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PARK PLACE LAUREL CONDOMINIUM I
CONDOMINIUM REGIME DECLARATION

THIS DECLARATION is made this 22nd day of February, 2007, by GFC DEVELOPMENT, LLC, a Maryland limited liability limited company ("Condominium Developer" or "Developer").

WHEREAS, by Deed dated May 1, 2003, and recorded among the Land Records of Prince George's County, Maryland in Liber 19337, folio 71, et seq., from Floyd E. and Donna L. Lilly, "Grantor", to GFC Development, LLC, "Grantee", the said Grantor did grant and convey unto the said Grantee all that lot of ground described therein being lying and situate in Prince George's County, Maryland.

WHEREAS, Developer intends to construct a four-story mixed-use building (the "Building") on the Property (as defined herein), and Developer intends to subject the Property, the Building, and all of the improvements thereon to a condominium regime under applicable Maryland law; and

WHEREAS, the Developer has caused to be prepared by Surveys, Inc., a series of plats (the "Condominium Plat") of the Property, consisting of 5 sheets, dated February 19, 2007, entitled, "PARK PLACE LAUREL CONDOMINIUM I, INC. ".

NOW, THEREFORE, THIS DECLARATION WITNESSETH:

ARTICLE I
DEFINITIONS

As used in this Declaration, the Articles of Incorporation and the Condominium By-Laws and any amendments thereto, unless the context requires otherwise, the following terms shall have the meanings herein ascribed thereto:

(a) **Annual Assessment.** "Annual Assessment" means the assessment levied annually against each of the Condominium Units pursuant to Article IX of the Condominium By-Laws and Article IX hereof.

(b) **Building.** "Building" means and refers to each four-story structure containing Commercial Units and Residential Units, which is constructed on the Condominium Land (as such term is hereinafter defined).

(c) **Commercial Unit.** "Commercial Unit" means any Unit located on floors one (1) through three (3) of the Building, being used for commercial retail or commercial office purposes only.

(d) **Common Element(s).** "Common Element(s)" means (a) all of the Condominium other than Units the legal title to which is held by a person other than the Condominium Association, and (b) shall be comprised of the Limited Common Elements and the General Common Elements.

INT FD SURE \$ 20.00
RECORDING FEE 10.00
BY-LAWS 50.00
TOTAL \$ 100.00
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(d) Common Element(s). "Common Element(s)" means (a) all of the Condominium other than Units the legal title to which is held by a person other than the Condominium Association, and (b) shall be comprised of the Limited Common Elements and the General Common Elements.

(e) Common Expense(s). "Common Expense(s)" means the expenses of the Condominium Association, including particularly, but not by way of limitation, the following: the cost and expense of administration, operation, care, cleaning, maintenance, repair or replacement of the Common Elements; payment into a repair and replacement reserve fund established for the foregoing; premiums on any policy of insurance, indemnity or bond required to be procured or maintained under the Declaration or Condominium By-Laws, or deemed necessary or advisable by the Condominium Association or Condominium Board; compensation for accountants, attorneys, engineers, financial experts, superintendents, Manager, Management company, and such other employees and agents as may be deemed necessary or advisable for the operation of the Condominium; all other costs and expenses declared to be a Common Expense by any provision of the Condominium Act, this Declaration or the Condominium By-Laws, or by the Condominium Association or Condominium Board.

(f) Common Profit(s). "Common Profit(s)" means the profit(s) of the Condominium Association.

(g) Condominium. "Condominium" means the Condominium Land, Building and Units, together with all improvements, fixtures, and structures erected thereon or therein, and all rights, ways, easements, privileges and appurtenances thereunto belonging, or in anywise appertaining, including all space in, upon, above or below the foregoing, all, however, subject to easements, agreements, conditions and other matters of public record, including, without limitation, that certain Easement Agreement dated February 22, 2007, and recorded among the Land Records contemporaneously with the recordation of this Declaration.

(h) Condominium Act; the Act. "Condominium Act" or "the Act" means Title 11 of the Maryland Condominium Act, of the Real Property Article, Annotated Code of Maryland (2003 Repl. Vol.) as the same may, from time to time, heretofore and hereafter be amended.

(i) Condominium Association; Council. "Condominium Association" or "Council" means the incorporated legal entity that is comprised of all Unit Owners, and is charged with the governmental and administrative affairs of the Condominium.

(j) Condominium Board; Board. "Condominium Board" or "Board" means the board of directors of the Condominium Association.

(k) Condominium By-Laws; By-Laws. "Condominium By-Laws" or "By-Laws" means the Condominium By-Laws attached hereto as Exhibit B, as said Condominium By-Laws may, from time to time, be amended.

(l) Condominium Declaration. "Condominium Declaration" (or as used herein, "Declaration") means this Declaration, as said Declaration may, from time to time, be amended.

(m) Condominium Developer; Developer. "Condominium Developer" or "Developer" means GFC Development, LLC, and its successors and any assignee to whom the Condominium Developer specifically assigns by an instrument in writing and recorded among the Land Records of the County, its rights as Developer under this Declaration.

(n) Condominium Documents. "Condominium Documents" means this Declaration, the Condominium By-Laws, Articles of Incorporation, and the Condominium Plat, and all rules and regulations adopted pursuant to the Condominium By-Laws.

(o) Condominium Land; Property. "Condominium Land" or "Property" means all of that real property described in Exhibit A attached hereto.

(p) Condominium Plat. "Condominium Plat" means collectively, the plats entitled "PARK PLACE LAUREL CONDOMINIUM I, INC. ", recorded or intended to be recorded among the Condominium Plat Records of Prince George's County, Maryland, as said Condominium Plat may, from time to time, be amended.

(q) Eligible Mortgagee. "Eligible Mortgagee" means and includes each mortgagee who (i) holds a First Mortgage on a Unit, and (ii) is eligible to receive the notices and information provided by Section (o) of Article XVII of this Declaration.

(r) First Mortgage. "First Mortgage" means and includes a Mortgage with priority over all other Mortgages.

(s) Future Phase. "Future Phase" means each phase added to the Condominium pursuant to Article XVIII of this Declaration.

(t) General Common Element(s). "General Common Element(s)" means and includes all the Common Elements except the Limited Common Elements, and shall include without limitation, sidewalks, walkways, hallways (except as set forth in Article VI (a) herein), stairways, elevators, elevator lobby areas, entrance monuments and signage, electrical/mechanical rooms, underground utilities, trash enclosures with fencing, and storage areas.

(u) Limited Common Element(s). "Limited Common Element(s)" means those Common Elements which are identified in Article X herein, or on the Condominium Plat, as reserved for the exclusive use of one or more, but less than all, of the Unit Owners.

(v) Majority of the Unit Owners. "Majority of the Unit Owners" means Unit Owners holding more than fifty percent (50%) of the votes appurtenant to all Units in the Condominium.

(w) Majority of the Unit Owners Present and Voting. "Majority of the Unit Owners Present and Voting" means Unit Owners casting more than fifty percent (50%) of the total votes cast on any matter by Unit Owners present, in person or by proxy, at a meeting of the Condominium Association.

(x) Manager. "Manager" means the person, firm or corporation from time to time employed by the Condominium Association to administer or supervise the Condominium. If there is no person, firm or corporation employed by the Condominium Association to administer or supervise the Condominium, then the Condominium Board shall be deemed the Manager. However, if there is no Condominium Board elected by the Unit Owners, then the Condominium Association shall be deemed the Manager.

(y) Material Change. "Material Change" shall have the meaning ascribed thereto in Section (a) of Article XVII of this Declaration.

(z) Mortgage. "Mortgage" means a mortgage, deed of trust or other conveyance in the nature of a mortgage.

(aa) Mortgagee. "Mortgagee" means the holder of any recorded Mortgage, the beneficiary of any recorded deed of trust, or the grantee (including personal representatives, successors and assigns of such grantee) named in any recorded conveyance in the nature of a Mortgage, encumbering one or more Units.

(ab) Percentage Interest Factor. "Percentage Interest Factor" means the proportionate interest of each Unit Owner in the Common Elements and in the Common Profits and Common Expenses as specified in Article VII hereof.

(ac) Phase I. "Phase I" means the land designated as "Phase I" on the Condominium Plat and the improvements located thereon as shown on the Condominium Plat, including the Common Elements together with all structures, fixtures and other improvements erected thereon or therein, and all rights, ways, easements, privileges and appurtenances thereunto belonging, or in anywise appertaining.

(ad) Residential Unit. "Residential Unit" means any Unit located on the fourth (4th) floor of the Building, being used for residential purposes only.

(ae) Special Assessment. "Special Assessment" means the assessment, if any, levied against the Units from time to time pursuant to Section 2 of Article IX of the Condominium By-Laws.

(af) Tenant. "Tenant" means any person, firm, corporation, trustee or other legal entity, or combination thereof, holding leasehold title to a Unit, whether by lease, sublease or otherwise, and includes, but is not limited to, the sublandlord and subtenant, if any, of a Unit.

(ag) Unit. "Unit" means a part of the Condominium Land which is to be subject to exclusive ownership, as designated in the Declaration. In addition, Unit shall also mean and include the following:

- (i) The location within the Condominium, and the dimensions, of each Unit are

shown on the Condominium Plat and are more particularly defined below.

(ii) Each Unit shall have and be known by a number, letter, or both, corresponding to the number, letter, or both, as shown with respect to it on the Condominium Plat or, if so assigned by the United States Postal Service, the street address of the Unit.

(iii) Except as may be otherwise provided herein and subject to this Article I (ag) (iv) through and including (x) below, each Unit shall consist of the area described and shown on the Condominium Plat.

(iv) In addition, any circuit breaker panel, electrical meter, gas meter and any and all gas or electrical installations and fixtures (including, without limitation, any and all outlets, meters, switches, lampholders or other electrical or gas service terminals, wherever located), which exist for the exclusive use of such Unit, and all wiring and conduits running from any such circuit breaker panel to any such installation or fixture.

(iv) All of the equipment for the heating and air conditioning of such Unit and the heating of water, including all mechanical equipment and appurtenances located outside such Unit which are designed, designated or installed to serve only that Unit, and all of their controls and control wiring.

(vi) All duct work running from such heating and air conditioning equipment to its outlets into such Unit, and any such outlets.

(vii) All range hoods or bath fans for such Unit, and all duct work connecting the same to any common exhaust duct serving such Unit as well as other Units.

(vii) All bathroom and kitchen plumbing fixtures and connections thereto for such Unit, including, without limitation, all sinks, faucets, bathtubs, shower stalls, hot or cold water pipes or drain pipes connecting any of the same with any common water or drain pipes serving such Unit as well as other Units.

(ix) All improvements, fixtures, windows, exterior doors and installations of every kind and nature whatsoever located within the boundaries of the Unit as hereinabove set forth, as well as improvements, fixtures and installations specifically designated by the provisions hereof as being part of such Unit, but not located within such boundaries.

(x) Anything contained in the foregoing provisions of this Article to the contrary notwithstanding, whenever there is located within the boundaries of a Unit, as described above, either: (a) any loadbearing or structural wall, partition, or column, or (b) any main, duct, stack, wire, conduit, line, drain, pipe, meter or other similar thing or device which is used in providing any utility or service to any portion of the Condominium other than, or in addition to, such Unit, such Unit shall not include the loadbearing or structural portions of such wall, partition or column, or such thing or device.

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(xi) Each Unit shall have all of the incidents of real property under applicable law.

(ah) Unit Owner; Owner. "Unit Owner" or "Owner" means any person, firm, corporation, trust or other legal entity, or any combination thereof, holding legal title to a Unit. However, no Mortgagee, as such, shall be deemed a Unit Owner. If more than one person, firm, corporation, trustee or other legal entity, or any combination thereof, holds the legal title to any one Unit, whether in a real property tenancy, partnership relationship, or otherwise, all of same shall be deemed a single Unit Owner and a single member of the Condominium Association by virtue of Ownership of such Unit. If any single membership in the Condominium Association is comprised of two or more persons, firms, corporations thereof, then each constituent may cast such portion of the vote of the member as the several constituents may mutually determine, provided, however, that in the absence of such a determination, (i) each constituent may cast such portion of the vote of the member as shall equal his, her or its proportionate interest in the Unit or Units held by the member, and (ii) if only one votes, he, she or it may cast the entire vote of the member and such act shall bind all. In no event may such constituents cast, in aggregate, more than the number of votes appurtenant to the Unit(s) owned by the member.

ARTICLE II DECLARATION OF CONDOMINIUM

(a) Developer hereby declares its intent and does subject to a condominium regime pursuant to the Condominium Act all of the land lying and situate in Prince George's County, State of Maryland, more particularly described on Exhibit A, attached hereto and made a part hereof; together with the buildings and improvements thereon erected and the rights, alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining. Said parcels of land and the improvements constructed thereon are shown on the Condominium Plat which is incorporated herein by reference. The Condominium Plat is recorded, or intended to be recorded among the Condominium Plat Books of the Land Records of Prince George's County, aforesaid.

ARTICLE III CONDOMINIUM NAME

The name of the Condominium Association shall be:

"PARK PLACE LAUREL CONDOMINIUM I, INC."

ARTICLE IV CREATION OF CONDOMINIUM REGIME

(a) Fee Simple Ownership. The Condominium Developer hereby establishes a condominium regime hereinafter known as "Park Place Laurel Condominium I, Inc.", to the end and

intent that in each Unit Owner shall vest the exclusive fee simple ownership of the Unit and, as set forth herein, an undivided fee simple interest in the Common Elements. Each Unit, together with the undivided interest in the Common Elements appurtenant thereto, may be purchased, leased, optioned or otherwise acquired, held, developed, improved, mortgaged, sold, exchanged, rented, conveyed, devised, inherited, or in any manner encumbered, dealt with, disposed of, or transferred as fee simple real estate, all as fully, and to the same extent, as though each Unit were entirely independent of all other Units and of the Building in which such Unit is located and constituted a single, independent, fee simple, improved lot.

(b) Types of Joint Ownership. A Unit may be held or owned by more than one person, firm, corporation or entity, as joint tenants, tenants in common, or in any other real property tenancy relationship recognized under the laws of the State of Maryland, including, in the case of husband and wife, tenants by the entirety.

ARTICLE V DESCRIPTION OF THE CONDOMINIUM

(a) The Condominium consists of the Property described in Exhibit A attached hereto and the improvements thereon.

(b) The improvements consist of the Building containing Commercial Units, Residential Units and Common Elements, all as more particularly shown on the Plat.

(c) For purposes of identification, each Unit is given an identifying number, or letter, or both, as the case may be.

(d) The Condominium is divided in the manner and to the extent depicted on the Condominium Plat, into Units and Common Elements, which Common Elements are further subdivided into Limited Common Elements and General Common Elements.

ARTICLE VI DESCRIPTION OF COMMON ELEMENTS

The Common Elements include all of the Condominium, except the Units. The Common Elements are divided into Limited Common Elements and General Common Elements.

(a) Limited Common Elements. Limited Common Elements are shown on the Condominium Plat. All Limited Common Elements are allocated and appurtenant exclusively to the Unit or Units they adjoin or to which they are attached, or to which they are assigned as shown on the Condominium Plats. These Limited Common Elements are reserved for the exclusive use of the Unit or Units to which they are appurtenant to the exclusion of other Units, and there shall pass with a Unit, as appurtenant thereto, the exclusive right to use the Limited Common Elements so appurtenant, provided, however, these Limited Common Elements shall be subject to the easements provided for herein and such other easements as may be established by law. In addition, to any other Limited Common Elements which may be shown on the Condominium Plat, the following Limited

Common Elements shall apply:

(i) The Owner of each Commercial Unit, to the exclusion of the Owners of all other Residential Units, has the exclusive right to use and enjoy the bathrooms located on the second (2nd) and third (3rd) floors of the Building.

(ii) The Owners of the Residential Units shall have the exclusive right to use and enjoy the hallways and corridors which only access the Residential Units.

(b) General Common Elements. The General Common Elements of the Condominium shall consist of all the Common Elements not described above as part of the Limited Common Elements and as shown on the Condominium Plat as General Common Elements. Any expense of maintenance, repair or replacement relating to the General Common Elements, and structural maintenance, repair or replacement of the General Common Elements, shall be treated and paid for as a part of the Common Expense of the Condominium Association unless the same shall be caused by the negligence or deliberate act of an individual Unit Owner or persons occupying a Unit with the Unit Owner's actual or implied consent or permission, in which case expense of maintenance, repair or replacement relating to such General Common Elements referred to in this Article shall be borne by and assessed against the individual Unit Owner, less the amount of any insurance benefits received by the Council on account thereof.

ARTICLE VII INTEREST ACQUIRED

(a) Incidents of Real Property. Each Unit in the Condominium has all of the incidents of real property and the Owner of a Unit shall have such estate therein as may be acquired in real property, including an estate in fee simple absolute, and shall have the same estate as to an undivided percentage interest in the Common Elements in the Condominium.

(b) Percentage Interests. The Owner of each Unit shall own an undivided percentage interest in the Common Elements and a percentage interest in the Common Profits and Common Expenses of the Condominium Association. The percentage interest in the Common Elements shall be determined by dividing one (1) by the total number of Units contained in the Condominium regime from time to time. The percentage interest in the Common Profits and Common Expenses of the Condominium Association and proportionate share of Annual Fees and Assessments required by the Council shall be determined by multiplying a Unit's Percentage Interest Factor (as set forth below) by \$395.00. For purposes of calculating the percentage interest in the Common Profits and Common Expenses, the following criteria shall apply:

<u>Type of Unit</u>	<u>Percentage Interest Factor</u>
Each Commercial Unit used for commercial retail purposes	1.00

Each Commercial Unit used for commercial office purposes	0.75
Each Residential Unit containing two (2) bedrooms	0.75
Each Residential Unit containing one (1) bedroom	0.60

(c) Voting Rights. The number of votes (at meetings of the Condominium Association) appurtenant to each Unit contained in the Condominium from time to time shall be one (1) vote for each Unit.

(d) Interests Appurtenant to Unit. Neither the Percentage Interest Factor nor voting rights shall be separated from the Unit to which they appertain. Accordingly, any instrument, matter, circumstance, action, occurrence, or proceeding in any manner affecting a Unit shall also affect, in like manner, the Percentage Interest Factor and voting rights appurtenant to the Unit. Except as otherwise required by the Condominium Act or by Article XVIII hereof with respect to the expansion of the Condominium, or by Section (c) of Article XVII hereof with respect to a failure to rebuild a Unit following a casualty, or by Section (e) of Article XVII hereof with respect to a condemnation of part of the Condominium, neither the Percentage Interest Factor nor the voting rights appurtenant to any Unit shall be changed without the written consent of all the Unit Owners and Mortgagees. Any change in such Percentage Interest Factor or voting rights shall be evidenced by an amendment to this Declaration recorded among the Land Records of Prince George's County, Maryland.

(e) Freehold Estate. Each Unit is a freehold estate. Except in the event of a condemnation of a part of a Unit or the sale of part of a Unit in lieu thereof, (i) no Unit shall be subdivided into two or more Units, nor shall any of a Unit be sold, leased, mortgaged, rented, conveyed, devised, or in any manner encumbered, disposed of or transferred, and (ii) each Unit shall forever, contain the minimum area shown therefor on the Condominium Plat. Further, the conveyance or other disposition of a Unit by any Unit Owner shall be deemed to include and convey the entire undivided interest of the Unit Owner in the Common Elements, general and limited, together with all rights and easements appertaining to his Unit, without specific or particular reference to such undivided interest in the Common Elements or the appurtenances to the Unit.

ARTICLE VIII ADMINISTRATION

The administration of the Condominium shall be by the Council and governed by the Condominium By-Laws appended to this Declaration, and shall be in accordance with the laws of the State of Maryland and with the provisions of this Declaration, the Condominium By-Laws and any amendments thereto.

ARTICLE IX
COMMON ELEMENTS AND COMMON EXPENSES

(a) Interest in Common Elements. The fee simple title to the Common Elements is vested in the Unit Owners, each Unit Owner having the proportionate undivided interest therein equal to his Percentage Interest Factor. No percentage interest in the Common Elements shall be separated from the Unit to which such percentage interest appertains. Further, the Common Elements shall remain undivided, and, except as provided in Section 11-123 of the Condominium Act (or any successor section pertaining to termination of the Condominium), no Unit Owner or group of Unit Owners, or anyone claiming by, through or under him or them, shall bring any action for the partition or division of the ownership of the Common Elements. Except as otherwise expressly provided herein, each Unit Owner may use the Common Elements for the purposes for which intended, without, however, hindering or encroaching upon the right of the other Unit Owners likewise to use the same.

(b) Right of Entry. The Condominium Association and its agent, servants, employees and contractors shall have the irrevocable right and a perpetual easement to enter any Unit, or upon any Limited Common Element appurtenant to any Unit, for the purpose of performing any cleaning, maintenance, repair or replacement which the Condominium Association is obligated or entitled to perform, and any inspection related thereto, whether said cleaning, maintenance, repair, replacement or inspection pertains to said Unit or Common Element, or to any other Unit or Common Element accessible from the Unit or Limited Common Element so entered, whether or not the Unit or Common Element that is the subject of such cleaning, maintenance, repair, replacement or inspection is also accessible from any other Unit or Common Element. Except in cases involving manifest danger to public safety or to property, the Condominium Association shall make a reasonable effort to give written notice of at least ten (10) days to the Unit Owner who owns the Unit, or has the right to use the Limited Common Element, that is to be entered for the purpose of such cleaning, maintenance, repair, replacement or inspection. In cases involving manifest danger to public safety or to property resulting from conditions which are the fault of said Unit Owner, said Unit Owner shall be responsible for the prompt repair of any damage inflicted upon said Unit or Limited Common Element, or other portion of the Condominium, as a result of such entry; in all other cases, the Condominium Association shall be responsible for the prompt repair of such damage.

(c) Payment of Common Expenses. Each Unit Owner, in proportion to this Percentage Interest Factor, shall contribute toward payment of the Common Expenses. No Unit Owner shall be exempt from contributing toward said Common Expenses, either by waiver of the use or enjoyment of the Common Elements, or any portion thereof, or by the abandonment of his Unit. The contribution of each Unit Owner toward the Common Expenses shall be determined, levied and assessed in the form of Annual Assessments and Special Assessments and a working capital fee, all in the manner set forth in Article IX of the Condominium By-Laws.

(d) Priority of Liens. Any assessment levied by the Condominium Association (including any Annual Assessment or Special Assessment, or assessment of the type described in Article IX of the Condominium By-Laws), until paid, together with interest thereon, late charges, actual costs of collection, and reasonable attorney's fees, shall constitute a lien on the Unit against which it is levied, effective from and after the recordation of a statement of lien in the manner and form prescribed by

the Condominium By-Laws, or as otherwise required by law. Such lien shall be subordinate to (i) general and special assessments for real estate taxes against the Unit; and (ii) the lien of any Mortgage duly recorded against the Unit (A) prior to the recordation of said statement of lien, or (B) after receipt by the Mortgagee of a written statement issued by the Condominium Association pursuant to the Condominium By-Laws acknowledging that payments of all assessments (and all interest, late charges, costs of collection and attorney's fees payable with respect to any delinquent assessments) against the Unit are current as of the date of recordation of the mortgage. A sale or transfer of a Unit by a deed in lieu of foreclosure to a Mortgagee holding a bona fide First Mortgage of record on the Unit, to the Federal Housing Commissioner (if such Mortgage is insured by the Federal Housing Administration) or to the Veterans Administration (if such Mortgage is guaranteed by the U.S. Veteran's Administration), shall extinguish the lien of any assessment recorded against said Unit by the Condominium Association after the recordation of such First Mortgage, but prior to the recordation of such deed in lieu of foreclosure. No sale or transfer of a Unit shall relieve the transferee Unit Owner from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE X
[INTENTIONALLY DELETED]

ARTICLE XI
CONDOMINIUM UNITS AND COMMON ELEMENTS

(a) Boundaries and Encroachments. The existing physical boundaries of each Unit constructed in conformity with the Condominium Plat shall be conclusively presumed to be its boundaries, regardless of variations between existing physical boundaries of the Unit and physical boundaries described in the Declaration or those boundaries shown on the Condominium Plat. However, if any Common Element, or any part thereof, now or at any time hereafter, encroaches upon any Unit, or any Unit encroaches upon any Common Element, or any other Unit, whether such encroachment is attributable to or results from construction, settlement, shifting of the Building, any fully authorized reconstruction designed to remedy, repair or restore any damage or destruction from fire or other casualty, or from condemnation proceedings, or any other reason whatsoever beyond the control of the Condominium Association and any Unit 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, either for the benefit of the Condominium Association or for the Unit Owner, their respective heirs, personal representatives, successors and assigns, to provide for the encroachment and nondisturbance of the Common Element, or the Unit, as the case may be. Such easement shall remain in full force and effect so long as the encroachment shall continue and shall be relocated, if necessary, to permit the maintenance of such encroachment wherever found. Additionally, and in all events, an easement for mutual support shall exist in the Units and Common Elements.

(b) Conveyance. The conveyance or other disposition of a Unit shall be deemed to include and convey, or be subject to, any easement arising under the provisions of this Article, without specific or particular reference to such easement.

ARTICLE XII
COMMON EXPENSES AND LIEN FOR NONPAYMENT

(a) Each Unit Owner, in proportion to his Percentage Interest Factor, shall contribute toward payment of the Common Expenses and no Unit Owner shall be exempt from contributing toward said Common Expenses, either by waiver of the use or enjoyment of the Common Elements, or any portion thereof, or by the abandonment of his Unit; and the contribution of each Unit Owner toward the Common Expenses shall be determined, levied and assessed in the form of Annual Assessments and Special Assessments and a working capital fee, all in the manner as set forth in the Condominium By-Laws.

(b) Any type of assessment levied by the Condominium Association (including Annual Assessments and Special Assessments, or any other type of assessment described in Article IX of the Condominium By-Laws), until paid, together with interest thereon, late charges, actual costs of collection, and reasonable attorney's fees, shall constitute a lien on the Unit against which it is levied, effective from and after the recordation of a statement of lien in the manner and form prescribed by the Condominium By-Laws, or as otherwise required by law. Such lien shall be subordinate to (i) general and special assessments for real estate taxes against the Unit; and (ii) the lien of any Mortgage duly recorded against the Unit (A) prior to the recordation of said statement of lien, or (B) after receipt by the Mortgagee of a written statement issued by the Condominium Association pursuant to the Condominium By-Laws acknowledging that payments of all assessments (and all interest, late charges, costs of collection and attorney's fees payable with respect to any delinquent assessments) against the Unit are current as of the date of recordation of the Mortgage. A sale or transfer of a Unit by a deed in lieu of foreclosure to a Mortgagee holding a bona fide First Mortgage of record on the Unit, to the Federal Housing Commissioner (if such Mortgage is insured by the Federal Housing Administration) or to the Veterans Administration (if such Mortgage is guaranteed by the U.S. Veteran's Administration), shall extinguish the lien of any assessment recorded against said Unit by the Condominium Association after the recordation of such First Mortgage, but prior to the recordation of such deed in lieu of foreclosure. No sale or transfer of a Unit shall relieve the transferee Unit Owner from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE XIII
DEVELOPMENT, MARKETING AND SALES

(a) Sales, Rental and Management Offices and Model Units. The Condominium Developer shall have the right to use any Units to which it holds fee simple or leasehold title from time to time as sales, rental and management offices and model units and for such other uses as the Condominium Developer may deem appropriate for the development, marketing (including sales and rentals) and management of any Unit(s) now or hereafter located on the Condominium Land. The Condominium Developer shall have the right, without any requirement to gain any approvals from the Condominium Association or Condominium Board, to make such structural and non-structural additions, alterations, improvements and decorations to each Unit to which it holds fee simple or leasehold title, to the Limited Common Elements that the Condominium Developer, as the Unit

Owner or Tenant of each such Unit, has the exclusive right to use, and to the party wall located between any adjoining Units to which the Condominium Developer, holds fee simple or leasehold title, as the Condominium Developer, in its sole discretion, may deem appropriate to facilitate the uses hereinabove set forth.

(b) Parking and Storing: Vehicles. The Condominium Developer and its employees, agents and guests shall have the right to park and store in any parking area such commercial and non-commercial vehicles as the Condominium Developer, in its sole discretion, may deem appropriate for the development, marketing and management of any Unit(s) now or hereafter located on the Condominium Land, provided, however, that the Condominium Developer shall not unreasonably interfere with the rights of the other Unit Owners having the right to such parking areas. Condominium Developer does not guarantee a certain number of parking spaces to the Owners and occupants.

(c) Signs and Furniture. The Condominium Developer shall have the right to install upon and within, maintain, and remove from the Units to which it holds fee simple or leasehold title, the Limited Common Elements appurtenant to said Units, and all General Common Elements, such advertising and directional signs and other materials as the Condominium Developer, in its sole discretion, may deem appropriate for the development, marketing and management of any Unit(s) now or hereafter located within the Condominium Land.

(d) Completion and Repair Easements. The Condominium Developer shall have the right and an easement to enter upon any General or Limited Common Element and any Unit for the purpose of (i) completing the construction or installation of any Unit or Common Element, and (ii) making repairs to any Unit or Common Element to the extent that such repairs are required pursuant to any express or implied warranty or other legal obligation created or agreed to by the Condominium Developer or established by the operation of law. Such right and easement shall exist, with respect to item (i) above, until the construction or installation of all Units and Common Elements that the Condominium Developer desires, or is obligated, to construct or install has been completed, and, with respect to item (ii) above, so long as the Condominium Developer's obligation shall exist.

ARTICLE XIV

COMPLIANCE WITH CONDOMINIUM REGIME; USE RESTRICTIONS

(a) All present and future Owners, Tenants and occupants of Units shall be subject to and shall comply with, the provisions of this Declaration, the Condominium By-Laws and any rules and regulations, as they may be amended from time to time, except as otherwise provided in this Declaration. The acceptance of a deed of conveyance, or the entering into of a Lease, or the entering into occupancy of any Unit, shall constitute an agreement between such Owner, Tenant or occupant and the Council that the provisions of this Declaration, the Condominium By-Laws and the rules and regulations, as they may be amended from time to time, are accepted and ratified by such Owner, Tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having, at any time, any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or

lease thereof. A copy of the current Condominium By-Laws of the Condominium is filed herewith, marked as Exhibit B, and made a part hereof.

(b) In addition to the foregoing, Owners shall comply with the following provisions:

(i) All Units located on the first three (3) floors of the Condominium Building shall be used for commercial purposes only. All Units located on the fourth (4th) floor of the Building shall be used for residential purposes only, and no Unit may be used if such use constitutes a nuisance, or presents a hazardous or offensive use, or threatens the security or safety of any other occupant in the Building, as determined in the sole discretion of the Architectural Committee, or if none, then the Condominium Board.

(ii) All Units shall be used, occupied and maintained for the purposes stated herein, except as follows:

(a) Notwithstanding anything contained herein to the contrary, an Owner of a Residential Unit may not use his or her Unit as a "Family day care home" ("Home") (as such term is defined in Section 11-111.1 of the Condominium Act); however, to the extent this prohibition is eliminated in accordance with applicable Maryland law, then an Owner may use their Residential Unit as a Home, subject to the following requirements:

(i) The Day Care Provider (as such term is defined in Section 11-111.1 (a) (2) of the Condominium Act) operating the Home shall be registered with and have a license issued by the Department of Human Resources, in accordance with the registration and licensing provisions of Maryland law. The Owner shall provide a copy of the license to the Condominium Board prior to establishing and operating the Home, and upon each renewal thereof.

(ii) The Day Care Provider shall obtain the liability insurance described in Sections 19-106 and 19-202 of the Insurance Article of the Annotated Code of Maryland, as the same may be amended from time to time, in at least the minimum amount described under those Sections. The Day Care Provider may not operate the Home without the liability insurance described herein and shall present proof of insurance to the Condominium Board before establishing and operating the Home, and upon any renewal of the policy.

(iii) The Day Care Provider shall pay, on a pro-rata basis with other Homes then in operation in the Condominium, any increase in the insurance costs of the Condominium attributable solely and directly to the operation of the Home.

(iv) Each Day Care Provider shall be responsible for payment of a fee determined by the Condominium Board for the Home's use of the Common Elements. The Condominium Board shall establish the fee and advise all Day Care Providers operating Homes of the amount due on an annual basis; provided, however, that such fee shall not exceed Fifty Dollars (\$50.00) per year (or any greater amount permitted by Section 11-111.1 of the Condominium Act).

(v) The number of Homes in Units operating within the

Condominium may be regulated by the Condominium Board, provided that the number permitted may not be less than seven and one-half percent (7.5%) of the total Residential Units of the Condominium.

(vi) Any Owner of a Unit who proposes to operate a Home in the Condominium shall be required to send written notice to the Condominium Board prior to opening a Home.

(vii) No play equipment or fenced off play area may be placed on any portion of the Common Elements without the prior written approval of the Condominium Board.

The foregoing provisions of this Section are intended to be a restatement of the provisions of Section 11-111.1 of the Condominium Act, and any future amendments or modifications thereto shall be deemed incorporated by reference herein as a part hereof.

(b) Notwithstanding anything herein to the contrary, pursuant to Section 11-111.1 of the Condominium Act, a "No-impact home-based business" (as such term is defined below) shall be permitted in a Residential Unit subject to the following requirements:

(i) Unit Owners of Residential Units shall notify the Condominium Board before operating a No-impact home-based business, which business shall not include any employees.

(ii) No-impact home-based businesses are expressly prohibited in any Common Elements.

(iii) No customers or clients visit the Unit for any business purpose whatsoever.

(iv) Such additional requirements, as may be specified by the Board of Directors of the Council of Unit Owners, to the extent permitted by applicable law. The foregoing provisions of this Section are intended to be a restatement of the provisions of Section 11-111.1 of the Condominium Act, and any future amendments or modifications thereto shall be deemed incorporated by reference herein as a part hereof.

(iv) Any Owner of a Residential Unit operating a No-impact home-based business shall be responsible for payment of a fee determined by the Condominium Board for the use of the Common Elements. The Condominium Board shall establish the fee and advise all such Owners operating a No-impact home-based business of the amount due on an annual basis; provided, however, that such fee shall not exceed Fifty Dollars (\$50.00) per year (or any greater amount permitted by Section 11-111.1 of the Condominium Act).

For purposes hereof, a "No-impact home-based business" means, a business that:

(i) Is consistent with the residential character of the Residential Unit;

(ii) Is subordinate to the use of the Residential Unit for residential purposes and requires no external modifications that detract from the residential appearance of the Residential Unit;

(iii) Uses no equipment or process that creates noise, vibration, glare, fumes, odors, or electrical or electronic interference detectable by neighbors or that causes an increase of common expenses that can solely and directly be attributable to a No-impact home-based business; and

(iv) Does not involve any use, storage, or disposal of any grouping or classification of materials that the United States Secretary of Transportation or the State of Maryland, or any local governing body has designated as a hazardous material.

(iii) Signs. No signs or advertising devices of any nature (including signs in support of, or defeat of, a political candidate or political proposition, except as otherwise allowed by law), shall be displayed from a Unit or on Common Elements, except such signs as shall have advance written approval by the Condominium Developer or Architectural Committee (or if none, then by the Condominium Board), and shall be installed, maintained or replaced at the Owner's expense. Further, each Owner shall be obligated to comply with any applicable County and/or City laws, regulations or ordinances pertaining to signage.

(iv) Parking. Parking shall be controlled by the provisions of Article XIII (b) of this Declaration and any rules and regulations which may be promulgated from time to time.

(v) Compliance with Condominium Documents and Laws. All Unit Owners, tenants and occupants of the Units shall comply with all terms, conditions, restrictions and provisions of the Condominium Documents. Furthermore, no noxious trade or activity shall be carried on within the Condominium, nor shall anything be done within the Condominium which may be or become (i) a violation of any health, fire, police, or other governmental law, rule or regulation, including, without limitation, the National Flood Insurance Act of 1968 and any regulations adopted thereunder, or (ii) a nuisance or annoyance to the Owners of the Condominium or adjacent neighborhoods. Any violation of any law, order, rule, regulation or requirement of any governmental authority or agency, or of any term, condition, restriction or provision of the Condominium Documents, shall be remedied by and at the sole cost and expense of the Unit Owner(s) and/or tenant(s) and occupant(s) who are responsible for such violation.

(vi) Noise. No noise which is disturbing to the Unit Owners, Tenants, or residents of the Condominium shall be made within the Condominium, and nothing shall be done or permitted to be done in or about the Common Elements, or any Unit, that interferes with, obstructs or violates the rights, reasonable comforts or convenience of the Unit Owners, Tenants or residents of the Condominium.

(vii) Fire and Environmental. Nothing shall be kept in any Unit or Limited Common Element which may in any way increase the rate of fire insurance on the Building within the Condominium beyond the rate established therefore when and as used for the purposes permitted under this Condominium Declaration and the By-Laws; and further, nothing shall be done or

permitted to be done that will conflict with any fire, law, rule or regulation; specifically, but not by way of limitation, no fuel, solvent, or other reactive (including explosive), ignitable, corrosive or toxic material or substance shall be kept in any Unit or Limited Common Element. No hazardous material, hazardous waste, or hazardous or toxic substance, as such terms are defined from time to time under federal, state and local environmental laws, shall be disposed of on any General or Limited Common Element or through any sanitary or storm sewer system within the Condominium. Storage, disposal, and transportation of all hazardous materials, hazardous waste, and hazardous or toxic substances from any Unit or the Common Elements shall comply with all applicable federal, state and local laws and regulations. If any Unit Owner and/or Tenant violates this paragraph, such Unit Owner and/or Tenant, as applicable, shall indemnify and save harmless every other Unit Owner and Tenant and the Condominium Association from any and all damages, losses, fines, penalties, clean up costs, and other expenses (including, but not limited to, reasonable attorney's fees) arising from such violation.

(viii) Animals. The maintenance, keeping, boarding and/or raising of animals, livestock or poultry of any kind, regardless of number, shall be and is hereby prohibited within any Unit and upon any Common Element; except that this shall not prohibit the keeping of up two (2) cats, up to two (2) birds or any number of fish as domestic pets in a Residential Unit, provided that they are not kept, bred or maintained for commercial purposes, and provided further that the keeping of such cats will not constitute such type of noxious or offensive activity as covered in this Declaration. Further, if any cat is transported through the Common Elements, then it must be stored in a suitable pet carrier. No pets shall be raised, maintained or kept within any Commercial Units. Notwithstanding the foregoing, the Condominium Board may make reasonable modifications to the limitation described above on the number and size of such household pets to the extent such modifications are necessary under the Federal Fair Housing Act (as heretofore and hereafter amended) or otherwise appropriate to afford a handicapped person equal opportunity to use and enjoy a Unit and the Common Elements appurtenant thereto.

(ix) Use of Common Elements. The sidewalks, walkways, common hallways, stairways, elevator, lobby areas, and any unassigned parking areas shall be used for ingress and egress only, and no one shall be permitted to play therein or thereon, nor shall same be used in any manner for picnicking or cooking, or for permanent or temporary storage of any article of personal property, or of any bottles, trash or garbage, nor shall any of the foregoing ever be permitted to remain or stand in the common hallways, elevator lobby areas, or on the stairways, sidewalks or parking areas. No grill or other cooking apparatus shall be operated or stored on any patio or balcony, except an Owner may permanently install an electric or natural gas grill or other cooking apparatus with prior written approval by the Architectural Committee (or if none, then by the Condominium Board). . No personal property, other than customary outdoor furniture which can withstand high winds. shall be left overnight on any patio or balcony. Lawns and landscaped areas shall not be used for sunbathing, picnicking, play, or similar purposes. No metal storage container shall be brought, used or stored upon the Common Elements by the Condominium Association or by any Unit Owner, Tenant or resident, except for trash cans and/or trash dumpsters approved and supplied by the Condominium Association for the temporary storage of trash between regularly scheduled trash pickups.

(x) Electricity. No portion of the Common Elements shall be in any manner defaced, nor shall same be utilized for the making of connections of any sort for radio, television, or other devices or equipment of any kind, all of which connections are specifically prohibited, except to the ordinary electric outlets furnished within Units and Limited Common Elements, and except additional electric outlets which may be installed with the consent of the Condominium Board or architectural committee. Further, the Common Elements shall be used only for the purposes for which same were installed and none of said Common Elements shall be loaded or taxed beyond the capacity for which designed.

(xi) Vermin, Insects or Other Pests. No vermin, insects, or other pests shall be allowed to remain in any Unit or Limited Common Element, nor shall any such Unit or Limited Common Element be permitted to remain in an unclean or unsanitary condition. In order to assure compliance with this subparagraph, the Condominium Board, its agents, servants, employees and contractors may enter any Unit or Limited Common Element at any reasonable hour of the day, after written notice of at least ten (10) days, for the purpose of inspecting such Unit or Limited Common Element (and any General Common Element accessible from said Unit or Limited Common Element) for the presence of any vermin, insects or other pests, and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests.

(xii) Bottles, Trash or Garbage. No bottles, trash or garbage shall be discarded or temporarily or permanently stored upon any Common Element, except in the disposal facilities provided for such purpose.

(xiii) Articles Hung from Property. No clothing, curtain, rug, towel, or other article shall be shaken from or on, or thrown from, any window, door, patio, balcony, or General Common Element. Nothing shall be placed on, or hung from, any outside window, door, patio or balcony sill, ledge, or railing.

(xiv) Antennae. No radio aerial, antenna or satellite or other signal receiving dish, or other aerial or antenna for reception or transmission, shall be placed or kept on or about the Unit (including on the patio or balcony of such Unit), except on the following terms:

(a) An Owner may install, maintain and use on or about its Unit or patio or balcony, one (or, if approved, more than one) Small Antenna (as hereinafter defined) in an inconspicuous location, where the Small Antenna is screened from view from other Units in such a manner as is approved by the Architectural Committee, if any, of the Condominium Association, and if none, then by the Condominium Board, in accordance with the By-Laws. Notwithstanding the foregoing terms of this subsection, (a) if the requirement that a Small Antenna installed on or about a Unit or patio/balcony be placed in an inconspicuous location would impair such Small Antenna's installation, maintenance or use, then it may be installed, maintained and used at another approved location for said Unit where such installation, maintenance or use would not be impaired, and (b) if the prohibition against installing, maintaining and using more than one (1) Small Antenna on or about a Unit would result in any such impairment, then such Owner may install additional Small Antennae as are needed to prevent such impairment (but such installation shall otherwise be made in accordance with this subsection).

(b) In determining whether to grant any approval pursuant to this Section, neither the architectural committee nor the Condominium Board shall withhold such approval, or grant it subject to any condition, if and to the extent that doing so would result in an impairment.

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

(xv) Distribution of Written Information and Materials. Until the Owners elect officers or a Board of Directors in accordance with Section 11-111.3 of the Condominium Act, no Owner may distribute any written information or materials regarding the operation of, or matters relating to, the operation of the Condominium in any manner or place which the Board of Directors uses to distribute written information or materials. From and after the date that the Owners elect officers or a Board of Directors, the Board of Directors may regulate the time of distribution and impose any other restrictions which are permissible under Section 11-111.3 of the Condominium Act, as amended from time to time, and any other applicable law.

(xvi) Leases. Each Unit may be leased under such terms and conditions as the Unit Owner thereof may desire, except as otherwise provided for in this paragraph. No Unit may be leased for a period of less than twelve (12) months. Each lease shall be subject to the Condominium Documents and any breach or violation of any Condominium Documents by the Tenant shall constitute a default under the lease. The Tenant (as well as the landlord) shall be directly liable to, and subject to enforcement action(s) by, the Condominium Association for any breach or violation by the Tenant of any Condominium Documents. Each lease shall be in writing and shall set forth, and provide for the Tenant's acknowledgment of, each of the provisions of the two preceding sentences. The Unit Owner of any leased Unit shall promptly (within 30 days) deliver to the Architectural Committee or Condominium Board, as applicable, a copy of the executed lease and a copy of each signed amendment which is made thereto from time to time. The Condominium Association, through the Architectural Committee (or Condominium Board, if applicable), shall be entitled, but is not obligated, to exercise the default remedies of any Unit Owner, as the landlord under any such lease, and upon any breach or violation by the Tenant of any Condominium Document, the Condominium Board, after notice to the Unit Owner and Tenant of such breach or violation, and the failure of such Unit Owner and Tenant to correct the same within a reasonable time thereafter, shall be entitled, but not obligated, to summarily evict the Tenant from the leased premises, subject to any applicable laws governing the speedy recovery of possession of lands or tenements in redress of a breach or violation of a lease. Notwithstanding the foregoing, nothing in this Article XIV (a) (xvi) shall apply to Condominium Developer.

(xvii) Zoning. The Building complies with Neighborhood Commercial Zone use regulations of Zoning Ordinance and Subdivision Regulations, City of Laurel, Maryland, Art. V, §20-27.02, as supplemented. Any change from office Commercial Unit, retail Commercial Unit or

Residential Unit to any other use, classification or description, shall require amendment of this Declaration as appropriate, preceded by the Unit Owner obtaining, at such Unit Owner's sole expense, all such necessary approvals from the City of Laurel and any other local, state or federal governmental or municipal body having jurisdiction over such matters.

ARTICLE XV
GRANT OF EASEMENTS

(a) Easements Reserved by Developer. The Condominium Developer reserves unto itself an irrevocable, perpetual and non-exclusive easement in, under, over and through the Condominium Land and the Future Phases (the "Developer Easement Area") for the construction, connection, installation, maintenance, repair, replacement and use of (1) a hard-surfaced road for ingress and egress across the Condominium Land, and (2) underground sanitary sewer and water lines, meters, storm drain facilities and other utility lines (collectively, the "Developer Easement Facilities"), to serve the improvements now or hereafter existing upon all of the Condominium Land and Future Phases.

The Condominium Developer shall pay for the initial installation of the Developer Easement Facilities. The Condominium Association shall at its expense from time to time perform all necessary maintenance and repair of, and replacements to, the Developer Easement Facilities and all of the above-described land on which the Developer Easement Facilities are located. The Condominium Developer shall have the right to relocate the Developer Easement Facilities at its expense.

(b) Authority of Condominium Association to Grant Easements. The Condominium Association shall have the right, power and authority to grant any easement, right-of-way, license, lease or similar interest affecting the Common Elements of the Condominium, to the extent permitted by the Condominium Act, if the grant is approved by the affirmative vote of Unit Owners having sixty-six and two-thirds percent (66 2/3%) of the votes appurtenant to all Units, and with the express written consent of any Mortgagee holding an interest in the Units whose Owners vote affirmatively, provided that if the grant affects any Limited Common Element, such grant shall also require the express written consent of all Unit Owners having the right to use such Limited Common Element, and of all Mortgagees holding an interest in the Units to which such Limited Common Element is appurtenant. Any easement, right-of-way, license, lease or similar interest granted by the Condominium Association pursuant to this Article XV shall state that the grant was approved (a) by Unit Owners having at least sixty-six and two-thirds percent (66 2/3%) of the votes, and by the corresponding Mortgagees, and (b) if appropriate, by all Unit Owners having the right to use any Limited Common Element affected by the easement, and by the corresponding Mortgagees. Such easement procedure may be used for the purpose (among other things) of permitting reasonable modifications of the General Common Elements to be made by or at the request of, and at the expense of, a Unit Owner, if such modifications are necessary under applicable law for a person who has a handicap ("handicapped person") as such term is defined in the Federal Fair Housing Act and Article 49B §20 of the Annotated Code of Maryland (1998 Repl. Vol.) (as such laws may be amended from time to time) or otherwise which is appropriate to afford such a person residing at or

intending to reside at the Unit of such Unit Owner the full enjoyment of such Unit, the Limited Common Elements appurtenant to such Unit and/or the General Common Elements of the Condominium.

(c) Easements. In addition to the easements provided for by the Act, the following easements are hereby created.

(i) If any portion of the Common Elements improvements encroaches upon any Unit, or if any Unit improvements presently encroach upon any other Unit improvements or upon any portion of the Common Elements as a result of the construction, reconstruction, repair, shifting, settlement or movement of the improvements of a Unit and/or Common Elements, a valid easement for the encroachment and for the maintenance of the same exists so long as the encroaching Unit improvements and/or Common Elements shall stand.

(ii) If any Unit improvements shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then constructed, reconstructed or repaired, any encroachment resulting from such reconstruction, construction or repair shall be permitted, and valid easements for such encroachment and the maintenance thereof shall exist so long as the encroaching improvements shall stand, provided that such encroachment is not intentional.

(iii) An easement for mutual support shall exist in the Units and the Common Elements.

(iv) The Units and the Common Elements are subject to easements in favor of the Unit Owners for the following purposes:

(a) to the extent permitted by law and subject to reasonable rules established by the Architectural Committee (as defined in the Condominium By-Laws), or if none, then by the Board, from time to time, if any portion of the Condominium (other than the Limited Common Elements or any other portion of the Condominium that is subject to an exclusive easement in favor of, or otherwise assigned for the exclusive use of, a particular Unit or Unit Owner(s)), now or hereafter contains paved areas or other improvements designed or designated for pedestrian access, vehicular access or parking, then for ingress and egress for pedestrians and vehicles (including temporary delivery trucks) and parking of the passenger motor vehicles of the Unit Owners and occupants of any portion of any Unit within the Condominium, their guests, lessees and invitees; and

(b) if any portion of the Condominium now or hereafter contains sidewalks or pathways, then for pedestrian movement of the Unit Owners and occupants of any portion of any Unit within the Condominium and their guests, lessees, and invitees; and

(c) for reasonable and necessary pedestrian and vehicular ingress and egress to and from public and private roadways and streets. Each Unit Owner shall have a right of ingress and egress to such Unit Owner's Unit.

(v) The Units and Common Elements are subject to easements in favor of the Condominium Developer, Unit Owners, appropriate utility and service companies, and governmental agencies or authorities for such utility and service lines and equipment as may be reasonably necessary or desirable to serve any portion of the Condominium Land and/or Future Phases, as the case may be. The easements created in this sub-paragraph shall include, without limitation, rights of the Condominium Developer, Unit Owners, utility service providers, and governmental agencies or authorities to install, lay, maintain, repair, relocate and replace any and all utilities serving the Condominium including, but not limited to, gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electric wires, conduits and equipment, over, under, through, along and on the Common Elements and Units. Notwithstanding the foregoing provisions of this sub-paragraph (f) (v), such easements shall be located within the Condominium Land so as to avoid unreasonable interference with the use or occupancy of the Unit by any Unit Owner or resident.

(vi) The Condominium Board and Condominium Developer shall have the right to create an easement, on, over and under the Common Elements or Units for the purpose of maintaining and correcting drainage of surface water and in order to maintain reasonable standards of health, safety and appearance. The easement created herein expressly includes the right to cut or remove any vegetation, to grade the soil, or to take any other action reasonably necessary to achieve this purpose, which does not materially interfere with the use and occupancy of the affected Unit, following which the Condominium Board and Condominium Developer (whichever is applicable) shall restore the affected Unit as closely to its original condition as practicable.

(vii) The Condominium Association (through its Condominium Board, if applicable), its agents and employees, shall have an irrevocable right and an easement to enter Units to make repairs to Units or any portion of Common Elements or Units but only to the extent such repairs reasonably appear necessary for public safety or to prevent damage to other portions of the Condominium. Except in cases involving manifest danger to public safety or property, the Condominium Board shall make a reasonable effort to give notice to the Unit Owner of any Unit to be entered for the purpose of such maintenance and repair. If, in the exercise of any of its rights pursuant hereto, the Condominium Association causes any damage to any Unit or any of the Common Elements, the Condominium Association shall be responsible for the prompt repair of such damage. An entry by the Condominium Association through its Condominium Board, agents, and employees for the purposes set forth herein shall not be deemed a trespass.

(viii) There is hereby reserved unto the Condominium Developer for the benefit of the Condominium Developer, and its respective agents, a nonexclusive easement over, across and through all of the Condominium Land, the Common Elements and the Units, for the purpose of access, the storage of building supplies and materials and equipment, and, without any limitation, for any and all purposes reasonably related to the completion of the construction, improvement and repair of the Condominium Land and Common Elements. The Condominium Developer shall also have a non-exclusive easement over, across and through all of the Condominium Land and Common Elements for the purpose of conducting any and all sales, marketing and leasing activities which it desires.

(ix) The Condominium Board shall have an easement over the Common Elements for inspection, operation, maintenance, repair, improvement and replacement of the Common Elements and any improvements thereon, and for correction of emergency conditions or casualties to the Common Elements and any improvements thereon.

(x) The Condominium Board shall have an easement over the parking areas and any roads located within the Condominium Land and any improvements thereon, for the inspection operation, maintenance, repair, improvement or replacement thereof and for the correction of emergency conditions thereon or casualties thereto to the extent the Condominium Association requires the use of this easement in order to fulfill any of its obligations hereunder or under the Condominium By-Laws.

(xi) There is hereby reserved unto the Condominium Developer over, upon and through the Future Phases (the "Expansion Area"), its agents and any person or entity at any time owning any portion of the Expansion Area, a non-exclusive perpetual blanket easement and right of passage on, through, over, under, and across all of the Condominium Land and Common Elements for ingress, egress, installation, replacement, repair, maintenance and use of all utilities, including, but not limited to, water, sewer, drainage, gas, cable television, telephones and electricity, and further including the right to connect to and use any such utilities which may exist or be located upon the Condominium Land from time to time. By virtue of this easement, it shall be expressly permissible to erect and maintain the necessary poles and other equipment on the Condominium Land, to affix and maintain electrical or telephone wires and conduits, sewer and water drainage lines, on, above, or below any portion of the Condominium Land, including any improvements constructed thereon and to have construction vehicles, personnel, equipment and the like exercise the aforesaid right of ingress and egress over the Condominium Land. There is further reserved unto the Condominium Developer the right to grant specific easements, both temporary and permanent, to any person or entity, including all public authorities and utility companies, over any part of the Condominium Land in furtherance of the blanket easement created by this Article. In the exercise of any rights under this Article, there shall be no unreasonable interference with the use of the Condominium Land or any Unit for residential purposes or with the Common Elements or the Expansion Area for the purposes for which each is reasonably intended. Any person or entity exercising any rights hereunder shall be obligated to promptly repair, at their own expense, any damage caused by the exercise of such rights and to restore, to the extent practicable, any damaged real or personal property to the condition of such property prior to the exercise of such rights.

(xii) There is hereby reserved unto the Condominium Developer for the benefit of the Expansion Area, and its respective agents and any person or entity at any time owning any portion of the Expansion Area, a non-exclusive perpetual blanket easement and right of passage on, through, over, under and across all of the Condominium Land and Common Elements for (i) pedestrian and vehicular ingress and egress to and from any and all portions of the Expansion Area, including the use of the parking areas located within the Condominium Land, (ii) parking on any parking areas on the Condominium Land, (iii) ingress and egress to and from any and all portions of the Expansion Area by construction equipment, construction personnel and the like to facilitate and enable the development and construction of buildings, improvements and related facilities upon the

Expansion Area, (iv) the construction of any parking areas and roads located within the Condominium, and (v) the conduct of all other development and construction related activities as are deemed necessary or desirable by the Condominium Developer or any person or entity at any time owning any portion of the Expansion Area. The Condominium Developer and any person or entity at any time owning any portion of the Expansion Area shall have all rights and privileges reasonably necessary to the exercise of the foregoing easement, including, without limitation, a reasonable right of ingress and egress on, over and through the Condominium Land and Common Elements. In the exercise of any rights under this Article, there shall be no unreasonable interference with the use of the Condominium Land or any Unit for residential purposes, or with the Common Elements or the Expansion Area for the purposes for which each is reasonably intended. Any person or entity exercising any rights under this Article shall be obligated to promptly repair, at their own expense, any damage caused by the exercise of such rights and to restore, to the extent practicable, any damaged real or personal property to the condition of such property prior to the exercise of such rights.

(xiii) There is also hereby reserved unto the Condominium Developer a non-exclusive perpetual blanket easement and right of passage on, through, over, under and across the yards all Units for installation of utility and service lines and equipment and maintenance and repair of any walls as may be reasonably necessary or desirable to serve any portion of the Condominium Land or Future Phases. The easements created in this sub-paragraph (g) (xiii) shall include, without limitation, the right to install, lay, maintain, repair, relocate and replace any and all utilities serving the Condominium.

(d) Covenants Run With Land. All easements, rights and restrictions described herein are easements appurtenant to and running with the Condominium Land and shall continue in full force and effect until the termination of this Declaration as it may be amended from time to time.

(e) Covenant Against Partition. The Common Elements, both General and Limited, shall remain undivided and, except as otherwise provided herein and in the Act, shall remain appurtenant to the designated Unit(s). No Unit Owner or any other person shall bring any action for partition or division thereof except as may be provided for herein and in the Act.

ARTICLE XVI SIGNAGE

Subject to Section 11-111.2 of the Condominium Act, no signs or advertising devices of any nature shall be displayed from a Unit or on Common Elements, except such signs as shall have advance written approval by the Architectural Committee (or if none, then by the Condominium Board). The Architectural Committee (or Condominium Board, as the case may be) shall have the right to remove, and either place in storage at the offending Unit Owner or Tenant's expense, or dispose of, any signs not properly approved of the Architectural Committee (or if none, then by the Condominium Board). Nothing contained herein, however, shall prohibit or restrict in any way the Developer's right to construct such promotional signs and or other sales aids of reasonable size and

dignified form on or about the Property which Developer shall deem reasonably necessary in connection with its sale or lease of Condominium Units. All signs shall comply with all applicable government ordinances. All such signs shall be constructed and maintained in a good and safe condition and appearance at the expense of a party permitted to construct such signage.

ARTICLE XVII
GENERAL PROVISIONS

(a) Condominium By-Laws Amendments. The administration of the Condominium shall be governed by the Condominium By-Laws. Except as otherwise provided in the Condominium By-Laws, the Condominium By-Laws shall not be amended without the affirmative vote of Unit Owners having at least sixty-six and two-thirds percent (66 2/3%) of the votes appurtenant to all Units, and any amendment to the Condominium By-Laws involving any "Material Change", as said term is defined below, shall also require the affirmative vote of at least fifty-one percent (51%) of the Eligible Mortgagees, each such Eligible Mortgagee to have the number of votes appurtenant to the Unit or Units upon which it holds a Mortgage or Mortgages. The term "Material Change" shall include a change to any of the following provisions:

- (i) voting rights;
- (ii) increases in assessments that raise the previously assessed amount by more than twenty-five percent (25%), assessment liens, or the priority of assessment liens;
- (iii) reductions in reserves for maintenance, repair and replacement of Common Elements;
- (iv) responsibility for maintenance and repairs;
- (v) reallocation of interests in the General or Limited Common Elements, or rights to their use (except the failure to rebuild a Unit following a casualty pursuant to paragraph (c) of this Article XVII, or in connection with the condemnation of part of the Condominium pursuant to paragraph (e) of this Article XVII and any reallocation of the right to use a Limited Common Element which is affected pursuant to Section 11- 108(b) of the Condominium Act);
- (vi) redefinition of any Unit boundaries;
- (vii) convertibility of Units into Common Elements or vice versa;
- (viii) expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium (except for the expansion of the Condominium pursuant to Article XVIII hereof);
- (ix) insurance or fidelity bond requirements;

- (x) imposition of any restrictions on the leasing of Units;
 - (xi) imposition of any restrictions on a Unit Owner's right to sell or transfer his Unit;
 - (xii) a decision by the Condominium Association to establish self-management if professional management had been required previously by the Condominium Documents or by an Eligible Mortgagee;
 - (xiii) restoration or repair of the Condominium (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents;
 - (xiv) any provisions that expressly benefit Mortgage holders, insurers or guarantors;
- and
- (xv) termination of the Condominium regime pursuant to paragraph (f) of this Article XVII.

If a proposed amendment of the Condominium By-Laws involves any change described in items (i) through (xv) above, each Eligible Mortgagee who fails to submit to the Condominium Association a written response to the proposed amendment within sixty (60) days after the Eligible Mortgagee is given written notice (by certified or registered mail, return receipt requested) of the proposed amendment shall be deemed to have judged all changes resulting from the proposed amendment to be immaterial, and to have cast an affirmative vote with respect to the proposed amendment.

(b) Declaration and Condominium Plat Amendments.

(i) Except for those matters as to which the Condominium Act permits an amendment to this Declaration or the Condominium Plat by the Condominium Association without the express approval of its members (including, but not limited to, the reallocation of percentage interests and voting rights as provided in Paragraph (c) of this Article XVII in connection with a failure to rebuild a Unit following a casualty or as provided in Paragraph (e) of this Article XVII in connection with a condemnation of part of the Condominium), and except as otherwise provided in Article XVIII hereof with respect to the expansion of the Condominium, amendments to this Declaration and the Condominium Plat shall be governed as follows:

(A) Except as provided in item (B) below, neither this Declaration nor the Condominium Plat shall be amended without the written consent of Unit Owners having at least eighty percent (80%) of the votes appurtenant to all Units and the affirmative vote of at least sixty-six and two-thirds percent (66 2/3%) of the Eligible Mortgagees, each such Eligible Mortgagee to have the number of votes appurtenant to the Unit or Units upon which it holds a Mortgage or Mortgages, and no amendment adopted pursuant to this item (A) shall take effect until an appropriate written instrument is recorded in the Land Records of Prince George's County, Maryland, which instrument shall be executed by the Unit Owners and Eligible Mortgagees whose approval was required for the adoption of such amendment.

(B) Neither this Declaration nor the Condominium Plat shall be amended so as to change:

- (1) the boundaries of any Unit,
- (2) the undivided percentage interest of any Unit Owner in the Common Elements,
- (3) the percentage interest of any Unit Owner in the Common Profits and Common Expenses,
- (4) the number of votes in the Condominium Association appurtenant to any Unit,
- (5) residential Units to non-residential Units, or non-residential Units to residential Units,
- (6) General Common Elements to Limited Common Elements, or Limited Common Elements to General Common Elements,
- (7) any right of any Unit Owner pertaining to the use of any Limited Common Element appurtenant to his Unit, without the written consent of every Unit Owner and Mortgagee, and no amendment adopted pursuant to this item (B) shall take effect until an appropriate written instrument is recorded among the Land Records of Prince George's County, Maryland, which instrument shall be executed by every Unit Owner and Mortgagee.

(ii) Furthermore, this Declaration, the Condominium By-Laws and the Condominium Plat shall not be amended so as to change:

(A) any right reserved for the benefit of, or any obligation imposed upon the Condominium Developer, which rights include, but are not limited to, the Condominium Developer's right to expand the Condominium as provided in Article XVIII hereof, and the Condominium Developer's right to develop, market and manage the Condominium Land, as provided in Article XIII hereof,

(B) any provision required by any governmental authority, or

(C) any provision provided for the benefit of any public utility, without the written consent of the Condominium Developer, such governmental authority or such public utility, as applicable, and no such amendment shall take effect until an appropriate written instrument is recorded among the Land Records of Prince George's County, which instrument shall be executed by the Condominium Developer, such governmental authority or such public utility, as applicable.

(c) Failure to Rebuild Units. If the Unit Owners decide pursuant to the Condominium

By-Laws not to rebuild one or more Units following a fire or other casualty, but the condominium regime is not terminated, then:

(i) the percentage interests (in the Common Elements and the Common Profits and Common Expenses) appurtenant to each damaged or destroyed Unit which is not rebuilt shall be divested from the Unit and reallocated among the remaining Units in proportion to the percentage interests appurtenant to said remaining Units immediately prior to the damage or destruction;

(ii) the votes appurtenant to each damaged or destroyed Unit which is not rebuilt shall be divested from said Unit and shall not be reallocated among the remaining Units; and

(iii) the Condominium Association promptly shall prepare, execute and record an amendment to the Declaration reflecting the new arrangement of percentage interests and votes as above provided.

(d) Destruction or Damage. Notwithstanding any other provision of this Declaration to the contrary, if the Condominium is destroyed or damaged to the extent of at least two-thirds (2/3) of its then replacement cost, the Condominium may be terminated by the agreement of Unit Owners having at least eighty percent (80%) of the votes appurtenant to all Units. Upon such termination, the property shall be sold and the net proceeds of sale and the net proceeds of insurance shall be combined into one fund, which shall be distributed among all the Unit Owners in accordance with their respective undivided interests in the property as tenants in common, as determined pursuant to Paragraph (g) of this Article XVII.

(e) Condemnation. The Condominium Association shall represent the Unit Owners in any condemnation proceeding (for the purposes of this Declaration, a condemnation includes any sale in settlement of a pending or threatened condemnation) to the extent said condemnation pertains to all or any part of the General Common Elements, except that each Unit Owner shall be entitled to assert a separate claim for the consequential damages to his Unit resulting from said condemnation. Any award made in connection with the Condemnation of all or any part of the Condominium, including net proceeds of any sale in settlement of a condemnation proceeding, shall be allocated among the Unit Owners as follows: (i) each Unit Owner shall be entitled to the entire amount of the award attributable to the taking of all or part of his Unit and for the consequential damages to said Unit resulting from said condemnation; (ii) any award attributable to the taking of General Common Elements shall be allocated among all Unit Owners in proportion to their respective percentage interests in the Common Elements. All such awards shall be payable to the Condominium Association, which shall distribute the amount(s) allocated to each Unit Owner pursuant to the preceding sentence in accordance with the priority of interests in his Unit, to the end and intent that all Mortgages and other liens on such Unit shall first be paid out of the award allocated to such Unit Owner, all in the order in which same appear. The Condominium Association shall not be obligated to replace property taken, but promptly shall undertake to restore the remaining property within the Condominium to a safe and habitable condition. The cost of such restoration shall be a Common Expense. Following the taking of all or part of any Unit, the percentage interests (in the Common Elements and in the Common Profits and Common Expenses) appurtenant to said Unit shall be reduced in the same proportion as the amount of floor area of said Unit so taken bears to the floor

area of said Unit immediately prior to the taking, except that if the taking specifically includes part or all of the percentage interests appurtenant to said Unit, the taking authority shall have the portion of said percentage interests which is so taken, and the Owner of said Unit shall retain the portion of said percentage interests which is not so taken. To the extent that the total percentage interests appurtenant to a Unit are reduced as above provided, rather than being split between the taking authority and the Unit Owner, the severed percentage interests shall be reallocated among the remaining Units in proportion to the percentage interests appurtenant to such Units immediately prior to the taking. Following the taking of part of a Unit, the votes appurtenant to that Unit shall be appurtenant to the remainder of that Unit, and following the taking of all of a Unit, the right to vote appurtenant to the Unit shall terminate, except, in such case, that if the taking specifically includes part or all of the votes appurtenant to a Unit, the taking authority shall have the portion of the votes so taken, and the Unit Owner of the Unit taken shall retain the portion of the votes which is not so taken. If the votes appurtenant to a Unit are terminated said votes shall not be reallocated among the remaining Units. Promptly after the taking is effected, the Condominium Association shall prepare, execute and record an amendment to this Declaration reflecting the new arrangement of percentage interests and votes as above provided.

Notwithstanding any other provision of this Declaration, if at least two-thirds (2/3) of the fair market value of the Condominium is taken under the power of eminent domain, the Condominium may be terminated by the agreement of Unit Owners having at least eighty percent (80%) of the total number of votes appurtenant to all Units. Upon such termination, (i) the award made in connection with the taking shall be distributed among the Unit Owners in the manner provided in this Paragraph (e) for the allocation of taking awards, if such award has not already been so distributed, (ii) the percentage interests and votes appurtenant to the Units taken in whole or in part shall be allocated in the manner provided in this Paragraph (e) for the allocation of percentage interests and votes appurtenant to Units so taken, and (iii) the Unit Owner of each Unit remaining a part of the Condominium after the taking shall own, as a tenant in common, until the property not taken is sold, an undivided interest in said property determined, to the extent permitted by law, as follows: Based upon fair market values in effect immediately prior to the termination of the regime, such undivided interest shall equal a fraction, the numerator of which is the sum of the fair market value of the portion of his Unit not taken, plus the fair market value of his right to use the Limited Common Elements appurtenant to his Unit which were not taken, plus his share based on his percentage interest in the Common Elements (adjusted as above provided, if appropriate, on account of the taking), of the fair market value of the General Common Elements not taken, and the denominator of which is the sum of the fair market values of all Units, Limited Common Elements and General Common Elements not taken, provided, however, that if any Unit or any General or Limited Common Element has been damaged or destroyed by fire or other casualty prior to said termination, an estimate of the fair market value of such Unit or General Common Element, or of the right to use such Limited Common Element, immediately prior to such damage or destruction shall be used, and further provided that if no such estimate can reasonably be made in the opinion of the appraiser(s) with respect to any such Unit or General or Limited Common Element, then each Unit Owner's undivided interest in the property not taken shall equal his percentage interest in the Common Elements immediately prior to said termination adjusted as above provided, if appropriate, on account of the taking.

(f) Termination. Except as otherwise provided in Paragraphs (d) and (e) of this Article XVII, the Condominium shall not be terminated without the consent of Unit Owners having one hundred percent (100%) of the total number of votes appurtenant to all Units. No termination implemented pursuant to Paragraphs (d), (e) or (f) of this Article XVII shall take effect until an appropriate written instrument executed by Unit Owners having the requisite percentage of the votes appurtenant to all Units is recorded among said Land Records.

(g) Ownership upon Termination. Upon any termination of the condominium regime, except for a termination implemented after a taking under the power of eminent domain as provided in Paragraph (e) of this Article XVII, each Unit Owner shall own, as a tenant in common, from the time the Condominium is terminated until the time the property which constituted the Condominium is sold, an undivided interest in such property determined, to the extent permitted by law, as follows: Based upon fair market values in effect immediately prior to the termination of the regime, such undivided interest shall equal a fraction, the numerator of which is the sum of the fair market value of his Unit, plus the fair market value of his right to use the Limited Common Elements appurtenant to his Unit, plus his share, based upon his percentage interest in the Common Elements, of the fair market value of the General Common Elements, and the denominator of which is the sum of the fair market values of all Units, Limited Common Elements and General Common Elements, provided, however, that if any Unit or any General or Limited Common Element has been damaged or destroyed by fire or other casualty prior to said termination, an estimate of the fair market value of such Unit or General Common Element, or of such damage or destruction shall be used, and further provided that if no such estimate can reasonably be made in the opinion of the appraiser(s) with respect to any such Unit or General or Limited Common Element, then each Unit Owner's undivided interest in the property which constituted the Condominium shall equal his percentage interest in the Common Elements immediately prior to said termination.

(h) Rights and Procedures Upon Termination. Upon any termination of the condominium regime:

(i) The fair market value of the Units and Common Elements shall be determined by an independent appraiser selected by the Condominium Association. The decision of the appraiser shall be distributed to each Unit Owner and shall become final unless Unit Owners having at least twenty-five percent (25%) of the total number of votes appurtenant to all Units disapprove such decision by written notice to the Condominium Association within thirty (30) days after said distribution. If such decision is disapproved, the Unit Owners submitting such notices of disapproval shall, as a group, by majority vote, select a second independent appraiser within fourteen (14) days after the Condominium Association notifies all Unit Owners in writing of such disapproval, and the original appraiser and the second appraiser shall select a third appraiser within seven (7) days after the selection of the second appraiser. If the Owners disapproving the decision of the original appraiser fail to select an appraiser within the time specified, or if the two appraisers fail to agree upon a third appraiser within the time specified, the one or two designated appraisers, as the case may be, shall request the then Chief Judge of the Circuit Court for Prince George's County to designate an appraiser or appraisers so that there will be three appraisers. A decision of the majority of the appraisers as to all fair market value required to be determined pursuant to this Article XVII shall be final, conclusive and binding upon all parties. Each decision submitted by one or more

appraisers to the Condominium Association shall be in writing, signed by the appraiser(s) making same, and shall briefly state the grounds of each determination of fair market value. The cost of the appraiser(s) shall be allocated among the Unit Owners in proportion to their respective percentage interests in the Common Elements of the Condominium.

(ii) So long as the tenancy in common exists, each Unit Owner and his successors in interest shall have the exclusive right to occupy the portion of the property that formerly constituted his Unit, and shall retain all rights which he had immediately prior to the termination of the Condominium with respect to those portions of the property that formerly constituted Limited Common Elements.

(iii) Each Unit Owner's share of any proceeds, including, without limitation, sales proceeds, insurance proceeds and taking awards, distributed to the Unit Owners upon or in connection with the termination of the Condominium shall be distributed in accordance with the priority of interests in such Unit, to the end and intent that all Mortgages and other liens on such Unit shall first be paid out of the proceeds payable to such Unit Owner, all in the order in which same appear.

(i) No Waiver. The failure of the Condominium Association, the Condominium Board or the Manager, or any Unit Owner, in any one or more instances, to enforce or otherwise insist upon the strict performance of any restriction, condition, obligation or provision of any Condominium Document, or the failure of any such party to exercise any right, shall not be construed as a waiver or relinquishment for the future, whether in the same or in any other instance, of the benefit of such restriction, condition, obligation, provision or right, but the same shall remain in full force and effect unless expressly waived in writing.

(j) Enforceability. The terms, conditions, restrictions and provisions of this Declaration and the Condominium By-Laws shall be binding upon the Condominium Developer, its successors and assigns, all as part of a general plan or scheme for development of the Condominium, and all said terms, conditions, restrictions and provisions shall be held and construed to run with and bind the property, each Unit thereon, and all subsequent Unit Owners of the Units, except as otherwise expressly set forth in this Declaration or the Condominium By-Laws. All of said terms, conditions, restrictions and provisions shall inure to the benefit of and be enforceable by the Condominium Developer, its successors and assigns, and by any person or party then owning or having any recorded interest or estate in any Unit, against anyone violating or attempting to violate any of such terms, conditions, restrictions or provisions, provided, however, that, except as otherwise expressly provided herein, all rights reserved by and for the benefit of the Condominium Developer under this Declaration and the Condominium By-Laws shall be exercisable and enforceable only by the Condominium Developer, its successors, and any assignee to whom the Condominium Developer specifically assigns such rights in writing.

(k) Relationships. Nothing contained in this Declaration or the Condominium By-Laws shall be deemed or construed by any Unit Owner, nor by any third party, as creating the relationship of principal and agent, partnership or joint venture between the Unit Owners or any of them. Further, no provisions contained in this Declaration or the Condominium By-Laws shall be deemed to create

any relationship between any Unit Owners other than the relationship expressly created under a condominium regime, nor to confer upon a Unit Owner any interest in any other Unit Owner's Unit, nor to create any responsibility whatsoever on a Unit Owner for any debt, liability or obligation of any other Unit Owner.

(l) Severability. If any term, condition, restriction or provision of this Declaration or the application thereof to any person or circumstance shall, at any time or to any extent, be held to be invalid or unenforceable, the validity and enforceability of the remainder of this Declaration, or the application of such term, condition, restriction or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, condition, restriction and provision of this Declaration shall be valid and be enforced to the fullest extent permitted by law.

(m) Conflicts. In the event of any conflict among the provisions of this Declaration, the Condominium Plat or the Condominium By-Laws, the provisions of each shall control in the succession hereinbefore listed in this Paragraph (m), commencing with this Declaration.

(n) Miscellaneous Provisions. No change of conditions or circumstances shall operate to terminate or modify any of the provisions of this Declaration. No provision of this Declaration nor the application thereof to any Unit, Unit Owner or other person or entity in one or more instances shall be deemed waived by the Condominium Developer or the Condominium Association, except by a written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. No reliance upon or waiver of one or more such provisions shall constitute a waiver of any other such provision. As used herein, each gender shall include all other genders, and the singular shall include the plural, and vice versa. All headings of the articles and paragraphs herein are for the purpose of reference only and shall not be deemed to limit, modify or otherwise affect any of the provisions hereof.

(o) Mortgages.

(i) Each Unit Owner who conveys his Unit by way of any Mortgage shall give written notice thereof to the Condominium Board, setting forth the name and address of his Mortgagee. The Condominium Board shall maintain all such Mortgage information in a book or other record designated "Mortgage Book". The Condominium Board shall also include in the Mortgage Book the name and address of any holder, insurer or guarantor of a Mortgage who furnishes to the Condominium Association a written notice stating the name and address of such holder, insurer or guarantor and the Unit number and address of the Unit subjected to the Mortgage of such holder, insurer or guarantor (the "Mortgaged Unit").

(ii) The Condominium Board shall furnish to each Mortgage holder, insurer and guarantor of record in its "Mortgage Book" timely written notice of: (A) any condemnation loss or casualty loss which affects a material portion of the Condominium or which affects the Mortgaged Unit; (B) any delinquency in the payment of assessments or charges owed by the Unit Owner of the Mortgaged Unit, where such delinquency has continued for a period of sixty (60) days; (C) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the

Condominium Association; (D) any proposed action which would require the consent of a specified percentage (such as a majority, 66 2/3%, 80%, or 100%) of the Eligible Mortgagees or of all Mortgagees; and (E) the giving of any default or violation notice by the Condominium Association to the Unit Owner of the Mortgaged Unit.

(p) Insurance. Notwithstanding anything to the contrary in the Condominium Documents, should any insurance policy insuring the Condominium be cancelled or otherwise revoked due to the actions of any Commercial Unit Owner, it's agents, successors or assigns, then the Residential Unit Owners may, at their sole expense, purchase and fund separate insurance coverage of like kind and benefit as that which was cancelled or otherwise revoked.

ARTICLE XVIII. AUTHORITY FOR EXPANSION OF THE CONDOMINIUM

(a) Expansion Rights. The Condominium Developer hereby expressly reserves, for a period of ten (10) years from and after the date upon which the Condominium is created, the right to expand and add to the Condominium, in its sole and absolute discretion, by subjecting to the condominium regime all or any part of the real property depicted on the Condominium Plat as a Future Phase, together with all of the respective improvements thereon, and all of the respective rights, alleys, ways, waters, privileges, appurtenances, and advantages, to the same belonging or in anyway appertaining. The Condominium may not contain more than forty-eight (48) Units when fully expanded. For purposes of this Declaration, the term, "Future Phase" shall mean and include all of the area of land shown on the Condominium Plat designated as "Future Phase II", "Part of Future Phase II", "Future Phase III" and "Part of Future Phase III" and "Future Phase IV".

(b) Easements for Development of Future Phases. Each Future Phase may be added to the Condominium subject to the rights, rights-of-way, covenants, conditions, restrictions, setbacks and easements provided in this Declaration, and to such other rights, rights-of-way, covenants, conditions, restrictions, setbacks and easements as are deemed necessary or advisable in the opinion of the Condominium Developer to facilitate the orderly development, or the construction, installation, maintenance and operation, of the Condominium or the remaining property of the Condominium Developer, wherever located, or the convenience or services of the Condominium Association; and, in particular, but not in limitation of the foregoing, the Condominium Developer hereby expressly reserves such easements and rights-of-way on, over, under and across such Phase I and Future Phases as is necessary for the development of Future Phases as are deemed appropriate by the Condominium Developer, even if Future Phases are not included in the Condominium for (i) vehicular and pedestrian access between (A) Phase I and all Future Phases, and (B) any public road or other property which borders upon the Condominium, (ii) vehicular parking for the benefit of Phase I and Future Phases and (iii) the construction, installation, maintenance (including, but not limited to, inspection, cleaning, repair and replacement) and operation of telephone, electric, gas, cable, water, sanitary sewer, storm water drainage, and other utility lines, mains, facilities and installations deemed appropriate by the Condominium Developer to serve Phase I and Future Phases and (iv) the development of Phase I and Future Phases. Each such right, right-of-way, covenant, condition, restriction, setback and easement shall run with and bind the Common Elements and each Unit contained in the Condominium, and all Owners of such Units, and their respective heirs, personal representatives, successors and assigns, forever, unless a recorded document which

confirms or creates such rights, rights-of-way, covenants, conditions, restrictions, setbacks or easements specifically provides otherwise. The easements described herein shall automatically be deemed to apply to and burden Future Phases when and at such time as such Stages or any portion thereof is added to the Condominium.

(c) Development Criteria for Future Phases. Subject to the limitations of this Article XVIII (a) and (d):

(i) all buildings and other improvements included in each Future Phase shall be constructed in accordance with such architectural and other drawings as the Condominium Developer, in its sole discretion, may deem appropriate;

(ii) the quantity and location of the buildings and other improvements shown on the Condominium Plat as being located within each of the Future Phases may be changed to such extent as the Condominium Developer, in its sole discretion, may deem appropriate;

(iii) in addition to the land and buildings set forth in this Article XVIII (a), and the Common Elements which are shown as being located within such Future Phase on the Condominium Plat, each Future Phase may contain such other additional Common Elements as the Condominium Developer, in its sole discretion, may deem appropriate;

(iv) the Condominium Developer may divide any Future Phase into two (2) or more parts and may add the various parts of such Future Phase to the Condominium at different times; and

(v) the Condominium Developer is not required to add any Future Phase (or any part thereof) to the Condominium, and the Future Phases (and/or parts thereof), if any, which are added to the Condominium may be added in any sequence chosen by the Condominium Developer.

(d) Future Phase Completion. All improvements that are added by the Condominium Developer to the Condominium as part of any Future Phase shall be substantially complete prior to the addition of such Future Phase to the Condominium, and shall be consistent with comparable improvements, if any, installed by the Condominium Developer in Phase I in terms of quality of construction and structure type.

(e) Adjustment of Percentage Interests. Immediately upon the addition of any Future Phase to the Condominium, (i) the percentage interests in the Common Elements and in the Common Profits and Common Expenses of the Unit Owner of each Unit contained within the Condominium immediately prior to such expansion shall be reduced in accordance with the formula(s) set forth in Article III hereof, and (ii) percentage interests in the Common Elements and in the Common Profits and Common Expenses, as determined in accordance with the formula(s) set forth in Article III hereof, shall vest in the Unit Owner of each Unit contained within the Future Phase then being added to the Condominium. The Unit Owner of each Unit contained within any Future Phase that is added to the Condominium shall be a member of the Condominium Association, and shall have the voting rights set forth in Article III hereof. Immediately following any such

expansion, the interest of each Mortgagee shall attach, by operation of law, to the new percentage interest in the Common Elements appurtenant to the Unit on which it holds a lien.

(f) Recordation of Expansion Documents. Any such expansion shall be accomplished by, and shall be and become effective upon and only upon,

(i) the amendment of this Declaration by the recordation among the Land Records of Prince George's County of an appropriate amendatory instrument which describes the property to be added by such expansion and expressly subjects the same to the operation and effect of this Declaration, and sets forth

(a) the number of Units to be included by way of such expansion;

(b) the undivided percentage interest in the Common Elements and the percentage interest in the Common Expenses and Common Profits of each Unit Owner after such expansion, as determined in accordance with the provisions of Article III;

(c) the number of Votes which each Unit Owner is entitled to cast at meetings of the Membership after such expansion, as determined in accordance with the provisions of Article III; and

(ii) the amendment of the Condominium Plat by the recordation among the Land Records of an appropriate amendatory plat setting forth the detail and information as to the property, the Units, and the Common Elements added to the Condominium by such expansion, the setting forth of which therein is required by applicable law to effectuate such expansion.

ARTICLE XIX MISCELLANEOUS

The Owners and Tenants of Commercial Units and the Condominium Association are hereby notified that Section 11-131 of the Condominium Act, which pertains to warranties, does not apply to the Common Elements of the Condominium since Section 11-131 does not apply to a condominium that is occupied and used solely for nonresidential purposes. BASED ON THE FOREGOING, CONDOMINIUM DEVELOPER MAKES NO REPRESENTATIONS OR WARRANTIES TO ANY OWNER OR THE CONDOMINIUM ASSOCIATION FOR ANY COMMON ELEMENT, INCLUDING, WITHOUT LIMITATION, EXTERIOR WALLS, ROOF, MECHANICAL, ELECTRICAL, AND PLUMBING SYSTEMS AND OTHER STRUCTURAL ELEMENTS.

27247 372

WITNESS the hands and seal of the Developer as of the day and year first above written.

WITNESS:

GFC DEVELOPMENT, LLC, a Maryland
limited liability company

Patricia B. Woods

By: RF (SEAL)
Robert F. Foy, Authorized Member

STATE OF MARYLAND, COUNTY OF Anne Arundel, TO WIT:

I HEREBY CERTIFY that, on this 22ND day of FEBRUARY, 2007, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Robert F. Foy, Authorized Member of GFC Development, LLC, known to me or satisfactorily proven to me to be the person whose name is subscribed to the within Declaration, and that said Declaration was executed and is to be recorded solely for the purpose of establishing a Condominium regime as therein provided.

AS WITNESS my hand and Notarial Seal

Jeffrey A. Chaffin (SEAL)
Notary Public

My Commission Expires: 3-1-08

I HEREBY AFFIRM under penalty of perjury that the notice requirements of Section 11.102.1 of the Real Property Article, Annotated Code of Maryland, if applicable, have been fulfilled.

WITNESS:

GFC DEVELOPMENT, LLC, a
Maryland limited liability company

Patricia B. Woods

By: RF (SEAL)
Robert F. Foy, Authorized Member

27247 373

CONSENT AND AGREEMENT OF TRUSTEES AND BENEFICIARY

PATRICIA G. WOODS and DELORES A. CHILCOTE, Trustees, and THE CITIZENS NATIONAL BANK, Beneficiary, under that certain Deed of Trust and Security Agreement dated July 12, 2005, and recorded among the Land Records of Prince George's County, Maryland, in Liber 20323, folio 532, *et seq.* (the "Deed of Trust"), hereby join in the foregoing Park Place Laurel Condominium I Regime Declaration for the express purpose of subordinating all of their respective right, title and interest under such Deed of Trust in and to the real property described in the Declaration to the operation and effect thereto.

Nothing in the foregoing provisions of this Consent and Agreement of Trustees and Beneficiary shall be deemed in any way to create between the entity named in such Declaration as "Condominium 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, the Trustees and Beneficiary have executed and sealed this Consent and Agreement of Trustee and Beneficiary, or caused it to be executed and sealed on its behalf by its duly authorized representatives, this 22nd day of February, 2007.

WITNESS:

Deborah L. Hylton

Deborah L. Hylton

Patricia G. Woods ^{Trustee} (SEAL)
Patricia G. Woods, Trustee

Delores A. Chilcote ^{Trustee} (SEAL)
Delores A. Chilcote, Trustee

ATTEST:

Deborah L. Hylton

BENEFICIARY:

THE CITIZENS NATIONAL BANK

By: Patricia G. Woods ^{SUP} (SEAL)

27247 374

STATE OF MARYLAND, COUNTY OF Baltimore; TO WIT:

I HEREBY CERTIFY that on this 22nd day of February, 2007, before me, a Notary Public for the State and county aforesaid, personally appeared PATRICIA G. WOODS, Trustee, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, and who acknowledged that she has executed it as Trustee for the purposes therein set forth, and that it is her act and deed.

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

Brenda L. Mojarrad (SEAL)
Notary Public

My commission expires on 2/1/2010

STATE OF MARYLAND, COUNTY OF Baltimore; TO WIT:

I HEREBY CERTIFY that on this 22nd day of February, 2007, before me, a Notary Public for the State and county aforesaid, personally appeared DELORES A. CHILCOTE, Trustee, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument, and who acknowledged that she has executed it as Trustee for the purposes therein set forth, and that it is her act and deed.

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

Brenda L. Mojarrad (SEAL)
Notary Public

My commission expires on 2/1/2010

STATE OF MARYLAND, COUNTY OF Baltimore; TO WIT:

I HEREBY CERTIFY, that on this 22nd day of February 2007, before me, the subscriber, a Notary Public of the State and county aforesaid, personally appeared Patricia G. Woods, who acknowledged himself to be the N. Vice President of THE CITIZENS NATIONAL BANK, Beneficiary, and being authorized to do so, executed this Consent and Agreement of Trustee and Beneficiary for the purposes therein contained, by signing in my presence, on behalf of the said Beneficiary.

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

Brenda L. Mojarrad (SEAL)
Notary Public

My commission expires: 2/1/2010

27247 375

PARK PLACE LAUREL
CONDOMINIUM I REGIME DECLARATION

Exhibit A

DESCRIPTION OF CONDOMINIUM

All that land shown on the Condominium Plat as "Phase I Building #2" and "Part of Phase I (GCE)" entitled, "PARK PLACE LAUREL CONDOMINIUM I, INC.", dated February 19, 2007, and recorded among the Land Records of Prince George's County, Maryland in Plat Book No. PM217
Page 86, 87, 88, 89 & 90

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PARK PLACE LAUREL
CONDOMINIUM REGIME DECLARATION

Exhibit B

[CONDOMINIUM BY-LAWS]