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SNOWDEN OVERLOOK COMMUNITY ASSOCIATION, INC.
DECLARATION

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Res# CHBS	Rep# 24549
MDR PJR	Blk # 2226
Feb 14, 2005	10:03 am

**SNOWDEN OVERLOOK COMMUNITY ASSOCIATION, INC.
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

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EXHIBITS

- EXHIBIT A INITIAL INCREMENT OF REAL PROPERTY SUBJECTED TO THIS
DECLARATION
- EXHIBIT B PROPERTY WHICH MAY BE ANNEXED IN THE FUTURE

SNOWDEN OVERLOOK COMMUNITY ASSOCIATION, INC.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made this 7 day of February, 2005, by THE RYLAND GROUP, INC., a Maryland corporation, and PATRIOT HOMES, INC., a Maryland corporation (referred to collectively as "Declarant").

RECITALS

A. Declarant is the owner of all or a portion of the real property situated in the 6th Election District of Howard County ("County"), Maryland, which is more particularly shown on Exhibit "A" attached hereto and incorporated herein ("Property").

B. Declarant desires to establish covenants, conditions and restrictions upon the Property and each and every portion thereof, which will constitute a general scheme for the management of the Property and for the use and occupancy thereof, all for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and enhancing the quality of life in communities established in the vicinity of the Property.

C. The Property is or will be part of the development known as Snowden Overlook and is intended to consist of one or more separate residential condominium regimes. Declarant may, but shall not be required to, annex additional property to Snowden Overlook.

D. Declarant may add all or any of the real property described in Exhibit "B" attached hereto and incorporated herein to the Property already subject to this Declaration by Annexation (as hereinafter defined), and said additional property so annexed will thereupon be subject to this Declaration, become a part of and included within the definition of the Property, and be developed as a part of Snowden Overlook.

E. Snowden Overlook Community Association, Inc., a nonprofit, non-stock corporation, has been incorporated under the laws of the State of Maryland for the purpose of exercising the powers and functions set forth herein.

F. Declarant will hereafter hold and convey title to all of the Property subject to certain protective covenants, conditions and restrictions hereinafter set forth.

ARTICLE I
DECLARATION

1.1. Declarant hereby covenants, agrees and declares that all of the Property is, and shall be, held, conveyed, encumbered, hypothecated, leased, rented, used, occupied and improved subject to the following limitations, covenants, conditions, restrictions, easements, liens and charges which are hereby declared and agreed to be in furtherance of a general plan for the subdivision, improvement, protection, maintenance and sale of all of the Property and all of which are declared and agreed to be for the purpose of enhancing, maintaining and protecting the value and attractiveness of the Property and every part thereof. All of the limitations, covenants, conditions, restrictions, easements, liens and charges are equitable servitude and shall run with the land and shall be binding upon and inure to the benefit of all parties having or acquired any right, title or interest, in the Property or any part thereof, and shall be binding on and inure to the benefit of each successor in interest of such parties. Declarant

hereby declares that all of the Property described in Exhibit "A" shall be subject to this Declaration and shall constitute the initial increment of land subject to this Declaration. Declarant declares that, pursuant to Article XV hereof entitled "Annexation of Real Property", all or any portion of the real property described on Exhibit "B" may be annexed and become subject to this Declaration and, upon such Annexation, such annexed property shall be subject to the limitation, restrictions, easements, covenants, conditions, liens and charges of this Declaration.

ARTICLE II DEFINITIONS

Unless this context clearly indicates otherwise, the following terms used in this Declaration are defined as set forth below.

2.1. Annexable Property shall mean any or all of the real property described on Exhibit "B" which may be made subject to this Declaration by Annexation pursuant to the provisions set forth in Article XV hereof.

2.2. Annexation shall mean the process by which the additional real property described in Exhibit "B" attached hereto may be made subject to this Declaration as set forth in Article XV.

2.3. Architectural Committee shall mean and refer to the committee provided for in Article VII hereof entitled "Architectural Control."

2.4. Architectural Guidelines or Architectural Standards shall mean and refer to the rules and standards promulgated by the Community Board (as such term is defined below) for implementation by the Architectural Committee.

2.5. Assignment of Declarant's Rights shall mean and refer to the assignment agreement executed and recorded by Declarant in order to assign Declarant's rights to a successor Declarant pursuant to the provisions of Section 2.23 of this Declaration.

2.6. Capital Improvement Fund shall mean and refer to the fund which may be established from time to time by the Community Association for the deposit of any Capital Improvement Assessments.

2.6.1. Maintenance and Operation Fund shall mean and refer to the fund which shall be established by the Community Association for the deposit of Regular Assessments.

2.6.2. Reserve Fund shall mean and refer to the fund which may be established from time to time by the Community Association for the deposit of any reserve Community Assessments.

2.7. Common Expenses shall mean and refer to the actual and estimated costs and expenses approved by the Community Board and incurred or to be incurred by the Community Association, the Community Board or the Architectural Committee, including, but not limited to, the following:

2.7.1. maintenance, management, operation, repair and replacement of the Community Common Area and all other areas within Snowden Overlook which are maintained by the Community Association;

2.7.2. due but unpaid Community Assessments (as hereinafter defined);

2.7.3. maintenance by the Community Association of areas within the public right-of-way of public streets in the vicinity of the Property as provided in this Declaration or pursuant to agreements with Howard County;

2.7.4. costs of management and administration of the Community Association, including, but not limited to, compensation paid by the Community Association to managers, accountants, attorneys, architects, consultants and employees;

2.7.5. the costs of utilities, trash pickup and disposal, gardening and other services benefiting the Owner and their Condominium Unit to the extent such services are paid for by the Community Association;

2.7.6. the costs of fire, casualty, liability, worker's compensation and other insurance covering the Community Common Area;

2.7.7. the costs of any other insurance obtained by the Community Association pursuant to the provisions of this Declaration;

2.7.8. reasonable reserves as deemed appropriate by the Community Board;

2.7.9. the costs of bonding of the members of the Community Board;

2.7.10. taxes paid by the Community Association;

2.7.11. amounts paid by the Community Association for the discharge of any lien or encumbrance levied against the Community Common Area or portions thereof;

2.7.12. costs incurred by the Architectural Committee or other committees of the Community Association; and

2.7.13. the costs of any other item items designated by or in accordance with other expenses incurred by this Community Association for any reason whatsoever in connection with the operation and/or maintenance of the Community Common Area, or in furtherance of the purposes of the discharge of any obligations imposed on the Community Association by this Declaration, the Community Articles or Community By-Laws.

2.8. Community Articles shall mean and refer to the Articles of Incorporation of the Community Association, as the same may from time to time be duly amended.

2.9. Community Assessments shall mean and refer collectively or individually, as required by the context, to all or any of the assessments levied by the Community Association pursuant to Article VI hereof entitled "Funds and Assessments" and shall include, without limitation, the Community Assessments defined below.

2.9.1. Regular Assessment. The terms "Regular Assessment" or "Regular Assessments" shall mean the amount which is to be paid by each Owner to the Community Association for Common Expenses.

2.9.2. Special Assessment shall mean an assessment levied by the Community Board if the Community Board determines that the Regular Assessments will be inadequate

pursuant to the provisions of Subsection 6.4.2 of this Declaration.

2.9.3. Capital Improvement Assessment shall mean a charge against each Owner and his Condominium Unit, representing a portion of the cost to the Community Association for installation or construction of any Capital Improvements for the Community Common Area which the Community Association may from time to time authorize pursuant to the provisions of Subsection 6.4.3 or this Declaration.

2.9.4. Enforcement Assessment shall mean a charge assessed against any Owner and his Condominium Unit to reimburse the Community Association for costs incurred in bringing the Owner and his Condominium Unit into compliance with the provisions of this Declaration pursuant to Subsection 6.4.4 of this Declaration.

2.9.5. Single Benefit Assessment shall mean a charge against each Owner and his Condominium Unit for any cost or expense which will benefit less than all of the Owners within Snowden Overlook as described in Subsection 6.4.5 of this Declaration.

2.9.6. Reconstruction Assessment shall mean a charge against each Owner and his Condominium Unit representing a portion of the cost to the Community Association for reconstruction of any portion or portions of the Community Common Area pursuant to the provisions of Article XIII hereof entitled "Destruction of Improvements."

2.10. Community Association shall mean and refer to Snowden Overlook Community Association, Inc., a corporation incorporated under the laws of the State of Maryland, or any successor entity charged with the duties, obligations and powers of said Community Association.

2.11. Community Association Rules shall mean and refer to the rules and regulations adopted by the Community Board for the governance of Snowden Overlook.

2.12. Community Board shall mean and refer to the Community Board of the Community Association.

2.13. Community By-Laws shall mean and refer to the By-Laws of the Community Association, as the same may from time to time be amended.

2.14. Community Common Area shall mean and refer to all real property and the Improvements situated thereon described on Exhibits A and B, including, without limitation, Entrance Areas (as defined below), Open Space Areas (as defined below), recreational facilities, any private storm drains and private stormwater management facilities, private streets (as described more fully in Exhibit A), sidewalks, parking areas used by Owners, walking trail system, retaining walls and private utilities located on the Property and intended to be owned by the Community Association. The Community Common Area may from time to time include an interest held by lease, license or easement as well as estates in fee simple. The Community Common Area (excluding, however, any easement areas) shall be conveyed to the Community Association by Declarant by deed free of all liens and encumbrances except current real property taxes (which taxes shall be prorated as of the date of conveyance), assessments, any non-monetary title exceptions of record, the covenants, conditions, reservations and restrictions contained in this Declaration and any easement agreements recorded in Land Records affecting the Property.

2.15. Community Directors shall mean the members of the Community Board elected

pursuant to the provisions of Article IV hereof entitled "Organization of Community Association."

2.16. Condominium Assessments shall mean assessments determined pursuant to any Condominium Declaration which are levied exclusively on Condominium Units contained in a particular Condominium Association.

2.17. Condominium Association shall mean a condominium association formed under applicable Maryland law which is also subjected to the provisions of this Declaration.

2.18. Condominium Board shall mean the governing body of a Condominium Association as established pursuant to the Condominium Declaration and the Articles of Incorporation and By-Laws for the Condominium Association.

2.19. Condominium Common Elements shall mean and include those areas described as "common elements" in the Condominium Declaration and plats recorded for the Condominium Association pursuant to the Maryland Condominium Act.

2.20. Condominium Declaration shall mean the condominium declaration with respect to each Condominium Association, including the declarations providing for annexation of property increments, if any, to a particular Condominium Association.

2.21. Condominium Unit shall mean any condominium unit within Snowden Overlook established pursuant to the Maryland Condominium Act or any similar statute hereinafter enacted.

2.22. Declarant shall collectively mean The Ryland Group, Inc., a Maryland corporation and Patriot Homes, Inc., a Maryland corporation and their respective successors and assigns who shall acquire or hold title to any part or all of the Property for purposes of development and are expressly named as successor Declarant in an Assignment of Declarant's Rights executed by Declarant or by a successor Declarant, and recorded in the Land Records (defined below), assigning the rights and duties of Declarant to such successor Declarant, with such successor Declarant accepting and assuming the assignment of such rights and duties. A successor Declarant shall also be deemed to include the beneficiary under any Deed of Trust securing an obligation from a then existing Declarant encumbering all or any portion of the Property, which beneficiary has acquired any such property by foreclosure or deed in lieu of foreclosure.

2.23. Development Period means the period commencing on the date this Declaration is recorded in Land Records and expiring on the date on which development of the Property as a residential subdivision has been fully completed and all of the Condominium Units have been deeded over to Owners of Condominium Units by Declarant, unless Declarant, in its sole discretion, determines that the Development Period will terminate earlier and evidences such determination by the recording of an instrument in Land Records expressly providing for the termination of the Development Period as of the date of such instrument.

2.24. Entrance Areas shall mean those areas comprised of entrance monuments, gatehouse and any related landscaping and fencing which serve the Community Association, all of which shall be maintained by the Community Association.

2.25. Improvement shall mean and refer to all Structures and appurtenances thereto of every type and kind, including but not limited to, residences, and other buildings, outbuildings, walkways, pedestrian and bicycle trails, utility installation, swimming pools, garages, carports, roads, driveways, parking areas, fences, screening walls, retaining walls, awnings, patio and

balconies, stairs, decks, landscaping, hedges, slopes, windbreaks, the exterior surfaces of any visible structure, plantings, planted trees and shrubs, antennae, poles, signs, solar or wind powered energy systems or equipment, heater and air conditioning and heating fixtures or equipment; the demolition or destruction by voluntary action of any Structure or appurtenance thereto of every type and kind; the grading, excavation, filling or similar disturbance to the surface of the land including, without limitation, change of grade, change of landscaping, planting, clearing or removing of trees, shrubs, grass or plants; and any change or alteration of any previously approved Improvement including any change of exterior appearance, color or texture.

2.26. Institutional Mortgagee shall mean and refer to a Mortgagee which is a bank, savings bank or savings and loan association or established mortgage company, or other such entity chartered under federal or state laws, any corporation or insurance company, any federal or state agency, or any other institution specified by the Community Board in a recorded instrument, who is the Mortgagee of a Mortgage or beneficiary of a Deed of Trust encumbering a Condominium Unit.

2.27. Land Records shall mean and refer to the Land Records of Howard County, Maryland.

2.28. Lot shall mean and refer to any and all of the following which are subject to this Declaration: (a) any Condominium Unit; and (b) Unsubdivided Property (as hereinafter defined). The term "Lot" shall not include any of Community Common Area or Condominium Common Elements, unless otherwise provided.

2.29. Master Management Documents shall mean and refer to the Community Articles, Community By-Laws, Community Association Rules and this Declaration, and any amendments to any of the foregoing.

2.30. Member or Members shall mean and refer to every person or entity who qualifies for membership pursuant to Article III of this Declaration entitled "Membership in the Community Association," including Declarant, as long as Declarant qualifies for membership pursuant to said Article.

2.31. Mortgage means a recorded mortgage or deed of trust encumbering any Property and any other security interest therein existing under another security document (including but not limited to a financing statement, security agreement or other security document used under applicable Maryland law). Mortgagee shall mean and refer to the mortgagee or beneficiary under any Mortgage. A "First Mortgagee" shall refer to a Mortgagee whose First Mortgage has priority over any other Mortgage encumbering a specific Condominium Unit.

2.32. Open Space Areas shall mean and refer to any areas labeled "Open Space Area" on any subdivision plat for Snowden Overlook, which are to be owned and/or maintained by the Community Association as Open Space Areas, and/or any areas designated as "Open Space Areas" in a Supplementary Declaration, including, without limitation, the area shown as "Open Space Lot 10" on the plat entitled, "COLUMBIA SNOWDEN RIVER BUSINESS PARK SECTION 1 AREA 1", recorded among the Land Records at Plat No. 16190.

2.33. Owner shall mean and refer to one or more persons or entities who are along or collectively the record owner of a fee simple title to a Condominium Unit, including Declarant

unless the context provides otherwise. Owner shall mean an owner of any Condominium Unit within Snowden Overlook established pursuant to the Maryland Condominium Act or any similar statute hereinafter enacted. If more than one (1) person, firm, corporation, trustee, or other legal entity, or any combination thereof, hold the record title to any one Condominium Unit, whether in a real property tenancy, partnership relationship, or otherwise, all of same, as a Condominium Unit, and not otherwise, shall be deemed a single record owner and shall be or become a single Member of the Community Association by virtue of ownership of such Condominium Unit. The term "Owner," however, shall not include any contract purchaser, nor the owner of any redeemable ground rent issuing out of any Condominium Unit, nor shall it include any Mortgagee, trustee or other grantee named in any Mortgage, deed of trust or other security instrument covering any Condominium Unit, designed solely for the purpose of securing performance of an obligation or payment of a debt.

2.34. Property shall mean and refer to all the real property described on Exhibit "A" attached hereto and, subsequent to the Annexation thereof pursuant to this Declaration, any real property which shall become subject to this Declaration.

2.35. Residential Property shall mean and refer to any Property on which Units are to be constructed. Residential Property shall not include Community Common Area or Condominium Common Elements.

2.36. Snowden Overlook shall mean and refer to all of the Property and Improvements situated thereon which are, from time to time, subject to this Declaration.

2.37. Snowden Overlook Funds shall mean and refer collectively to all of the funds established by the Community Association for the deposit of Community Assessments.

2.38. Snowden Overlook Voting Power, or "voting power", or "total voting power", shall each mean and refer to the total number of votes allocated to all Members of classes A and B entitled to vote from time to time as set forth in the Section of Article III entitled "Classes of Voting Membership/Delegate Vote Entitlement."

2.39. Structure shall mean any thing or device the placement of which upon the Property (or any part thereof) may affect the exterior appearance of a Condominium Unit (or any part thereof).

2.40. Supplementary Declarations shall mean those certain declarations of covenants, conditions and restrictions, or similar instruments, annexing any portion of the Annexable Property and extending the plan of this Declaration to such Annexable Property as provided in the Article XV hereof entitled "Annexation of Real Property."

2.41. Unsubdivided Property shall mean any real property and number of Units depicted on the approved site development plan for Snowden Overlook.

2.42. Zoning Laws shall mean Howard County Zoning Regulations, as amended from time to time.

ARTICLE III MEMBERSHIP IN THE COMMUNITY ASSOCIATION

3.1 Purpose and Organization. The Community Association is a nonprofit, non-stock membership corporation formed under the laws of the State of Maryland to operate and

maintain the Community Common Area for the benefit of the Owners. The Community Association is charged with the duties and is given the powers set forth in this Article III and its affairs shall be governed by the Community Articles, the Community By-Laws, and this Declaration. If the Community Association as a corporate entity is dissolved, a nonprofit unincorporated association shall forthwith and without further action or notice be formed to succeed to all of the rights and duties of said Community Association hereunder. The affairs of such unincorporated association shall be governed by the Community By-Laws and this Declaration as if they were created for the purpose of governing the affairs of an unincorporated association.

3.2. Membership.

3.2.1 Qualifications. Members of the Community Association shall be (i) Declarant (irrespective of whether Declarant is the Owner of a Condominium Unit), until the date Declarant no longer owns any property subject to this Declaration and (ii) the Condominium Association. Membership in the Community Association shall be subject to this Declaration, the Community Articles, the Community By-Laws and any Community Association Rules. Membership shall be appurtenant to and may not be separated from ownership of a Condominium Unit.

3.3. Classes of Voting Membership/ Vote Entitlement. The Community Association shall have two (2) classes of voting membership, which are described below.

3.3.1. Class A Membership. Class A Members shall initially be the Condominium Association, with the exception of Declarant for so long as there exists a Class B membership. The Condominium Association, through its board of directors, shall be entitled to cast one (1) vote for each Condominium Unit within such Condominium Association.

3.3.2. Class B Membership. The Class B Member shall be the Declarant who shall be entitled to ten (10) votes for each Condominium Unit owned by Declarant for which assessments have commenced. For any Unsubdivided Property which is subject to this Declaration, there shall be fifteen (15) votes for each Condominium Unit shown on the approved site development plan for Snowden Overlook. The Class B membership shall cease and be converted to Class A membership with respect to the property shown on Exhibit "A" on the happening of either of the following events, whichever occurs earlier:

(a) The twentieth (20th) anniversary of the recordation of this Declaration in the Land Records; or

(b) January 1, 2030, or

(c) until the date Declarant no longer owns any property subject to this Declaration.

3.4. Allocation of Votes. All voting rights shall be subject to this Declaration. Whenever the selection of a Community Director or a matter which the Declaration, Community Articles, Community By-Laws or Maryland corporation law requires to be approved by the majority vote or other specified percentage of the total votes of the Community Association ("Specified Action") is presented for approval, written notice of the substance of the Specified Action shall be given at least thirty (30) days prior to the date on which the Specified Action shall be discussed at a meeting of the Community Association.

3.5. Voting Authority. All actions lawfully taken by the Community Association in accordance with the voting procedures established herein, and in the Community By-Laws, shall be deemed to be binding upon all Members, Owners and their respective successors and assigns.

3.6. Continuing Approval of Declarant. Notwithstanding the foregoing, and without limiting Declarant's unilateral rights provided elsewhere in this Declaration or the Community By-Laws, until the end of the Development Period, the approval of Declarant shall be required before the Community Association may take any permitted action with respect to the following:

3.6.1. Reduction in the level of, or change in allocation of responsibility for (a) maintenance of and repairs to all or part of any Community Common Area subject to this Declaration, or (b) any other maintenance obligations of the Community Association set forth in Article VIII of this Declaration entitled, "Installation, Repair and Maintenance";

3.6.2. Conveyance by the Community Association of all or any part of the Community Common Area;

3.6.3. Alteration in the method of fixing and collecting Community Assessments;

3.6.4. Reduction or modification of any easement rights reserved to Declarant pursuant to the provisions of this Declaration;

3.6.6. Alteration in the method of enforcing the provisions of the Declaration;
and

3.6.7. Amendments to this Declaration or the Community By-Laws which would diminish or otherwise affect Declarant's right of approval regarding the actions enumerated above.

3.7. Commencement of Voting Rights. The Condominium Association's vote shall not commence until Community Assessments have been levied on the Condominium Association, as provided in this Declaration. All voting rights shall be subject to the restrictions and limitations provided for herein and in the Community By-Laws.

ARTICLE IV ORGANIZATION OF COMMUNITY ASSOCIATION

4.1. Community Association and Community Board. Except for those acts which are expressly reserved to the vote of the membership of Snowden Overlook in this Declaration, any duty, obligation or authority vested or required to be performed and any power or privilege which may be exercised by the Community Association pursuant to this Declaration shall be performed or exercised only by the Community Board or its authorized delegates, agents and servants, and any power, duty, obligation or authority vested or conferred on the Community Board by this Declaration shall be deemed a power, duty, obligation or authority of the Community Association. The Community Board shall conduct its affairs as provided for in the Community By-Laws. The Community Board may delegate its powers and duties to such committees, officers, or professional managers as may be permitted under this Declaration and as the Community Board deems appropriate. All acts of the Members of the Community Association shall be made by the vote of the Community Association as provided in the Community By-Laws.

4.2. Meetings of Community Association. The first regular annual meeting of the Community Association shall be held within forty-five (45) days after the closing of the sale of ninety percent (90%) of the Condominium Units within the Property to Owners other than Declarant, but in any event not later than fifteen (15) years after the first Condominium Unit has been subjected to the Condominium Declaration. Thereafter, regular annual meetings and special meetings of the Community Association and Community Board shall be called, held and conducted in the manner provided in the Community By-Laws.

4.3. Number of Community Directors and Selection by Declarant. The Community Board shall be comprised of three (3) or five (5) members; provided, however, that during the Development Period, there may be four (4) members of the Community Board, all of whom shall be selected solely by Declarant; and further provided that Declarant, in its sole discretion may decide not to select any one (1) or more Community Directors before the end of the Development Period and if such a decision is made by Declarant, successors Community Directors shall be elected under Section 5.3. of the Community By-Laws. Subsequent to the Development Period, the number of Community Directors shall be determined by a simple majority vote of the Community Directors at the annual meeting or special meeting of the Community Directors.

4.4. Community Directors Selected by Community Association. Subsequent to the Development Period or earlier if Declarant decides not to select any one (1) or more Community Directors as provided in Section 4.3. above, Community Directors shall be nominated and elected under the provisions of Article V of the Community By-Laws.

4.5. Liability of Community Directors. No Community Director shall be personally liable to any of the Members or Owners, or to any other person or entity, including, but not limited to, Declarant or any Condominium Association, for any error or omission of the Community Association or the Community Board representatives, its agents and employees, provided that such Community Director has, upon the basis of such information as may be possessed by him, acted in good faith.

ARTICLE V DUTIES AND POWERS OF THE COMMUNITY ASSOCIATION

5.1. Scope of Powers and Duties of Community Association. The Community Association shall have all of the powers of a corporation organized under the laws of the State of Maryland operating for the benefit of the Owners, subject only to the limitations expressly set forth in the Community Articles, Community By-Laws and this Declaration. The Community Association shall have the power to do any and all acts which are authorized, required or permitted under this Declaration and to undertake any and all acts which may be reasonable and necessary for, or incidental to the exercise of any express powers granted the Community Association for the peace, health, comfort, safety or general welfare of Snowden Overlook. Except as expressly provided herein, the powers and duties of the Community Association shall be exclusively performed by the Community Association. As more fully provided in this Declaration, the Community Association may supersede the actions or decisions of any Condominium Association in matters regarding the maintenance and overall operation of any such Condominium Association.

5.2. General Powers of the Community Association. In addition to the duties and powers enumerated elsewhere in this Declaration or in the Community Articles or Community By-Laws, and without limiting the generality thereof, the Community Association shall have the

powers and authority set forth below, which, unless expressly provided otherwise, may be undertaken by the Community Board; or such committees, entities, persons or companies expressly designated by the Community Board to exercise such powers or authority:

5.2.1. Performance of Duties. to undertake all of the express duties required under Section 5.3 below to be done by the Community Association.

5.2.2. Enforcement. to enforce the provisions of this Declaration, the Community Articles and the Community By-Laws by appropriate means and carry out the obligations of the Community Association hereunder, including, without limitation, the expenditure of funds of the Community Association, the employment of legal counsel and experts, the commencement of legal and/or equitable actions, the promulgation and enforcement of the Community Association Rules, and the establishment of fines or penalties as provided for in this Declaration.

5.2.3. Easements and Rights of Way. to grant and convey easements, licenses for use, and rights of way, to any third party where necessary in, on, over and through the Community Common Area for this benefit of the Owners.

5.2.4. Mergers. to the extent permitted by law, to participate in mergers and consolidations with other nonprofit corporations organized for the same purposes as the Community Association.

5.2.5. Dedication. to dedicate in fee simple or in any lesser estate, or grant easements over any of its real property to any governmental body or agency, public authority, private or public utility company, or other service companies, for public use or in connection with providing services to Snowden Overlook.

5.2.6. Delegation of Powers. to delegate its powers under this Declaration, the Community By-Laws or Community Articles to committees, officers, or employees as expressly authorized by the Community Articles, Community By-Laws and this Declaration.

5.2.7. Management. subject to the provisions of Section 5.4 of this Declaration, to employ a manager or other person and contract with independent contractors or managing agents who have professional experience in the management of condominium developments or master associations, to perform any services required for the maintenance, protection, operation and preservation of Snowden Overlook.

5.2.8. Legal and Accounting. to obtain legal and accounting services as may be required by the Community Board for operation of the Community Association or enforcement of this Declaration.

5.2.9. Right of Entry. in accordance with the provisions of this Declaration, to enter upon any Community Common Area or Condominium Common Elements without liability to any Owner, for the purpose of enforcing any of the provisions of this Declaration, or for the purpose of maintaining and repairing the landscaping or other Improvements located upon Community Common Area or any Condominium Common Elements, or for the purpose of maintaining any slopes located on any Community Common Area or Condominium Common Elements; provided, however, that entry upon Condominium Common Elements shall occur (a) at a reasonable hour and (b) after reasonable notice has been given to the Owner(s) of such Condominium Common Elements. If there is an emergency, the agents and representatives of the Community Board may enter such Condominium Common Elements immediately and

without notice for the sole purpose of taking such action as is necessary under the circumstances. Any damage caused by an entry upon any Condominium Common Elements pursuant to the provisions of this Subsection shall be repaired by the Community Association. This right of entry does not grant the right to enter into a Condominium Unit.

5.2.10 Acquire Real Property. to acquire and hold real property by lease or purchase for offices or other Community Common Area that may be necessary or convenient for the management of the Community Common Area, the administration of the affairs of the Community Association or for the benefit of the Members and Owners.

5.2.11 Other Property. to acquire and hold, as trustee for the benefit of its Members, tangible and intangible personal property and to dispose of the same by sale or otherwise. No such personal property of a value greater than five percent (5%) of the budgeted gross expenses of the Community Association shall be acquired by or disposed of by the Community Association without written approval of the Members representing at least fifty-one (51%) of the Snowden Overlook Voting Power.

5.2.12 Resolution of Disputes. to negotiate with, bring all actions at law or equity, and enter into settlement agreements with Declarant concerning any matter involving liability of or alleged liability of Declarant to the Community Association, any Condominium Association or any Snowden Overlook Member related to the construction or operation of the Community Common Area and each Member and Owner, hereby vests in and irrevocably delegates to the Community Board or its duly authorized representative, the right and power to so act.

5.2.13. Capital Accounts. to establish and maintain a working capital and contingency fund in an amount to be determined by the Community Board.

5.2.14. Borrow Money. to borrow money as needed for the administration of the Community Association and for construction of any improvements in the Community Common Area and its functions, and to pledge real property and personal property assets of the Community Association as security for such loan. Pursuant to the provisions of the Section of Article VIII entitled "Borrow Money", the Community Association may not encumber the Community Common Area unless the vote of a majority of the Snowden Overlook Voting Power has been obtained.

5.2.15. Review of Condominium Association Operations. the right, but not the obligation, to review periodically the operation of any Condominium Associations within Snowden Overlook and the maintenance and repair of the property within such Condominium Associations. As provided in the Article IX of this Declaration entitled "Use Restrictions for Snowden Overlook" the Community Association may take such steps as the Community Board deems appropriate to assure that the operation of any Condominium Association within Snowden Overlook substantially complies with the standards established for Snowden Overlook.

5.2.16. Enforcement of Restrictions and Rules. in the event of a breach of any provision of this Declaration, or any of the Community Association Rules by any Owner, the Owner's family, guests, employees, invitees, licensees, or tenants, the Community Board, for and on behalf of all other Owners, shall have the right (but not the obligation) to enforce the obligations of each Owner to obey and comply with this Declaration and such Community Association Rules in any manner provided by law or in equity, including, but not limited to, appropriate hiring of legal counsel, the pursuing of legal action, or suspension of the Owner's

right to use the Community Common Area facilities; provided, however, such suspension may not be for a period in excess of thirty (30) days, after notice and hearing as herein provided, for each infraction. In addition to the other remedies herein set forth, the Community Board, by majority vote, may levy a fine against such Owner, after appropriate notice and hearing as herein provided, in a reasonable amount for each such violation. Prior to reaching a decision to impose any penalty provided herein for breach of any rules enacted hereunder or any covenants, conditions or restrictions contained in this Declaration, the Community Board shall send written notice to the Owner specifying the nature of the infraction and provide an opportunity to the Owner for a hearing before the Community Board regarding such infraction and the penalty to be imposed. Said notice shall be given at least fifteen (15) days prior to said hearing. If the Community Board determines that said infraction has occurred, it may impose a penalty to become effective not less than five (5) five days after said hearing. Any such determination of said Community Board shall be final. If legal counsel is retained or legal action is instituted by the Community Board pursuant to this Section, any settlement prior to judgment or any judgment rendered in any such action shall include costs of collection, court costs, expert fees, litigation expenses and reasonable attorneys' fees. The Community Board may establish a hearing committee and delegate thereto all of the power, authority and responsibility for holding any hearings and determinations required in this Section. Notwithstanding anything to the contrary herein contained, neither the Community Board nor the Community Association members shall have the power to cause a forfeiture or abridgement of an Owner's right to the full use of his individually owned Condominium Unit, including access thereto over and across the Community Common Area, on account of such Owner's failure to comply with the provisions of this Declaration, the Community By-Laws or any Community Association Rules adopted by the Community Board or the Community Association relating to the operation of the Community Common Area, except when such loss or forfeiture is the result of a judgment of a court or a decision arising out of arbitration, or on account of foreclosure sale for failure to the Owner to pay an assessment levied under that Section in Article VI entitled "Single Benefit Assessment".

5.2.17. Enter Into Maintenance or Subsidy Agreements. to enter into maintenance agreements or subsidy agreements with Declarant for the repair and maintenance for the Community Common Area and for the undertaking by Declarant for any other maintenance responsibilities of the Community Association pursuant to the provisions of this Declaration.

5.2.18. Enter Into Maintenance Agreements with Governmental Entities. to enter into maintenance agreements with Howard County or other governmental entities for the repair and maintenance of the Community Common Area.

5.3. Duties of the Community Association. The Community Association shall have the duty and obligation to perform the acts and functions stated in this provision subject to and in accordance with the Community Articles, Community By-Laws and this Declaration:

5.3.1. Community Standards. The Community Association shall establish and maintain overall quality standards for Snowden Overlook compatible with the development of Snowden Overlook. The inherent powers and duties emanating therefrom may be delegated by the Community Board to the Architectural Committee.

5.3.2. Community Common Area. The Community Association shall accept any Community Common Area and Improvements situated thereon conveyed by the Declarant and shall maintain, operate, and otherwise manage all of the facilities situated on the Community Common Area, and all personal property acquired by the Community Association in accordance with the terms and provisions of this Declaration. The Community Board shall periodically

review the nature and scope of the operations of the Community Association to assure such operations are in satisfactory compliance with the requirements of the Master Management Documents.

5.3.3. Taxes. The Community Association shall pay any real and personal property taxes and assessments and other charges assessed against the Community Common Area unless the same are separately assessed to the Owners.

5.3.4. Community Assessments. The Community Association shall establish, determine, levy, collect, and enforce all Community Assessments and cause to be prepared all budgets and financial statements.

5.3.5. Utility Services. The Community Association shall obtain utility services necessary or desirable, for the benefit of the Community Common Area, including, but not limited to, water, gas, electricity, telephone, refuse collection, sewage disposal and other services.

5.3.6. Architectural Control. The Community Association shall have the duty to maintain architectural control over the Property, promulgate Architectural Standards and appoint the Architectural Committee in connection therewith in accordance with the provisions of the Article VII of this Declaration.

5.3.7. Association Rules. The Community Association shall adopt, amend, and repeal such rules and regulations as it deems reasonable. The Community Association Rules shall govern such matters in furtherance of the purposes of the Community Association, including, without limitation, the use of the Community Common Area, provided, however, that the Community Association Rules may not discriminate among Owners and shall not be inconsistent with this Declaration, the Community Articles or Community By-Laws. A copy of the Community Association Rules, as they may from time to time be adopted, amended or repealed, shall be delivered to each Owner in the same manner established in this Declaration for the delivering of notices. Upon such delivery, said Community Association Rules shall have the same force and effect as if they were set forth in and were part of this Declaration. The Community Association Rules as adopted, amended or repealed, shall be available at the principal office of the Community Association to each Owner and Institutional Mortgagee upon request or at such other place as may be designated by the Community Board. In the event of any conflict between any such Community Association Rules and any other provision of this Declaration, the Community Articles or the Community By-Laws, the provisions of the Community Association Rules shall be deemed to be superseded by the provisions of this Declaration, the Community Articles or the Community By-Laws to the extent of any such inconsistency.

5.3.8. Community Common Area Maintenance. Except for any special maintenance districts which may be established pursuant to the provisions of Article VIII entitled "Establish Special Assessment District", the Community Association shall maintain, repair, replace, paint and landscape the Community Common Area and other property and interests owned by the Community Association in accordance with the provisions of this Declaration, and acquire, maintain and replace such furnishings and equipment as the Community Board shall determine proper.

5.3.9. Insurance and Fidelity Bonds. The Community Association shall contract for and maintain insurance and fidelity bonds in accordance with the requirements set forth in the Article XI hereof entitled "Insurance."

5.3.10. Liens and Charges. The Community Association shall pay any amount necessary to discharge any lien or encumbrance upon the Community Common Area, or any other property or interest of the Community Association. Where one or more Owners are jointly responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it, and any costs incurred by the Community Association by reason of said lien or liens shall be specially assessed to said Owner(s).

5.3.11. Reserves. The Community Association shall establish and maintain a working capital and contingency fund pursuant to the Section of Article VI of this Declaration entitled "Community Association Funds".

5.4 Limitations. The Community Board shall be prohibited from taking any of the actions set forth below, except with the vote or written consent of a majority of the Snowden Overlook Voting Power, excluding the voting power held or controlled by the Declarant.

5.4.1. Contracts. The Community Board shall not enter into a contract with an entity other than Declarant wherein the contracting person or entity will furnish goods or services for the Community Common Area or the Community Association for a term longer than five (5) years with the following exceptions:

(a) a management contract, the terms of which comply with requirements of the Federal Housing Administration or Veterans Administration; or

(b) prepaid casualty and/or liability insurance policies not to exceed three (3) years duration provided that the policies permit short rate cancellation by the insured.

5.4.2. Capital Improvements. Except as provided in the Section of Article VI entitled "Capital Improvement Assessments", the Community Association shall not incur aggregate expenditures for Capital Improvements to the Community Common Area in any fiscal year in excess of ten percent (10%) of the budgeted gross expenses of the Community Association for that fiscal year.

5.4.3. Sale of Property. The Community Association shall not sell, during any fiscal year, property of the Community Association having an aggregate fair market value greater than twenty-five percent (25%) of the budgeted gross expenses of the Community Association for that fiscal year, unless the prior approval of seventy-five percent (75%) of the Snowden Overlook Voting Power has been obtained.

5.4.4. Compensation The Community Association shall not pay compensation to Community Directors or officers of the Community Association for services performed in the conduct of the Community Association's business; provided, however, that the Community Board may cause a Community Director or officer or a member of the Architectural Committee to be reimbursed for expenses incurred in carrying on the business of the Community Association and may compensate Directors or officers not in the employ of Declarant with the prior approval of seventy-five percent (75%) of the Snowden Overlook Voting Power.

ARTICLE VI FUNDS AND ASSESSMENTS

6.1. Creation of the Lien and Personal Obligation of Assessments. Each Owner (other than Declarant), by acceptance of a deed or other conveyance creating in such Owner

the interest required to be deemed an Owner, whether it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agrees to pay to the Community Association all Community Assessments. Such Community Assessments shall be fixed, established and collected from time to time as hereinafter provided. Such Community Assessments, together with interest, late charges and costs and reasonable attorneys' fees, shall be the debt of and personal obligation of the Owner of such Condominium Unit at the time when the Community Assessment fell due. Community Assessments shall be collected by the Condominium Association(s) and forwarded to the Community Association as provided in Section 6.9. herein. Each such Community Assessment, together with interest thereon, late charges, attorneys' fees and court costs, and other costs of collection thereof, as hereinafter provided, shall also, upon recordation of a Notice of Delinquent Assessment in accordance with the provisions of the Section of this Article entitled "Foreclosure of Lien" be a lien upon the Condominium Unit against which each such Community Assessment is made.

6.2 Community Association Funds. The Community Association shall establish and maintain a Maintenance and Operation Fund into which the Community Board shall deposit Regular Assessments. The Community Association shall also establish and maintain such other funds (including a Reserve Fund and Capital Improvement Fund) as the Community Board deems appropriate for deposit and disbursement of other assessments as the Community Board may from time to time establish. All of said funds are generally referred to herein as the Snowden Overlook Funds. The Community Board shall establish and collect all Community Assessments and, where necessary, enforce the liens therefor as provided for in this Article.

6.3 Purpose of Community Assessments. The Community Assessments shall be used exclusively for the purpose of maintaining the Community Common Area, , and enhancing the quality of life and the value of the Property in Snowden Overlook.

6.4 Nature of Community Assessments. The Community Board shall establish the following Community Assessments, each of which shall be used only for the purposes specified in this Article:

6.4.1. Regular Assessments. A Regular Assessment shall be an annual assessment for Common Expenses fixed and levied by the Community Board based upon the estimated costs of operation of the Community Association in accordance with the budgets prepared and approved by the Community Board pursuant to the provisions of this Article entitled "Community Association Accounts" and the accomplishment of its purposes, performance of its duties and the exercise of its power that benefit the entire Snowden Overlook. The amount and time of payment of Regular Assessments shall be determined as provided for below. Until January 1st of the year immediately following the conveyance of the first Condominium Unit to an Owner, the annual Regular Assessment shall be One Hundred Sixty-Five Dollars and Sixty-Five Cents (\$165.65) for each Condominium Unit. Increases in Regular Assessments shall be subject to the limitations set forth in Section 6.5 below.

6.4.2. Special Assessments. Special Assessments may be levied at any time during any fiscal year if the Regular Assessments prove inadequate for any reason (i.e., deficits), including nonpayment of any Owner's share thereof, as well as to meet unforeseen or special expenditures. Special Assessments shall be allocated in the same manner as Regular Assessments. Increases in Special Assessments shall be subject to the limitations set forth in Section 6.5 below.

6.4.3. Capital Improvement Assessments. In addition to the Regular

Assessments, the Community Association may levy, in any calendar year, a Capital Improvement Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or replacement (other than due to destruction) of a described Capital Improvement including the necessary fixtures and personal property related thereto, upon the Community Common Area to the extent the cost is not covered by the provisions affecting Reconstruction Assessments in the Article hereof entitled "Destruction of Improvements". Capital Improvement Assessments shall be assessed and shall be allocated to Owners in the same manner as Regular Assessments. All amounts collected as Capital Improvement Assessments may only be used for Capital Improvements and shall be deposited by the Community Board in a separate bank account to be held in trust for such purposes. Said funds shall not be commingled with any other funds of the Community Association and shall be deemed a contribution to the capital account of the Community Association by the Members. Increases in Capital Improvements Assessments shall be subject to the limitations set forth in Section 6.5 below. Capital Improvement Assessments shall not be used to finance operating and maintenance costs.

6.4.4. Enforcement Assessments. The Community Association may levy an Enforcement Assessment against any Owner or Condominium Association who or which causes damage to the Community Common Area, or for bringing an Owner of his Condominium Unit into compliance with the provisions of this Declaration, the Community Articles, Community By-Laws, the Community Association Rules or any other charge designated an Enforcement Assessment in this Declaration, the Community Articles, Community By-Laws or Community Association Rules, together with attorneys' fees, interest and other charges related thereto as provided in this Declaration. If the Community Association undertakes to provide materials or services which benefit individual Owners, then such Owners in accepting such materials or services agree that the costs thereof shall be an Enforcement Assessment. The Community Board shall have the authority to adopt a reasonable schedule of Enforcement Assessments for any violation of the Master Management Documents. If, after notice and a hearing as required by the Section of Article V entitled "Enforcement of Restrictions and Rules", the Owner fails to cure or continues such violation, the Community Association may impose an additional fine each time the violation is repeated, and may assess such Owner and enforce the Enforcement Assessment as herein provided for nonpayment of a Community Assessment. A hearing committee may be established by the Community Board to administer the foregoing.

6.4.5. Single Benefit Assessment. The Community Board may establish a Single Benefit Assessment for reconstruction, Capital Improvements, extraordinary maintenance, or any other cost or expense not otherwise provided for in this Declaration which will benefit less than all of the Owners. Except as provided in the Section of Article X entitled "Maintenance Obligations of the Condominium Associations", such a Single Benefit Assessment may be imposed only by a vote of seventy-five percent (75%) of the Owners of the Condominium Units benefited by the Single Benefit Assessment. Each Single Benefit Assessment shall be segregated in the Snowden Overlook Funds solely to the Condominium Units which derive the benefit therefrom. If the Community Association obtains income directly related to an item which has been assessed as a Single Benefit Assessment, such income shall be allocated so as to reduce or offset such Single Benefit Assessment. Whenever the Community Association performs any service or accomplishes any item or repair or maintenance which is the duty of a Condominium Association or an Owner to accomplish, but which has not been accomplished by the Condominium Association or Owner, or whenever the Community Association determines to preempt the performance of a Condominium Association or specific Owner if a given act of maintenance or repair, the Community Association shall specifically charge the cost thereof, together with any financing costs and administrative costs incurred by the Community Association, to the Owner for whom such work was done, or the

Condominium Association for which such work was done, as the case may be, and shall include such additional cost as a Single Benefit Assessment for such Owners or Condominium Association. Any Single Benefit Assessment charged to a Condominium Association shall be allocated among the Owners in that Condominium Association in the same manner as the Condominium Association regular assessments are allocated in the Condominium Association Declaration.

6.4.6. Reconstruction Assessments. Reconstruction Assessments may be levied by the Community Board under the conditions and in the manner specified in the Article hereof entitled "Destruction of Improvements."

6.5. Limitation on Assessments. From and after January 1st of the year immediately following the conveyance of the first Condominium Unit to an Owner, other than Declarant, Regular Assessments may not, except in the case of an Emergency (as hereinafter defined), be increased more than twenty-five percent (25%) of the Regular Assessment for the immediately preceding fiscal year, and Special Assessments may not, except in the case of an Emergency, be increased more than ten percent (10%) of the budgeted gross expenses of the Community Association for such fiscal year, and Capital Improvement Assessments may not, except in the case of an Emergency, be increased more than five percent (5%) of the budgeted gross expenses of the Community Association without, in each case, the consent of fifty-one percent (51%) of the Owners. For the purpose of this Section, a quorum shall mean more than fifty percent (50%) of the Owners of the Community Association and an Emergency shall mean any one of the following:

6.5.1. an extraordinary expense required by an order of a court;

6.5.2. an extraordinary expense necessary to repair or maintain Snowden Overlook or any part of it which is the responsibility of the Community Association to maintain where a threat to personal safety on the Property is discovered; or

6.5.3. an extraordinary expense necessary to repair or maintain Snowden Overlook or any part of it for which the Community Association is responsible that could not have been reasonably foreseen by the Community Board in preparing and distributing the Budget required under the Section of this Article entitled "Community Association Accounts"; provided, however, that prior to the imposition or collection of a Regular Assessment under this Subsection, the Community Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense which is involved and why the expense was not or could not have been reasonably foreseen in the budgeting process, and the resolution shall be distributed to the Members entitled to vote thereon with the notice of Regular Assessment. For the purpose of calculating where an increase to Regular Assessments exceeds twenty percent (20%), the term "Regular Assessments" shall be deemed to include the amount assessed against each Condominium Unit by the Community Association as a Regular Assessment plus any amount paid by the Declarant as a subsidy pursuant to any subsidy agreements, to the extent such subsidy payments offset any amount which would otherwise be paid by Owners as Regular Assessments.

6.6. Monetary Charge. Notwithstanding Subsection 6.4.4 above, a monetary charge imposed by the Community Association pursuant to the provisions of the Section of Article V entitled "Enforcement of Restrictions and Rules", as a disciplinary measure for failure of an Owner to comply with a non-monetary provision of the Master Management Documents (i.e., other than failure to pay any of the Community Assessments), or as a means of reimbursing the Community Association for costs incurred by the Community Association for which the Owner

was allegedly responsible or in bringing the Owner and the Owner's Condominium Unit into compliance therewith, shall become a lien against such Owners' Condominium Unit enforceable by sale as provided in the Section of this Article entitled "Foreclosure of Lien".

6.7. Allocation of Community Assessments to Condominium Units. The Community Assessments shall be allocated to each Condominium Unit for which assessments have commenced as set forth below.

6.7.1. Allocation of Community Assessments. Community Assessments shall be allocated in a uniform manner among the Condominium Units within Snowden Overlook based on the formulas for voting purposes set forth in Section 3.8 of Article III entitled "Classes of Voting Membership/Delegate Vote Entitlement"; provided, however, that any obligations of Declarant to pay Community Assessments shall be determined in accordance with the provisions of Section 6.7.2. below:

6.7.2. Exemptions. For purposes of this Section 6.7.2, "Exempt Property" means:

- (i) All Community Common Area;
- (ii) All Condominium Common Elements;
- (iii) All parts of Snowden Overlook then owned by the County, the State of Maryland, or another governmental or quasi-governmental entity having jurisdiction over any of Snowden Overlook or any such entity, utility company, gas, fuel oil or other energy distributor, telecommunication company or other person or party which provides a utility service, or to the extent of any easement or other interest therein held by such authority;
- (iv) All public roads or other parts of Snowden Overlook which, at the time in question, are exempt by law from taxation; and
- (v) All real property not part of Snowden Overlook.

Further, Declarant shall be exempt from any liability to pay any assessments hereunder, including, without limitation, Community Assessments. Assessments against Declarant shall be payable at the time such Condominium Unit is subjected to this Declaration. Lots formerly owned by the Declarant shall cease to be exempt from such Community Assessments, commencing upon transfer or conveyance of any such Lot from the Declarant to any other Owner. In addition, no type of assessment, including Community Assessment, shall be applicable to Exempt Property. The initial grantee of a Condominium Unit from the Declarant shall be liable for the initial working capital contribution pursuant to Section 6.8.4 herein and all other association assessments pursuant to this Section 6.

6.7.3. Other Community Assessments. Special Assessments, Reconstruction Assessments, and Capital Improvement Assessments shall be allocated in the same manner as Regular Assessments. Enforcement Assessments and Single Benefit Assessments shall be levied directly to the individual Condominium Units in a manner consistent with provisions of Subsection 6.4.4 and 6.4.5 of this Declaration.

6.8. Levy of Community Assessments. Community Assessments shall be levied and shall commence according to the procedures set forth below:

6.8.1 Commencement of Regular Assessments. Annual Regular Assessments shall commence as to all Condominium Units which are fully constructed and ready for occupancy located within a Condominium Association on the first day of the first month following the closing of the first sale of any fully built Condominium Unit located within said Condominium Association to an Owner other than Declarant. As to any land which is hereafter annexed into Snowden Overlook pursuant to a Supplementary Declaration, Regular Assessments shall commence as to all of the real property described in a Supplementary Declaration upon the first day of the first month following the closing of the sale of the first Condominium Unit in the annexed property which is ready for occupancy described in such Supplementary Declaration to an Owner other than Declarant.

6.8.2. Annual Levy of Regular Assessments. The Community Board shall fix the amount of the Regular Assessment against each Condominium Unit at least sixty (60) days in advance of each annual Community Assessment period and written notice shall be sent to every Owner subject thereto at least thirty (30) days prior to its effective date. Unless expressly provided otherwise by the Community Board, each Regular Assessment shall be payable in advance, in equal monthly installments, the first of which installment shall be due and payable on the first day of the first month of each calendar month. If any excess of Community Assessments is collected over actual Common Expenses incurred by the Community Association, such excess may, at the election of the Community Board, be placed in a Reserve Fund which may be used to offset the future expenses of the Community Association in any manner designated by the Community Board.

6.8.3. Levy of Other Community Assessments. All other Community Assessments shall be fixed at such times and in such amounts as the Community Board deems appropriate, and the Owners shall be given reasonable notice thereof. The due dates for such other Community Assessments shall be established by the Community Board.

6.8.4. Initial Capital Contribution. To insure adequate funds to meet the initial expenses of the Community Association, each Owner, other than Declarant, shall pay to the Community Association an amount equal to four (4) months of the then annual Regular Assessments; subject, however, to an annual increase described in Section 19.20 herein. The amounts set forth herein are not to be considered in lieu of annual Regular Assessments or any other Community Assessments levied by the Community Association and are in addition to any initial capital contribution or working capital due to the Condominium Association described in the Condominium Declaration and/or by-laws of the Condominium Association.

(i) In addition to the foregoing, during the Development Period, Declarant has the right, but not the obligation, to make loans from time to time to the Community Association if Declarant deems the same to be appropriate, in its sole and absolute discretion, to enable the Community Association to pay all debts and maintain sufficient cash flow. If any such loans are made, repayment will be made to Declarant, on such terms as Declarant may require, from time to time.

6.8.5. Certificate of Payment. The Community Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Community Association setting forth where the Community Assessments on a specified Condominium Unit have been paid. Such certificate, if signed by an officer of the Community Association, shall be conclusive evidence of payment of any Community Assessment therein stated to have been paid.

6.9. Collection of Assessments. Each Condominium Association shall have responsibility for collecting Community Assessments on behalf of the Community Association.

Such Community Assessments shall be due and payable to the Condominium Association on the same day that such assessments would be due and payable to the Community Association. A Condominium Association shall levy late charges and upon instructions from the Community Board, interest charges against any Owner who fails to pay such Community Assessments within the time periods specified in the Section of this Article entitled "Late Charges". The Condominium Association shall deliver such Community Assessments to the Community Association in a timely manner and as and when due. The Community Board shall establish procedures for the payment by the Condominium Association to the Community Association of Community Assessments collected by the Condominium Association. Any Community Assessments collected by the Condominium Association shall be held in trust for the benefit of the Community Association. If the Condominium Association fails to pay Community Assessments to the Community Board when due, and in accordance with the provisions of any guidelines established by the Community Board, the Community Board may bring an action against the Condominium Association including, but not limited to, an action pursuant to the Maryland Contract Lien Law and all costs of enforcement shall be levied as an Enforcement Assessment against the Condominium Association. The Community Board may, upon a vote by a majority of the Community Directors, elect to terminate the obligation of any Condominium Association to collect the Community Assessments.

6.10. No Offsets. All Community Assessments shall be payable in the amount specified by the particular Community Assessment, and no offset against such amount shall be permitted for any reason, including, without limitation, a claim that the Declarant or the Community Association is not properly exercising its duties or powers as provided for in the Declaration or that an Owner is not satisfied with the scope or quality of any services or amenities.

6.11. Community Assessment Rolls. The Community Association may maintain and revise annually, an assessment roll for the subdivision within Snowden Overlook, reflecting the name and address of each Owner, and other data necessary to levy the Community Assessments. Each Condominium Board shall supply the Community Association with the Condominium Association assessment rolls and all amendments or revisions thereto on a regular basis or, upon request therefor, from the Community Association.

6.12. Transfer of Property. After transfer or sale of a Condominium Unit in Snowden Overlook, the selling Owner or Owners shall not be liable for any Community Assessment levied on the Condominium Unit after the date of such transfer of ownership. The selling Owner shall remain personally responsible for all Community Assessments and charges levied on the Condominium Unit prior to any such transfer unless the personal obligation is expressly assumed by the transferee, and such assumption is accepted in writing by the Community Association.

6.13. Effect of Non-Payment of Assessments - Remedies of Community Association.

6.13.1. Late Charges. Community Assessments which are not paid when due shall be delinquent on said due date ("Delinquency Date"). If any such Community Assessment is not paid within thirty (30) days after the Delinquency Date or such earlier date as may be established by the Community Board upon prior notice to the Members, a late charge equal to Fifteen Dollars (\$15.00) or one-tenth (1/10th) of the total amount of delinquent Community Assessment or installment, whichever is greater (provided that the late charge may not be imposed more than once for the same delinquent payment), interest charge of eighteen percent (18%) and reasonable costs of collection, including attorneys' fees, shall be levied by the Community Board provided, however, that upon any amendments to Maryland law or statute

regulating the amount of the late charge, the late charge shall be adjusted to comply with the provisions of any such statute or law. In the event of a default or defaults in payment of any Community Assessment and in addition to any other remedies provided herein or by law, the Community Association may enforce each such obligation set forth below.

6.13.2. Action Against Owner. The Community Association may bring a suit or suits at law to enforce such Community Assessment obligation. Any judgment rendered in any such action shall include a sum for reasonable attorneys' fees in such amount that the Court may adjudge against such defaulting Owner. Upon full satisfaction of any such judgment, it shall be the duty of the Community Association by any authorized officer thereof to execute and deliver to the judgment debtor an appropriate satisfaction thereof.

6.13.3. Foreclosure of Lien. Within thirty (30) days after the delinquency of any Community Assessment, the Community Association shall give notice to the defaulting Owner, which notice shall state the date of the delinquency, the amount of the delinquency, and the interest and late fees charged for such delinquency, and make a demand for payment thereof. If such delinquency, late fees and interest are not paid within ten (10) days after delivery of such notice, the Community Association may proceed to collect the same under the Maryland Contract Lien Act.

6.13.4. Cure of Default. Upon the timely curing of any default for which a Notice of Lien was recorded by the Community Association, officers of the Community Association or a Management Agent (as such term is hereinafter defined) appointed by the Community Board are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a reasonable fee, to be determined by the Community Association, to cover the cost of preparing and filing or recording such release together with a payment of such other costs, interest or fees as shall have been incurred.

6.13.5. Non-Exclusive Remedy. The Community Assessment liens and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution of all other rights and remedies which the Community Association and its assigns may have hereunder and by law, including a suit to recover a monetary judgment for unpaid Community Assessment as above provided.

6.13.6. Delegation of Authority. Each Owner, with the exception of the Administrator of Veteran Affairs, an Officer of the United States, hereby vests in and irrevocably delegates to the Community Board or its duly authorized representatives the right and power to bring all actions at law or equity, and lien foreclosures, whether judicially or by power of sale, or otherwise, against any Member for the collection of delinquent Community Assessments in accordance herewith, and hereby expressly waives any objection to the enforcement in accordance with this Declaration of the obligation to pay Community Assessments as set forth in this Declaration.

6.14. Condominium Association Assessment. With consent of any Condominium Association, which shall not be unreasonably withheld, the Community Association is empowered to, but shall not have the duty, to collect, enforce and otherwise administer the Condominium Association Assessments of any and all Condominium Associations established within Snowden Overlook such that Community Assessments and Condominium Association assessments may be collected contemporaneously. The Community Board shall disburse funds collected on behalf of any such Condominium Association as promptly as possible. The Community Board may not charge for any such collection other than any actual additional costs

for such collection that are charged to the Community Association. If any Condominium Association fails to levy or collect Condominium Association assessments or fails to duly operate and maintain the Condominium Association to the standards established for Snowden Overlook, the Community Association may elect to preempt the rights of the Condominium Association without the consent of the Condominium Association and may fix, levy, collect and enforce said Condominium Association assessments and arrange for such operation and maintenance provided that fifteen (15) days prior written notice of such election is given to the Condominium Association. Such preemption regarding Condominium Association assessments and maintenance shall require a vote of two-thirds (2/3) of the Community Board. Any Condominium Association assessments collected under such preemption by the Community Association shall be used solely for the purposes stated in the Condominium Association Declaration for the Condominium Association from which the Condominium Association assessments were collected. The Community Board may retain the funds collected pursuant to this provision and directly disburse such funds to assure that it is being properly operated and maintained. A Condominium Association may not levy or collect any Condominium Association assessments during the period in which the Community Association has preempted its rights to so levy or collect Condominium Association assessments. The preemption shall expire at the end of the fiscal year of the Condominium Association in which the preemption occurred. The Community Association may include in any such preempted Condominium Association's Assessment a reasonable amount for reimbursement of direct costs of administration and collection of such preempted Condominium Association assessment.

6.15. Subordination of the Lien to Mortgages. The lien of the Community Assessments and Condominium Association assessments provided for herein shall be subordinate to the lien of any Mortgage recorded prior to the lien of the Community Association. The sale or transfer of any Condominium Unit shall not affect any Community Assessment lien or Condominium Association assessment lien. The lien for unpaid Community Assessments shall be prior to any lien for an unpaid Condominium Association assessment unless the Condominium Association elects to pay the Community Assessment lien and thereafter include any amounts paid by the Condominium Association to the Community Association in its Condominium Association lien. Nothing in this Section shall be construed to release any Owner from his personal obligation to pay for any Community Assessment or Condominium Assessment levied pursuant to this Declaration or any Condominium Association Restrictions (as described in Section 9.1. of this Declaration), if applicable.

6.16. Community Association Accounts

6.16.1. Operating Statements. The Community Board shall prepare or cause to be prepared and distribute to each Condominium Association and each Owner therein, copies of the budgets, balance sheets, operating statement and other information described below.

(a) Budget. The Community Board shall prepare a pro-forma operating statement ("Budget"), for each fiscal year, which Budget shall be distributed to each Owner not less than forty-five (45) days prior to the beginning of each fiscal year. The Budget shall contain the following information:

(i) estimated revenue and expenses for the operation of the Community Association on an accrual or cash basis, or if available, actual expenses from the previous budget adjusted for inflation and any surplus based on a professional registered engineer's report on the operations, maintenance and replacement plan of the Community Common Area;

(ii) the amount of the total cash reserves of the Community Association currently available for replacement or major repair of common facilities and for contingencies;

(iii) an itemized estimate of the remaining life of, and the methods of funding to defray repair, replacement or additions to, major components of the Community Common Area for which the Community Association is responsible;

(iv) reserves for major repairs and replacement for each operational facility and Improvement located on the Community Common Area; and

(v) an allowance for a contingency fund equal to at least 10% of the estimated or actual expenses.

The Budget for the initial fiscal year shall be prorated for the balance of the year remaining. The Community Board shall assess the total operating expenses determined by the Budget to all assessable Owners as a Regular Assessment, allocated as specified in the Section of this Article entitled "Allocation of Community Assessments".

The Budget proposed by the Community Board shall be reviewed for adequacy by an independent certified public accountant ("Accountant") or other qualified party, prior to approval of the Budget by the Community Board.

(b) Annual Report. An annual report shall be available for inspection by all Members and distributed to the Community Board within one hundred twenty (120) days after the close of each fiscal year which annual report shall consist of the following: (i) a balance sheet as of the end of the fiscal year; (ii) an operating (income) statement for the fiscal year, (iii) a statement of changes in financial position for the fiscal year and (iv) any information required to be reported under any successor statute or law.

(c) Operating Statement. A balance sheet prepared as of an accounting date ("Accounting Date") which shall be the last day of the month closest in time to six (6) months from the first sale of a Condominium Unit to an Owner other than Declarant, and an operating statement which has been prepared for the period from the date of the first sale of a Condominium Unit to an Owner other than Declarant to the Accounting Date shall be distributed within sixty (60) days after said Accounting Date. Said operating statement for the first six (6) months accounting period shall include a schedule of assessments received or receivable, itemized by Condominium Unit number and by name of the person or entity assessed.

6.16.2. Review of Accounts. The Community Board shall, not less frequently than on an annual basis, perform the following:

(a) cause a current reconciliation of the Community Association's operating accounts and reserve accounts to be made and review the same;

(b) review the current year's actual reserve revenues and expenses compared to the current year's Budget;

(c) review the most current account statements prepared by the financial institution where the Community Association has its Maintenance and Operation Fund and

Reserve Fund; and

(d) review an income and expense statement for the Community Association's Maintenance and Operation Fund and Reserve Fund.

6.16.3. Audit. Any Condominium Association or Mortgagee may, upon written request, at any reasonable time, and at the sole cost and expense paid in advance by the party requesting an audit or inspection, cause an audit or inspection to be made of the books and records of the Community Association, provided, however, that not more than a total of one (1) such audits may be performed in any fiscal year. The Community Board shall obtain such other audits as required by the Community By-Laws.

6.16.4. Notice to Mortgagees. Copies of each such balance sheet, operating statement and annual report for the Community Association shall be mailed to any Mortgagee who has requested in writing that such copies be sent to it.

6.17. Inspection of Association Books and Records.

6.17.1. Availability of Association Books and Records. Any membership register, including mailing addresses and telephone numbers, books of account and minutes of meetings of the Members, the Community Board and committees of the Community Board of the Community Association, shall be made available for inspection and copying by any Member of the Community Association, or the Member's duly appointed representative, or any Mortgagee, during normal business hours and for a purpose reasonable related to his or her interest as a Member, at the office of the Community Association or at such other place within Snowden Overlook as the Community Board prescribes.

6.17.2. Community Board Rules Regarding Inspection of Records. The Community Board shall establish by resolution reasonable rules with respect to:

(a) notice to be given to the custodian of the records of the Community Association by the Member, representative or Mortgagee desiring to make an inspection:

(b) hours and days of the week when an inspection may be made;

(c) payment of the cost of reproducing copies of documents requested by a Member or by a representative or Mortgagee; and

(d) cost of personnel to accomplish inspection and copying of the foregoing.

6.17.3. Director's Rights. Every director of the Community Association shall have the absolute right during normal business hours time to inspect all books, records and documents of the Community Association and the physical properties owned or controlled by the Community Association. The right of inspection by a director includes the right to make one (1) set of extracts and copies of documents.

ARTICLE VII
ARCHITECTURAL CONTROL

7.1. Scope. Except as otherwise provided in this Declaration, there shall be no excavation, construction, building, landscaping, development or other Improvements situated

within Snowden Overlook without compliance with this Article. The provisions of this Article shall preempt and supersede any inconsistent provision of any rules or restrictions of any Condominium Association to the extent that any Condominium Association Declaration or Condominium Association Rules and Regulations are in conflict with the provisions of this Declaration; provided, however, that the provisions of the Zoning Laws are incorporated herein by reference, and this Declaration shall be subject to the operation and effect of the Zoning Laws.

7.2. Exemptions. The following exemptions are hereby granted:

7.2.1. Declarant Exemption. Any building, Structure, Improvement, grading, fence, wall or landscaping erected or installed by the Declarant anywhere in Snowden Overlook or any personal property or fixture which is annexed thereto shall not be subject to the provisions of this Article VII.

7.3. Appointment of Architectural Committee. There shall be one (1) Architectural Committee for Snowden Overlook. Upon the annexation of an Annexable Property within Snowden Overlook, the Annexed Property shall be subject to the provisions of this Article. The Architectural Committee shall consist of a single entity or up to five (5) persons who shall initially be appointed by the Declarant. Members of an Architectural Committee appointed by the Declarant need not be Members of the Community Association. The Declarant shall retain the right to appoint, augment or replace members of the Architectural Committee until the earlier to occur of the following: (a) the expiration of the Development Period; or (b) twenty (20) years from the date of this Declaration; provided that Declarant may, at its sole option, transfer this right to appoint the Architectural Committee to the Community Board by written notice thereof prior to the end of such time period. Thereafter, the right to appoint, augment or replace members of an Architectural Committee shall automatically be transferred to the Community Board; provided, however, that so long as Declarant owns (or has under contract to purchase) any of the real property described on Exhibit "B" then at least one member of the Architectural Committee may, at Declarant's election, be appointed by Declarant. The members of the Architectural Committee shall initially consist of John Meade, Earl Robinson, John White and Cindy Huntzberry,.

7.4. Architectural Standards. During the Development Period, the Declarant, and after the end of the Development Period, the Architectural Committee, may prepare and may amend Architectural Standards which shall apply to all Structures within the Property; subject, however, to the exemptions set forth in Sections 7.2. Any amendments to the Architectural Standards shall apply to Structures commenced after the date of such amendment only and shall not apply to require modifications to or removal of Structures previously approved once the approved construction or modification has commenced. There shall be no limitation on the scope of amendments to the Architectural Standards. The Architectural Standards may be amended to remove requirements previously imposed or otherwise to make the Architectural Standards less restrictive.

7.4.1. The Architectural Standards may contain general provisions applicable to all of the Property, as well as specific provisions that vary from one portion of the Property to another depending upon the location, unique characteristics, intended use, and any other applicable zoning ordinances. The Architectural Standards are not the exclusive basis for decisions of the Architectural Committee and compliance with the Architectural Standards does not guarantee approval of any application.

7.4.2. The Community Association shall make the Architectural Standards

available to Owners who seek to engage in development or construction within the Property and all such persons shall conduct their activities in accordance with such Architectural Standards. In the Declarant's discretion, such Architectural Standards may be recorded in Land Records, in which event the recorded version, as it may unilaterally be amended from time to time, shall control in the event of any dispute as to which version of the Architectural Standards was in effect at any particular time.

7.4.3. All Structures shall be done in strict compliance with the Architectural Standards in effect at the time the plans for the Structures are submitted to and approved by the Declarant or the Architectural Committee, as applicable. So long as the Architectural Committee has acted in good faith, its findings and conclusions with respect to appropriateness of, applicability of or compliance with the Architectural Standards and this Declaration shall be final.

7.5. Resignations. Any member or alternate member of the Architectural Committee may at any time resign from the Architectural Committee upon written notice delivered to the Declarant or to the Community Board, whichever then has the right to appoint members.

7.6. Vacancies. Vacancies on an Architectural Committee, however caused, shall be filled by the Declarant or the Community Board, whichever then has the power to appoint members.

7.7. Duties. It shall be the duty of the Architectural Committee to consider and act upon such proposals or plans submitted to it pursuant to the terms hereof, to administer any Architectural Standards promulgated by the Declarant or Community Board, as the case may be, to perform other duties delegated to it by the Community Association, to ensure that any Improvements constructed within Snowden Overlook conform to plans approved by the Architectural Committee, and to carry out all other duties imposed upon it by this Declaration. The Architectural Committee may establish reasonable rules for the submission of plans and specifications including, without limitation, the number of sets of plans to be submitted; and may assess a fee in connection with review of plans. The Architectural Committee, in its own name or on behalf of the Community Association, may exercise all available legal and equitable remedies to prevent or remove any unauthorized and unapproved construction of Improvements within Snowden Overlook or any portion thereof. Notwithstanding the foregoing, the Architectural Committee may delegate its plan review responsibilities to one or more members of the Architectural Committee. Any such delegation must be made in writing and filed with the Community Board. Upon such delegation, the approval or disapproval of plans and specifications by such person shall be equivalent to approval or disapproval by the entire Architectural Committee. Unless any such rules regarding submission of plans are complied with, such plans and specifications shall be deemed not submitted.

7.8. Address. The address of the Architectural Committee shall be the principal office of the Community Association or any other place as may be designated by the Community Board pursuant to the Community By-Laws. Such address shall be the place for the submittal of plans and specifications and the place where the current Architectural Standards, if any, shall be kept.

7.9. Effect of Architectural Committee. The establishment of an Architectural Committee and the procedures herein for architectural approval shall not be construed as changing any rights or restrictions upon Owners to maintain, repair, alter, modify or otherwise have control over the Owners' respective Condominium Unit(s) and the Condominium Unit and other Improvements situated thereon, as may otherwise be specified in this Declaration, the Community By-Laws or any Community Association Rules.

7.10. Meetings. The Architectural Committee shall meet from time to time as necessary to properly perform its duties hereunder. Unless otherwise provided for herein, the vote or written consent of a majority of the members of an Architectural Committee shall constitute an act by such Architectural Committee unless the unanimous decision of its members is otherwise required by this Declaration. The members of the Architectural Committee shall be entitled to reimbursement for reasonable expenses incurred by them in the performance of any Architectural Committee function, but shall otherwise receive no compensation for services rendered unless agreed to by seventy-five percent (75%) or more of the Snowden Overlook Voting Power.

7.11. Approval and Conformity of Plans. The Architectural Committee shall review plans subject to the following:

7.11.1. Limitation on Improvements. If the Architectural Standards so provide, no Improvements shall be commenced, erected or maintained upon the Property, nor shall there be any addition to or change in the exterior of any Condominium Unit, Structure or other Improvement, unless plans and specifications therefor have been submitted to and approved by the appropriate Architectural Committee in accordance with the procedures set forth in this Declaration. Repainting of the exterior of Condominium Unit, the color of which has been previously approved by the Architectural Committee, shall not require another approval of the Architectural Committee.

7.11.2. Time Limitations. The Architectural Standards may set forth time limitations for the completion of any Improvements for which approval is required pursuant to the Architectural Standards.

7.11.3. Conformity of Plans and Specifications. The Architectural Standards may provide for the conformity of completed Improvements to plans and specifications approved by the Architectural Committee and to the Architectural Standards; provided, however, unless notice of noncompletion or noncompliance identifying the violating Condominium Unit and its Owner and specifying the reason for the notice executed by the appropriate Architectural Committee, shall be filed of record and given to such Owner within sixty (60) days after the expiration of the time limitations established pursuant to Subsection 7.11.2 above or unless legal proceedings shall have been instituted to enforce compliance or completion within said sixty (60) day period, the completed Improvements approved by the Architectural Committee shall be deemed to be in compliance with the Architectural Standards of the Community Association.

7.11.4. Other Limitations and Review Fees. The Architectural Standards may include such other limitations and restrictions as the Declarant or Community Board (as applicable), in its reasonable discretion, shall adopt including, without limitation, regulations of the following: construction, reconstruction, exterior addition, change or alteration to or the maintenance of any building, Structure, wall or fence, including, without limitation, the nature, kind, shape, height, materials, exterior color and surface and location of any Condominium Unit, Structure or other Improvements of any kind. The Architectural Committee may establish and charge fees for review of applications and may require such fees to be paid in full prior to review of any application. Such fees may include the costs incurred in having any application reviewed by architects, engineers or other professionals.

7.12. Time Period for Review of Plans and Specifications. If the Architectural Committee fails to approve or disapprove such plans and specifications within ninety (90) days

after the same have been duly submitted in accordance with any rules regarding such submission adopted by such Architectural Committee, the Owner requesting said approval may submit a written notice to the Architectural Committee advising the Architectural Committee of its failure to act. If the Architectural Committee fails to approve or disapprove any such plans and specifications within forty-five (45) days after the receipt of said notice from such Owner, said plans shall be deemed approved.

7.13. Appeal. If plans and specifications submitted to the Architectural Committee are disapproved thereby, the party or parties making such submission may appeal in writing to the Community Board. The written request must be received by the Community Board not more than ten (10) days following the final decision of the Architectural Committee. The Community Board shall submit such request to the appropriate Architectural Committee for review, whose written recommendations will be submitted to the Community Board. Within forty-five (45) days following receipt of the request for appeal, the Community Board shall render its written decision. The failure of the Community Board to render a decision within said forty-five (45) day period shall be deemed a decision in favor of the appellant.

7.14. Waiver. The approval by the Architectural Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Committee under this Declaration, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

7.15. Estoppel Certificate. Within forty-five (45) days after written demand is delivered to the Architectural Committee by any Owner, and upon payment to the Community Association of a reasonable fee as fixed from time to time by the Community Association, the Architectural Committee shall provide an estoppel certificate executed by any two (2) of its members, certifying (with respect to any Condominium Unit of said Owner) that as of the date thereof either: (a) all Improvements made and other work done upon or within said Condominium Unit comply with the provisions of this Article VII, or (b) such Improvements or work do not so comply, in which event the certificate shall also identify the non-complying Improvements or work and set forth with particularity the basis of such noncompliance. Any purchaser from the Owner, or from anyone deriving any interest in said Condominium Unit through him, shall be entitled to rely on said certificate with respect to the matter therein set forth, such matters being conclusive as between the Community Association, Declarant and all Owners and such persons deriving any interest through them.

7.16. Liability. Neither Declarant, the Community Board nor the Architectural Committee nor any member thereof shall be liable to the Community Association or to any Owner for any damage, loss or prejudice suffered or claimed on account of: (a) the approval or disapproval or any plans, drawings and specifications, whether or not defective, (b) the construction or performance of any work, whether pursuant to approved plans, drawings, and specifications, (c) the development of any property within Snowden Overlook, or (d) the execution and filing of an estoppel certificate pursuant to Section 7.15 above, whether or not the facts therein are correct, provided that such member has acted in good faith on the basis of such information as may be possessed by him. The Architectural Committee does not assume any liability for any plans and specifications submitted to the Architectural Committee which are approved, nor for any defect in any Structure constructed from such plans and specifications. Without in any way limiting the generality of the foregoing, the Architectural Committee, or any member thereof, may, but is not required to consult with or hear the views of any member of the Community Association with respect to any plans, drawings, specifications or any other proposal submitted to the Architectural Committee.

7.17. Governmental Requirements. The application to and the review and approval by the Architectural Committee of any proposals, plans or other submittals shall in no way be deemed to be in satisfaction of or in compliance with any Zoning Laws, building permit process or any other governmental requirements, the responsibility for which shall be solely with the respective Owner.

7.18. No Waiver of Future Approvals. Each Owner acknowledges that the party or parties reviewing applications will change from time to time and that opinions on aesthetic matters, as well as the interpretation, application and enforcement of the Architectural Standards, may vary accordingly. Approval of proposals, plans and specifications, or drawings for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings or other matters subsequently or additionally submitted for approval.

ARTICLE VIII PROPERTY RIGHTS: COMMUNITY COMMON AREA

8.1. Ownership of Community Common Area. The Community Common Area shall be owned by the Community Association, subject to the other provisions of this Declaration, including, without limitation, easements reserved unto the Declarant. Notwithstanding the foregoing, Declarant and its agents and employees, shall have the right to come on the Community Common Area to complete the construction of any landscaping or other Improvements to be installed on the Condominium Common Elements by the Declarant or Community Association. If any of Declarant's subcontractors are contractually obligated to maintain the landscaping and/or other Improvements on the Community Common Area, such maintenance shall not be assumed by the Community Association until the termination of such contractual obligation. Neither such construction nor such maintenance shall in any way postpone the commencement of Community Assessments pursuant to this Article or entitle a Member to claim any offset or reduction in the amount of such Community Assessments. The Community Common Area shall also be subject to any easements and other documents recorded prior to the date that such Community Common Area is transferred to the Community Association, including, without limitation, easements noted on any subdivision or condominium plat affecting the Property and the easement agreement for private shared access road and maintenance on Parcel 'E' for the use of Parcels 'B-1', 'C-1' and 'D-1' and Open Space Lots 6, 8 and 9, recorded among the Land Records in Liber 7584 at folio 624.

8.2. Owners' Right to Use Community Common Area. Every Owner shall have a nonexclusive easement for use in and to the Community Common Area and such right shall be appurtenant to and shall pass with the title to each portion of the Property, subject to the following:

8.2.1. Limits on Users of Community Common Area. The right of the Community Association to limit the use of portions of the Community Common Area solely to those Owners who own Condominium Units, and to limit or permit usage thereof by non-Members as the Community Association deems appropriate. The Community Association may limit the number of guests, invitees, tenants, patrons or agents of Owners using the Community Common Area.

8.2.2. Establish Rules. The right of the Community Association to establish reasonable rules and regulations pertaining to the use of the Community Common Area.

8.2.3. Restrict Use of Community Common Area. The right of the Community Association to limit and restrict the use of the Community Common Area and portions thereof during specific times or on specific dates, and to prohibit all use and access to portions of the Community Common Area as deemed necessary by the Community Board for health, safety, welfare, privacy or security purposes; provided, however, nothing herein shall affect an Owner's right of pedestrian and vehicular access to his or her Condominium Unit.

8.2.4. Suspend Right to Use Community Common Area. The right of the Community Association to suspend the right to use the facilities located on the Community Common Area by an Owner for any period during which any Community Assessment against such Owner's Condominium Unit remains unpaid or delinquent or for a period not to exceed thirty (30) days for any single infraction of the published rules and regulations of the Community Association, the Community By-Laws or this Declaration; provided, however, that any suspension of such right to use the facilities located on the Community Common Area, except for failure to pay Community Assessments, shall be made only by the Community Association or duly appointed committee thereof, after notice and hearing given and held in accordance with the Community By-Laws.

8.2.5. Dedication. The right of the Community Association to dedicate or transfer all or any part of the Community Common Area to any public agency, authority or utility or other entity, which dedication or transfer shall be subject to the provisions of this Declaration and such other conditions as the Community Association deems proper.

8.2.6. Levy Charges. The rights of the Community Association to levy a charge for the use of the Community Common Area (except the streets, sidewalks, and other routes for ingress or egress).

8.2.7. Easements. The rights of Owners, as provided in Article XIV entitled "Easements", to exclusive easements appurtenant to the various Condominium Units for encroachments on the Community Common Area for Improvements originally constructed by Declarant.

8.2.8. Establish Special Assessment District. The right of the Community Association to establish, in cooperation with Howard County, a special assessment district for the performance of all or a portion of the maintenance and other functions now within the responsibility of the Community Association, together with the right of the Community Association to convey, lease or otherwise transfer, subject to the provisions of this Declaration, all or any portion of the Community Common Area to said district.

8.2.9. Establish Open Space Easements. The right of the Community Association to establish such open space easements as are deemed necessary by the Community Association over portions of the Community Common Area.

8.2.10. Borrow Money. The right of the Community Association, in accordance with the Community Articles and Community By-Laws, to borrow money for the purpose of improving, replacing, restoring or expanding the Community Common Area or adding new Community Common Area and in aid thereof; to mortgage said property, provided that the prior affirmative vote or written approval of majority of each class of Members has been obtained to mortgage said property; and provided further that the rights of such Mortgagees shall be subordinated to the rights of the Members. In the event of a default upon any such Mortgage of the Community Common Area, the lender's rights thereunder shall be limited to a right, after

taking possession of such properties, to charge admission and other fees as a condition to continued use of the Members and, if necessary, to open the use of the Community Common Area to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Community Association and all rights of the Members hereunder shall be fully restored.

8.2.11. Use by Public. The right of the Community Association to allow use of the Community Common Area by members of the public, pursuant to any requirements imposed by Howard County.

8.3. Alteration of Improvements on Community Common Area. Other than work performed by Declarant in connection with development of the Community Common Area, no work which in any way alters any portion of the Community Common Area from its natural or existing state after the date such Community Common Area was conveyed by Declarant to the Community Association shall be made or done except by the Community Association or its agent. The Community Association shall reconstruct, replace or refinish any Improvement or portion thereof situated within the Community Common Area. Such work shall be in accordance with original design, finish or standard of construction of such Improvement when such Community Common Area was conveyed by Declarant to the Community Association and which was approved by Howard County, or, in a different manner, if approved by Howard County or other government agency having jurisdiction thereof. Additionally, the Community Association shall maintain and landscape the Community Common Area, except for any assessment districts created pursuant to the provisions of 8.2.8., in accordance with the provisions of the Article hereof entitled, "Repair and Maintenance" and as the Community Association deems necessary for the health, welfare and safety of the Owners and guests subject to the jurisdiction of the Community Association.

8.4. Delegation of Use. Any Owner may delegate his right of use of the Community Common Area to the members of his family or his tenants who reside on his Condominium Unit, or to his guests, subject to rules and regulations adopted by the Community Board and any applicable provisions of the Community By-Laws and this Declaration.

8.5. Waiver of Use. No Owner may exempt himself from liability for Community Assessments duly levied by the Community Association, nor release the Condominium Unit owned by him from the liens and charges hereof, by waiver of the use of the Community Common Area, or the abandonment of his Condominium Unit.

8.6. Non-Severability. In no event shall an Owner sell or otherwise sever or separate the interest the Owner may have in the Community Common Area or Condominium Common Elements from his ownership interest in a Condominium Unit.

8.7. Recreational Facilities. Notwithstanding any provision contained in this Declaration to the contrary, Declarant shall construct or cause to be constructed, certain Recreational Facilities, the design and location of which shall be decided by Declarant in its sole and absolute discretion, within certain portions of the Community Common Area or adjacent thereto prior to the conveyance thereof to the Community Association. The Recreational Facilities shall consist of the facilities constructed within the area labeled as "Future Recreation Area Master H.O.A. Phase 2" on the condominium plat entitled, "PHASE 1 & PHASE 2A CONDOMINIUM PLAT FOR KENDALL OVERLOOK CONDOMINIUM" dated February ____, 2005 and recorded among the Land Records. In accordance with the provisions of this Declaration, Owners of Condominium Units and their families, tenants and guests (subject to reasonable rules and regulations imposed by the Community Association) shall be entitled to

use the Recreational Facilities. In addition, the Recreational Facilities may be used by other persons who are not Owners, but who have purchased a yearly membership to use the Recreational Facilities from the Community Association. The Community Board shall determine in its sole discretion annually whether such memberships may be offered to persons who are not Owners, and if so, the membership fee to be charged if memberships are offered. If memberships are sold, it shall only be on an annual basis and the Community Board will take such action to ensure the safety and protection of the Recreational Facilities by those users. Declarant shall convey title to the Recreational Facilities to the Community Association and Community Association shall accept same at the time Declarant conveys title to the Community Common Area in which the Facilities are located.

8.7.1. Financing of Recreational Facilities. Declarant shall have the right until it conveys the Recreational Facilities to the Community Association, and thereafter the Community Association shall have the right, (1) to borrow from any commercial or saving bank, life insurance company, pension fund or other person some or all of the funds required to develop and construct the Recreational Facilities, and/or thereafter to repair, maintain or further improve the Recreational Facilities, and/or to refinance any such loan, and (2) in connection with any such debt, to sign and deliver (A) one or more promissory notes evidencing such debt, (B) one or more Mortgages encumbering the title to the Recreational Facilities and securing such debt, and (C) such other documents relating to such loan as the Declarant or the Community Association, respectively, deems necessary or appropriate (except that nothing in this Declaration shall be deemed to authorize or empower the Declarant or Community Association by any such Mortgage or other document to encumber any real property or personal property as to which it does not then hold record title). Any such Mortgage, if granted, shall be subject in all respects to the legal effect of this Declaration, and the Mortgagee's remedies thereunder in the event of a default shall by its terms expressly be limited in to the provisions, if any, contained in the Master Management Documents and any applicable Condominium Declaration, or articles of incorporation and by-laws for a Condominium Association. Notwithstanding the foregoing, Declarant shall pay for no more than fifty percent (50%) of the costs of development and construction of the Recreational Facilities.

If the Declarant elects to enter into any such loan transaction before it conveys to the Community Association the title to the Recreational Facilities, then (1) if and to the extent that such debt remains unpaid when such conveyance is made, the Community Association shall be deemed to have assumed all of the Declarant's obligations in connection with such loan accruing after such conveyance is made (including but not limited to the obligation to pay the unpaid principal balance of such loan and all interest thereafter accruing thereon, as it becomes due and payable), and (2) such conveyance shall be made subject to the lien and legal effect of any Mortgage theretofore given by the Declarant to secure such loan. All interest and other obligations under such Mortgage and any related loan documents shall be adjusted between the Declarant and the Community Association as of the date of such conveyance. Thereafter, the Community Association shall defend, indemnify and hold harmless the Declarant and all (if any) other persons having any liability in connection with such loan, against and from any liability, claim of liability or expense arising out of a default under such Mortgage or any related loan document occurring after such conveyance is made.

ARTICLE IX USE RESTRICTIONS FOR SNOWDEN OVERLOOK

9.1 Condominium Association Restrictions. Each Condominium Association within Snowden Overlook, unless excepted by Declarant, shall have a Condominium Declaration which shall specify the procedures for operation and management of the Condominium

Association and establish the uses permitted and prohibited on or about the Condominium Units and the Condominium Common Elements (collectively, the "Condominium Association Restrictions"). There shall be no amendment of the provisions in any such Condominium Declaration except with written consent of the Community Board; provided, however, such consent shall not be unreasonably withheld, delayed or conditioned. The Condominium Association Restrictions shall be established and recorded in the Land Records by the Declarant of the Condominium Association prior to the sale of the first Condominium Unit in the Condominium Association to any Owner. The Community Association shall expressly be made a third (3rd) party beneficiary to each Condominium Declaration. The Community Association shall have the right to enforce any provisions of any Condominium Declaration or By-Laws of the Condominium Association, to the extent that the Community Association deems it necessary to protect the overall interest in Snowden Overlook. The Community Association shall not, however, in any event, be considered as having a duty or obligation to enforce any particular provisions of any particular Condominium Declaration.

9.2 Permitted Uses and Limitations. The following use restrictions shall apply in Snowden Overlook.

9.2.1. No-Impact Home-Based Business. The Condominium Units, except as hereinafter provided, shall be used for private and residential purposes only. None of the Condominium Units shall at any time be used for apartments or other types of multiple housing units; except such purposes as may be specifically reserved in this Declaration. The use of any Condominium Unit within the Property as a "no-impact home-based business" (as such term is defined in Section 11B-111.1 of the Real Property Article, Annotated Code of Maryland, 2003 Repl. Volume, as the same may be amended from time to time) is allowable, subject to the following provisions:

(a) Owners shall notify the Community Association before operating a no-impact home-based business.

(b) No-impact home-based businesses are expressly prohibited in any Community Common Area.

(c) Such additional requirements as may be specified by the Community Directors of the Community Association, to the extent permitted by applicable law. The foregoing provisions of this Section are intended to be a restatement of the provisions of Section 11B-111.1 of the Code, and any future amendments or modifications thereto shall be deemed incorporated by reference herein as a part hereof.

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

(a) Is consistent with the residential character of the Condominium Unit;

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

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

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

9.2.2 Family Day Care. The use of any Lot within the Property as a "family day care home", as defined in Section 11B-111.1 of the Maryland Homeowners Association Act, is prohibited in that the provisions of Section 11B-111.1 do not apply to a homeowners association that is limited to housing for older persons, as described in Article 9.5. of this Declaration, as defined under the federal Fair Housing Act.

9.2.3. Rental of Condominium Unit. An Owner shall be entitled to rent his or her Condominium Unit, subject to the restrictions contained in this Declaration. Any rental or leasing agreement shall be in writing, shall be made only to natural persons who actually reside in the Condominium Unit, shall provide that the lease or rental is subject to this Declaration, the Community By-Laws, Community Articles and the Community Association Rules and shall provide that any failure to comply with any provisions of this Declaration, the Community By-Laws, Community Articles or Community Association Rules shall be a default under the terms of the rental or lease agreement. No Owner may lease such Owner's Condominium Unit or Improvements thereon for hotel, motel or transient purposes. Any lease which is either for a period of fewer than six (6) months or pursuant to which the lessor provides any services normally associated with a hotel, shall be deemed to be for transient or hotel purposes. Any Owner who shall lease his or her Condominium Unit shall be responsible for assuring compliance by such Owner's lessee with this Declaration, the Community Articles, Community By-Laws and the Community Association Rules. This Section 9.2.3. shall be inapplicable to Declarant.

9.2.4. Signs. Other than signs deemed necessary and appropriate by the Declarant or its respective successors and assigns, and excluding directional signs, signs for traffic control or safety, no advertising or display signs of any character shall be placed or maintained on any part of the Property or on any dwelling or Structure. In addition to the foregoing, no candidate sign (as such term is defined in Section 11B-111.2 of the Real Property Article, Annotated Code of Maryland, 2003 Repl. Volume, as the same may be amended from time to time), or a sign that advertises the support or defeat of any proposition, may be displayed in the Community Common Area; any permissible candidate sign shall be displayed in accordance with provisions of federal, State and local law; and may only be displayed no more than 30 days before the primary election, general election, or vote on the proposition; and no more than 7 days after the primary election, general election or vote on the proposition. No sign or billboard of any kind shall be displayed to the public view on any Condominium Unit, Community Common Area or Condominium Common Elements with the following exceptions:

(a) signs as may be required by legal proceedings, or the prohibition of which is precluded by law;

(b) signs as may be used by Declarant or its respective sales agents in connection with the development of Snowden Overlook and the sale and marketing of the Condominium Units;

(c) signs on the Community Common Area which the Declarant deems necessary for the construction of any Improvements and identification signs regarding financing and construction;

(d) signs on the Community Common Area as may be required for traffic control and regulation of open areas within Snowden Overlook;

(e) identification signs on the Community Common Area as may be deemed appropriate by the Community Board to designate facilities within Snowden Overlook; and

(f) identification and directional signs placed by Condominium Association Owner or Condominium Association on the Condominium Association, subject to approval of the Architectural Committee.

Notwithstanding the foregoing, Declarant may place signs on the Community Common Area. Declarant's rights to so establish signs shall be exercised for a reasonable period of time in conjunction with Declarant's development of the property, and shall be subject to the approval of the Community Board beginning on January 1, 2024. Notwithstanding the foregoing, in accordance with the provisions of law, an Owner may display on his Condominium Unit not more than one "for sale" or "for lease" sign per Condominium Unit so long as such sign shall comply with any reasonable standards promulgated by the Community Board or Architectural Committee as to the size, color, shape or other qualifications for permitted signs.

9.2.5. Nuisance; Hazards and Waste. No noxious or unreasonably offensive trades or activities shall be carried on upon any Condominium Unit, Community Common Area or Condominium Common Elements or be done thereon which may be, or may become a nuisance, disturbance or unreasonable embarrassment to Snowden Overlook, or which shall unreasonably interfere with the use of each of the Owners of his Condominium Unit, or which shall, in anyway, increase the rate of insurance, or which constitutes a violation of any law, ordinance or regulation, now or hereafter in effect, imposed by any governmental entity having jurisdiction over the Property. No hazardous, toxic or contaminated materials which are regulated by any federal, state or local agency shall be stored, place or used on the Property. Within ten (10) days of receipt of written notice from the Community Association specifying any item which creates such an insurance hazard or constitutes such waste, the Owner shall cause such item to be removed at such Owner's sole cost and expense. If such item is not timely removed, the Community Association may enter upon such Condominium Unit or Condominium Common Elements, remove or cause to be removed such item and assess the Owner or Condominium Association the amount of all costs and expense therefore as an Enforcement Assessment.

9.2.6. Temporary Structures. No trailer, mobile home, tent, shack or other outbuildings shall be kept upon any Community Common Area or Condominium Common Elements or in any street within Snowden Overlook, except in connection with work, sales and marketing of Condominium Units within Snowden Overlook. The foregoing provision shall be inapplicable to Declarant.

9.2.7. Vehicles.

(a) As used herein,

(i) "Vehicle" means a Commercial Vehicle, Motor Vehicle, Recreational Vehicle, automobile, Large Truck, other truck or van (in each case, as defined by the Maryland Motor Vehicle Administration or by common usage and practice), trailer, motorcycle, bicycle, mo-ped, or other powered or unpowered vehicle.

(ii) "Commercial Vehicle" means any (1) automobile, truck or van used or designed principally for commercial, business or industrial use, or (2) taxicab or other Vehicle displaying a commercial logo, message or identification.

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

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

(v) "Motor Vehicle" means a vehicle required by law to be registered with the Maryland Motor Vehicle Administration or another governmental authority or entity, or propelled by a motor.

(vi) "Recreational Vehicle" means any (1) boat, boat trailer, camp truck, camp trailer, golf cart, house trailer, personal watercraft, snowmobile, recreational bus or similar vehicle, motor home, camper van or all-terrain vehicle, or dirt bike, or (2) other powered or unpowered vehicle designed primarily for use for sports or recreational purposes.

(b) No Vehicle shall be parked or stored in Snowden Overlook other than in a parking space; and further, provided, that each Owner of a Vehicle shall use the parking space assigned to such Owner for his or her use. In addition, no Recreational Vehicle, Large Truck or Commercial Vehicle (other than as set forth in subsection 9.2.7.(d) below) shall be permitted to be stored on any Community Common Area or Condominium Common Element (including, General Common Element and Limited Common Element areas) in Snowden Overlook.

(c) Unless permitted by any other provision of this Declaration, no Inoperable Vehicle shall be parked or stored anywhere in Snowden Overlook.

(d) Anything to the contrary notwithstanding herein, nothing herein shall prohibit the parking of Commercial Vehicles on a parking area serving any Condominium Unit while providing maintenance, repair or installation services on, or making a delivery to or from, such Condominium Unit.

(e) No automobile or other Vehicle shall be constructed, restored or repaired on a Condominium Common Element or Community Common Area other than minor repairs such as oil, filter, battery, belt, wiper, light and tire changes, or emergency repairs which cannot be performed elsewhere.

(f) No person shall operate a Vehicle in Snowden Overlook other than in a safe and quiet manner and with due consideration for the rights of all Owners and occupants, or without holding a valid driver's license, if applicable.

(g) Nothing in this Declaration shall prohibit or restrict the Declarant during the Development Period from operating, parking, maintaining or otherwise using a Vehicle anywhere in Snowden Overlook.

9.2.8. Animals. No animals, livestock, or poultry of any kind, including pigeons, shall be raised, bred or kept in any Condominium Unit, except that up to two (2) dogs, cats or any household pets, may be kept in Condominium Units, provided that they are not kept, bred or maintained for any commercial purpose, and provided that they are kept so as to avoid becoming a nuisance to the Condominium Association or to any adjoining property owners, and do not roam unattended on the Property. Household pets shall not include miniature pigs, horses or other hybrid livestock or farm animals. Notwithstanding the foregoing, no animals may be kept on any in a Condominium Unit which, in the good faith judgment of the Community Board, or a committee selected by the Community Board for this purpose, result in an unreasonable annoyance or are obnoxious to residents in Snowden Overlook. No pet or other animal shall be permitted on the Community Common Area except as allowed by the Community Board or Community Rules. The Owner of any animal shall not permit such animal to run unrestrained on Community Common Area or the streets, sidewalks or pathway areas of Snowden Overlook and the Owner of such animal shall maintain full and complete control over such animal. Pets shall be registered, licensed and inoculated as required by law. Owners shall be responsible for the immediate clean-up and removal of their pets' waste from any area of Snowden Overlook. The Community Board shall have the right, after notice and hearing, to remove animals from the Property which it finds constitutes a continuing unreasonable nuisance to Owners or which is otherwise not in compliance with the subsection.

9.2.8.1. Wildlife Control. Declarant and the Community Association reserve the right to undertake such measures as may be deemed appropriate to control wildlife within the Property, including but not limited to, the taking of deer and large birds so long as such measures are consistent with all applicable legal requirements. Without limiting the foregoing, Declarant or the Community Association may, in their discretion, establish regular control programs such as, for example, the use of dogs to prevent non-migratory geese and other species from nesting within and/or causing damage to the Property or otherwise becoming a nuisance.

9.2.9. Unightly Items. All weeds, rubbish, debris, or unsightly materials or objects of any kind shall be regularly removed from the Condominium Common Elements and shall not be allowed to accumulate thereon. All refuse containers, woodpiles, storage areas, machinery and equipment shall be prohibited upon any Condominium Common Elements unless obscured from view of adjoining streets, Condominium Units, alleys or Community Common Area nearest such portion of the Condominium Common Elements from a height of six (6) feet or less and shall comply with any restrictions or standards promulgated by the Community Board or the Architectural Committee.

9.2.10. Antennae. No radio aerial, antenna or satellite or other signal receiving dish, or other aerial or antenna for reception or transmission, shall be placed outside a Condominium Unit, except on the following terms:

(a) An Owner may install, maintain and use one (or, if approved, more than one) Small Antenna (as hereinafter defined) in the rear yard (if any) of a Condominium Unit, at such location, and screened from view from adjacent Condominium Units in such a manner and using such trees, landscaping or other screening material, as are approved by the Architectural Committee, in accordance with this Declaration. Notwithstanding the foregoing terms of this subsection, (i) if the requirement that a Small Antenna installed for a Condominium Unit be placed in the rear yard of a Condominium Unit would impair such Small Antenna's installation, maintenance or use, then it may be installed, maintained and used at another approved location where such installation, maintenance or use would not be impaired; (ii) if and to the extent that the requirement that such Small Antenna be screened would result in any such impairment,

such approval shall be on terms not requiring such screening; and (iii) if the prohibition against installing, maintaining and using more than one (1) Small Antenna for a Condominium Unit would result in any such impairment, then such Owner may install additional Small Antenna 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 Declarant nor the Architectural Committee 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, (i) "impair" has the meaning given it in 47 Code of Federal Regulations Part 1, section 1.4000, as hereafter amended; and (ii) "Small Antenna" means any antenna (and accompanying mast, if any) of a type, the 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.

(d) Notwithstanding the foregoing provisions of this Section, it is the Declarant's intention that to the extent permitted by applicable law, any antennae as described herein shall be placed in the least visible areas in order to be non-visible from all other Owners and from sight of the road.

9.2.11. Drainage. All slopes or terraces of any Condominium Unit or Condominium Common Elements shall be maintained so as to prevent any erosion thereof upon adjacent streets or adjoining property.

9.2.12. No Obstructions. There shall be no obstruction of any Community or Condominium Common Elements except as permitted herein or as provided by the Community Association Rules. Nothing shall be placed or stored in the Community Common Area, except as allowed by the express permission of the Community Board.

9.2.13. Rubbish. No portion of the Property shall be used or maintained as a dumping ground for rubbish. No oil or other refuse shall be allowed to enter storm drains.

9.2.14. Compliance with Laws, Etc. No Owner shall permit anything to be done or kept in a Condominium Unit or on a Condominium Common Element only serving that particular Condominium Unit that violates any laws, ordinances, statutes, rules or regulations of any county, state or federal body.

9.2.15. Fires. There shall be no exterior fires on the Community Common Area except barbecue fires contained within the receptacles provided by the Community Association.

9.3. Easements. There are hereby established easements over, under and through the Community Common Area and Condominium Common Elements, which easements are described in the Article hereof entitled "Easements."

9.4. Distribution of Written Information and Materials. Until the Community Association elects a Community Board in accordance with Section 11B-111.3 of the Maryland Homeowners Association Act (the "Act"), no Owner may distribute any written information or materials regarding the operation of or matters relating to the operation of the Association in any manner or place which the Community Board uses to distribute written information or materials,

excluding, however, door-to-door distribution. From and after the date that the Community Association elects a Community Board, the Community Board may regulate the time of distribution and impose any other restrictions which are permissible under Section 11B-111.3 of the Act, as amended from time to time, and any other applicable law.

9. 5. Housing for Older Persons: Age Restriction.

(i) For purposes of this Section 9.5, the following terms shall have the following meanings:

(a) "Age Qualified Resident" shall mean an occupant of a Condominium Unit who is fifty-five (55) years of age or older (or such other age as may be required by the Fair Housing Acts, as defined below);

(b) "Qualifying Resident" shall mean an occupant of a Condominium Unit who meets one of the following requirements:

- was residing with the Age Qualified Resident in the Condominium Unit prior to the death or departure, by reason of divorce or incapacity, of the Age Qualified Resident;

- was residing with the Age Qualified Resident in the Condominium Unit prior to the placement of the Age Qualified Resident in a facility for the care of the elderly or the disabled; or

- was the spouse of the Age Qualified Resident and was residing with the Age Qualified Resident in the Condominium Unit prior to the dissolution of the marriage with the Age Qualified Resident.

(ii) The Community is intended to constitute housing intended and operated for occupancy by at least one person fifty-five (55) years of age or older per Condominium Unit, to the extent required by the federal Fair Housing Act, 42 U.S.C. Section 3601, et seq., and Art. 49B Section 19 et seq., of the Annotated Code of Maryland, as such laws are amended from time to time (collectively, the "Fair Housing Acts"). Except as provided herein, occupancy of any Condominium Unit shall be in accordance with the Fair Housing Acts.

(iii) Subject to the Fair Housing Acts, a Qualifying Resident who is nineteen (19) years of age or older may continue to occupy a Condominium Unit, with Community Board approval, following the death or departure, by reason of divorce or incapacity, of the Age Qualified Resident. Persons nineteen (19) years of age or older (a "Permitted Resident") may occupy a Condominium Unit with an Age Qualified Resident without the approval of the Community Board, so long as the Age Qualified Resident at all times resides in the Condominium Unit with such Permitted Resident.

(iv) Notwithstanding anything to the contrary contained herein, no Condominium Unit may be occupied by any person under the age of nineteen (19) years unless such person is (i) necessary to provide a reasonable accommodation to a handicapped Age Qualified Resident or Qualifying Resident, or (ii) is a handicapped dependent of an Age Qualified Resident or Qualifying Resident, to the extent required by the provisions of the Fair Housing Acts.

(v) Nothing contained in this Section shall be deemed to prohibit the visitation by persons not otherwise permitted to occupy a Condominium Unit (including persons under the age of nineteen (19)) who are the family members or guests of the owner or occupant of a Condominium Unit, provided that such visitation shall not be for more than sixty (60) days in any calendar year.

(vi) Once the Community Board has granted a request pursuant to this Section, the Community Board's permission with respect to the person who was the subject of the request may not be rescinded for so long as such person continually occupies the Condominium Unit he or she began occupying upon the granting of the Community Board's approval.

(vii) Each Owner or occupant of a Condominium Unit, if requested to do so by the Community Board, shall furnish the Community Board with the names and ages of all occupants of the Condominium Unit and such affidavits and other documents as the Community Board may request to verify the age of such occupants.

(viii) The Community Board may adopt, publish and enforce such policies and procedures and rules and regulations as are deemed necessary by the Community Board in order to demonstrate an intent to maintain the status of the Community as housing for older persons under the Fair Housing Acts. Such policies and procedures may provide for verification of the age of the occupants by reliable surveys and affidavits.

(ix) The requirements contained in this Section are intended to comply with the exemption requirements under the Fair Housing Acts and any regulations issued thereunder. Notwithstanding anything contained herein to the contrary, all Owners acknowledge and agree that although it is the intent of the Declarant that the Condominium is to be operated in compliance with the Fair Housing Acts, which exempt "housing for older persons" from the prohibitions against discrimination because of familial status, no representation or warranty is made that the Condominium complies or will comply with the Fair Housing Acts, and if for any reason the Condominium is deemed not in compliance with the Fair Housing Acts and, therefore, not exempt from the prohibitions against discrimination because of familial status, neither the Declarant nor the Condominium Association nor their respective directors, officers, agents or employees shall have any liability in connection therewith. Notwithstanding any other provision of this Declaration to the contrary, the Declarant, so long as the Declarant owns any Condominium Unit, and thereafter the Condominium Board, may amend the provisions of this Section and/or promulgate rules and regulations to the extent that it deems it necessary or appropriate, without the approval of the Owners, in order to comply with the exemption requirements under the Fair Housing Acts and any regulations promulgated thereunder. Such amendments, rules or regulations by the Declarant or Condominium Board may include, without limitation, permitting additional exceptions to the age restrictions hereunder which are consistent with the Fair Housing Acts and any regulations promulgated thereunder.

ARTICLE X INSTALLATION, REPAIR AND MAINTENANCE

10.1 Repair and Maintenance by Community Association. Without limiting the generality of the statement of duties and powers contained in this Declaration, and except for any districts created pursuant to the to the provisions of the Section of Article VIII entitled "Establish Special Assessment District", the Community Association shall accomplish the following upon the Community Common Area, Condominium Common Elements or other land within Snowden Overlook in such manner and at such times as the Community Board shall

prescribe.

10.1.1. Roads, Parking Areas and Walkways. The Community Association shall maintain all roads, parking areas, private walkways, bicycle paths, trails or other pedestrian paths located in the Community Common Area.

10.1.2. Community Common Area Improvements. The Community Association shall maintain, repair, restore, replace and make necessary improvements to the Community Common Area.

10.1.3. Drainage. The Community Association shall maintain all drainage facilities and easements located on the Community Common Area in accordance with the requirements of Howard County.

10.1.4. Utility Easements. The Community Association shall cause the appropriate public utility company to maintain any utility easements located on the Community Common Area.

10.1.5. Designated Areas. The Community Association shall maintain all Open Space Areas.

10.1.6. Landscaping. The Community Association shall provide landscaping services for the yards of the Condominium Units, subject to the provisions of the Condominium Association.

10.1.7. Other Maintenance Obligations. The Community Association shall maintain all other areas, facilities equipment, services or aesthetic components of whatsoever nature as may from time to time be requested by the vote or written consent of at least two-thirds (2/3) of the Snowden Overlook Voting Power.

10.2. Maintenance Obligations of the Condominium Associations. For the purposes of this Declaration and except as provided herein, a Condominium Association shall be deemed responsible for the maintenance of the Condominium Common Elements and any other areas provided for in the Condominium Declaration. The members of a Condominium Association shall not amend any such declaration to terminate or modify the maintenance responsibilities of such Condominium Association without the prior written approval of the Community Board. If a Condominium Association does not perform its maintenance responsibilities in compliance with this Declaration or the Condominium Declaration or by-laws of the Condominium Association, then the Community Association may perform such maintenance itself and levy on the members of such Condominium Association a Single Benefit Assessment therefor and notwithstanding the provisions of the Section of Article VI entitled "Single Benefit Assessment", the vote of the Owners in such Condominium Association shall not be required.

10.3. Landscape Maintenance. The Community Association shall inspect, maintain and repair the landscaping within the Community Common Area (and any areas maintained by the Community Association located in a condominium regime as provided herein) at least to the standards set forth in this Section. In addition, at least once during every consecutive one-year period beginning six (6) months after the first sale of a Condominium Unit to an Owner, the Community Directors shall conduct a physical inspection of the landscaping in the Community Common Area. The Community Board shall make a written report of observations made during such inspection and present such report to the Delegates at the next regularly scheduled

meeting of the Delegates. Such report shall be made a part of the written minutes of such meeting. The Community Association may employ the services of a professional landscape architect, maintenance contractor or other such professional person to assist the Community Association in performing its duties hereunder. Should such inspection require the inspection of any portion of the Property not included as Community Common Area, there is hereby created a nonexclusive easement in favor of the Community Association, and its officers, agents, employees and independent contractors, to conduct such inspections and to provide such maintenance, repair and replacement, provided that entrance is made at reasonable hours and with at least three (3) days advance notice to the Owner, except in case of emergency. Any damage to any Structure, landscaping or other Improvements caused by the Community Association, or any of its officers, agents, employees or independent contractors, while performing such maintenance, repair or replacement work shall be repaired by the Community Association at its sole cost and expense.

10.4. Repair and Maintenance by Owner. Except for the obligations of the Community Association to repair and maintain as may be provided in this Declaration, and except for the maintenance obligations of the Condominium Associations with respect to Condominium Units and Condominium Common Elements within the Condominium Association provided in the Condominium Declaration, every Owner shall maintain his or her Condominium Unit.

ARTICLE XI INSURANCE

11.1. Types. The Community Association, to the extent available, shall obtain and continue in effect, in its own name, the types of insurance set forth below:

11.1.1. Public Liability Insurance. A policy of comprehensive public liability insurance covering the Community Common Area with limits of not less than One Million Dollars (\$1,000,000) for claims for personal injury and/or property damage arising out of a single occurrence, such coverage to include protection against water damage liability, liability for non-owned and hired automobile and liability for property of others, and such other risks as shall customarily be covered with respect to similar communities and shall contain a "severability of interest" endorsement or the equivalent which shall preclude the insurer from denying the claim of an Owner because of negligent acts or omissions of the Community Association or other Owners.

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

11.1.3. Fidelity Bonds. Fidelity coverage against dishonest acts on the part of

Community Directors, officers, employees or volunteers who handle or who are responsible to handle the funds of the Community Association, and such fidelity bonds shall (a) name the Community Association as obligee, (b) shall be written in an amount equal to at least the estimated maximum of funds, including reserves, in the custody of the Community Association or a management agent at any given time during the term of the fidelity bond; provided, however, that the bond shall not be less than a sum equal to three (3) months aggregate Regular Assessments on all Condominium Units plus Reserve Funds, (c) shall contain waivers of any defense based on the exclusion of persons who serve without compensation or from any definition of "employee" or similar expression, and (d) shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior written notice to Mortgagees.

11.2. Required Provisions. All such property and liability insurance shall be subject to the following provisions and limitations:

11.2.1. Named Insured. The named insured under any such policies shall be the Community Association as a trustee for the Members or their authorized representative, including any trustee with which such Community Association may enter into any insurance trust agreement, or any successor trustee, each of which shall be herein elsewhere referred to as the "Insurance Trustee" who shall have exclusive authority to negotiate losses under said policies. If required by Declarant, the Community Association shall name Declarant as additional insured.

11.2.2. Contribution. In no event shall the insurance coverage obtained and maintained pursuant to the requirement of this Article be brought into contribution with other insurance purchased by the Condominium Association, Owners, or their Mortgagees.

11.3. Condominium Association. Each policy of public liability insurance maintained by Condominium Associations shall name Declarant as an additional insured.

11.4. Waiver by Members. As to each of said policies which will not be voided or impaired thereby, the Members hereby waive and release all claims against the Community Association, the Community Board, the Declarant, and agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but to the extent of insurance proceeds received in compensation for such loss only.

11.5. Other Insurance: Annual Review. The Community Association shall purchase, if available, officers' and directors liability and errors and omission insurance and may purchase such other insurance as it may deem necessary, including but not limited to, plate-glass insurance and worker's compensation. The Community Board shall annually determine whether the amounts and types of insurance it has obtained provide adequate coverage for the Community Common Area in light of increased construction costs, inflation, practice in the area in which Snowden Overlook is located, or any other factor which tends to indicate that either additional insurance policies or increased coverage under existing policies are necessary or desirable to protect the interest of the Community Association. If the Community Board determines that increased coverage or additional insurance is appropriate, it shall obtain the same. If the Community Board determines, in its reasonable and good faith judgment, that increased, decreased or additional insurance is required, it shall take appropriate action.

11.6. Premiums and Proceeds. Insurance premiums for any such blanket insurance coverage obtained by the Community Association and any other insurance deemed necessary by the Community Association shall be a Common Expense to be included in the Regular

Assessments levied by the Community Association. Insurance proceeds shall be used by the Community Association for the repair or replacement of the property for which the insurance was carried, or otherwise disposed of as provided in the Article hereof entitled "Destruction of Improvements." Any two (2) Community Directors may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signatures shall be binding on the Community Association and the Members and Owners.

11.7. Abandonment of Replacement Cost Insurance. Unless unavailable at reasonable costs in the insurance market or unless at least two-third (2/3) of the Institutional Mortgagees (based on one (1) vote for each First Mortgage) have given their prior written approval, the Community Association shall not be entitled to fail to maintain the extended coverage fire and casualty insurance required by this Article on less than a one hundred percent (100%) current replacement cost basis, if available, subject to reasonable deductible amounts and co-insurance provisions which may be approved by the Community Board.

11.8. Requirements of Federal Agencies. Notwithstanding the foregoing provisions of this Article, the Community Association shall continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements by the Federal Housing Administration, the Veterans Administration and/or the Department of Housing and Urban Development (the "Federal Agencies"), so long as it insures or guarantees a Mortgage on a Condominium Unit, except to the extent such coverage is not available or has been waived in writing by the foregoing entities.

ARTICLE XII EMINENT DOMAIN

12.1. Condemnation. The term "taking" as used in this Article shall mean condemnation by eminent domain or sale under threat of condemnation. In the event of a threatened taking of all or any portion of the Community Common Area or any action is brought to condemn all or any portion of the Community Common Area, or a sale of all or part thereof is made in lieu of condemnation, the Members hereby appoint the Community Board and such persons as the Community Board may delegate to represent all of the Owners in connection with the taking. The Community Board shall act, in its sole discretion, with respect to any awards being made in connection with the taking and shall be entitled to condemnation action. Any awards received on account of the taking shall be paid to the Community Association, and used, held or distributed as reasonably deemed appropriate by the Community Board subject to the provisions hereof.

12.2. Total Taking. If the taking is of the entire Community Common Area, the amount payable shall be paid to the Community Board as trustee for distribution to the Owners, subject to the rights of Mortgagees holding Mortgages covering the properties and all unpaid Community Association of each Owner, together with any interest charges attributable thereof. Said proceeds shall be distributed to the Owners and their respective Mortgagees according to the relative values of the respective properties in Snowden Overlook determined by a independent appraisal made by a qualified MAI real estate appraiser selected by the Community Board. The rights of an Owner and the Mortgagee of the Owner's Condominium Unit as to such pro rata distribution shall be governed by the provisions of the Mortgage encumbering such Condominium Unit.

12.3. Minor Taking. If the award is for the acquisition of only part of the Community Common Area and is less than ten percent (10%) of the value of all Community Common Area, the entire amount thereof shall be payable to the Community Board and such amount, together

with any interest earned thereon, shall be held by the Community Association for the construction of capital Improvements on other portions of the Community Common Area or for general operating expenses of the Community Association.

12.4. Major Taking. If the award is for the acquisition of only part of the Community Common Area, but is in excess of ten percent (10%) of the value of all Community Common Area, the Community Board, in its sole discretion, may retain all or any part thereof in the general funds of the Community Association for the purpose of construction alternative facilities for those so taken, or may distribute all or any part thereof to the Owners, as their interests appear, subject however, to any unpaid assessments and rights of Mortgagees, in the manner set forth above.

ARTICLE XIII DESTRUCTION OF IMPROVEMENTS

13.1. Restoration of Improvements. In the event of partial or total destruction of Improvements upon the Community Common Area, it shall be the duty of the Community Association to restore and repair the same to its former condition as promptly as practical, as hereinafter set forth. Notwithstanding the foregoing, in the event of destruction, the Community Association shall have the right to restore the damaged Improvements with Improvements which are different but equal in value to the former Improvements provided that the Community Association shall have obtained the prior consent of a majority of the Snowden Overlook Voting Power.

13.1.1. Insurance Proceeds Adequate. If the cost of repairing or rebuilding the Community Common Area does not exceed the amount of insurance proceeds initially offered or paid by the insurance carrier by more than ten percent (10%) of the cost of reconstruction, then the following shall apply.

(a) All insurance proceeds shall be paid to a commercial bank or trust company designated by the Community Board to be held for the benefit of the Community Association and the Owners and their Mortgagees, as their interests shall appear.

(b) The Community Board shall levy a Reconstruction Assessment against the Owners in the same manner as provided in the Article hereof entitled "Funds and Assessments" equal to the difference between the cost of repairing or rebuilding and the amount of available insurance proceeds, which sums shall be payable into the fund held by the insurance trustee. The Community Board may advance the amount of the Reconstruction Assessment to the insurance trustee from Community Association general funds or reserves.

(c) When the amount held by the insurance trustee is sufficient to pay the costs of repair and reconstruction, the Community Board shall thereupon contract for the repair or reconstruction of the Improvements, paying the cost of such work from the amount held by the insurance trustee, said repair or reconstruction to be for the purpose of returning the Improvement substantially to their appearance and condition immediately prior to the casualty.

(d) The Community Association may rebuild such damaged or destroyed common facilities in a different manner, or in a different location on the Community Common Area, provided that such Community Board action shall require consent of at least eighty percent (80%) of the Community Board. If the Community Board cannot reach an eighty percent (80%) decision, any such change shall require the vote or written assent of the Members representing at least fifty-one percent (51%) of the Snowden Overlook Voting Power,

and the written consent of fifty-one percent (51%) of the Mortgagees. If such changed plans require additional capital so as to necessitate a Capital Improvement Assessment, the written assent of the Members representing at least fifty-one percent (51%) of the Snowden Overlook Voting Power must be obtained if so required by the Article VI hereof entitled "Funds and Assessments."

13.1.2. Insurance Proceeds Inadequate. If the cost of such repairing or rebuilding exceeds the amount of available insurance by more than ten percent (10%) of the cost of reconstruction, then all insurance proceeds shall be deposited as provided in Subsection 13.1.1 above and the Community Board shall require a determination by written assent or vote of the Members representing at least a majority of the Snowden Overlook Voting Power as to whether a Reconstruction Assessment equal to the difference between available insurance proceeds and the cost of such repairing or rebuilding shall be levied. Such majority vote must include at least a two-thirds (2/3) majority of the Class A Members. If the Members determine not to levy such assessment, then the Community Board shall use the insurance proceeds available to make such restoration or repair as soon as reasonably possible or to clear the site at the damaged premises, and landscape the site for a Snowden Overlook park and the costs thereof shall be paid for with the insurance proceeds. Any deficiency may be raised by a Reconstruction Assessment in an amount determined by the Community Board. In the event any excess insurance proceeds remain, the Community Board, in its sole discretion, may retain such sums in the general funds of the Community Association or distribute pro-rata all or a portion thereof to the Members, subject to the prior rights of Mortgagees whose interest may be protected by insurance policies carried by the Community Association. The rights of the Owner and the Mortgagee of his Condominium Unit as to such pro-rata distribution shall be governed by the provisions of the Mortgage encumbering such Condominium Unit.

13.1.3. Condominium Common Elements and Condominium Units. In the event of partial or total damage or destruction of Condominium Common Elements or any Condominium Unit within Snowden Overlook the responsible Condominium Association or Owner shall either:

(a) diligently commence to rebuild the same, if the insurance proceeds and other funds available to the Condominium Association or Owner are sufficient to pay the cost of such rebuilding. Upon reconstruction, the Improvements shall be rebuilt substantially in accordance with the original plans and specifications therefor provided, however, that the exterior appearance thereof shall substantially resemble the appearance in form and color prior to such damage and destruction. Notwithstanding the foregoing, however, the Owner of such damaged Improvements may reconstruct or repair the same in accordance with new or changed plans or specifications with the prior written approval of the Architectural Committees. The Condominium Association Declaration shall provide procedures and standards for repair or reconstruction of damaged or destroyed Property including special reconstruction assessments for repair of Condominium Common Elements so damaged or destroyed; or

(b) if there are not sufficient funds to rebuild, clear and level the Condominium Common Elements or Condominium Unit, remove all wreckage, foundations, slabs, debris and remains of the building or buildings therefrom and leave the same in a level, clean and landscaped condition.

ARTICLE XIV EASEMENTS

14.1. Amendment to Eliminate Easement. This Declaration cannot be amended to

modify or eliminate the easements reserved to Declarant herein without prior written approval of Declarant and any attempt to do so shall have no effect. Any attempt to modify or eliminate this Article shall likewise require the prior written approval of Declarant.

14.2. Owners' Easements and Encroachments. An Owner's right to use his or her Condominium Unit, and the Community Common Area and the Condominium Common Elements shall be subject to the easements and encroachments described below.

14.2.1. Utility Easements. Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone and cable television lines or drainage facilities are installed within the Property, the Owners of any Condominium Unit served by said connections, lines or facilities shall have the right, and there is hereby reserved to Declarant, together with the right to grant and transfer the same to Owners, an easement to the full extent necessary therefor, to enter upon the Condominium Units owned by others, or to have utility companies enter upon the Condominium Units owned by others, in or upon which said connections, lines or facilities, or any portion thereof are located to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below, provided that such Owner or utility company shall promptly repair any damage to a Condominium Unit caused by such entry as promptly as possible after completion of work thereon.

14.2.2. Utility Connections. Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone or cable television lines, or drainage facilities are installed within Snowden Overlook, which connections serve more than one (1) Condominium Unit, the Owner of each Condominium Unit served by said connections shall be entitled to the full use of such portions of said connections which service the Owner's Condominium Unit.

14.3. Easements Reserved to Declarant. There are hereby reserved to Declarant, together with the right to grant and transfer the same, as well as to any other mentioned, the easements set forth below:

14.3.1. For a period of ten (10) years from the date of recordation of this Declaration, Declarant reserves the right to grant easements, both temporary and permanent, to all public authorities and utility companies over any part of the Community Common Area.

14.3.2 There is hereby reserved unto Declarant and its agents, a non-exclusive perpetual blanket easement and right of passage on, through, over, under and across all of the Property for: (i) pedestrian and vehicular ingress and egress to and from any and all portions of the Property, including the use of the Community Common Area; (ii) parking on the Community Common Area; (iii) ingress and egress to and from any and all portions of the Property by construction equipment, construction personnel and the like to facilitate and enable the development and construction of buildings, improvements and related facilities upon the Property; (iv) the construction of the roads as part of the Community Common Area, and (v) the conduct of all other development and construction related activities as are deemed necessary or desirable by Declarant. Declarant shall have all rights and privileges reasonably necessary to the exercise of the foregoing easement, including without limitation a right of ingress and egress over and through the Property, including without limitation, the Community Common Area and Condominium Common Elements. Any person or entity exercising any rights under this Section 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.

14.3.3. There is hereby reserved unto the Declarant (and its successors and

assigns to whom such easement has been specifically assigned in writing), for the benefit of the Property and for the benefit of the Declarant, a non-exclusive, perpetual blanket easement upon, across and under the Property provided such easement does not encroach upon any building within the Property or unreasonably interfere with the use and enjoyment of the Property for vehicular and pedestrian ingress and egress, curb cuts, slope, or grading easement as well as for the installation, replacement, repair and maintenance of all utilities, including, but not limited to water, sewer, drainage, storm water detention and/or siltation, gas, cable television, telephone and/or electricity, and further including the right to connect to and use any such utilities which may exist or be located upon the Property from time to time. By virtue of this easement, it shall be expressly permissible to erect and maintain the necessary poles, pipes, lines, service boxes and other equipment on the Property, to affix and maintain electrical or telephone wires and conduits, sewer and water drainage lines, on, above, or below any portion of the Property, including any improvements constructed thereon, and have construction vehicles, equipment and the like exercise the aforesaid right of ingress and egress over the Property. There is further reserved unto the Declarant the right to erect entry features, promotional and other similar items within the Property, provided they do not unreasonably interfere with the use, operation and enjoyment of the Property. There is further reserved unto the Declarant 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 Property in furtherance of the blanket easement created by this Subsection.

14.3.4. The Property is hereby subject to a perpetual non-exclusive easement and right of passage for the benefit of the Members of the Community Association, for ordinary and reasonable pedestrian ingress and egress over, across and upon any sidewalk, walkways and trails or the replacement thereof constructed within the Property that may reasonably be deemed to have been constructed or intended for pedestrian use.

14.3.5. A perpetual easement is hereby reserved to the Declarant to enter into the Community Common Area for the purpose of carrying out any obligations it may have, or assume, with respect to the curing of any defects in workmanship or in materials in the Property or the improvements thereon or for any purposes relating to the sales and development of the Property. There is further reserved unto the Declarant and its agents a non-exclusive easement over, across and through all the Community Common Area for the purpose of access, the storage of building supplies and materials and equipment and, without limitation, for any and all purposes reasonably related to the completion of the development, construction, rehabilitation and repair of the Property.

14.3.6. For a period of ten (10) years from the date hereof, the Declarant reserves a blanket easement and right on, over and under the Property to establish, maintain, change and correct drainage of surface water in order to maintain reasonable standards of health, safety and appearance. Any provision to the contrary notwithstanding, the Declarant shall have no obligation whatsoever to perform any work or to take any action regarding drainage of surface water within the Property. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary, following which the Declarant shall restore the affected Property to its original condition as nearly as practicable. The Declarant shall give reasonable notice of intent to take such action to all affected Owners, unless in the opinion of the Declarant an emergency exists which precludes such notice. There is further reserved unto the Declarant 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 Property in furtherance of the blanket easement created by this subsection.

14.3.7. The Community Association is hereby granted a perpetual non-exclusive easement and right of passage on, through, over, under and across the Property to maintain, repair and replace any of the Community Common Area.

14.3.8. Howard County and/or any and all other appropriate governmental or quasi-governmental agency or entity having jurisdiction shall have the right to enter onto any and all areas designed on the Plats as "Storm Water Management Reservation Area" to inspect and determine if such areas are being properly maintained and functioning in the event the Declarant, its successors and assigns maintain such areas. Such right of entry shall also include the right to perform maintenance of the aforementioned areas, in the event the Declarant, its successors and assigns, fails to comply with any valid maintenance notification requiring repairs. All actions and responsibilities with respect to storm water management reservation areas shall be in accordance with the provisions of Howard County Code, and any and all applicable state and local laws and regulations.

14.3.9. Easements over the Community Common Area as the same may from time to time exist, for a reasonable period of time in light of Declarant's development of the Property, for construction, display and exhibit purposes which are reasonably necessary for the erection and sale or lease of Condominium Units within Snowden Overlook; provided, however, that such use shall be only for a period of twenty (20) years from the date of this Declaration.

14.3.10. Condominium Association Easement. A nonexclusive easement over the Community Common Area, together with the right to grant and transfer the same to the appropriate Condominium Association, for the purpose of fulfilling said Condominium Association's maintenance or other responsibilities.

14.4. In addition to the provisions of this Declaration pertaining to the Community Common Area, the Community Association shall take every and all necessary steps to ensure that the Community Common Area be and remain accessible at all times for Declarant and its successors, assigns, and Unit Owners and any other parties entitled to the use thereof. Declarant and/or the Community Association, as the case may be, reserves the right to close portions of the Community Common Area in connection with road construction, repair and maintenance; provided, however, that during such periods of closure a temporary alternative means of ingress and egress will be provided for the benefit of Declarant, Community Association and Unit Owners; and further, provided, such closure does not occur for any longer than necessary to effectuate such construction, repair and maintenance and if a non-emergency repair, prior written notice of at least five (5) business days is provided by the party performing such repairs to the other parties. All parties entitled to the use of the Community Common Area hereunder shall be subject to any rules and regulations pertaining to the Community Common Area which may be promulgated by Declarant or the Community Association under this Declaration and Community By-Laws, provided such rules and regulations are imposed and enforced uniformly against the Unit Owners.

The Community Board shall have an easement over the Community Common Area and any improvements thereon, for the inspection, operation, maintenance, repair, improvements or replacement thereof and for the correction of any emergency conditions thereon or casualties thereto.

14.5. Nature of Easements. Any easements reserved to Declarant herein, when transferred to an Owner or the Condominium Association in the same instrument conveying a Condominium Unit or Community Common Area to such Owner or the Condominium Association, as the case may be, shall be appurtenant to such Owner's interest in said

Condominium Unit or the Condominium Association's interest in the Community Common Area, as applicable. Use of easements or work in easement areas shall be done in manner which reasonably limits adverse impacts on adjacent land owners and disturbance of land shall be restored by party causing disturbance.

14.6. Transfer of Easements. As to the easements reserved to Declarant, together with the right to grant and transfer the same to Owners, Declarant shall convey said easements to the Owners in the same instrument conveying the interest required by an Owner by specific description or by reference in said instrument. If such description is not contained in said instrument, such easements shall nevertheless be deemed conveyed to each Owner by such instrument.

ARTICLE XV ANNEXATION OF REAL PROPERTY

15.1. Annexation. Declarant may annex any of the Annexable Property described in Exhibit "B" by any of the methods set forth hereinafter in this Article. Declarant intends to develop the Annexable Property on a phased basis. However, Declarant may elect not to develop all or any part of such real property, to annex such real property to this Declaration in increments of any size whatsoever, or to develop more than one such increment at any given time and in any given order. Although Declarant shall have the right to annex the Annexable Property as provided in this Article, Declarant shall not be obligated to annex all or any portion of such Annexable Property. Moreover, Declarant reserves the right to subject any of the Annexable Property which is not subject to the provisions of this Declaration to one or more separate declarations of covenants, conditions and restrictions and to subject such property to the jurisdiction and power of the Community Association or to another nonprofit mutual benefit corporation or other entity with powers and obligations similar to the Community Association.

15.2. Annexation Without Approval. During the Development Period, all or any part of the Annexable Property may be annexed to and become subject to the Declaration and subject to the jurisdiction of the Community Association by Declarant without the approval, assent or vote of the Community Association or its Members, provided that each Supplementary Declaration affecting the Annexation contemplated under this Section must be executed by Declarant and any other Owner of the Annexable Property and then recorded in Land Records.

15.2.1. Annexation Pursuant to Approval. Upon the expiration of the Declarant's power to annex the Annexable Property in accordance with the provisions of Section 15.2, or if any person desires to subject property other than the property described on Exhibit "B" to this Declaration and to the jurisdiction of the Community Association, then such property may be annexed, if the vote or written assent of two-thirds (2/3) of the Total Voting Power residing in Members of the Community Association, other than Declarant, is obtained. The recordation of a Supplementary Declaration shall constitute and effectuate the Annexation of the real property described therein, making said real property subject to this Declaration and subject to the functions, powers and jurisdiction of the Community Association; and thereafter said annexed real property shall be part of the Property and subject to all of the terms and provisions of this Declaration. If the vote or written assent of a certain percentage of Members is required to annex any property as provided for above, then the recordation of a Supplementary Declaration certified to by the President or Vice-President and Secretary or Assistant Secretary shall constitute and effectuate the Annexation of said real property and for the purpose of recording any such instrument, and each Owner hereby grants to the President or the Vice-President and Secretary or Assistant Secretary of the Community Association an irrevocable power of attorney for and on behalf of each and every Owner in certifying,

executing and recording said instrument.

15.2.2. Covenants Running With the Land. The restriction on the Property described in Exhibit "B" wherein it may be made subject to this Declaration upon the recordation of a Supplementary Declaration is hereby declared to be an equitable servitude upon the Annexable Property in favor of the Property subject to this Declaration and any other real property owned by Declarant in the vicinity of the Property and shall run with the land and be binding on and inure to the benefit of all parties having or acquiring any right, title or interest, in such real property.

15.3. Supplementary Declarations. Supplementary Declarations contemplated above may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the annexed property and as are not inconsistent with the plan of this Declaration. In no event, however, shall any such Supplementary Declaration or any merger or consolidation revoke, modify or add to the covenants established by this Declaration, discriminate between some Owners of such Property and other Owners of any other Property within Snowden Overlook except as provided herein, change the general common plan created by this Declaration, or affect the provisions hereof or thereof as covenants running with the land or equitable servitudes. The express desired intention of Declarant is to establish a cohesive plan of such covenants and servitudes to be uniformly applicable to Snowden Overlook, including those portions added thereto by annexation.

15.4. Rights and Obligations of Owners. After the required annexation procedures are fulfilled, all Owners in Snowden Overlook shall be entitled to the use of any Community Common Area in such annexed property, subject to the provisions of this Declaration, and Owners of such annexed property shall thereupon be subject to this Declaration. After each annexation, the Community Associations shall be assessed in accordance with the provisions set forth in this Declaration, with the annexed property being assessed for a proportionate share of the total Snowden Overlook Common Expenses on the same basis as the other property in Snowden Overlook. Community Assessments for the year that such property is annexed shall be prorated on the basis of a three hundred and sixty (360) day year.

ARTICLE XVI MORTGAGEE RIGHTS

16.1. Special Mortgagee Provisions. It is anticipated that part or all of the Condominium Units in Snowden Overlook may be financed for the Owners through Federal Agencies. The interest of the Community Association and each of the Members is and shall be subject to and subordinate to the rules, regulations and requirements of such Federal Agencies purchasing Mortgages in Snowden Overlook. As the requirements of such Federal Agencies are subject to change, if necessary, Declarant shall execute and cause to be recorded a Supplemental Declaration, incorporating such additional covenants, conditions and restrictions as are required by such Federal Agencies, affecting the properties. Notwithstanding prior acquisition of title to any portion of property in Snowden Overlook by the Community Association, any Condominium Association, or any Owner, such supplemental covenants, conditions and restrictions shall be binding upon all Members, the Community Association, and all Condominium Associations. Declarant may execute as many such Supplemental Declarations as are required to comply with such Federal Agency's requirements from time to time throughout the course of sale of the Condominium Units. Declarant may bind the Community Association and all Owners by written consent with such Federal Agencies.

16.2. Conflict. Notwithstanding any contrary provision contained elsewhere in this Declaration or in the Community By-Laws, Community Articles or Community Association Rules, the provisions of this Article shall control with respect to the rights and obligations of Institutional Mortgagees specified herein.

16.3. Payment of Taxes and Insurance. First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Community Common Area, unless such taxes or charges are separately assessed against the Owners, in which case the rights of First Mortgagees shall be governed by the provisions of their Mortgages. First Mortgagees may, jointly or singly, also pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of policy, for the Community Common Area and First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Community Association. Entitlement to such reimbursement shall be reflected in an agreement in favor of any First Mortgagee which requests the same to be executed by the Community Association. Institutional Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Community Common Area or Improvements thereon and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such Community Common Area. Institutional Mortgagees making such payments shall be owed immediate reimbursement for such expenditures from the Community Association and, on demand, the Community Association shall execute an agreement in favor of all Institutional Mortgagees reflecting entitlement to reimbursement.

16.4. Termination of Contract and Agreements. Any contract or lease, including any contract providing for the services of Declarant, entered into by the Community Association while Declarant controls the Community Association shall be for a term not to exceed three (3) years and shall provide that the Community Association has the right to terminate such contract or lease with cause open thirty (30) days written notice, and without cause and without penalty or the payment of a termination fee at any time after the transfer of control of the Community Association from Declarant upon not more than ninety (90) days notice to the other party. For purposes of this Section, the term "control" shall mean the right of Declarant to exercise unilateral control over the Community Association, the Community Board, or the Owners in any manner other than by Declarant's exercise of votes allocated to Declarant on the same basis as votes are allocated to other Owners.

16.5. Notice to Mortgage Holders. A Mortgagee shall not be entitled to receive any notice which this Declaration requires the Community Association to deliver to Mortgagees unless and until such Mortgagee, or its mortgage servicing contractor, has delivered to the Community Board a written notice stating that such Mortgagee is the holder of a Mortgage encumbering a Condominium Unit within the Property (herein any Mortgagee delivering such notice shall be referred to as an "Eligible Holder"). Such notice shall state which Condominium Unit or Condominium Units are encumbered by such Mortgage, and whether such Mortgagee is a First Mortgagee. Whenever the approval of all or a specified percentage of Mortgagees is required pursuant to this Declaration, it shall be deemed to mean the vote or approval of all or a specified percentage only of the Eligible Holders. Notwithstanding the foregoing, if any right of a Mortgagee under this Declaration is conditioned on a specific written request to the Community Association, in addition to having delivered the notice provided in this Section, a Mortgagee must also make such request, either in a separate writing delivered to the Community Association or in the notice provided above in this Section, in order to be entitled to such right. Except as provided in this Section, a Mortgagee's rights pursuant to this Declaration, including, without limitation, the priority of the lien of Mortgages over the lien of Community Association levied by the Community Association hereunder shall not be affected by the failure to deliver a

notice to the Community Board. Any notice or request delivered to the Community Board by a Mortgagee shall remain effective without any further action by such Mortgagee for so long as the facts set forth in such notice or request remain unchanged. An Eligible Holder is entitled to timely written notice of:

16.5.1. Any condemnation loss or casualty loss which affects either a material portion of the Property or the Condominium Unit on which the Eligible Holder holds a First Mortgage;

16.5.2. Any delinquency in the payment of assessments or charges owed by the Owner of a Condominium Unit which is subject to a First Mortgage held by the Eligible Holder if the delinquency is not cured within ninety (90) days after its due date;

16.5.3. Any lapse, cancellation or material modification of insurance policy or fidelity bond maintained by the Community Association;

16.5.4. Any proposal to take any action which requires the consent of a specified percentage of Eligible Holders; or

16.5.5. Any default by an Owner-Mortgagor of a Condominium Unit in the performance of his obligations under this Declaration or Community By-Laws, which is not cured within ninety (90) days.

16.6. Inspection of Books and Records. Upon written request, any Owner, First Mortgagee or Institutional Mortgagees shall be entitled to inspect the books, records and financial statements of the Community Association and this Declaration, the Community By-Laws, the Community Articles and the Community Association Rules and any amendments thereto during normal business hours and subject to payment of cost for personnel and the like.

16.7. Voting Rights of Mortgagees. For purposes of this Section, a Mortgagee shall be entitled to one (1) vote for each Condominium Unit encumbered by a First Mortgage held by the Mortgagee.

16.8. Actions Requiring Mortgagee Votes. Neither the Community Association nor any Owner shall do any of the following, unless at least sixty-seven percent (67%) of the Eligible Holders have given their prior written approval;

16.8.1. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any property or Improvements owned, directly or indirectly, by the Community Association for the benefit of the Condominium Units and Owners. (The granting of easements or dedication of land for public utilities, roads or for other public purposes consistent with the intended use of the property by the Community Association and Owners shall not be deemed a transfer within the meaning of this Subsection);

16.8.2. By act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to architectural design or exterior appearance of Condominium Units, the exterior maintenance of Condominium Units, the maintenance of party walls, fences or driveways, or the upkeep of lawns, plantings or other landscaping within Snowden Overlook;

16.8.3. By act or omission change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

16.8.4. Fail to maintain fire and extended coverage insurance on insurable portions of the Community Common Area on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value based on current replacement cost; or

16.8.5. Use hazard insurance proceeds for losses to any property or Improvements owned by the Community Association other than for the repair, replacement or reconstruction of the property and Improvements.

16.9. Condemnation or Destruction. In the event a portion of the Property is either condemned or destroyed or damaged by a hazard that is insured against restoration or repair, it shall be performed substantially in accordance with the provisions of this Declaration and the original plans and specifications for the Property, unless fifty-one percent (51%) of the Eligible Holders approve the taking of other action by the Community Association.

16.10. Mortgagee Protection. A breach of any of the conditions contained in this Declaration shall not defeat nor render invalid the lien of any Mortgage made in good faith and for value as to any Condominium Unit within the Property; provided, however, that the conditions contained in this Declaration shall be binding upon and effective against any Owner of a Condominium Unit if the Condominium Unit is acquired by foreclosure, trustee's sale or otherwise.

16.11. Distribution of Insurance and Condemnation Proceeds. No Owner, or any other party, shall have priority over any right of Institutional First Mortgagees of Condominium Units pursuant to their Mortgages in case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of units or Community Common Area. Any provision to the contrary in this Declaration or in the Community By-Laws or other documents relating to the Property is to such extent void. All applicable fire and all physical loss or extended coverage insurance policies shall contain loss payable clauses naming the Mortgagees, as their interests may appear.

16.12. Non-Curable Breach. Any Mortgagee who acquires title to a Condominium Unit by foreclosure or by deed in lieu of foreclosure shall not be obligated to cure any breach of this Declaration that is non-curable or of a type that is not practical or feasible to cure.

16.13. Loan to Facilitate. Any Mortgage given to secure a loan to facilitate the resale of a Condominium Unit after acquisition by foreclosure or by a deed in lieu of foreclosure shall be deemed to be a loan made in good faith and for value and entitled to all of the rights and protections of this Article.

16.14. Appearance at Meetings. Because of its financial interest in the Property, any Mortgagee may appear (but cannot vote except under the circumstances set forth herein) at meetings of the Members and the Community Board to draw attention to violations of this Declaration that have not been corrected or made the subject of remedial proceedings or assessments.

16.15. Right to Furnish Information. Any Mortgagee can furnish information to the Community Board concerning the status of any Mortgage.

16.16. Inapplicability of Right of First Refusal to Mortgagee. No right of first refusal or similar restriction of right of an Owner to sell, transfer or otherwise convey the Owner's Condominium Unit shall be granted to the Community Association without the written consent of

any Mortgagee of the Condominium Unit. Any right of first refusal or option to purchase a Condominium Unit that may be granted to the Community Association (or other person, firm or entity) shall not apply to any conveyance or transfer of title to such Condominium Unit, whether voluntary or involuntary, to a Mortgagee which acquires title to or ownership of the Condominium Unit pursuant to the remedies provided in its Mortgage or by reason of foreclosure of the Mortgage or deed in lieu for foreclosure.

ARTICLE XVII
AMENDMENT AND TERM OF DECLARATION

17.1. Duration and Amendment. All covenants, conditions and restrictions set forth in this Declaration shall run with and bind the land and shall be perpetual unless expressly stated otherwise in this Declaration. Subject to the provisions of this Section 17.1. (a), 17.1. (b), 17.1. (c) and 17.1. (d), this Declaration may be amended by an instrument signed by, or the affirmative vote of, Owners entitled to cast not less than sixty-seven percent (67%) of the votes of all Owners. Any amendment must be recorded in the Land Records.

(a) The Declarant shall have the right, for a period of ten (10) years following the date of recordation of this Declaration, without the consent of the Members of the Community Association, Owners or any other party, to modify, amend or change any of the provisions of this Declaration as the Declarant may deem necessary or desirable.

(b) Further, Declarant hereby reserves for itself, its successors, transferees and assigns, for a period of ten (10) years from the date the first Lot is conveyed to a Class A Member, or unit it conveys title to the last Lot, whichever occurs first, the right to execute on behalf of all contract purchasers, Owners, Eligible Mortgage Holders, mortgages, and other lienholders or parties claiming a legal or equitable interest in any Lot or Community Common Area, any such agreements, documents, amendments or supplements to this Declaration, the Articles of Incorporation and By-Laws of the Community Association which may be required by FNMA, FHA, VA, FHLMC, GNMA, Howard County, Maryland, any governmental or quasi-governmental agency or authority having regulatory jurisdiction over the Community Association, any public or private utility company designated by the Declarant, any institutional lender or title insurance company designated by the Declarant, or as may be required to comply with the federal Fair Housing Act, to comply with the Maryland Homeowners Association Act, or to comply with other applicable laws or regulations.

(c) By acceptance of a deed to any Lot or by the acceptance of any other legal or equitable interest in the Lots or Community Common Area, each and every such contract purchaser, Member, Owner, Eligible Mortgage Holder, mortgagee or other lienholder or party having a legal or equitable interest in any Lot or Community Common Area does automatically and irrevocably name, constitute appoint and confirm the Declarant, its successors, transferees and assigns, as attorney-in-fact for the purpose of executing such agreement, document, amendment, supplement and other instrument(s) necessary to effect the amendments described in this Article XVII (a) and/or (b). THIS SPECIAL POWER OF ATTORNEY SHALL BE IRREVOCABLE AND COUPLED WITH AN INTEREST AS SET FORTH IN THIS ARTICLE XVII. The power of attorney aforesaid is expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all Lots and Community Common Area and shall be binding upon the heirs, personal representatives, successors, transferees and assigns of any of the foregoing parties. Further, said power of attorney shall not be affected by the death or disability of any principal and is intended to deliver all right, title and interest of the principal in and to said power of attorney. Said power of attorney shall be vested in the Declarant, its successors, transferees

and assigns until the initial conveyance of all Lots and Community Common Area planned to be subjected to this Declaration.

(d) No amendment to this Declaration, the By-Laws or the Articles of Incorporation may remove, revoke or modify any right, reservation or privilege of the Declarant without the prior written consent of the Declarant or any respective successor or assignee.

ARTICLE XVIII MANAGEMENT

18.1. Management Agent. The Community Board may employ for the Community Association a management agent or manager (the "Management Agent") at a rate of compensation established by the Community Board to perform such duties and services as the Community Board shall from time to time authorize in writing, including, but not limited to, the following:

(a) to establish (with the approval of the Community Board) and provide for the collection of the annual maintenance assessments and any other assessments provided for in this Declaration and to provide for the enforcement of liens therefor in a manner consistent with the law and the provisions of this Declaration; and

(b) to provide for the care, upkeep, maintenance and surveillance of the Community Common Area and community facilities; and

(c) to designate, hire and dismiss such personnel as may be required for the good working order, maintenance and efficient operation of the Community Common Area and community facilities; and

(d) to promulgate (with the approval of the Community Board) and enforce such rules and regulations and such restrictions or requirements, "house rules" or the like as may be deemed proper respecting the use of the Community Common Area and community facilities; and

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

ARTICLE XIX MISCELLANEOUS

19.1. Enforcement.

19.1.1. Rights of Enforcement. The Community Association, Declarant, Architectural Committee or any Owner shall have a right to action against any Owner, and any Owner shall have a right of action against the Community Association, to enforce by proceedings at law or in equity, all restrictions, conditions, covenants and reservations, now or hereafter imposed by the provisions of this Declaration or any amendment thereto, including the right to prevent the violation of such restrictions, conditions, covenants, or reservations and the right to recover damages or other dues for such violation except that Owners shall not have any right of enforcement concerning Community Association liens. The Community Association, Declarant, Architectural Committee or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Community Articles or Community By-Laws

and any amendments thereto. The Community Association, Declarant and Architectural Committee shall have the exclusive right to the enforcement of provisions relating to architectural control and Community Association Rules, unless the Community Association refuses or is unable to effectuate such enforcement, in which case any Owner who otherwise has standing shall have the right to undertake such enforcement.

19.1.2. Disputes Between Community Association and Declarant. Any controversy, dispute, or claim whatsoever between the Community Association and Declarant or arising out of or concerning the interpretation, performance or breach of any of the provisions of this Declaration shall be determined, at the request of either party, by an arbitrator who shall be a retired judge of the Howard County Circuit Court. If the parties cannot agree upon an arbitrator, one shall be appointed by the Chief Judge of the Howard County Circuit Court from among that Court's list of retired judges.

19.1.3. Disputes Between Community Association and Owners. Any controversy, dispute, or claim whatsoever between the Community Association and any Owner other than Declarant arising out of or concerning in interpretation, performance or breach of any of the provisions of this Declaration, including, without limitation, the validity, scope and enforceability of this arbitration provision, shall be settled, at the request of either party, by arbitration conducted in the Howard County in accordance with the then existing rules for commercial arbitration of the American Arbitration Association, and judgment upon any award rendered by the arbitrator may be entered by any State or Federal Court having jurisdiction thereof. Such matters shall be submitted to one (1) arbitrator who shall be a retired judge of the District Court or Circuit Court for Howard County. If the parties cannot agree upon an arbitrator, one shall be appointed by the Chief Judge of the Circuit Court for Howard County from among that Court's list of retired judges.

19.1.4. Revocation of Dispute Resolution Procedures. Either or both of the two preceding subsections may be terminated, and shall be of no further effect concerning controversies, disputes, or claims which arise after such termination, if within ninety (90) days after a majority of the members of the Community Board have been elected for the first time by Members other than Declarant, such termination is approved by (a) a majority of the Community Board, and (b) a majority vote of the Members other than Declarant. Notwithstanding any provision hereof to the contrary, an amendment to this Declaration covering such termination may be recorded in the Land Records of Howard County without the approval of any other persons, including, without limitation, the Declarant or Eligible Mortgage Holders, if such amendment is recorded with a certificate of the President and Secretary attached thereto certifying that the approval of the Community Board and of the Members other than Declarant required by this subsection has been obtained within the time period specified herein.

19.1.5. Vote Requirements. Notwithstanding the foregoing, neither the Community Association nor any person acting or purporting to act on its behalf shall (a) file or otherwise commence, or prosecute, in any jurisdiction whatsoever, any (i) civil, criminal or administrative proceeding in or with any court or administrative body or officer, or (ii) appeal of or objection to any decision or other action made or taken by any court or administrative body or officer, in any judicial or administrative proceeding, or (b) testify or submit evidence (except where required by law, subpoena or formal order of such court, administrative body or officer), or otherwise take a formal position on any issue under consideration, in any such proceeding or appeal, in all cases until such action is approved in writing by, or by the vote of, both Members entitled to cast at least seventy-five percent (75%) of the votes held by all Owners other than Declarant, and at least seventy-five percent (75%) of the votes of Class B Member. Nothing in this subsection shall apply to a civil or administrative proceeding which the Community

Association commences or prosecutes with a court or administrative body or officer (a) to collect an Assessment, or enforce or foreclose a lien securing an Assessment, (b) otherwise to enforce the Community Association's rights or another person's obligations under the Declaration, Community By-Laws or Community Articles on account of a default or otherwise or (c) any action taken by the Declarant at any time or action undertaken by the Architectural Committee during the Development Period.

19.2. Equitable Servitudes. The provisions of this Declaration shall be deemed covenants, conditions and restrictions and equitable servitudes running with the land, which may be enforced by any Owner, a Condominium Board, or the Community Board, unless enforcement is specifically limited herein to a particular person or group, and which shall be liberally construed to effectuate the purpose of Declarant creating a uniform plan for the development and operation of Snowden Overlook. In the event of a default in the performance of any of the provisions of this Declaration, the Community Articles, and Community By-Laws or the failure of any Owner to comply with this Declaration, the Community Articles, or Community By-Laws, such default or failure may be resolved by all appropriate legal proceedings including but not limited to by injunction and damages.

19.3. Severability. In any phrase, clause, sentence, paragraph, section, article or other portion of this Declaration shall become illegal, null or void or against public policy, or any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Declaration shall not be affected thereby and shall remain in full force and effect.

19.4. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community or tract and for the maintenance of Snowden Overlook. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions or interpretation or construction.

19.5. Number and Gender. Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine.

19.6. Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result, any may be exercised by the Community Association or any Member. Such remedy shall be deemed cumulative and not exclusive.

19.7. No Waiver. Failure by the Community Association or by any Member to enforce any provision of the Master Management Documents in any certain instance or on any particular occasion shall not be deemed a waiver of such right on any such future breach of the same or any other such provision.

19.8. Cumulative Remedies. All rights, options and remedies of Declarant, the Community Association, the Owners, Delegates or Mortgagees under this Declaration are cumulative, and no one of them shall be exclusive of any other. Declarant, the Community Association, the Owners, Delegates and the Mortgagees shall have the right to pursue any one or all of the such rights, options and remedies or any other remedy or relief which may be provided by law, whether or not stated in this Declaration.

19.9. Attorneys' Fees. If any action (including, without limitation, arbitration, demands and the like) is instituted to enforce any of the provisions contained in this Declaration by the Community Association, Declarant or Architectural Committee, it shall be entitled to recover from the other party thereto as part of the judgment, reasonable attorneys' fees and costs of such suit. In the event the Community Association, Declarant or Architectural Committee is the prevailing party in such action, the amount of such attorneys' fees and costs shall be an Enforcement Assessment with respect to the Owner(s) Condominium Unit(s) involved in the action.

19.10. Exhibits and Schedules. All exhibits and schedules attached hereto are hereby incorporated into this Declaration.

19.11. Notices. Any notice to be given to an Owner or a Mortgagee or mortgage servicing contractor under the provisions of this Declaration shall be in writing and may be delivered as follows:

19.11.1. Notice to an Owner shall be deemed to have been properly delivered when delivered personally or placed in the first class United States mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Community Association for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Owner's Condominium Unit. Any notice deposited in the mail within Maryland shall be deemed delivered on the second mail delivery day after such deposit.

19.11.2. Notice to a Mortgagee or its mortgage servicing contractor shall be deemed to have been properly delivered when placed in the first class United States mail, postage prepaid, to the address furnished to the Community Association by such Mortgagee or such contractor for purposes of notice or, if no such address is furnished, to any office of the Mortgagee in Howard County, Maryland or, if no such office is located in said County, to any office of such Mortgagee.

19.12. Declarant Exemption. Until the expiration of the Development Period, Declarant shall not be subject to the provisions of Article VII entitled "Architectural Control" or the provisions of Article IX entitled "Use Restrictions For Snowden Overlook".

19.13 Conflicts Between Master Management Documents. In the event of a conflict between any provisions of any of the Master Management Documents with the provisions of another Master Management Document, the provisions of the Controlling Document named below in the first column shall be deemed to supersede the provisions of the Subordinate Document or Documents named below in the second column to the extent of any such conflict.

CONTROLLING DOCUMENTS

SUBORDINATE DOCUMENTS

(a) Declaration

Community Articles, Community By-Laws, Architectural Standards, and Community Association Rules

(b) Community Articles

Community By-Laws, Architectural Standards and Community Association Rules

(c) Community By-Laws

Architectural Standards and Community Association Rules

19.14. Conflicts Between Master Management Documents and Condominium

Association Documents. In the event of any conflict between the Master Management Documents and any provisions of the articles, By-Laws, Condominium Association Declaration, architectural standards and rules and regulations of a Condominium Association, the Master Management Documents shall be deemed to supersede such Condominium Association documents to the extent of such conflict.

19.15. Effect of Declaration. This Declaration is made with the intent to establish a general scheme for the use and occupancy of the Property and each and every Condominium Unit and portion thereof. Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances and regulations applicable thereto.

19.16. FHAVA Approval. After the first sale of a Condominium Unit to an Owner, other than Declarant, and for so long as there is a Class B Membership, the following actions will require the prior approval of the Federal Housing Administration and the Veterans Administration:

19.16.1. Dedication, mortgaging or other transfer of any portion of the Community Common Area;

19.16.2. A merger, consolidation or dissolution of the Community Association;

19.16.3. Establishment of any right of first refusal in the Community Association to purchase or lease a Condominium Unit;

19.16.4. Annexation of additional properties; and

19.16.5. Amendment of the Community Articles, Declaration or Community By-Laws.

19.17. Non-liability of Officials. To the fullest extent permitted by law, neither the Community Board, the Architectural Committee and other committees of the Community Association or any member of such Community Board or committee shall be liable to any Member of the Community Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, omission, error, negligence or the like made in good faith within which such Community Board, committees or persons reasonably believed to be the scope of their duties.

19.18. Documents to be Provided to Prospective Purchasers.

19.18.1. By Owner. As required by the Maryland Homeowners Association Act, an Owner shall provide the information to a prospective purchaser required by the Maryland Homeowners Association Act before transferring title to his Condominium Unit or executing a real property sales contract.

19.18.2. By Community Association. Upon written request, the Community Association shall, within ten (10) days after the mailing or delivery of the request, provide an Owner with a copy of the items that such Owner is required to provide to his prospective purchaser as provided in the Maryland Homeowners Association Act. The Community Association may charge a fee for this service, provided, however, that such fee shall not exceed

the Community Association's reasonable cost to prepare and reproduce the requested items.

19.19. Violation of Law. Any violation of any state, municipal or local law, ordinance or regulation pertaining to the ownership, occupation or use of any portion of the Property is hereby declared to be a violation of this Declaration and subject to any and all of the enforcement procedures herein set forth.

19.20. Increase in Monetary Amounts. Any monetary amounts provided in the Master Management Documents shall be increased by the CPI (as such term is defined below) from time to time by Declarant during the Development Period, and thereafter, by the Community Association; provided, however, that this provision shall not affect any provision of the Master Management Documents which prescribe a method or limitation of increases or decreases in the specified amount (i.e., Section 6.5. regarding limitation on Assessments and the like).

For purposes hereof, "CPI" means the New Series Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), Washington-Baltimore CMSA (Nov. 1996=100) published by the Bureau of Labor Statistics of the United States Department of Labor, except that if the Consumer Price Index hereafter uses a different standard reference base or is otherwise revised, an adjustment shall be made therein for purposes of this Declaration, using such conversion factor, formula or table for making such adjustment as is published by such Bureau, or if such Bureau does not publish the same, as is published by Prentice-Hall, Inc., Bureau of National Affairs, Commerce Clearing House or another nationally recognized publisher of similar statistical information, as selected by the Community Association.

19.21. Declarant Development. As long as the Declarant is developing, selling or marketing any portion of the Property or land contiguous to the Property, the Community Association may not use its financial resources, directly or indirectly, to defray the costs of opposing any development activities reasonably consistent with the general intention of the site development plan for Snowden Overlook, as amended.

19.22. Security. It is the goal of all Owners, including Declarant, to have a safe and healthy environment. However, no written or oral representations regarding the safe and secure nature of Snowden Overlook shall be construed in whole or in part as guarantees thereof, it being recognized that circumstances which are beyond the control of the Declarant, the Community Association or the Management Agent may arise. The Community Association may maintain or support certain activities within the Property designed to make the Property safer than they otherwise might be; provided, however, that the Community Association shall not be obligated to maintain or support such activities.

The Community Association, the Management Agent, or the Declarant shall not in any way be considered insurers or guarantors of security within the Property. None of the foregoing shall be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any fire protection system, traffic controlled access and exits, patrol, burglar alarm system or other security system or measures, including any mechanism or system for limiting access to the Property, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended.

Each Owner acknowledges, understands and covenants to inform all residents, tenants, guests, and invitees of the Owner's Lot that the Community Association, Community Board and committees, the Declarant, and the Management Agent are not insurers or guarantors of

security within the Property. Each Owner and all residents, tenants, guests and invitees of the Owner's Lot assume all risks for loss or damage to persons, to Lots and any Improvements thereon, and to the contents of such Improvements and further acknowledge that the Community Association, its Community Board and committees, the Management Agent, and the Declarant have made no representations or warranties, nor has any Owner, or any resident, tenant, guest, or invitee of any Lot relied upon any representations or warranties, expressed or implied, relative to any entry gate, patrolling of the Property, any fire protection system, burglar alarm system, or other security systems recommended or installed or any security measures undertaken within the Property.

19.23. Assumption of Risk. The Community Association may, but shall not be obligated to, maintain or support certain activities within the Property designed to promote the health, safety and welfare of the Owners and residents. Notwithstanding anything contained in the governing documents or any other document binding the Community Association, and to the fullest extent permitted by law, none of the Community Association, the Community Board, the Management Agent, or the Declarant shall be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any Owner or resident of any Lot or any tenant, guest or invitee of any Owner or resident or for any property of any such persons. Each Owner and resident of a Lot and each tenant, guest and invitee of any Owner or resident shall assume all risks associated with the use and enjoyment of the Property and assumes full responsibility for choosing to participate and applying any information or instruction an Owner receives in relation to the activities they have chosen to participate in.

The Community Association, the Community Board, the Management Agent, and the Declarant shall not be liable or responsible for any personal injury, illness or any other loss or damage caused by the presence or malfunction of utility lines or utility sub-stations adjacent to, near, over or on the Property. Each Owner and resident of a Lot and each tenant, guest and invitee of any Owner or resident shall assume all risk of personal injury, illness or other loss or damage arising from the presence of utility lines or utility substations and further acknowledges that the Community Association, the Community Board, the Management Agent, and the Declarant have made no representations or warranties, nor has any Owner or resident, or any tenant, guest or invitee of any Owner or resident relied upon any representations or warranties, expressed or implied, relative to the condition or impact of utility lines or utility substations.

No provision of the Master Management Documents shall be interpreted as creating a duty of the Community Association, the Community Board, the Management Agent or the Declarant to protect or further the health, safety or welfare of any individuals, even if the funds of the Community Association are used for any such purpose.

Each Owner (by virtue of his or her acceptance of title to his or her Lot) and each other person have an interest in or lien upon, or making any use of, any portion of the Property (by virtue of accepting such interest or lien or making such use) shall be bound by this Section and shall, to the fullest extent permitted by law, be deemed to have waived any and all rights, claims, demands and causes of action against the Community Association, the Management Agent and the Declarant, their directors, officers, committee members, employees, agents, contractors, subcontractors, successors and assigns arising from or connected with any matter for which the liability has been disclaimed.

19.24. View Impairment. Neither the Declarant nor the Community Association guarantees or represents that any view from any Lot will be preserved without impairment. Neither the Declarant nor the Community Association shall have the obligation to relocate, prune or thin trees or other landscaping except as set forth herein. Any express or implied

easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

IN WITNESS WHEREOF, Declarant has executed this instrument as of the day and year first hereinabove written.

WITNESS/ATTEST:

[Handwritten Signature]

DECLARANT:
THE RYLAND GROUP, INC., a Maryland corporation

By: [Handwritten Signature] (seal)
Edward W. Gold
Vice President

PATRIOT HOMES, INC., a Maryland corporation

[Handwritten Signature]

By: [Handwritten Signature] (seal)

STATE OF MARYLAND, CITY/COUNTY OF HOWARD, TO WIT:

I HEREBY CERTIFY that on this 7 day of Feb, 2005 before, me, the subscriber, a Notary Public of the State of Maryland, personally appeared, Edward W. Gold Vice President of THE RYLAND GROUP, INC., a Maryland corporation, the Declarant named in the foregoing Declaration of Covenants, Conditions and Restrictions, and who, being authorized to do so, in my presence, signed and sealed the same and acknowledged the same to be the act and deed of the Declarant.

AS WITNESS my hand and seal.

[Handwritten Signature] (SEAL)
Notary Public

My Commission Expires: 11-01-07



STATE OF Maryland, CITY/COUNTY OF Anne Arundel, TO WIT:

I HEREBY CERTIFY that on this 9 day of February 2005, before, me, the subscriber, a Notary Public of the State of Maryland, personally appeared, John R. White of PATRIOT HOMES, INC., a Maryland corporation., the Declarant named in the foregoing Declaration of Covenants, Conditions and Restrictions, and who, being authorized to do so, in my presence, signed and sealed the same and acknowledged the same to be the act and deed of the Declarant.

AS WITNESS my hand and seal.

[Signature] (SEAL)
Notary Public

My Commission Expires: 8-1-2007

EXHIBIT AINITIAL INCREMENT OF REAL PROPERTY SUBJECT TO THIS DECLARATION

ALL THAT LAND located in the 6th Election District of Howard County, Maryland, which is described as follows:

_____ All that land shown as Phase 1, Phase 2A; Phase 2B and Phases 3 through and including 14 on the condominium plat entitled, "PHASE 1 & PHASE 2A CONDOMINIUM PLAT FOR KENDALL OVERLOOK CONDOMINIUM" dated February 3, 2005 and recorded as Plat No. _____; and

Community Common Area: The portion of "Endless Ocean Way" depicted on the condominium plat, "PHASE 1 & PHASE 2A CONDOMINIUM PLAT FOR KENDALL OVERLOOK CONDOMINIUM" dated February 3, 2005 and recorded as Plat No. 17236-38 as "Portion To Be Conveyed To The Snowden Overlook Community Assoc. Inc.;" the area shown as "Future Recreation Area Master H.O.A. Phase 2" on the condominium plat "PHASE 1 & PHASE 2A CONDOMINIUM PLAT FOR KENDALL OVERLOOK CONDOMINIUM" dated February 3, 2005 and recorded as Plat No. _____; and the area shown as "Parcel 'E'" and known as the private roadway "Dried Earth Boulevard" on the plats entitled, "COLUMBIA SNOWDEN RIVER BUSINESS PARK SECTION 1 AREA 1" dated September 2003 and recorded among the Land Records of Howard County as Plat No. 16185 and "REVISION PLAT COLUMBIA SNOWDEN RIVER BUSINESS PARK SECTION 1 AREA 1 PARCELS 'C-1' & 'E' AND OPEN SPACE LOT 6" dated October, 2003 and recorded among the Land Records of Howard County as Plat No. 16493 et seq.

EXHIBIT B**PROPERTY WHICH MAY BE ANNEXED IN THE FUTURE**

All that land shown on the area shown as "Parcel 'A-1'", "Parcel 'B-1'" and "Parcel 'D-1'", on the plat entitled, "REVISION PLAT COLUMBIA SNOWDEN RIVER BUSINESS PARK SECTION 1 AREA 1 PARCELS 'C-1' & 'E' AND OPEN SPACE LOT 6" dated October, 2003 and recorded among the Land Records of Howard County as Plat No. 16493 et seq.; and the area shown as "Open Space Lot 10" on the plat entitled, "COLUMBIA SNOWDEN BUSINESS PARK SECTION 1 AREA 1" recorded among the Land Records at Plat No. 16190; and any other land identified by Declarant during the Development Period;

SAVING AND EXCEPTING THEREFROM THE LAND DESCRIBED IN EXHIBIT A HEREOF.

AFTER RECORDATION, PLEASE RETURN TO:

RACHEL M. HESS, ESQ.
KANTOR, WINEGRAD & HESS, LLC
20 CROSSROADS DRIVE
SUITE #215
OWINGS MILLS, MARYLAND 21117