Each Lot shall be known by a number corresponding to the number shown with respect to it on the subdivision plat for the Property recorded simultaneously herewith or prior hereto or on the subdivision plat recorded with any expansion of the Property pursuant to Article VII.

Section 2. Number of Lots After Expansion. After any expansion of the Property pursuant to Article VII hereof, the Property shall contain the number of Lots which it contained before expansion plus the number of Lots shown on the subdivision plat recorded in connection with such expansion.

ARTICLE III

PROPERTY RIGHTS

Section 1. Property Rights in and to Common Areas.

(a) The Declarant shall be entitled to convey to the Association the legal title to any or all of the Common

Areas at any time hereafter, and/or to retain the legal title to the same until the Declarant has completed any improvements which the Declarant intends to make thereto, or until such earlier or later time as, in the Declarant's judgment, the Association is able to maintain the same in accordance with the provisions of this Declaration; provided, that the Declarant shall convey to the Association (i) the legal title to all of the Common Areas initially contained within the Property by no later than the date on which the Declarant or any Builder conveys to any person (other than the Declarant or a Builder) the legal title to any Lot, and (ii) the legal title to all of the Common Areas within any parcel of land hereafter added to the Property by an expansion thereof by not later than the date on which the Declarant or any Builder conveys to any person (other than the Declarant or a Builder) the legal title to any Lot within such expansion parcel.

(b) From and after the date on which all or a portion of the Avondale/Ferby Land is added to the Property pursuant to the provisions of Article VII hereof, Avondale/Ferby shall be entitled to convey to the Association the legal title to any or all of the Common Areas on the Avondale/Ferby Land; provided, that Avondale/Ferby shall convey to the Association the legal title to all of the Common Areas on the Avondale/Ferby Land contained within the Property by no later than the date on which Avondale/Ferby or any Builder conveys to any person (other than the Avondale/Ferby or a Builder) the legal title to any Lot.

(c) The title to the Common Areas to be conveyed to the Association, as aforesaid, shall be good and marketable, free and clear of encumbrances, and shall be conveyed in fee simple by a special warranty deed, all subject to and only to the operation and effect of

(i) each instrument and matter of record recorded among the Land Records before the recordation thereamong of this Declaration, and

(ii) each instrument or matter of the types enumerated in the provisions of Section 2 which is then recorded among the Land Records.

(d) Subject to the operation and effect of the provisions of Sections 2 and 3, the Association shall not convey to any person the legal title to, or any easement, leasehold or other right of use or enjoyment in, any of the Common Areas, without the express written consent thereto of Members holding at least two-thirds (2/3) of

the total number of votes then held by, respectively, each class of the Membership of the Association.

Section 2. Permitted Action by the Association.
While the Association holds the legal title to any or all of the Common Areas, it may take any or all of the following actions:

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

(b) grant, convey or dedicate to the City of Westminster, Carroll County, the State of Maryland or to any one or more public or quasi-public governmental bodies, utility companies or cable television companies, any and all licenses, easements and/or rights-of-way in, over and through the Common Areas for the construction, operation, maintenance, repair and replacement of any and all sanitary, sedimentary control or storm sewer lines, ponds or pumping stations, water lines, electrical lines, telephone or television lines, gas lines, cable television lines and other similar facilities, all as the Association considers appropriate for the provision of any utility or utility service to the Property. Notwithstanding a grant, conveyance or dedication of any such license, easement or right-of-way, the land subject thereto shall remain a part of the Common Areas and the Association shall continue to maintain such land (except for any improvements thereon owned by the City of Westminster, Carroll County, the State of Maryland or such public or quasi-public governmental body, such utility company or such cable television company) in accordance with the provisions of this Declaration or any Easement Agreement. Unless specifically provided to the contrary in such grant, dedication or conveyance, no improvements shall thereafter be constructed in those areas subject to such license, easement or right-of-way.

(c) grant a Mortgage pursuant to the provisions of Section 4.

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

(e) grant a leasehold interest in or a license with respect to any or all of the Common Areas to any person, for a period terminating not later than the third (3rd) anniversary of the date of such grant.

(f) grant or reserve, by or to the Declarant or to Avondale/Ferby, for the benefit of any parcel of land which may be added to the Property or any portion thereof (whether or not it then or thereafter is part of the Property), an easement in, over and through the Common Areas for the construction, installation, use, operation, maintenance, repair and replacement of any facility or roadway.

Section 3. Maintenance of the Common Areas. The Association shall maintain the Common Areas and all of the improvements thereon in good order, condition and repair. ~~All roads, streets, curbs and gutters within or adjacent to the Property shall be dedicated to the City of Westminster or other governmental authority for public use.~~ All sidewalks and driveway aprons now or hereafter constructed adjacent to any roads or streets shall also be dedicated for public use, but any repaving or repair of such sidewalks shall be the responsibility of each Owner whose Lot abuts such sidewalk.

Section 4. Control of the Common Areas. Anything contained in the foregoing provisions of this Section to the contrary notwithstanding, the Association (a) may borrow money to improve the Common Areas in accordance with the provisions of this Declaration, and secure its repayment by subjecting any or all of the Common Areas which it owns to the lien of a mortgage or deed of trust; provided that, if there is a default under the mortgage or deed of trust the mortgagee's or beneficiary's remedies on account of such default shall be limited to those of (i) taking possession of the property covered thereby, (ii) thereafter charging admission or other fees as a condition to the continued use thereof by the Owners, and (iii) if necessary and if not prohibited by applicable law, opening the enjoyment thereof to the general public or any segment thereof until such debt is satisfied; and (b) may adopt reasonable rules and regulations in accordance with Article XV hereof governing the Use of the Common Areas by Owners, their family members and guests or any other person.

Section 5. Management. The Association (may) enter into an agreement with a reputable professional management company for such company to provide management services to the Association, so long as such agreement

(a) expressly provides that either party thereto may terminate such agreement on thirty (30) days prior notice without cause at any time and without payment of a termination fee; and

(b) is for a term of not longer than one (1) year; provided that such agreement may contain provision for a single renewal term not exceeding one (1) year in length. The Association shall not effectuate any decision by it both (i) to terminate any such management agreement, and (ii) thereafter to assume or undertake the management of the Common Areas without utilizing or employing professional management services, without obtaining each first mortgagee's prior written approval thereof.

Section 6. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws and rules and regulations of the Association, his right of enjoyment to the Common Areas to the members of his household, his tenants or contract purchasers who reside on the Lot.

Section 7. Required Approval by City. Notwithstanding any other provision in this Article, it is expressly understood that the Association in its corporate form shall not be dissolved nor shall any covenants or other legal arrangements (including any specifications deemed necessary by the Planning Commission of the City of Westminster) relative to maintenance of landscaping, open space, and storm water management or any other public service item required by the City of Westminster be modified without the consent of the Mayor and Common Council of the City of Westminster.

Section 8. Adjacent Open Space. Adjacent to the Property there is located a tract of land owned by the City of Westminster more fully described in the deed attached hereto as Exhibit F (hereinafter referred to as the "Open Space"). As more fully provided in said deed, the Open Space may only be used for certain open space uses, including use as a golf course. The Association shall have, and the Declarant hereby assigns to the Association, the non-exclusive right to enforce said use covenants. In addition, until such time as the City of Westminster assumes the obligation to maintain the Open Space, the Association shall maintain the Open Space and all of the improvements thereon in good order, condition and repair.

Article IV
INSURANCE AND CASUALTY LOSSES

Section 1. Types of Insurance. The Board of Directors shall have the authority to and shall obtain

(a) insurance on all insurable improvements on the Common Areas against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief in an amount sufficient to cover the full replacement cost of such improvements in the event of damage or destruction.

(b) a public liability insurance policy covering the Association, its officers, directors and managing agents, having at least a Five Hundred Thousand Dollar (\$500,000.00) limit as respects bodily injury or death of any one person, a One Million Dollar (\$1,000,000.00) limit per occurrence, and a Two Hundred Fifty Thousand Dollar (\$250,000.00) limit for property damage.

(c) workmen's compensation insurance, if and to the extent required by law.

(d) fidelity bond or bonds covering all Directors, officers, employees and other persons handling or responsible for the funds of the Association, in such amounts as the Board of Directors deems appropriate.

Section 2. Premiums. Premiums for all insurance and bonds required to be carried under Section 1 hereof or otherwise obtained by the Association on the Common Areas shall be an expense of the Association, and shall be included in the Annual Assessments.

Section 3. Damage and Destruction.

(a) Immediately after any damage or destruction by fire or other casualty to all or any part of the insurable improvements on the Common Areas, the Board of Directors, or its agent, shall proceed with the filing and adjustment of all claims arising under the fire and extended coverage insurance maintained by the Association and obtain reliable estimates of the cost of repair or reconstruction of the damaged or destroyed improvements. Repair or reconstruction means repairing or restoring the improvements to substantially the same condition in which they existed prior to the fire or other casualty.

(b) Any damage or destruction to insurable improvements on the Common Areas shall be repaired or reconstructed unless both at least seventy-five (75%) percent of the Members present at a meeting of the Membership held within ninety (90) days after the casualty shall decide not to repair or reconstruct, and at least two-thirds (2/3) of the First Mortgages of all Lots have given their prior written approval not to rebuild as provided in Section 4 of Article X.

(c) If, in accordance with paragraph (b), the improvements are not to be repaired or reconstructed and no alternative improvements are authorized by the Members, then and in that event the damaged Common Areas shall be restored to their natural state and maintained as an undeveloped portion of the Common Areas by the Association in a neat and attractive condition.

Section 4. Repair and Reconstruction. If any improvements on the Common Areas are damaged or destroyed, and the proceeds of insurance received by the Association are not sufficient to pay in full the cost of the repair and reconstruction of the improvements, the Board of Directors shall, without the necessity of a vote of the Members, levy a special assessment against all Owners in order to cover the deficiency in the manner provided in Article VI hereof. If the proceeds of insurance exceed the cost of repair, such excess shall be retained by the Association and used for such purposes as the Board of Directors shall determine.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

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

Section 2. Classes of Voting Membership. During the Development Period, the Membership shall be comprised of the Class A Membership and the Class B Membership.

(a) The Class A Membership shall consist of all of the Members other than the Declarant, Avondale/Fenby and any Builder, and the Class B Membership shall consist of the Declarant, Avondale/Fenby and each Builder.

(b) After the Development Period, the Membership shall be all of one class, consisting of all of the Members.

Section 3. Number of Votes.

(a) During the Development Period each Class A Member, and thereafter each Member,

(i) who alone is the Owner of a Lot shall be entitled to cast one vote in the Association's affairs for each such Lot; or

(ii) who with any other person is the Owner of a Lot shall, jointly with such other persons, be entitled to cast one vote in the Association's affairs for each such Lot (which vote shall be exercised as such persons determine among themselves, provided that in no event may such persons cast fractional votes or cast with respect to any such Lot more than one such vote).

(b) During the Development Period,

(i) each Class B Member, other than Avondale/Ferby and any Builder that is the owner of a Lot once owned by Avondale/Ferby, shall be entitled to cast three votes in the Association's affairs for each vote which it would be entitled to cast, were it a Class A Member;

(ii) those Class B Members consisting of Avondale/Ferby and any Builder that is the owner of a Lot once owned by Avondale/Ferby shall be entitled to cast one vote in the Association's affairs for each vote which it would be entitled to cast, were it a Class A Member;

(iii) each Builder shall be conclusively presumed, by its having accepted the conveyance from the Declarant or another Builder of the legal title to a Lot once owned by the Declarant,

(A) to have given the Declarant an irrevocable and exclusive proxy entitling the Declarant, at each meeting of the Membership held while such Builder holds such title, to cast the votes in the Association's affairs which such Builder holds under the foregoing provisions of this Section on each question which comes before such meeting;

(B) to have agreed with the Declarant that such proxy is given to and relied upon by the Declarant in connection with the Declarant's development, construction, marketing, sale and leasing of any or all of the Property (including any parcel of land which may be added to the Property), and is coupled with an interest; and

(C) such proxy shall cease with respect to the votes appurtenant to a Lot when a dwelling has been constructed on such Lot and legal title to such Lot is conveyed to a person who intends to occupy such dwelling as his residence; and

(iv) each Builder shall be conclusively presumed, by its having accepted the conveyance from Avondale/Fenby or another Builder of the legal title to a Lot once owned by Avondale/Fenby,

(A) to have given Avondale/Fenby an irrevocable and exclusive proxy entitling Avondale/Fenby, at each meeting of the Membership held while such Builder holds such title, to cast the votes in the Association's affairs which such Builder holds under the foregoing provisions of this Section on each question which comes before such meeting;

(B) to have agreed with Avondale/Fenby that such proxy is given to and relied upon by Avondale/Fenby in connection with Avondale/Fenby's development, construction, marketing, sale and leasing of any or all of the Property (including any parcel of land which may be added to the Property), and is coupled with an interest; and

(C) such proxy shall cease with respect to the votes appurtenant to a Lot when a dwelling has been constructed on such Lot and legal title to such Lot is conveyed to a person who intends to occupy such dwelling as his residence.

Section 4. Commencement and Termination of Development Period. The Development Period shall consist of the period commencing on the date hereof and terminating on the date on which the total number of votes held by the Class A Membership becomes equal to the total number of votes held by the Class B Membership; provided, that if at any time after such termination the Property is expanded pursuant to the provisions of Article VII, the Development Period shall re-commence as of the time at which such expansion occurs, and shall terminate thereafter on the date on which the total number of votes held by the Class A Membership becomes equal to the total number of votes held by the Class B Membership. Notwithstanding the foregoing, the Development Period, if not sooner terminated, shall terminate on the fifth anniversary of the date hereof and shall not thereafter recommence.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Right to Levy Assessments. The Association shall obtain funds to pay its current or capital expenses incurred in performing its obligations under the provisions of this Declaration, and to create adequate reserves for the maintenance, repair and replacement of those portions, if any, of the Common Areas which must be replaced on a periodic basis, and for the payment of its future such expenses, by from time to time levying an assessment (each of which is hereinafter referred to as an "Assessment") against each Owner and his respective Lot, all upon the terms, for the purposes and subject to the conditions which are set forth in the provisions of this Declaration, the Articles of Incorporation and the By-Laws.

Section 2. Classes of Assessments.

(a) The Assessments shall consist of an Annual Assessment and a Special Assessment.

(b) (i) The proceeds of the Annual Assessment may be used by the Association to defray any cost incurred by it in accordance with, or for any other purpose permitted by, the provisions of this Declaration, the Articles of Incorporation and the By-Laws.

(ii) The proceeds of any Special Assessment shall be used by the Association to defray any cost incurred by it either in constructing, reconstructing, repairing, replacing or improving any of the Common Areas or as the result of any expansion of the Property pursuant to the provisions of Article VII, or any other extraordinary expense incurred by the Association.

Section 3. Period of Assessments.

Each Assessment shall be levied for each calendar year during which this Declaration remains in effect; provided, that the initial assessment year shall commence on the date on which legal title to a Lot improved by a dwelling is conveyed to a person other than the Declarant or a Builder, and shall terminate on the thirty-first (31st) day of December next succeeding such date. Not more than one Annual Assessment shall be levied against a Lot for any assessment year.

Section 4. Allocation of Assessments among Lots.

(a) The respective amounts of any Annual or Special Assessment for each Lot shall be equal.

(b) If during an assessment year the Property is expanded,

(i) the Association shall be deemed, automatically and without the necessity of further action, to have levied against such Lot for such assessment year each Assessment which the Association has levied against the other Lots for such assessment year; and

(ii) the respective amount of each such Assessment shall be determined in accordance with the foregoing provisions of this Section but shall then be reduced based upon the number of days remaining in such assessment year as of the date of such expansion.

(c) Until the earliest to occur of (i) the acquisition of the legal title to a Lot by a person other than the Declarant, Avondale/Ferby or a Builder (ii) the issuance by the City of Westminster of a certificate of occupancy for the first dwelling constructed upon such Lot, or (iii) the second (2nd) anniversary of the date on which such Lot is first subjected to the operation and effect of this Declaration, each Annual Assessment or Special Assessment levied against such Lot shall be in an amount equal to twenty-five percent (25%) of the amount which such Assessment would be but for the provisions of this subsection (c).

Section 5. Adoption by Board of Directors; Notice of Assessment; When Assessments are Due and Payable.

(a) By not later than the thirtieth (30th) day before an assessment year commences, the Board of Directors shall adopt a budget for the Association setting forth (i) the aggregate amount of the Annual Assessments to be levied, and (ii) the respective amount of the Annual Assessment to be levied against each Lot. By not later than the fifteenth (15th) day before such assessment year commences, the Association shall provide a copy of such budget to each Owner at its notice address. The Association's failure to take any such action by the time set forth hereinabove for taking the same shall not invalidate such action if taken later, but until such action is taken each Member shall pay to the Association on account of the Annual Assessment for the next assessment year, on the date

or dates on which such Annual Assessment would have been due had the Association taken such action before such date, an amount equal to the Annual Assessment for the preceding assessment year (or the initial installment thereof, if such Annual Assessment was payable in installments).

(b) Except as provided in Section 4 of Article IV, a Special Assessment may only be levied by the Board of Directors if such Special Assessment does not require the Membership's approval under Section 6 hereof.

(c) If the Association so permits, any Assessment may be paid to the Association in monthly or other installments in accordance with a schedule determined by the Association.

(d) Annual Assessments (or the initial installment thereof, if payable in installments) shall be due on the first (1st) day of the assessment year without the necessity of further action by the Association (and any subsequent installments thereof shall be due on the respective dates set forth in such schedule). Special Assessments shall be due on such date as is set forth in the resolution authorizing the Special Assessments.

(e) Anything contained in the foregoing provisions of this section to the contrary notwithstanding, if a Lot is exempt from such levy at the commencement of an assessment year but during such assessment year becomes eligible for such levy, the Assessment thus levied shall be due on the later of (i) the date on which such Assessment would have been due were such Lot part of the Property at the commencement of such assessment year, or (ii) the date on which such Lot becomes eligible for such levy.

Section 6. Limitations on Certain Assessments.

(a) Without Membership's Approval. Except as provided in subsection (b) hereof, the Association may not levy against any Lot any Annual Assessment or Special Assessment in an amount which,

(i) for the initial assessment year, exceeds One Hundred Twenty Dollars (\$120.00); or

(ii) for any assessment year thereafter, exceeds one hundred ten percent (110%) of the maximum amount permitted to be levied as an Annual Assessment for the immediately preceding assessment year.

(b) With Membership's Approval.

(i) The Association may levy against each Lot for an assessment year an amount which exceeds the maximum amount permitted under subsection (a) only after having been authorized to do so by two-thirds of the votes cast on such question by those Members of each class of Membership who are present and voting on such question at a Membership Meeting held in accordance with the following provisions of this subsection 6(b).

(ii) The Association shall send to each Member at its notice address a written notice of the date, time and place of any Membership Meeting at which such question is to be considered by not later than the thirtieth (30th) and not more than the sixtieth (60th) day before such date. The presence at such date, time and place, in person or by proxy, of Members holding at least sixty percent (60%) of the total number of votes then held by, respectively, each class of the Membership shall be required to constitute a quorum for such Membership Meeting. If such quorum does not exist thereat, the Association may call another Membership Meeting for such purpose for a date not more than sixty (60) days after the first said date, by sending to each Member at its Notice Address a written notice of the date, time and place thereof in the same manner as that set forth hereinabove. The presence at such date, time and place, in person or by proxy, of Members holding at least thirty percent (30%) of the total number of votes then held by, respectively, each class of the Membership shall be required to constitute a quorum for such Membership Meeting.

Section 7. Owners' Personal Liability for Assessments.

(a) Each Owner shall be personally liable for payment of each Assessment which becomes due for a Lot while he is its Owner. An Owner may not avoid such liability by waiving any right to use the Common Areas or other right which he holds under the provisions of this Declaration or otherwise, abandoning or otherwise terminating his use of such Lot, or conveying the title to such Lot after the same becomes due.

(b) An Owner shall not be personally liable for payment of any Assessment which becomes due for a Lot before he becomes its Owner or after he ceases to be its Owner.

Section 8. Assessment Lien.

(a) At any time within two (2) years after an Assessment is levied against a Lot and before it is paid in full to the Association, the Association may give notice to the Owner (by certified mail, return receipt requested) of the Association's intent to create a lien against the Lot (hereinafter referred to as a "Notice of Lien").

(b) The form of the Notice of Lien shall be determined by the Association in the exercise of its sole discretion, provided that the Notice of Lien complies with the requirements of the Contract Lien Act.

Section 9. Recordation of Assessment Lien.

(a) The Association may execute and record among the land records of Carroll County, Maryland, in accordance with the provisions of section 14-204 of the Contract Lien Act, a statement (hereinafter referred to as a "Statement of Lien") for such Assessment, (i) within one hundred twenty (120) days after giving the Notice of Lien, if the Owner fails to file a complaint in the appropriate judicial court in accordance with the provisions of the Contract Lien Act within thirty (30) days after the Association gives the Notice of Lien, or (ii) within thirty (30) days after the appropriate judicial court orders the imposition of a lien pursuant to such provisions.

(b) The form of such Statement of Lien shall be determined by the Association in the exercise of its sole discretion, so long as it constitutes a "statement of lien" for purposes of the provisions of section 14-203 of the Contract Lien Act.

Section 10. Priority of Assessment Lien.

(a) Each Assessment levied against a Lot shall be a lien (herein referred to as an "Assessment Lien") upon the title to such Lot, from the time when a Statement of Lien for such Assessment is recorded among the Carroll County land records pursuant to the provisions of this Article, until such Assessment is paid in full.

(b) An Assessment Lien shall be subordinate to the lien of any Mortgage covering the Lot against which such Assessment Lien is imposed, if and only if such Mortgage is recorded among the land records of Carroll County before a Statement of Lien imposing such Assessment Lien is recorded thereamong.

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(c) An Assessment Lien may be enforced and foreclosed by the Association in the same manner and subject to the same requirements as are specified by the law of Maryland for the foreclosure of mortgages or deeds of trust containing a power of sale or an assent to a decree.

(d) The Association shall have the power to bid for a Lot at the foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period when such a Lot is owned by the Association, following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no Assessment shall be assessed or levied on it; and (c) each other Lot shall be charged, in addition to its usual Assessment, its equal pro rata share of the Assessment that would have been charged such Lot had it not been acquired by the Association as a result of foreclosure.

Section 11. Interest on Unpaid Assessments. Each Assessment (or installment thereof, if payable in installments) shall bear interest on its unpaid balance from the thirtieth (30th) day after it becomes due, until paid, at the lesser of (a) the rate of twenty percent (20%) per annum, or (b) the highest rate from time to time permitted by applicable law to be charged upon the same.

Section 12. Recovery of Unpaid Assessments.

(a) The Association shall be entitled to recover in an action at law or in equity, from the Owner liable for payment of any or all of an Assessment, and without waiving the Assessment Lien therefor, a money judgment for such Assessment and any and all interest accrued thereon through the date of such recovery, and costs incurred by the Association in obtaining such recovery (including, without limitation, reasonable attorneys' fees).

(b) Notwithstanding anything to the contrary contained in this Article, no action may be brought to foreclose upon an Assessment Lien or otherwise to recover an Assessment, unless it is brought on or before the third (3rd) anniversary of the date on which a Statement of Lien is recorded against the Lot.

Section 13. Certificate as to Payment of Assessments. The Association, upon written request, shall deliver to the Owner or Mortgagee of a Lot a certificate signed by an officer of the Association, setting forth whether all Assessments then due and payable against the Lot have been paid. Any such certificate shall be conclusive evidence of the payment of Assessments stated to have

been paid in the certificate. The Board of Directors may establish reasonable fees for the processing of these certificates in accordance with Article XV hereof.

Section 14. Exempt Property. The Common Areas and all Lots owned by the Association or dedicated to and accepted by a local public authority and all properties owned by a charitable or nonprofit organization exempt by reason of such ownership from taxation by the laws of the State of Maryland shall be exempt from the Annual and Special Assessments created herein. No Lot devoted to dwelling use shall be exempt from said Assessments.

ARTICLE VII

EXPANSION OF THE PROPERTY

Section 1. Reservation of Right. The Declarant hereby reserves the right (which shall be exercisable at its sole discretion) to expand the Property from time to time by subjecting to the operation and effect of this Declaration, and thereby add to the Property, all or any portion or portions of any one or more of those parcels of land described in Exhibit C and in Exhibit D hereto, together with all improvements, rights, alleys, ways, waters, privileges, appurtenances and advantages. The Declarant hereby grants to Avondale/Ferby an irrevocable power of attorney, which shall be deemed to be coupled with an interest, to from time to time in its sole discretion, subject to the operation and effect of this Declaration and thereby add to the Property all or any portion or portions of that parcel of land described in Exhibit D hereto, together with all improvements, rights, alleys, ways, waters, privileges, appurtenance and advantages.

Section 2. Any such expansion shall be accomplished by, and become effective upon and only upon, the amendment of this Declaration by the recordation among the land records of Carroll County, Maryland of

(a) an amendment to this Declaration which

(i) sets forth a legal description of each parcel of land added to the Property by such expansion; and

(ii) expressly subjects the same to the operation and effect of this Declaration; and

(b) if the parcel being added to the Property has been subdivided into Lots, a subdivision plat which

(i) designates the Lots and the Common Areas for purposes of this Declaration, and

(ii) designates such plat as an amendatory plat to the recorded subdivision plat for purposes of this Declaration.

Section 3. Easement Rights. Any parcel of land added to the Property pursuant to the provisions of this Article, upon such addition, shall be subject to all of the easements provided in Articles XIII and, if applicable, XIV hereof and such additional easements as may be set forth in the amendment to the Declaration or subdivision plat covering such parcel.

Section 4. Subjection to Declaration. Upon any such expansion, the title to each expansion parcel or portion thereof which is thereby added to the Property shall be and thereafter remain subject to the operation and effect of the provisions of this Declaration.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Architectural Committee. (a) No building, deck, fence, wall, swimming pool, or other structure shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition to or alteration thereof be made until the plans and specifications showing the nature, kind, shape, height, materials, exterior color and location of the same shall have been submitted to and approved in writing as to the quality of workmanship and design and the harmony of external design and location in relation to surrounding structures and topography by the Architectural Committee. If the Architectural Committee fails to approve or disapprove such design and location within sixty (60) days after said plans and specifications have been submitted to it, such design and location shall be deemed approved.

(b) No building shall be erected which would violate the setback or building restriction lines shown on the subdivision plat for such Lot.

(c) The Architectural Committee shall have the power to establish reasonable procedures for the processing of applications submitted pursuant to this Article and to establish standards governing the design

and location of particular structures which must be satisfied to obtain approval of these structures.

(d) Anything to the contrary contained in this Declaration notwithstanding, until the termination of the Development Period, the Declarant shall have, and the Declarant hereby retains, the exclusive right to appoint and remove all members of the Architectural Committee.

Section 2. Removal.

(a) If any structure is altered, erected, placed or maintained on any Lot other than in accordance with plans and specifications approved in accordance with Section 1, such action shall be deemed to be a violation of the provisions of this section and, promptly after the Association gives written notice thereof to its Owner, such structure shall be removed or restored to its condition prior to such action, and such use shall cease, so as to terminate such violation.

(b) If within fifteen (15) days after having been given such notice, such Owner has not taken reasonable steps to terminate such violation, any agent of the Association may enter upon such Lot and take such steps as are reasonably necessary to terminate such violation. Such Owner shall be personally liable to the Association for the cost thereof, to the same extent as he is liable for an Assessment levied against such Lot, and, upon the failure of the Owner to pay such cost within ten (10) days after such Owner's receipt of written demand therefor from the Association, the Association may establish a lien therefor upon such Lot in accordance with and subject to the provisions of this Declaration applicable to an Assessment Lien.

Section 3. Inspection of Lots. Any member of the Architectural Committee, at any reasonable time, may enter upon and inspect any Lot and the exterior of any dwelling or improvement thereon to ascertain whether the maintenance, construction or alteration of such Lot, dwelling or improvement are in accordance with the provisions hereof.

Section 4. Declarant's or Builder's Plans. Nothing in the foregoing provisions of this Section shall be deemed in any way to require that the Declarant or any Builder submit to the Architectural Committee, or obtain its approval of plans and specifications for the construction of a dwelling and related improvements upon a Lot before the initial conveyance of record of the title to

such Lot to a person other than the Declarant or a Builder, if and only if plans and specifications therefor have been approved in writing by the Declarant.

ARTICLE IX

USE RESTRICTIONS

Section 1. Residential Use. No Lot shall be used for any purpose other than a single-family detached or attached residence, for residential use only, except that, during the construction and sales period, on-site builder's construction offices, model homes, sales offices and builder's storage areas may be maintained.

Section 2. Offensive Activities. No noxious or offensive activities shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 3. Signs. No sign of any kind shall be displayed to the public view on any Lot except (a) one (1) sign of not more than five (5) square feet advertising the property for sale or rent, (b) signs used by a Builder to advertise the Property during the construction and sales period which have been approved in writing by the Declarant, (c) signs used by Avondale/Fenby or the Declarant to advertise the Property during the construction and sales period, or (d) signs erected or owned by or on behalf of the Association on any Lot, or at the entrance to the Property which identify the development or neighborhood.

Section 4. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that a reasonable number of household pets may be kept provided that they are not kept, bred or maintained for a commercial purpose. The Board of Directors shall have the power to adopt rules and regulations pursuant to the provisions of Article XV pertaining to the control of pets and defining what shall constitute a reasonable number of household pets.

Section 5. Garbage, Motor Vehicle Repairs. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste and every Lot shall be maintained in a clean and sanitary condition. All containers or equipment for the storage or disposal of rubbish, trash, garbage and other waste shall be constructed of metal, heavy rubber or another material permitted by City's trash contractor and kept in a clean and sanitary condition. No major repairs to motor

vehicles shall be made on any Lot and no Lot shall be used for the storage of inoperable or abandoned motor vehicles.

Section 6. Yards. All Lots shall be neatly and regularly mowed by the Owner, and all landscaping, driveways and sidewalks on such Lot shall be regularly maintained by the Owner thereof.

Section 7. Additional Rules and Regulations. The Board of Directors, pursuant to Article XV of this Declaration, may adopt and amend additional rules and regulations, in addition to or in lieu of those set forth in Exhibit E, pertaining to the use of Lots. Such rules and regulations adopted pursuant to Article XV may relate to the use or storage of motor homes, trailers, campers, boats and commercial vehicles; the erection and maintenance of clothes lines, fences, awnings, fireplaces, grills, decks, patios, lawn ornaments, swimming pools, play equipment, exterior lighting, television antennas and satellite dishes; or such other uses or structures which the Board of Directors deems appropriate.

Section 8. Repair of Structures. Each Owner shall at all times keep his Lot and the exterior of all structures thereon in good condition and repair and adequately painted or otherwise finished.

Section 9. Right of Entry. The Association and the Declarant shall each have the right to enter on any Lot and Avondale/Fenby shall have the right to enter on any Lot which was a part of the Avondale/Fenby Land in order to (a) mow grass, trim or prune any tree, hedge or other planting whose height or location on such Lot is, in the Association's judgment, or obscures the view of street traffic from any Lot, or (b) cure any violation of the provisions of this section, all provided that the Owner of such Lot is given fifteen (15) days' prior written notice of such action, except in the case of an emergency, in which event only such notice need be given as is reasonable under the circumstances. In such event, such Owner shall pay to the Association the amount of any and all reasonable expenses incurred by the Association in taking such action within ten (10) days after such Owner's receipt of written demand therefor from the Association, and, upon the failure to pay such expenses, the Association may establish a lien therefor upon such Lot in accordance with and subject to the provisions of this Declaration applicable to an Assessment Lien.

Section 10. Sales and Other Offices. Anything to the contrary contained in this Declaration notwithstanding, real estate sales, construction and management

offices may be erected, maintained or operated on any Lot or on any portion of the Common Areas, provided that the prior written approval of the Declarant and, if such Lot or Common Areas were a part of the Avondale/Fenby Land, the prior written approval of Avondale/Fenby, is first obtained and further provided that such offices are used solely in connection with the development of the Property and land which, under the provisions hereof, may be added to the Property.

ARTICLE X

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall or fence which is built as a part of the original construction of a dwelling within the Property and placed on the dividing line between the Lots and which therefore is a party wall or party fence shall be used and enjoyed jointly as such by the Owners thereof. 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 Lot shall have the benefit of and be burdened with an easement for the support and maintenance of such party wall or fence.

Section 2. Sharing of Repair and Maintenance. If any such party wall or fence is deliberately or negligently damaged or destroyed by the act or omission of one (but not the other) Owner (or his agent, employee, invitee, family member, visitor or guest), such Owner shall promptly repair it at his expense. If any such party wall or fence is damaged or destroyed in any other manner or otherwise requires maintenance, such Owners shall repair it at their joint expense.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, either Owner of a dwelling sharing said wall may restore it and the other Owner shall contribute one-half (1/2) the cost of restoration thereof without prejudice, however, to the right of any such Owner to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements and repairing any damage caused thereby.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

ARTICLE XI

RIGHTS OF MORTGAGEES

Section 1. General.

(a) Regardless of whether a Mortgagee in possession of a Lot is its Owner, (a) such Mortgagee in possession shall have, all of the rights under the provisions of this Declaration, the recorded subdivision plat, the Articles of Incorporation, the By-Laws and applicable law which would otherwise be held by such Owner, subject to the operation and effect of anything to the contrary contained in its Mortgage, and (b) the Association and each other Owner or person shall be entitled, in any matter arising under the provisions of this Declaration and involving the exercise of such rights, to deal with such Mortgagee in possession as if it were the Owner thereof.

(b) Any Mortgagee in possession of a Lot shall (subject to the operation and effect of the provisions of this Declaration, the Articles of Incorporation, the By-Laws and applicable law) bear all of the obligations under the provisions thereof which are borne by its Owner; provided, that nothing in the foregoing provisions of this section shall be deemed in any way to relieve any Owner of any such obligation, or of any liability to such Mortgagee on account of any failure by such Owner to satisfy any of the same.

Section 2. Rights of First Refusal. Any Mortgagee shall be exempt from any right of first refusal or similar restriction held by the Association, to and only to the extent that it arises under the provisions of this Declaration, the Articles of Incorporation or the By-Laws.

Section 3. Priority over Assessment. A Mortgagee's interest in a Lot under its Mortgage shall be

(a) free of any claim or lien for any Assessment levied against such Lot before such Mortgage is recorded among the land records of Carroll County, Maryland (unless before such recordation a Statement of Lien covering such Assessment is recorded among the land records of Carroll County, Maryland), other than any claim for a pro rata share of the amount represented by such Assessment which

results from any pro rata reallocation of such Assessment among all of the Lots, including such Lot; and

(b) free of any such claim or lien arising after such recordation of such Mortgage.

Section 4. Actions Conditioned on Mortgagee's Approval. Unless two-thirds (2/3) of the first Mortgagees of all Lots have given their prior written approval thereof, the Association shall not by act or omission

(a) seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas (provided, that the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Areas shall not be deemed to be prohibited by the foregoing provisions of this subsection), or

(b) use any proceeds derived from hazard insurance and paid to the Association on account of any damage to or destruction of any of the Common Areas, for other than the repair, replacement or reconstruction thereof, or

(c) fail to maintain fire and extended coverage insurance on so much of the Common Areas as is insurable, on a current replacement cost basis, in an amount not less than one hundred percent (100%) of the insurable value thereof (based on its current replacement cost), or

(d) change the method of determining the Assessments, or

(e) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, set forth in the provisions of this Declaration, pertaining to the architectural design or the exterior appearance or maintenance of Lots or improvements thereon, or the maintenance and upkeep of the Common Areas.

Section 5. Inspection; Statement and Notice. A Mortgagee shall, upon request of the Association, be entitled to

(a) inspect the Association's books and records during normal business hours;

(b) receive an annual financial statement of the Association within ninety (90) days after the end of any fiscal year of the Association;

(c) be given timely written notice of all meetings of the Membership, and designate a representative to attend all such meetings;

(d) be given timely written notice of the occurrence of any substantial damage to or destruction of the Common Areas, or if the Common Areas are made the subject of any condemnation or eminent domain proceeding or the acquisition thereof is otherwise sought by any condemning authority; and

(e) be given written notice by the Association of any default by the Owner of such Mortgagee's Lot in performing such Owner's obligations under the provisions of this Declaration, the Association's articles of incorporation or the By-Laws which is not cured within thirty (30) days after such default commences.

Section 6. Taxes on Common Areas. The first Mortgagees may, jointly or singly, pay any or all taxes or other charges which are in default and which may or have become a charge against any of the Common Areas, and may pay any or all overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of any such policy, for the Common Areas. Any first Mortgagee making any such payment shall be owed immediate reimbursement therefor from the Association.

Section 7. Approval by Federal Housing Administration and Veterans Administration. Until the Class B Membership terminates pursuant to the provisions of Article IV, Section 4, the consent or approval of the Federal Housing Administration and/or the Veterans Administration shall be obtained to any of the following actions taken while a Mortgage is in effect which is insured by such entity:

(a) an expansion of the Community pursuant to the provisions of Article VII;

(b) a dedication of any portion of the Common Areas to public use; and

(c) an amendment of this Declaration.

ARTICLE XII

ENCROACHMENTS

If any dwelling unit or any part thereof, now or at any time hereafter, encroaches upon any adjoining Lot or any dwelling unit encroaches upon any Common Area,

whether such encroachment is attributable to construction, settlement or shifting of the dwelling unit or any other reason whatsoever beyond the control of the Board of Directors of the Association or any Owner, there shall forthwith arise, without the necessity of any further or additional act or instrument, a good and valid easement for the maintenance of such encroachment, for the benefit of the Owner, its heirs, personal representatives and assigns, to provide for the encroachment and non-disturbance of the dwelling unit. Such easement shall remain in full force and effect so long as the encroachment shall continue. The conveyance or other disposition of a lot shall be deemed to include and convey, or be subject to, any easements arising under the provisions of this paragraph without specific or particular reference to such easement.

ARTICLE XIII

EASEMENTS

Section 1. Easement Benefiting Lots and Burdening Common Areas and Lots. Each Lot shall have the benefit of a non-exclusive easement for the use of each main, duct, stack, raceway, wire, conduit, drain, pipe, meter, or other device located within the Common Areas, within another Lot or within any party wall; each street, walkway and parking area which from time to time is within the Common Areas, or which crosses any Lot and affords access to the Common Areas or another Lot.

Section 2. Easement Benefiting Lots and Burdening Common Areas. Each Lot shall have the benefit of a non-exclusive easement for the use of the Common Areas, including, without limitation, all private roadways and streets and all streets and roadways offered for dedication to the City of Westminster but not yet accepted by the City of Westminster whether owned by the Declarant or by Avondale/Fenby, provided that such use is in accordance with applicable law and the provisions of this Declaration, the Articles of Incorporation, the By-Laws and the Rules and Regulations. No person other than the Association may construct, reconstruct, alter or maintain any structure or make or create any excavation or fill upon, or remove any tree, shrub or other vegetation from, or otherwise damage, the Common Areas. No person, without first obtaining the Association's consent, shall do anything on the Common Areas which will cause an increase in any premium paid by the Association for liability or other insurance with respect to the Common Areas, or the cancellation of any such insurance.

Section 3. Development Easements of Declarant.

The Declarant shall have and the Declarant hereby reserves, perpetual, non-exclusive easements in, over and through the Common Areas

(a) for pedestrian and vehicular ingress and egress to and from each public roadway, from and to each Lot, for access by (i) the Declarant and its heirs, personal representatives, successors and assigns as Owner of each respective Lot or other portion thereof, (ii) any Builder, contractor, subcontractor, real estate agent or broker or other salesperson utilized by the Declarant, and (iii) their respective agents, officers, employees, and invitees, all for any purpose consistent with applicable law in connection with the construction, replacement, repair, maintenance, development, marketing or leasing of such respective Lot; and

(b) for the construction, installation, maintenance, repair, replacement and use of any or all utility lines and facilities of the types enumerated in the provisions of Article III, Section 2(b) for the benefit of (i) the Declarant and its heirs, personal representatives, successors and assigns as Owner of any Lot or other portion thereof, (ii) each resident or other occupant of any such Lot or other portion, and (iii) their respective agents, employees, invitees, visitors and guests.

Section 4. Development Easements of

Avondale/Ferby. Upon the subjection of any portion of the Avondale/Ferby Land to this Declaration, Avondale/Ferby shall have and is hereby granted, perpetual, non-exclusive easements in, over and through those portions of the Common Areas which were a part of the Avondale/Ferby Land

(a) for pedestrian and vehicular ingress and egress to and from each public roadway, from and to each Lot, for access by (i) Avondale/Ferby and its heirs, personal representatives, successors and assigns as Owner of each respective Lot or other portion thereof, (ii) any Builder, contractor, subcontractor, real estate agent or broker or other salesperson utilized by Avondale/Ferby, and (iii) their respective agents, officers, employees, and invitees, all for any purpose consistent with applicable law in connection with the construction, replacement, repair, maintenance, development, marketing or leasing of such respective Lot; and

(b) for the construction, installation, maintenance, repair, replacement and use of any or all utility lines and facilities of the types enumerated in the provisions of Article III, Section 2(b) for the benefit of (i) Avondale/Ferby and its heirs, personal representatives, successors and assigns as Owner of any Lot or other

portion thereof, (ii) each resident or other occupant of any such Lot or other portion, and (iii) their respective agents, employees, invitees, visitors and guests.

Section 5. Easement of Board of Directors. The Board of Directors of the Association, its agents or licensees, shall have an easement for entry upon any Lot, but not the interior of any building, for the purpose of mowing and lawn maintenance on a regular basis of the Common Areas or in the event an Owner fails to mow or otherwise maintain his or her Lot. The Board of Directors, its agents or licensees shall have an easement to enter upon any portion of a Lot designated as "Neighborhood Sign Easement" on any subdivision plat of the Property for the purpose of erecting, repairing or maintaining any neighborhood identification signs erected by the Declarant or the Association within such Neighborhood Sign Easement.

Section 6. Use of Easement Areas. Notwithstanding anything to the contrary expressed in this Declaration, within any easements granted or conveyed pursuant to Article III, Section 2(b), no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction of flow or drainage channels in the easements or which may obstruct or retard the flow of water through drainage channels in the easements. Areas subject to easements within the boundaries of a Lot shall be regularly maintained by the Owner of the Lot.

ARTICLE XIV

COMMON DRIVEWAYS

Section 1. Grant of Easement. Each Owner of a Lot on which a portion of a Common Driveway is located hereby grants and conveys to each other Owner of a Lot on which a portion of a Common Driveway is located, for the benefit of each other Owner and its respective Lot or Lots, an irrevocable, perpetual and non-exclusive easement for access, ingress and egress, by pedestrian and vehicular traffic, over and upon that portion of its respective Lot on which the Common Driveway is presently located, for the use, maintenance, repair and replacement of the Common Driveway, or any portion thereof. Each such Owner also grants and conveys to each such other Owner a temporary easement over and upon so much of the remainder of his respective Lot or Lots as may reasonably be needed for the construction, installation, maintenance, repair

and replacement of the Common Driveway, or any portion thereof.

Section 2. Manner of Exercise. Any installation, maintenance, repair, replacement or use of the easement granted under this Article shall be done only in accordance with all applicable laws, ordinances, rules and regulations of each governmental entity having jurisdiction over such activities. Each Owner shall indemnify and hold the other Owner harmless against and from any and all claims, actions, damages, liabilities and expenses which the indemnified party may incur in connection with any and all injuries to or deaths of persons or damage to real or personal property, arising out of the exercise of the easement rights by the indemnifying party and any and all mechanics', materialmen's or other liens or claims arising out of any action taken by such indemnifying party.

Section 3. Owner's Use of the Easement Area. Each Owner of a Lot on which a portion of a Common Driveway is located is reserved the right to make any use of the Common Driveway located on his respective Lot, or permit use of such Common Driveway, by his guests, family members and invitans, provided such use is not inconsistent with the rights herein conveyed and does not interfere with the use of the Common Driveway by the other Owner.

Section 4. Benefit and Burden. The benefit and burden of the easement granted hereunder shall run with the title to the respective Lots and bind upon each person from time to time hereafter holding title to the respective Lots.

Section 5. Allocation and Liability For Expenses. All costs incurred in connection with the reasonable maintenance, repair and replacement of a Common Driveway shall be borne by all of the Owners of Lots on which the Common Driveway is located on an equal basis. Each Owner of a Lot on which a Common Driveway is located, and such Owner's successors and assigns as Owner of that Lot, shall be personally liable to the other Owners of Lots on which such Common Driveway is located for the payment of his share of any such expenses.

ARTICLE XV

RULES AND REGULATIONS

Section 1. Initial Rules and Regulations Board of Directors Authorized to Adopt; Scope. The initial rules and regulations of the Association are attached

hereto as Exhibit E and shall be binding on the Property and on each Owner unless and until amended as hereinafter provided. The Board of Directors shall have the power thereafter to adopt and amend reasonable rules and regulations which shall be binding on each Owner to the extent such power is expressly conferred elsewhere in this Declaration and provided such rules and regulations are adopted in accordance with the provisions of this Article.

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

Section 3. Adoption; Referendum. The adoption or amendment of rules and regulations shall require the vote of two-thirds (2/3) of the Directors present. However, a number of Association members equal to not less than twenty percent (20%) of the members of the Association may petition a referendum on a rule or regulation by filing a written petition with the Board of Directors within twenty (20) days after the mailing of a notice of adoption by the Board. Upon verifying that the requirements of this Section have been met, the rule or regulation shall be suspended pending the results of the referendum. The rule or regulation shall be submitted to a vote of the Members at a meeting called for this purpose within sixty (60) days after the petition has been verified. The rule or regulation shall be adopted only upon the affirmative vote of a majority of the Members present at the meeting.

ARTICLE XVI

GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. In addition to the foregoing remedies, the Board of Directors may impose a fine upon an Owner for a violation by such Owner of any provision of Article VIII, Article IX or any rules and regulations. No such fine shall be levied without first notifying the Owner of the violation and providing the Owner with an opportunity for a hearing before the Board of Directors. Any fine so levied shall be in the amount specified in the provisions of said

Articles or rules and regulations, or, if no amount is specified, a reasonable amount determined by the Board of Directors. Any fine so levied against an Owner may be enforced in the same manner as an Assessment, including, without limitation, through the recordation of a Statement of Lien against such Owner's Lot, as provided in Section 9 of Article VII. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind upon the Property for a term of forty (40) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first forty (40) year period by an instrument signed by not less than two-thirds (2/3) of the Owners and thereafter may be amended or, prior to the commencement of any ten (10) year extension, terminated by an instrument signed by more than one-half (1/2) of the Owners provided, however, that for a period of three (3) years from the date hereof, any amendment required by one or more of the Federal Mortgage Agencies as a condition of approval may be made by the Declarant alone. Any amendment or termination must be recorded among the land records of Carroll County in order to be effective.

Section 3. Indemnification. The Association shall indemnify every officer and director against any and all expenses, including counsel fees, incurred by or imposed upon any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or director, to the fullest extent permitted by the Section 2-415 of the Corporations and Associations Article of the Annotated Code of Maryland. The officers and directors shall have no personal liability with respect to any contract made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment.

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Section 5. Approval by Federal Mortgage Agencies.
As long as there is a Class B membership, the following actions will require the prior approval of the Federal Mortgage Agencies: annexation of additional land not described in Exhibit A, dedication of Common Areas and amendment or termination of this Declaration.

IN WITNESS WHEREOF, the Declarant has executed and
ensealed this Declaration or caused it to be executed and
ensealed on its behalf by its duly authorized officers, as
of the day and year first above written.

ATTEST:

John A. ... Sec.

THE ANVIL CORPORATION

By: Stephen M. Corn (SEAL)
Name: [Signature]
Title: [Signature]
Stephen M. Corn

STATE OF MARYLAND, COUNTY OF BALTIMORE :

I HERESY CERTIFY that on this 6th day of June,
1987, before me, the subscriber, a Notary Public of the
State and County aforesaid, personally appeared STEPHEN
M. CORN, who acknowledged himself to be the President
of THE ANVIL CORPORATION, the Declarant named in the
foregoing Declaration of Covenants, Conditions and
Restrictions, and that, being authorized to do so, he
executed the same on behalf of said corporation for the
purposes therein contained.

AS WITNESS my hand and Notarial Seal.



Carolyn A. D'Amico
Notary Public

My Commission Expires: July 1, 1990

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

EXHIBIT A

Description of the Initial Property

All that property situate in the City of Westminster, Seventh (7) Election District of Carroll County, Maryland, designated as Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34 and 35 are shown on those Plats entitled "Avondale Run, Phase One," sheet numbers 2, 6, 7 and 8, as said Plats are recorded among the Plat Records of Carroll County, Maryland in Plat Book 28, pages 113, 117, 118 and 119.

TOGETHER with all that property situate in the City of Westminster, seventh (7) Election District of Carroll County, Maryland, designated as Water Tower Access Lot R, Open Space Path Lot Q, Open Space Lot C, Open Space Lot K and Open Space Lot B as shown on those Plats entitled "Avondale Run, Phase One," sheet numbers 7, 12, 14 and 15, as said Plats are recorded among the Plat Records of Carroll County, Maryland in Plat Book 28, pages 118, 121, 125 and 126.

Being a portion of the property conveyed unto The Anvil Corporation by Deed dated July 2, 1987 from Avondale/Fenby Joint Venture and intended to be recorded prior hereto.

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

EXHIBIT B

Description of the Initial Common Areas

All that property situate in the City of Westminster, Seventh (7) Election District of Carroll County, Maryland, designated as Water Tower Access Lot R, Open Space Path Lot Q, Open Space Lot C, Open Space Lot K, and Open Space Lot B as shown on those Plats entitled "Avondale Run, Phase One," sheet numbers 7, 12, 14 and 15, as said Plats are recorded among the Plat Records of Carroll County, Maryland in Plat Book 28, pages 178, 181, 185 and 186.

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

EXHIBIT C

Description of Land Owned by the Declarant
Which May Be Added to the Property

All that property situate in the City of Westminster, Seventh (7) Election District of Carroll County, Maryland which was conveyed by Avondale/Ferby Joint Venture to the Anvil Corporation pursuant to a Deed dated July 2, 1987 and intended to be recorded prior hereto; saving and excepting therefrom that property described in Exhibits A and E hereof.

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

EXHIBIT D

Description of Avondale/Fenby Land
Which May Be Added to the Property

All that property situate in the City of Westminster, Seventh (7) Election District of Carroll County, Maryland which was conveyed unto Avondale/Fenby Joint Venture, a Maryland Partnership, by Deed dated October 10, 1986 from John F. Weatherby, Attorney-in-Fact for Thomas P. Harkins and James I. Humphrey, Jr., and recorded among the land records of Carroll County, Maryland in Liber LWS 977, folio 523, etc.

Saving and excepting therefrom all that property conveyed by the said Avondale/Fenby Joint Venture unto The Anvil Corporation and Ridgeview Chase Associates Limited Partnership by Deed dated July 2, 1987 and intended to be recorded prior hereto.

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

EXHIBIT E

INITIAL RULES AND REGULATIONS

General

1. Whenever in these Rules and Regulations reference is made to "Owner," such term shall also include the Owner's family, tenants, agents, visitors, guests, invitees, and licensees. Whenever in these Rules and Regulations reference is made to the Association, such term shall mean the Association or its managing agent, if any.

Restrictions on Use

2. There shall be no obstruction of the Common Areas. Nothing shall be stored on the Common Areas without the prior written consent of the Board of Directors.

3. Nothing shall be done or kept by an Owner in any portion of the Common Areas which will increase the premiums charged for any insurance maintained by the Association without the prior written consent of the Board of Directors.

4. Except as provided in Section 10 of Article IX of the Declaration, no industry, business, trade or profession of any kind, commercial, religious, educational, or otherwise, designed for profit, altruism, exploitation, or otherwise, shall be conducted, maintained, or permitted on any part of the Property without the prior written consent of the Board of Directors.

5. No dwelling on the property shall be used or rented for transient, hotel, or motel purposes.

6. No Owner shall cause or permit anything to be hung, displayed, or exposed on the exterior of a dwelling, whether through or upon windows, doors, or masonry. The prohibition herein includes without limitation laundry, clothing, rugs, signs, radio, or television antennas.

7. No Owner shall erect any satellite dishes on his Lot without the prior written consent of the Board of Directors.

8. No Lot shall be used for any unlawful purpose and no Owner shall do or permit any unlawful act in or upon his Lot.

9. No satellite dishes, television, radio or other antennae, or storage or utility sheds shall be commenced, erected or maintained upon any Lot.

Pet Rules

9. Animals are only permitted to the extent set forth in Section 4 of Article IX of the Declaration.

10. Owners of pets shall be responsible for all personal injuries and/or property damage caused by their pets within the Property.

11. Within the Common Areas, pets must be leashed; leashes may not exceed six feet in length.

12. Owners of pets walked upon the Common Areas must promptly clean up their pet's droppings in all Common Areas. Owners of pets may not permit their pets to defecate or urinate on any other Owner's Lot. Pursuant to the provisions of Section 1 of Article XVI, an Owner violating the provisions of this Rule shall be subject to a fine of \$25 per occurrence.

Parking

13. Unless otherwise authorized by the Board of Directors, no parking areas in the Common Areas may be used for any purpose other than parking automobiles. No buses, trucks, trailers, boats, recreational or commercial vehicles shall be parked in the Common Areas or on the driveway or elsewhere upon a Lot or on a public street adjacent to any Lot or any portion of the Common Areas. All vehicles must have current license plates and be in operating condition.

14. All Owners shall observe and abide by all parking and traffic regulations posted by the Association or by municipal authorities. Vehicles parked in violation of any such regulations may be towed away at the vehicle owner's sole risk and expense.

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

EXHIBIT F

Copy of Deed Conveying Open Space to
City of Westminster

STATE OF _____ COUNTY OF _____ TO WIT:

I HEREBY CERTIFY that on this _____ day of _____ 198____, before me, a Notary Public for the state and county aforesaid, personally appeared LAWRENCE G. GRADY, JR., trustee, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed it as trustee for the purposes therein set forth, and that it is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

Notary Public

My commission expires on _____

CITY _____
STATE OF MARYLAND COUNTY OF BALTIMORE TO WIT:

I HEREBY CERTIFY that on this 12th day of July 198____, before me, a Notary Public for the state and county aforesaid, personally appeared STEPHEN F. BECKENHOLZ, trustee, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed it as trustee for the purposes therein set forth, and that it is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

[Signature]

Notary Public



My commission expires on 7/1/90

CITY _____
STATE OF MARYLAND COUNTY OF BALTIMORE TO WIT:

I HEREBY CERTIFY that on this 22th day of July 198____, before me, a Notary Public for the state and county aforesaid, personally appeared _____ known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he is the _____ of MARYLAND NATIONAL _____

BANK, a national banking association, that he has been duly authorized to execute, and has executed, such instrument on its behalf for the purposes therein set forth, and that the same is its act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

[Handwritten Signature]
Notary Public
My commission expires on 7/1/85



4-25-85
3468t

DEED

by and between

QUESTAR BUILDERS, INC.
(formerly known as
The Anvil Corporation)

and

AVONDALE RUN HOMEOWNERS ASSOCIATION, INCORPORATED

EXHIBIT A

Description of the Property

ALL OF THAT LAND in Carroll County, Maryland,
is described as follows:

The Water Tower Access Lot R, Open Space Path Lot
Open Space Lots B, C, D, J, F, 197, and 198 as shown on
Plats entitled "Avondale Run, Phase One," sheet
4, 5, 7, 12, 14 and 15, as said Plats are recorded
in the Plat Records of Carroll County, Maryland in Plat
222 pages 176, 177, 178, 183, 185 and 189.

BEING a portion of the property conveyed to The
Anvil Corporation (now QUESTAR BUILDERS, INC.) by Deed
dated July 2, 1997 from Avondale/Fenby Joint Venture and
recorded among the land records of Carroll County, Maryland
Book 1030, Folio 853.

RECORDED THIS 26 DAY
of July 1998 TAX
OFFICE OF THE CLERK

North W. Swadlow
CLERK OF THE CLERK

Aggravated Transfer Tax to the

Amount of \$ 721.83

Signature *[Signature]*

RECEIVED FOR TRANSFER

State Department of
Assessments & Taxation

Carroll County

7/27/98

AMENDMENT OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

74296

THIS AMENDMENT OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter referred to as "this Amendment") made this 6th day of January, 1988 by THE ANVIL CORPORATION, a corporation organized and existing under the law of Maryland having as address, at Suite 200, 124 Slade Avenue, Baltimore, Maryland 21208 (hereinafter referred to as "Declarant") and STEPHEN M. GORN, TRUSTEE (hereinafter referred to as "Gorn").

WITNESSETH:

WHEREAS Declarant executed a certain Declaration of Covenants, Conditions and Restrictions ("Declaration") dated July 6, 1987 covering certain land situate and lying in the City of Westminster, Carroll County, Maryland which Declaration is recorded among the land records of Carroll County in Liber 1030 folio 712; and

WHEREAS, as of the date hereof, the Declarant and Gorn are the owners of all of the land encumbered by the Declaration, and, as such, are entitled to amend the provisions of the Declaration,

WHEREAS the Declarant and Gorn hereto desire by this Amendment to amend certain provisions of the Declaration.

NOW, THEREFORE, the Declarant and Gorn for themselves and their successors and assigns, hereby amends the Declaration as follows:

1. Section 3(b)(iii)(C) of Article V hereby deleted and replaced in its entirety with the following:

(c) such proxy shall cease with respect to the votes appurtenant to a Lot upon the earlier to occur of (a) when a dwelling has been constructed on such Lot and legal title to such Lot is conveyed to a person who intends to occupy such dwelling as his residence or (b) the Declarant no longer owns any lots which are or could be subjected to this Declaration; and

2. Section 2(a) of Article VI is hereby deleted and replaced in its entirety with the following:

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RECFE 35.00
POST 0.50
TT 35.50
2-4 14358

(a) The Assessments shall consist of an Annual Assessment, a Special Assessment and an Initial Working Capital Assessment.

3. Section 2(b) of Article VI is hereby amended to add the following:

(iii) Each Owner initially acquiring title to an improved Lot from the Builder or Declarant shall, in addition to any and all Assessments levied against his Lot, deliver to the Association, at the time of the transfer of such title, a contribution to the initial working capital of the Association equal to two (2) months' of the then Annual Assessment.

Pursuant to the provisions of Article VII of the Declaration, the Declarant hereby exercises its right to expand the Property by adding thereto all of those parcels of land described in Exhibit A hereto, together with all of the improvements thereon and all of the rights, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging (hereinafter referred to as "the Expansion Parcel") such that, from and after the recordation of this Amendment, the Expansion Parcel shall be subject to the operation and effect of the Declaration (as amended by this Amendment). The Expansion Parcel constitutes a portion of the land described in Exhibit C to the Declaration. Those portions of the Expansion Parcel constituting Lots are designated as such on Exhibit A hereto and those portions of the Expansion Parcel which, upon their conveyance by the Declarant to the Association, are intended to constitute Common Areas are designated as such on Exhibit A hereto.

Except as specifically altered, modified and/or amended herein, the covenants, conditions and restrictions shall in all respects remain in full force and effect.

IN WITNESS WHEREOF, the Declarant and Gorn have executed and sealed this Amendment or caused it to be executed and sealed on their behalfs by their duly authorized officers as of the day and year first above written.

WITNESS:

James C. [Signature]
James C. [Signature]

THE ANVIL CORPORATION

By [Signature] (SEAL)

By [Signature] (SEAL)
STEPHEN M. GORN, TRUSTEE

STATE OF Maryland: COUNTY OF Howard TO WIT:

I HEREBY CERTIFY that on this 16 day of October 1998, before me, a Notary Public for the state and county aforesaid, personally appeared Stephen M. Gorn known to me or satisfactorily proved to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he is the President of THE ANVIL CORPORATION, a corporation organized and existing under the law of Maryland, that he has been duly authorized to execute, and has executed, the foregoing instrument on behalf of the said entity for the purposes therein set forth, and that the same is its act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

[Signature]
Notary Public


My commission expires on 5/1/99

STATE OF Maryland: COUNTY OF Howard TO WIT:

I HEREBY CERTIFY that on this 6 day of October 1998, before me, a Notary Public for the state and county aforesaid, personally appeared STEPHEN M. GORN, TRUSTEE, known

to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed the same for the purposes therein set forth, and that the same is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

G. P. Paul
Notary Public

My commission expires on 7.1.1920.



09392

CONSENT AND AGREEMENT OF
TRUSTEES AND BENEFICIARY

LAWRENCE J. GRADY, JR. and STEPHEN F. BECKENHOLT, ("TRUSTEES"), and MARYLAND NATIONAL BANK, a Maryland national banking association ("Beneficiary") who are, respectively, the Trustees and the Beneficiary under a deed of trust dated and recorded among the Land Records of Carroll County, Maryland ("Deed of Trust"), in Liber 1030, at folio 682 hereby join in the foregoing Amendment of Declaration of Covenants, Conditions, and Restrictions ("Amendment") for the express purpose of subjecting all of their respective right, title and interest under such Deed of Trust in and to the real property described in Exhibit A to the original Declaration of Covenants, Conditions and Restriction recorded among said Land Records in Liber 1030, at folio 702 and in and to the real property described in Exhibit A to the Amendment to the operation and effect of such Declaration as amended by the foregoing Amendment.

Nothing in the foregoing provisions of this Consent and Agreement of Trustees and Beneficiary shall be deemed in any way to create between the person named in such Declaration as "the Developer" and any of the undersigned any relationship of partnership or joint venture, or to impose upon any of the undersigned any liability, duty or obligation whatsoever.

IN WITNESS WHEREOF, each of the said Trustees and Beneficiary has executed and sealed this Consent and Agreement of Trustees and Beneficiary or caused it to be executed and sealed on its behalf by its duly authorized representatives, this 31st day of December, 1987.

WITNESS:

Handwritten signature

(SEAL)
LAWRENCE J. GRADY, JR.,
Trustee

Handwritten signature (SEAL)
STEPHEN F. BECKENHOLT,
Trustee

EXHIBIT A

Description of Expansion Parcel

The Expansion Parcel consists of all of that property situate in the City of Westminster, Seventh (7th) Election District, of Carroll County, Maryland and more fully described as follows:

Lots

Lots 1, 2, 3, 4, 36, 37, 38, 41, 42, 43, 44, 45, 46, 47, 48, 49, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195 and 196 as shown on those Plats entitled "Avondale Run, Phase One," sheet numbers 2, 3, 5 and 6, as said Plats are recorded among the Plat Records of Carroll County, Maryland in Plat Book 28, pages 173, 174, 177 and 178.

Common Areas

Open Space Lots D, J, 157 and 198, as shown on those Plats entitled "Avondale Run, Phase One," sheet numbers 4 and 5, as said Plats are recorded among the Plat Records of Carroll County, Maryland in Plat Book 28, pages 176 and 177.

Being a portion of the property conveyed unto The Anvil Corporation by Deed dated July 2, 1987 from Avondale/Fenby Joint Venture and recorded among the land records of Carroll County, Maryland in Book 1030, Folio 552.

Margaret O'Kernan

Joseph A. Hilseberg
JOSEPH A. HILSEBERG, VP
MARYLAND NATIONAL BANK, a
Maryland national banking
association

STATE OF MARYLAND: City COUNTY OF Baltimore TO WIT:

I HEREBY CERTIFY that on this 5TH day of DEC, 1987, before me, a Notary Public for the state and county aforesaid, personally appeared JOSEPH A. HILSEBERG, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he is the VICE PRESIDENT of MARYLAND NATIONAL BANK, a Maryland national banking association that he has been duly authorized to execute, and has executed, the foregoing instrument on behalf of the said entity for the purposes therein set forth, and that the same is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

[Signature]
Notary Public



My commission expires on 7-1-90

STATE OF MARYLAND: COUNTY OF _____ TO WIT:

~~I HEREBY CERTIFY that on this _____ day of _____ 1987, before me, a Notary Public for the state and county aforesaid, personally appeared LAWRENCE J. GRADY, JR. known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed the same for the purposes therein set forth, and that the same is his act and deed.~~

~~IN WITNESS WHEREOF, I have set my hand and Notarial~~

Seal, the day and year first above written.

Notary Public

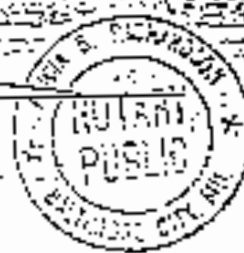
My commission expires on _____

STATE OF MARYLAND: City ~~COUNTY OF~~ Baltimore; TO WIT:

I HEREBY CERTIFY that on this 5TH day of December, 1987, before me, a Notary Public for the state and county aforesaid, personally appeared STEPHEN P. BELMONT, known to me or satisfactorily proved to be the person whose name is subscribed to the foregoing instrument who acknowledged that he has executed the same for the purposes therein set forth, and that the same is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

[Signature]
Notary Public



My commission expires on 7-1-90

RECEIVED BY
CIRCUIT COURT
CARROLL CO., MD
JAN 20 5:00 PM '88
LARRY W. HARTLEY
CLERK

SECOND AMENDMENT OF DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

THIS AMENDMENT OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter referred to as "this Amendment") made this ___ day of _____, 1988 by QUESTAR BUILDERS, INC. (formerly THE ANVIL CORPORATION, a Maryland corporation having an address at Suite 200, 124 Slade Avenue, Baltimore, Maryland 21208 (hereinafter referred to as "Declarant"), and JOHN P. HEALY and T. KEVIN CARNEY, successor trustees under a Deed of Appointment and Removal of Trustees dated January 6, 1988 and recorded among the Land Records of Carroll County, Maryland in Liber 1064, folio 675 (the "Trustees").

WITNESSETH:

WHEREAS, Declarant executed a certain Declaration of Covenants, Conditions and Restrictions (the "Declaration") dated July 6, 1987 covering certain land situate and within lying the City of Westminster, Carroll County, Maryland which Declaration is recorded among the Land Records of Carroll County, Maryland in Liber 1030, folio 712; and

WHEREAS, the Declaration was amended by an Amendment of Declaration of Covenants, Conditions and Restrictions dated January 6, 1988 and recorded among the Land Records of Carroll County, Maryland in Liber 1064, folio 667; and

WHEREAS, as of the date hereof, the Declarant and the Trustees are the owners of all of the land encumbered by the Declaration and, as such, are entitled to amend the provisions of the Declaration,

WHEREAS, the Declarant and the Trustees hereto desire by this Amendment to amend certain provisions of the Declaration,

NOW, THEREFORE, the Declarant and the Trustees for themselves and their successors and assigns, hereby amend the Declaration as follows:

1. A new phrase is added at the end of the first "Whereas" clause of the Declaration as follows:

"and also including the beds of Doral Court, North Burning Tree Drive, Long Valley Road, and Sawgrass Court, as shown on the subdivision plat for the Property recorded simultaneously with the Declaration."

2. Article VI, Section 6(b)(i) of the Declaration is deleted and a new Article VI, Section 6(c)(i) is added reading as follows:

"(i) The Association may levy against each lot for an assessment year an amount which exceeds the maximum amount permitted

under subsection (a) only after having been authorized to do so by votes cast on such question by two-thirds of the Members of Class A and by two-thirds of The Members of Class B who are present and voting in each class as such question at a Membership Meeting held in accordance with the following provisions of the subsection 6(b)."

3. A new Section 5 is added to Article VII of the Declaration reading as follows:

"Section 5. Time Limits. The right to expand that is reserved in this Article must be exercised within ten (10) years of the date of the Declaration."

4. In Article XI, Section 7 of the Declaration, the reference to "Article IV, Section 4" is deleted and replaced with "Article V, Section 4".

5. A new sentence is added at the end of Section 2 of Article XIII of the Declaration reading as follows:

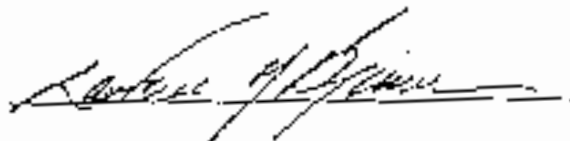
"Each lot shall also have the benefit of a non-exclusive easement for the use of Long Valley Road, Winged Foot Drive, Saw Grass Court, North Burning Tree Drive, Congressional Drive, Dorset Court and Lakes Court, as shown on those Plats entitled "Avondale Run, Phase I" sheet number 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17 and 18, as said Plats are recorded among the Plat Records of Carroll County, Maryland in Plat Book 28, pages 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 187, 188 and 189, until such time as said roads have been accepted for public use by the City of Westminster, Maryland."

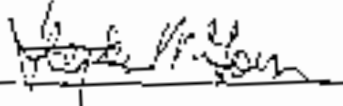
Except as specifically set forth herein, all of the covenants, conditions and restrictions contained in the Declaration shall in all respects remain in full force and effect.

IN WITNESS WHEREOF, the Declarant and the Trustees have executed and sealed this Amendment or caused it to be executed and sealed on their behalves by their duly authorized officers, as of the day and year first above written.

WITNESS:

QUESTAR BUILDERS, INC. (formerly
THE ANVIL CORPORATION)



By:  (SEAL)

STATE OF Maryland : COUNTY OF Harford : TO WIT:

I HEREBY CERTIFY that on this 7th day of June, 1988, before me, a Notary Public for the state and county aforesaid, personally appeared Stephen H. Brown, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he is the President of QUESTAR BUILDERS, INC. (formerly known as The Arvil Corporation), a corporation organized and existing under the law of Maryland and the entity named in such instrument as "the Developer", that he has been duly authorized to execute, and has executed, such instrument on its behalf for the purposes therein set forth, and that the same is its act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

Donna Marie Garrison
Notary Public



My commission expires on July 1, 1990

STATE OF Maryland : COUNTY OF Harford : TO WIT:

I HEREBY CERTIFY that on this 7th day of July, 1988, before me, a Notary Public for the state and county aforesaid, personally appeared Stephen H. Brown, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he is the President of the AVONDALE RUN HOMEOWNERS ASSOCIATION, INCORPORATED, a corporation organized and existing under the law of Maryland and the entity named in such instrument as "the Association", that he has been duly authorized to execute, and has executed, such instrument on its behalf for the purposes therein set forth, and that the same is its act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

Donna Marie Garrison
Notary Public



My commission expires on July 1, 1990

JOINDER AND RELEASE BY TRUSTEES AND BENEFICIARY

LAWRENCE J. GRADY, JR. and STEPHEN F. BECKENWOLDT, Trustees, and Maryland National Bank, a national banking association, who are, respectively, the trustees and the beneficiary under a deed of trust dated July 2, 1987, and recorded among the Land Records of Carroll County, Maryland, in Liber 1030 at folios 663 et seq., from The Anvil Corporation, a Maryland Corporation, and Ridgeview Chase Associates Limited Partnership, a Maryland limited partnership, hereby join in the foregoing Deed for the express purpose of (1) conveying to the AVONDALE RUN HOMEOWNERS ASSOCIATION, INCORPORATED, a corporation organized and existing under the law of Maryland, all of their right, title and interest under the said deed of trust in and to the real property described in Exhibit A to such Deed, and (2) thereby releasing from the lien, operation and effect of such deed of trust all of their said right, title and interest in and to the said real property, so that such real property is now and hereafter shall be free and clear of the lien, operation and effect of such deeds of trust as if it had never been subject thereto, but without altering or impairing the lien, operation and effect of such deed of trust as to the remainder of the real property now subject thereto.

IN WITNESS WHEREOF, each of the said trustees and beneficiary has executed and sealed this Joinder and Release by Trustees and Beneficiary or caused it to be executed and sealed on its behalf by its duly authorized representatives, this 12 day of July, 1988.

WITNESS:

(SEAL)

LAWRENCE J. GRADY, JR.
Trustee

STEPHEN F. BECKENWOLDT
Trustee, SIA Residing Trustee

ATTEST:

MARYLAND NATIONAL BANK, a national banking association
by (SEAL)
Constancia M. Green
Construction Finance Officer

Community, as fully and completely as if such provisions were set forth at length in this Deed (and for that purpose such provisions are hereby incorporated herein by reference); (3) that the Property is part of "the Common Areas", as that term is defined by such provisions; and (4) that the Developer and the Association shall, by their mutual execution and delivery of this Deed, be bound by the operation and effect of such provisions (including, by way of example rather than of limitation, those requiring the Association and its successors and assigns as owner of the Property to utilize it in accordance with the provisions of the Declaration).

THE DEVELOPER HEREBY COVENANTS that it will warrant specially the title to the Property which is hereby granted, and will execute such further assurances thereof as may be requisite.

THE DEVELOPER HEREBY CERTIFIES that the within grant is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the Developer's property and assets.

IN WITNESS WHEREOF, each party hereto has executed and sealed this Deed or caused it to be executed and sealed on its behalf by its duly authorized representatives, the day and year first above written.

WITNESS

QUESTAR BUILDERS, INC.
(formerly known as The Anvil Corporation, a corporation organized and existing under the law of Maryland)

Patricia A. Nobile

by *[Signature]* (SEAL)

The Developer

WITNESSES

AVONDALE HOMEOWNERS ASSOCIATION, INCORPORATED
a corporation organized and existing under the law of Maryland

Patricia A. Nobile

by *[Signature]* (SEAL)

President

The Association

RECORDED	11.21
DEED	10371
BOOK	3.57
-	21.53
CL-4	243374

35062

THIS DEED, made this 14th day of July, 1987, by and between QUESTAR BUILDERS, INC. (formerly known as The Anvil Corporation and subject to a change of name pursuant to Articles of Amendment filed with the Maryland Department of Assessments and Taxation on February 6, 1988), a corporation organized and existing under the law of Maryland, (hereinafter referred to as "the Developer"), and the AVONDALE RUN HOMEOWNERS ASSOCIATION, INCORPORATED, a corporation organized and existing under the law of Maryland (hereinafter referred to as "the Association"),

WITNESSETH, THAT FOR AND IN CONSIDERATION of the premises (the actual consideration paid or to be paid for the within conveyance being \$0.00), and for other consideration, the receipt and adequacy of which are hereby acknowledged, the Developer hereby grants and conveys unto the Association and its successors, and assigns, in fee simple, all of that land in Carroll County, Maryland, which is described in Exhibit A hereto,

~~TOGETHER WITH~~ any and all improvements thereon and any and all rights, alleys, ways, waters, privileges, appurtenances and advantages, to the same belonging or in any way appertaining (all of which land, improvements and appurtenances are hereinafter referred to collectively as "the Property"),

TO HAVE AND TO HOLD the Property unto and to the proper use and benefit of the Association and its successors and assigns, in fee simple, subject to the operation and effect of any and all instruments and matters of record.

WITHOUT LIMITING THE GENERALITY of the foregoing provisions of this deed, the Developer and the Association hereby acknowledge to and agree with each other, for themselves and their respective heirs, personal representatives, successors and assigns: (1) that the title to the Property being conveyed to the Association by this deed is encumbered by, and is being conveyed subject to, the operation and effect of an instrument by the Developer entitled "Declaration of Covenants, Easements, Charges and Liens" dated July 5, 1987, and recorded among the Land Records of the said County in Liber 1030 at folios 712, et seq. (hereinafter, as amended, referred to as "the Declaration"); (2) that the provisions of the Declaration are and shall be covenants which run with and upon, benefit and burden the title to both the Property and the remainder of the

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STATE OF MARYLAND; COUNTY OF BALTIMORE : TO WIT:

I HEREBY CERTIFY that on this 22 day of JUNE, 1988, before me, a Notary Public for the state and county aforesaid, personally appeared T. KEVIN CARNEY, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed it for the purposes therein set forth, and that it is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal the day and year first above written.


Notary Public

My commission expires on July 1 1990.



WITNESS:

John P. Healy
JOHN P. HEALY
T. Kevin Carney
T. KEVIN CARNEY

STATE OF Maryland : ~~County of Baltimore~~ : TO WIT:

I HEREBY CERTIFY that on this 15th day of April, 1988, before me, a Notary Public for the state and county aforesaid, personally appeared Stephen M. Gorn, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he is the President of QUESTAR BUILDERS, INC. (formerly THE ANVIL CORPORATION), a corporation organized and existing under the laws of Maryland, that he has been duly authorized to execute, and had executed, the foregoing instrument on behalf of the said entity for the purposes therein set forth, and that the same is its act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal the day and year first above written.

Andrew G. Salas
Notary Public

My commission expires on 7/1/93.

STATE OF MARYLAND : COUNTY OF BALTIMORE : TO WIT:

I HEREBY CERTIFY that on this 28 day of July, 1988, before me, a Notary Public for the state and county aforesaid, personally appeared JOHN P. HEALY, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed it for the purposes therein set forth, and that it is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal the day and year first above written.

Lawrence Kramer
Notary Public

My commission expires on July 1, 1990.



JCO/05-27-88
2321t

Notarial Seal the day and year first above written.


Notary Public

My commission expires on _____.

STATE OF MARYLAND: CITY OF BALTIMORE: TO WIT:

I HEREBY CERTIFY that on this 4th day of February, 1988, before me, a Notary Public for the state and county aforesaid, personally appeared STEPHEN F. BECKENHOLDT, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he has executed the same for the purposes therein set forth, and that the same is his act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal the day and year first above written.



Notary Public

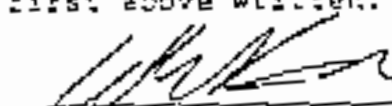
My commission expires on July 1, 1990.



STATE OF MARYLAND : ~~CITY~~ OF BALTIMORE : TO WIT:

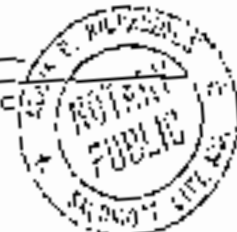
I HEREBY CERTIFY that on this 12th day of July, 1988, before me, a Notary Public for the state and county aforesaid, personally appeared ~~George W. Greener~~, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he is the Commissioning Finance Officer of MARYLAND NATIONAL BANK, a national banking association organized and existing under the laws of Maryland, that he has been duly authorized to execute, and has executed, the foregoing instrument on behalf of the said entity for the purposes therein set forth, and that the same is its act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal the day and year first above written.



Notary Public

My commission expires on 7/1/90.



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