

VICTORIA STATION

UNRECORDED 396 FOLIO 543

DECLARATION OF COVENANTS,  
EASEMENTS, CHARGES AND LIENS

REC'D FEE

THIS DECLARATION OF COVENANTS, EASEMENTS, CHARGES AND LIENS, made this 10th day of #77335 C001 March, 1987, Bay Hills Construction Co., Inc., having an address at 48-A, Owings, Maryland, 20736 (hereinafter referred to as the "Developer").

WHEREAS, the Developer is the owner of all of that land, situate and lying in Calvert County, Maryland, which is hereinafter more particularly described, and which has been subdivided into the residential lots and open space which are hereinafter referred to, together with the improvements thereon and the appurtenances thereto; and

WHEREAS, the Developer intends to create upon the said tract a residential community consisting of the said residential lots and open space, the latter shall contain or does contain such common improvements and other facilities for the benefit of such community as hereinafter more particularly described; and

WHEREAS, the Developer intends by this Declaration to provide for the preservation of the values and amenities in such community and for the maintenance of such open space, common improvements and other facilities, (a) by improvements of such residential lots and open space; (b) by protecting the respective owners of such residential lots and open space against any development or other use of any of the same in any manner which may depreciate their value; (c) by guarding against the erection upon any of such residential lots and open space of any building or improvements constructed through the use of improper or unsuitable materials; (d) by enforcing high standards of maintenance and operation of such open space, common improvements and other facilities for the benefit of the owners of such residential lots and of any other residents of such community; and (e) by granting and reserving rights, easements and other privileges; and (f) by providing a means for the accumulation and use of funds, to further the aforementioned purposes, all in order to provide adequately for a residential community of the highest quality and character; and

WHEREAS, in furtherance of such purposes, (a) the Developer intends by this Declaration to subject such residential lots and open space, together with the improvements thereon and the appurtenances thereto, to certain covenants, easements, charges and liens, all as are hereinafter set forth; and (b) the Developer has caused to be incorporated a non-stock corporation to which is to be delegated and assigned the powers and duties of assessing, collecting and applying all of the charges which are imposed by the provisions of this Declaration of maintaining and operating such open space, common improvements and other facilities, and of administering and enforcing such covenants, easements, charges and liens.

NOW, THEREFORE, WITNESSETH, that the Developer hereby subjects to the operation and effect of the provisions of this Declaration all of the property situate and lying in the said County, which is respectively outlined in the Plat of VICTORIA STATION prepared by J. R. McCrone, dated September 4, 1986, recorded at Plat Book ABE 2, Folio 95 in the Land Records of Calvert County, Maryland.

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

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SUBJECT TO the operation and effect of any and all instruments relating to the Plat I which have been recorded among the Land Records of Calvert County prior to the recordation of this Declaration.

UPON THE TERMS and subject to the conditions which are hereinafter set forth.

Section 1. Definitions

(a) (1) As used in the provisions of this Declaration each of the following terms shall be deemed to have the meaning which is hereinafter in this Section ascribed to it;

(1). "Assessment" shall mean an Annual Assessment or a Special Assessment.

(2). "the Association" means and refers to the Victoria Station Homeowners Association, Inc., A Maryland non-stock corporation, its successors and/or assigns.

(3). "Association Property" shall mean any and all real property, personal property or other assets which are beneficially owned by the Association, including, by way of example rather than of limitation, the Open Space.

(4). "the Board of Directors" shall mean the board of directors of the Association.

(5). "By-Laws" shall mean the by-laws of the Association, as from time to time amended.

(6). "The Code" shall mean the Annotated Code of Maryland (in each instance of reference whichever edition shall contain the most recent codification of the statute of which reference is made), as from time to time amended.

(7) "the Community" shall mean the aggregate of (A) Plat I, and (B) each Future Plat which, at the time with respect to which reference is made, has been included within the Community through an expansion thereof pursuant to the provisions of Section 7 hereof.

(8) "the Community Plat" shall mean the plats which are hereinabove referred to, together with any amendatory plat thereto which at any time hereafter has become effective pursuant to the provisions of this Declaration and applicable law.

(9) "this Declaration" shall mean this instrument, as from time to time amended.

(10) "Dedicated Roadway Areas" shall mean each of those portions of either the land described in Exhibit A and Exhibit B hereto or any future plat which, by the Community Plat or otherwise, are dedicated to the County or any other governmental body having jurisdiction over the Community, either (i) prior to or simultaneously with the recordation of this Declaration among the Land Records, or (ii) thereafter pursuant to the provisions of Section 5 hereof.

(11) "the Developer" shall mean collectively, (A) the entity who is hereinabove named as such, (B) such entity's heirs, personal representatives and successors and/or permitted assigns, (C) each entity or person to whom such named entity or any other person has expressly assigned its or their rights as the Developer hereunder in the manner set forth in the provisions of Section 13 (b) hereof, and (D) each of such assignee's heirs, personal representatives and successors and assigns; provided, that no Owner, Builder, Mortgagee, Lessee or Contract Purchaser shall, merely by virtue of its status as such, be deemed to be the Developers.

(12) "The Land Records" shall mean the Land Records of Calvert County.

(13) "Lessee" shall mean any lessee or sublessee of any Lot from either the Developers or any other Owner or person.

(14) "Majority" shall mean more than fifty percent (50%).

(15) "the Membership" shall mean all of the members.

(16) "Mortgage" shall mean any mortgage or deed of trust encumbering one or more lots or any or all of the Open Space, and any other security instrument or arrangement which may be used from time to time in the locality of the Community provided that such mortgage, deed of trust, or other form of security instrument, and an instrument evidencing any such other form of security arrangement, has been recorded among the Land Records.

(17) "Mortgagee" shall mean the party secured by a Mortgage.

(18) "Mortgagee in a Possession" shall mean any person who, <sup>BOOK 306, FOLIO 515</sup> at the time with respect to which reference is made, is either (A) a Mortgagee which has possession of a Lot as a result of a default under a Mortgage held by such persons, or (B) the Owner of a Lot as the result of the conveyance to such person of the Mortgagor's equity of redemption therein either as the result of a foreclosure proceeding under a Mortgage securing such person and covering such Lot, or in lieu of such foreclosure proceeding.

(19) "Mortgagor" shall mean the Owner of a Lot, the legal title to which is subject to the lien of a mortgage.

(20) "Owner" shall mean any person or combination of persons (including, by way of example rather than of limitation, the Developer) who holds the legal title to a Lot under a deed or other instrument, if and only if such deed, or other instrument has been recorded among the Land Records at the time with respect to which reference is made; provided; that (A) no Lessee or Contract Purchaser shall, merely by virtue of such person's status as such, be deemed to be an Owner; and (B) no Mortgagee shall be deemed to be an Owner unless, at the time with respect to which reference is made, such Mortgagee has acquired of record the Mortgagor's equity of redemption in such lot.

(21) "Plat" shall mean Plat I or any Future Plat.

(22) "Person" shall mean any natural person, trustee, corporation, partnership or other legal entity.

(23) "Use" shall have the meaning which is ascribed to it as used in the provisions of the zoning ordinance of Calvert County, as amended from time to time.

(b) Any other terms to which meaning is specifically ascribed by any of the provisions of this Declaration shall for purposes of this Declaration be deemed to have such meaning.

Section 2. Name

The Community shall be known as VICTORIA STATION.

Section 3. Lots and Open Space

(a). The Community shall be comprised of all of those areas which are referred to in the provisions of Section 3(b) hereof (each of which is hereinafter referred to as a "Lot") and (ii) all of those areas which are referred to in the provisions of Section 3(c) hereof (hereinafter referred to as "the Open Space").

(b). Lots

(i) (1) So long as the Community has not been expanded pursuant to the provisions of Section 7 hereof, the Community shall contain eighteen (18) lots in Plat I.

(2) From and after any such expansion, and until any further such expansion, the Community shall contain that number of Lots which equals the total of (A) the number of Lots contained therein immediately prior to such expansion, and (B) each of those residential lots which is contained in its entirety within the land thereby added to the Community (as set forth on such subdivision or other plat as is recorded among the Land Records in connection with such expansion or the subdivision of such land), and is designated as a Lot in the amendatory instrument by which, pursuant to the said provisions, such expansion is effected.

(ii) The location, dimensions, and configuration of each Lot are shown on the Plat recorded among the Land Records of Calvert County, Maryland at Plat Book ABE 2, Folio 95.

(iii) Each Lot shall have and be known by a number corresponding to the number which is shown with respect to such Lot on the recorded plats.

(c) The open space shall consist of all of the land which from time to time is contained with the Community but not contained with any Lot or Dedicated Roadway Area, together with all of the improvements thereon including, by way of example rather than of limitation, or requirement, any and all sidewalks and curbs (if not contained within a Dedicated Roadway Area), storm water retention or sedimentation pond, buildings, fences, etc., and all of the rights, alleys, waters, privileges, appurtenances and advantages, to the same belonging or in any way appertaining.

Section 4. The Association

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(a). Authority

The affairs of the Community shall be governed by VICTORIA STATION HOMEOWNERS ASSOCIATION, INC., a non-stock corporation organized and existing under the laws of Maryland.

(b). Membership

The membership of the Association shall be comprised of and limited to all of those persons (each of whom is herein referred to as a "Member") who, either alone or in combination with one or more other persons, constitutes an Owner, including, by way of example rather than of limitation, the Developer.

(c) Voting

(i) (A) (1) During the Conversion Period, (hereinafter defined) the Membership shall be comprised of the Class A Membership and the Class B Membership.

(2). The Class A Membership shall consist of all of the Members other than the Developer; and the Class B Membership shall consist of the Developer.

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

(iii) (A) During the Conversion Period each Class A Member, and thereafter each member;

(1) who alone is the Owner of a Lot shall be entitled to cast one (1) vote in the affairs of the Association for each such Lot; or

(2). who, in combination with one or more other persons is the Owner of a Lot shall, jointly with such other persons, be entitled to cast one (1) vote in the affairs of the Association for each such Lot (which vote shall be exercised as such persons determine among themselves, provided that in no event may such persons cast with respect to any such Lot more than one (1) vote.

(B) During the Conversion Period each Class B Member shall be entitled to cast three (3) votes in the affairs of the Association for each Lot of which it is the Owner.

(iii) The Conversion Period shall consist of a period commencing upon the date hereof and terminating upon the earliest to occur of (A) the acquisition by a person other than the Developer of the legal title to each Lot contained within the Community (as from time to time expanded in accordance with the provisions of Section 7 hereof); or (B) the Developer's termination thereof by recording among the Land Records an instrument expressly providing for such termination and making specific reference to this paragraph; or (C) the tenth (10th) anniversary of the date hereof.

(d) Actions taken by the Association

Whenever the Association is required or permitted by the provisions of this Declaration to take any action, the Association shall do so only in accordance with the provisions of the Articles of Incorporation and the By-Laws.

(e) Insurance

So that the Association may package its insurance requirements, any and all Owners desiring to carry homeowners insurance shall carry such insurance with the insurance carrier for the Association. Any Owner desiring homeowners insurance shall inform the Association of such along with its Notice Address (as here defined in Section 13). Such insurance shall be at the cost and expense of each Owner desiring same.

Section 5. Ownership of, and rights in the Open Space

(a) Property Rights in and to the Open Space

(i) (1) The Developer shall be entitled to convey to the Association the legal title of the Open Space or any portion thereof at any time hereafter, and/or to retain the legal title to all or any portion of the open space until such time as the Developers have completed any improvements which the Developer intends to make to the same, earlier or later time as, in

the sole and absolute judgement of the Developer, the Association is able to maintain the same in accordance with the provisions of this Declaration; provided that the Developer shall convey to the Association the legal title to that portion of the open space which is contained within Plat I by not later than the first (1st) anniversary of the date upon which this Declaration is recorded among the Land Records and convey to the Association the legal title to any portion of the open space which is contained within any future plat or portion thereof which has been added to the Community by an expansion thereof pursuant to the provisions of Section 7 hereof, within two (2) years after such expansion.

(2) Subject to the operation and effect of the provisions of Sections 5 (a) (ii) and 5 (c) hereof, the Association shall not convey to any person either the legal title to, or any easement, leasehold or other right of use or enjoyment in, the open space or any portion thereof without the express written consent thereto of the Owners of Two-Thirds (2/3) in number of the Lots.

(ii). Anything contained in the foregoing provisions of this subsection to the contrary notwithstanding, while the Developer or the Association holds the legal title to any or all of the open space, it may take any or all of the following actions:

(1). make and express confirmatory conveyance to any owner of such easement in and other rights with respect to the Open Space as under the provisions of this Declaration are held by such owner;

(2) grant, convey, or dedicate (A) to any one or more public or quasi-public governmental bodies or utility companies, any and all licenses, easements and/or rights of way in, over and through the open space for the construction, installation, use, operation, maintenance, repair, and replacements of any and all sanitary, sedimentary, control or storm sewer lines, drains, culverts, ponds, or pumping stations, water lines, mains or pump houses, electrical lines or cables, gas lines or mains, stormwater management or other similar facilities, for similar or other purposes, all as the Developer or the Association considers appropriate for the provision of any utility or utility service to Plat I (and/or to any Future Plat, regardless of whether it then or at any time thereafter forms part of the Community), and (B) to the said County or any other governmental body, any land improved by a roadway then forming part of the open space; provided, that no such grant, conveyance or dedication shall be made unless the entity to which the same is to be made has agreed with, or provided reasonable assurances to, the Developer or the Association, in a bona fide manner, that it thereafter will operate and maintain the same for the use and enjoyment of the Owners and any other members of the general public who may thereafter be entitled to use and enjoy the same; and further provided that, upon such grant, conveyance or dedication, that portion of the open space which is the subject of the same shall no longer form part of the open space;

(3) grant a Mortgage pursuant to the provisions of Section 5 (c) (i) hereof;

(4) convey the legal title to, or any interest in, any or all of the open space to or at the direction of any governmental or quasi-governmental authority either (A) through the condemnation thereof or the exercise of any power or eminent domain with respect to the same, or (B) made under threat of such condemnation or exercise and in lieu thereof, provided that upon such grant, conveyance or dedication, that portion of the open space which is subject of the same shall no longer form part of the open space;

(5) grant a leasehold interest in or a license with respect to any or all of the open space to any person, for a period which terminates not later than the third (3rd) anniversary of the date of such grant;

(6) grant or reserve, by or to the Developer, for the benefit of any Future Plat or portion thereof (whether or not such Future Plat then or at any time thereafter forms part of the Community), an easement in, over and through the open space for the construction, installation, use, operation, maintenance, repair and replacement of any facilities or roadways

of the types which are enumerated in the provisions of [REDACTED] (b) (1)(E) hereof.

(iii) Easement and License Benefiting Lots & Burdening Open Space

(A) Each Lot shall have the benefit of a non-exclusive easement for the use of:

(1) each main, duct, stack, raceway, wire, conduit, drain, pipe, meter or other device which is located within the open space or any other Lot and is used in providing any utility or service to the first such Lot; and

(2) each street and walkway which from time to time forms part of the open space.

(B) Each Lot shall have the benefit of a non-exclusive license for the use of all of the remainder of the open space, provided that:

(1) such use is in accordance with applicable law and the provisions of this Declaration, the Articles of Incorporation, the By-Laws and the Rules and Regulations; and

(2) any admission or other fee which the Association may then charge for such use has been paid.

(iv) Development Easement

The Developer shall have, and hereby reserves a perpetual easement for ingress and egress in, over and through the land which from time to time forms part of the open space, to and from each public roadway which at the time of such exercise abuts the Community, from and to each parcel (whether or not, at the time of such exercise, such parcel is contained within the Community), for access by (A) the Developer; (B) any builder; (C) any contractor, subcontractor, real estate agent or broker being utilized by the Developer or any builder; and (D) the agents, employees, invitees, licensees, visitors, designees and guests of any of the same, all for any purpose whatsoever consistent with applicable law in connection with the construction, replacement, repair, maintenance, development, marketing or leasing of any parcel or improvement thereon (whether or not such parcel is contained within the Community at the time of such exercise), including, by way of example rather than of limitation, the construction of the facilities which are referred to in the provisions of Section 3(c) hereof.

(b) Maintenance of Open Space

(i) The Association shall maintain all of the open space (including, by way of example rather than of limitation, all of the improvements which are referred to in the provisions of Section 3 (c) hereof as being contained within the open space).

(ii) Without limiting the generality of the foregoing provision of this paragraph, the Association shall keep all grass growing within the open space regularly mowed, and shall maintain each storm water retention or sedimentation pond which exists within the open space, keeping the same clean and free of debris.

(c) Control of the Open Space

Anything contained in the foregoing provisions of this Section to the contrary notwithstanding,

(i) The Association shall be entitled to borrow money for the purpose of improving the open space in accordance with the provisions of this Declaration, and to secure the repayment of the same by subjecting any or all of the open space to which it then holds the legal title to the lien of a Mortgage provided that anything contained in the provisions of such Mortgage to the contrary notwithstanding, should there occur a default in the performance of the borrower's obligations thereunder, the Mortgagee's remedies thereunder on account of such default shall, with respect to so much of the open space as is covered by such lien, be limited to those of (A) taking possession of any or all of the same and (B) thereafter charging admission or other fees as a condition to the continued use thereof by the Members.

(ii) The Association shall be entitled to take such steps as are reasonably necessary to protect such property against foreclosure under such Mortgage. 549

(iii) The Association shall be entitled:

(A) to adopt reasonable rules and regulations governing the use of the open space by Members, their family members and guests or any other person; and

(B) to charge reasonable admission and other fees for the use of the open space (other than those streets and walkways which are subject to the easement created by the provisions of Section 5(a) (iii) (A) hereof), and

(C) to suspend the right of any Member or his family members and guests to use the open space under the provisions of Section 5 (a) (iii) (B) hereof (but not his right to use such streets and walkways):

(1) for so long as such an assessment levied against such Member's Lot(s) remains unpaid; and

(2) for any period (not exceeding in length thirty (30) days plus the time during which such infraction continues) for any infraction of the Rules and Regulations.

(d) Management of the Open Space

(i) The Association shall be entitled to enter in to an agreement with any person for such person to provide management services for the Association with respect to the open space, so long as such agreement:

(A) expressly provides that the Association may, without having to obtain the consent of any other party thereto, terminate such agreement for cause at any time provided that the Association has given to each party thereto written notice of its intention to do so by not later than thirty (30) days prior to the effective date of such termination;

(B) is for a term of not longer than one (1) year;

(C) if provision is made therein for a renewal of such agreement from time to time by the agreement of the parties thereto, provides that no such renewal provision and no such renewal or combination of renewals made pursuant thereto shall be effective to bind the Association to such agreement for longer than one (1) year from the date of such renewal or combination of renewals (and, to the extent that any such agreement does not expressly so provide, it shall be deemed expressly so to provide).

(ii) Anything contained in the foregoing provisions of this subsection to the contrary notwithstanding, the Association shall not effectuate any decision by it both (A) to terminate any such management agreement, and (B) thereafter to assume or undertake the management of the open space without utilizing or employing professional management services with respect to the same, without obtaining the prior written approval of the first Mortgagee of the open space, if

## Section 6. Assessments

(a) Right to Levy Assessments

The Association shall be entitled to obtain funds for payment of the Association's current expenses incurred in performing its obligations under the provisions of this Declaration, and for the creation of reserves for the payment of its future such expenses, by from time to time levying an assessment (each of which is hereinafter referred to as an "Assessment") against each owner and his respective Lot, all upon the terms, for the purposes and subject to the conditions which are set forth in the provisions of the Articles of Incorporation, the By-Laws and this Declaration.

(b) Procedure for Levying Assessments.

Any determination by the Association to levy Assessments and/or as to the respective amounts thereof shall be made in the following manner:

(i) Classes of Assessments

The Assessments shall consist of annual Assessments (hereinafter referred to as "Annual Assessments") and special Assessments (hereinafter referred to collectively as "Special Assessments").

(ii) Period of Assessments

(A) Each Assessment shall be made with respect to one of those periods of one (1) year (each of which is hereinafter referred to as an "Assessment Year") which are co-extensive with those calendar years during which this Declaration remains in effect, provided, that the initial Assessment Year shall commence upon the date of the recordation of this Declaration among the Land Records, and shall terminate on the thirty-first (31st) day of December next succeeding such date.

(B) Not more than one Annual Assessment shall be levied with respect to a Lot for any Assessment Year.

(iii) Allocation of Assessments Among Lots

(A) Subject to the provisions of Section 6 (b) (iii) (B) and (6) (b) (vi) (E) hereof, (1) the respective amounts of any Annual Assessments made for an Assessment Year shall be equal, and (2) the respective amounts of any Special Assessments made for an Assessment Year shall be equal.

(B) Subject to the provisions of Section 6 (b) (vi) (E) hereof, if at any time during an Assessment Year a Lot is subjected to the operation and effect of this Declaration as the result of an expansion of the Community pursuant to the provisions of Section 7 hereof, the Association shall be deemed, automatically and without the necessity of any action by the Association to have levied with respect to such lot for such Assessment Year any Annual Assessment or Special Assessment which the Association has made with respect to the Lots for such Assessment Year, and the respective amount of such Annual Assessment and Special Assessment shall be determined with respect to such Assessment Year in accordance with the foregoing provisions of this paragraph (iii) as if such Lot formed part of the Community at the commencement of such Assessment Year, but shall then be reduced to a fraction thereof, the numerator of which shall be the number of days remaining in such Assessment Year as of the date of such expansion and the denominator of which shall be three hundred sixty-five (365); provided, that the Association shall be entitled, in the exercise of its sole discretion, to increase or decrease the amount of the Assessments which may theretofore have been levied with respect to the Lots for such Assessment Year to reflect any increase or decrease in its said expenses which may result from such expansion, so long as the respective amounts by which such Assessments are so increased or decreased are determined by application of the method set forth in the provisions of Section 6 (b) (iii) (A) hereof.

(iv) Assessments to be Universally Levied

No Assessment may be levied for an Assessment Year with respect to one Lot unless Assessments are levied for such Assessment Year with respect to all of the Lots (other than those lots which are exempt from the levying of Assessments under the provisions of Sections 6 (h) and 6 (b) (vi) (E) hereof).

(v) Use of proceeds of Special Assessments.

The Association shall be entitled to levy with respect to each Lot for any Assessment Year one or more Special Assessments, in addition to any Annual Assessment, the proceeds of which shall be used to defray any or all of the cost to the Association of the construction, reconstruction, repair, replacement of any of the open space and/or any improvements, fixtures and personal property related thereto which the Association has duly determined to incur provided that such action has been specified in such resolution.



(vi) Adoption by Board of Directors, notice of Assessments, when Assessments become due & payable.

(A) At least sixty (60) days prior to the commencement of the Assessment Year, the Board of Directors shall adopt a budget for the Association for such Assessment Year, which budget shall set forth for such Assessment Year, (1) the aggregate amount of the Annual Assessments to be levied, and (2) the respective amount of the Annual Assessments to be levied with respect to each Lot. At least forty-five (45) days prior to commencement of such Assessment Year, the Board of Directors shall cause a copy of such budget to be provided to each Owner at its Notice Address.

(B) Such Annual Assessments (or the initial installment thereof, if payable in monthly installments hereunder) shall be due and payable upon the first (1st) day of such Assessment Year, without the necessity of further action by the Association.

(C) If the Association levies a Special Assessment, it (for the initial installment thereof, if payable in installments hereunder) shall be due and payable on the later of

- (1) the first (1st) day of the Assessment Year with respect to which it has been levied; and
- (2) such later date as is specified therefore by the Association.

(D) Anything contained in the foregoing provisions of this paragraph to the contrary notwithstanding (but subject to the operation and effect of the provisions of Section 6 (b) (vi) (E) hereof), if at any time during an Assessment Year a Lot is subjected to the operation and effect of this Declaration as the result of an expansion of the Community pursuant to the provisions of Section 7 hereof, any Assessment which, pursuant to the provisions of Section 6 (b) (iii) (B) hereof, is levied with respect to such Lot shall be due and payable upon the later of:

- (1) the date upon which such Assessment would have become due and payable were such Assessment Year, or
- (2) the date upon which such Lot is subjected to the operation and effect of this Declaration.

(E) Anything contained in the provisions of this Section 6 to the contrary notwithstanding, no Assessment may be levied with respect to a Lot until the date upon which the title to such Lot is first conveyed to a person other than the Developer.

(vii) Payment of Assessments in Installments

The Association may permit the Annual Assessments and/or any Special Assessments which are levied or any Assessment Year to be paid to the Association in monthly or other installments in accordance with a schedule which shall be determined by the Board of Directors of the Association prior to the commencement of such Assessment Year, in which event such Assessments shall be payable in such manner. Unless otherwise provided by the Board of Directors of the Association, the Annual Assessment for Class A Members shall be payable monthly, on the first day of the month and the Annual Assessment for Class B members shall be payable yearly.

(viii) Maximum Annual Assessment.

(A) During the initial assessment year and until January 1 of the year immediately following the conveyance of the first Lot to an Owner other than the Developer, the maximum Annual Assessment for Class A Member shall be \$500.00 per lot, and for Class B Member 50% of the Class A Member's assessment per lot (\$250.00).

(B) From and after January 1 of the year immediately following the conveyance of the first lot to an Owner other than the Developer the maximum Annual Assessment levied by the Association increased each subsequent year not more than 10% above the maximum assessment for the previous year.

(C) The Association may levy against each Lot for an Assessment Year that portion of an Annual Assessment which exceeds the maximum sum which the Association may levy for such Assessment Year without approval by the Membership, as aforesaid, after and only after having been authorized to do so by two-thirds of the votes cast on such question by those Members of each Class of Membership who are present and voting on such question at a Membership Meeting held in accordance with the provisions prescribed immediately hereafter.

(D) The Association shall send to each Member at its Notice Address a written notice of the date, time and place of an Membership Meeting at which such question is to be considered by not later than the thirtieth (30th) and not more than the <sup>thirtieth (30th)</sup> ~~sixty (60)~~ day prior to such date. The presence at such date, time and place, in person or by proxy, of Members holding at least sixty percent (60%) of the total number of votes then held by, respectively, the Class A Membership and (if any) the Class B Membership shall be required to constitute a quorum for such Membership Meeting.

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

(E) The Board of Directors of the Association may fix the Annual Assessment in an amount not in excess of the maximum without necessity of a vote of the Members. The Board of Directors of the Association may after consideration of the current maintenance costs and future needs for the Association, fix the Annual Assessment for any year at lesser amount, provided that it shall be an affirmative obligation of the Board of Directors of the Association to fix such assessments as an amount sufficient to maintain and operate the open space and facilities.

(c) Personal Liability of Owners for Assessments.

(i) Each Owner shall be personally liable for each Assessment (or each installment thereof, if payable in installments) which becomes due with respect to a Lot while he is the Owner thereof. An Owner may not avoid such liability (A) by waiving any right to use of the open space or otherwise which he may hold under the provisions of this Declaration or otherwise, (B) by abandoning or otherwise terminating his use of such Lot, or (C) by conveying the title to his Lot.

(ii) An Owner shall not be personally liable for any Assessment (or any such installment thereof) which becomes due with respect to a Lot:

(A) before he becomes the Owner thereof (notwithstanding that such Assessment remains a lien upon the title of such Lot while held by such Owner, pursuant to the provisions of Section 6 (b) hereof), or

(B) after he ceases to be the Owner thereof.

(d) Lien of Assessment, Priority Thereof

(i) Each Assessment made with respect to a Lot shall constitute a lien (herein referred to as an "Assessment Lien") upon the title to such Lot, from the time when such Assessment (or the initial installment thereof, if payable in installments) first becomes due, until such Assessment has been paid. Such Assessment Lien may be enforced and foreclosed by the Association in the same manner and subject to the same requirements as are specified by the law of Maryland for the foreclosure of mortgages or deeds of trust containing a power of sale or an assent to a decree, and covering real property situate and lying in the Calvert County.

(ii) An Assessment Lien shall be subordinate to the lien of any First or Purchase Money Mortgage covering the Lot with respect to which such Assessment has been levied, if and only if such Mortgage has been recorded among the Land Records prior to the date upon which a statement (hereinafter referred to as a "Statement of Lien") covering such Assessment (or any installment thereof, if payable in installments) have been recorded thereamong pursuant to the following provisions of this subsection.

(iii) (A) At any time following the levying of an Assessment with respect to a Lot and prior to the Association's receipt of payment, the Association may execute, seal, acknowledge and record among the Land Records a Statement of Lien either (i) with respect to such Assessment, or (ii) with respect to any installment thereof, if payable in installments hereunder, and if the Association elects to make such Statement of Lien applicable to such installment rather than to such Assessment in full.

(B) Such form shall be as determined by the Association in the exercise of its sole discretion, so long as it designates (1) such Lot by number, (2) the Owner thereof, (3) the amount of such Assessment or installment thereof, and (4) the Assessment Year with respect to which such Assessment is levied.

(e) Accrual of Interest on Unpaid Assessments.

Each Assessment (or each installment thereof, if payable in installments) shall bear interest on the unpaid balance thereof from the thirtieth (30th) day after it first becomes due and payable, until paid, at the lesser of (i) the rate of twelve percent (12%) per annum, or (ii) the highest rate of interest which from time to time is permitted by applicable law to be charged with respect to the same.

(f) Right of Association to seek Recovery of Unpaid Assessments

(i). The Association shall be entitled to recover in an action at law or in equity, from any person who is liable for the payment of an Assessment, a money judgement for any or all of such Assessment, including by way of example rather than of limitation, the amount of any deficiency as a result of any such foreclosure sale for which such person is liable, all without waiving the Assessment Lien therefor. In any such action the Association may recover, in addition to that portion of such Assessment for which such person is liable, the full amount of any interest which has accrued thereon through the date of such recovery, and of any costs which the Association has incurred in obtaining such recovery (including, by way of example rather than of limitation, that of reasonable attorneys' fees).

(ii) Anything contained in the foregoing provisions of this subsection to the contrary notwithstanding, no such action or proceeding may be brought to foreclose upon such Assessment Lien or otherwise to recover any of such Assessment:

(A) unless it is brought by the third (3rd) anniversary of the date upon which such Assessment (or the initial installment thereof, if payable in installments) first becomes due and payable; and

(B) unless a written notice of the Association's intention to initiate the same is given to both the then-Owner of the Lot with respect to which such Assessment has been levied, and any person against whom such action or proceeding is to be brought, at least ten (10) days prior to the date upon which such action or proceeding is initiated.

(g). Certificate as to payment or Non-Payment of Assessment

The Association shall, upon written notice request at any time by any person who is liable for the payment of an Assessment or an installment thereof, or who holds any interest in a Lot with respect to which an Assessment has been levied, deliver to such person a certificate signed by an officer of the Association, setting forth whether such Assessment or installment has been paid. Any such certificate so delivered shall be conclusive evidence of the payment of each Assessment or installment thereof which is herein stated to have been paid.

(h) Portions of the Community exempted from Assessment

Anything contained in the foregoing provisions of this Section 6 to the contrary notwithstanding, no Assessment may be levied with respect to the (i) open space, (ii) any Dedicated Roadway Area, or (iii) any other portion of the Community to the extent of (a) any easement or other interest therein held by any governmental or quasi-governmental authority or public utility company under the provisions of Section 5 hereof or otherwise, or (B) any interest therein which has been exempted from real property taxation by the law of Maryland, upon the terms and to the extent of such exemption.

Section 7. Expansion of the Community

If the Developer, his successors and/or assigns develop additional lands within Calvert County, Maryland, such additional land may be annexed by the Developer without the consent of Class A members within ten (10) years of the date of this Declaration. Notwithstanding the foregoing, additional lands may be annexed to the Community at anytime with the consent of two-thirds of the Class A members. Upon any such expansion of the Community, the title to each Future Plat or portion thereof which is thereby added to the Community shall thereafter be held subject to the operation and effect of this Declaration, to the same extent as if it was formed as a part of the Community on the date hereof.

Section 8. Architectural Control Committee and Architectural Control.

(a) Architectural Control Committee:

(i) The Board of Directors shall from time to time designate three or more individuals to constitute a committee to be known as "the Architectural Committee".

(ii) The affirmative vote of a majority of the membership of the Architectural Committee shall be required in order for the Architectural Committee

(A) to recommend to the Board of Directors the adoption or promulgation of any of the Rules and Regulations which are referred to hereinafter in this Section; or

(B) to make any finding, determination, ruling or order; or

(C) to issue any permit, authorization or approval pursuant to the provisions of this Section.

(iii). Unless such decision is reversed or modified by the Board of Directors upon the written application of any Owner which is made to the Board of Directors in writing within ten (10) days after the date upon which the Architectural Committee makes such decision, the decision of the Architectural Committee on those matters which are referred to in the provisions of subparagraphs (B) and (C) of the preceding sub-section shall be final.

(b) Architectural Control

(i) No building, fence, wall, sign, tank, pavement or other structure of any kind (each of which is herein referred to as a "Structure") may be commenced, constructed, erected, placed, moved onto, maintained, caused or permitted to remain upon a Lot, nor may any Structure existing upon a Lot be in any way (other than (A) exterior painting and (B) interior painting or other modifications which are not visible from the exterior thereof) which materially changes the exterior appearance thereof, nor may any Use be commenced upon a Lot, unless prior thereto plans and specifications therefor (including a description of any such new Use) (herein referred to collectively as "Plans") have been submitted to and approved in writing by the Architectural Committee.

(ii) Such Plans (A) shall designate by reference to the Community Plat each Lot for which such Plans have been submitted; (B) shall include a plan to each such Lot showing the nature, exterior color scheme, kind, shape, height, materials and location (both with respect to each such Lot and with respect to Structure located upon adjoining portion of the Community) of all structures then existing or proposed front, rear, and side setbacks from such Structure, and the location of any existing or proposed parking spaces and driveways upon such Lot; and (C) shall be in such form and shall contain such other information as may be required by the Architectural Committee.

(iii) Anything in this Section 8 (b) to the contrary notwithstanding the provisions of this sub-section 8 (b) shall not apply to Bay Mills Construction Co., Inc. its successors or assigns.

(c) Basis for Disapproval

(i) The Architectural Committee may disapprove any Plans submitted to it whenever, in the opinion of the Architectural Committee, any of the following circumstances exist:

(A) such Plan, or any Structure or Use which is the subject of such Plans, are not in accordance with the provisions of this Declaration; LIBERO 396 FOLIO 555

(B) such Plans do not contain any information which the Architectural Committee may reasonably have required to be contained therein;

(C) any Structure which is the subject of such Plans is incompatible with any Structure or Use existing upon any Lot, due to the former's exterior design, height, bulk, shape, color scheme, finish, style of architecture, configuration, appearance, materials, location or relative cost;

(D) any Use which is the subject of such Plans is incompatible with any Structure or Use existing upon any Lot;

(E) the existence, size, configuration or location of any parking area which may be proposed for such Lot is (1) incompatible with any existing or proposed Use or Structure upon such Lot or elsewhere within the Community, or (2) insufficient, inadequate or inappropriate in relation to any Structure or Use upon such Lot or elsewhere within the Community;

(F) any other set of circumstances which in the judgment of the Architectural Committee, would render any Structure or Use which is the subject of such Plans inharmonious with the general plan of improvement of the Community;

(ii) If the Architectural Committee disapproves any Plans or approves the same only upon the satisfaction of any specified condition requiring the modification of such Plans or taking of any other action, such disapproval or conditional approval shall be accompanied by a statement of the grounds upon which such action was based.

(iii) In the event that the Architectural Committee fails to take action in approving or disapproving any request within forty-five (45) days, after said Plan and specifications have been submitted to it in writing, formal approval will not be required and the applicant will be deemed to have fully complied with this Section.

(d) Effect of Approval

The Architectural Committee's approval of Plans for any Lot for which such Plans have been submitted to it shall not constitute a waiver of the Architectural Committee's right, in its sole discretion, to disapprove such Plans or any of the features or elements included therein if such Plans or any modification thereof are subsequently submitted to it for any provisions of Section 8 (a) (iii) hereof, as to any Lot for which such Plans have been submitted to it shall be final and may not be revoked or rescinded thereafter.

(e) Inspection of Lots

Any agent of the Association may at any reasonable time (but only after having given written notice of the same to the Owner of such Lot by not later than five (5) days prior thereto) enter upon and inspect any Lot and the exterior of any Structure thereon to ascertain whether the maintenance, construction or alteration of such Lot or any Structure thereon, and any Use thereof, are in accordance with the provisions hereof, and neither the Association nor such Agent shall be deemed to have committed any trespass or other wrongful act by reason of such entry or inspection.

(f) Certificate of Compliance and Approval

(i) Upon the completion upon a Lot of the construction or alteration of any Structure, or the commencement of any Use thereon, the Association shall, upon written request of the Owner thereof, issue a certificate in a form which is suitable for recordation among the Land Records:

(A) identifying both such Lot and such Structure or Use; and

(B) stating that Plans covering such Structure or Use have been approved by the Architectural Committee in the manner set forth in the provision of this Section, and that the Architectural Committee believes that such Structure or Use complies therewith.

(ii) The Association may charge such Owner a reasonable fee for the issuance of such certificate, the payment of which at the time of the request for such certificate shall be a condition to the Association's obligation hereunder to issue the same.

(iii) The cost of the recordation of any such certificate among the Land Records shall be borne by such Owner.

(g) Removal

(i) If any Structure is altered, erected, placed or maintained, or any new Use commenced upon any Lot, other than in accordance with Plans which have been approved by the Architectural Committee pursuant to the foregoing provisions of this Section, the taking of such action shall be deemed to be in violation of the provisions of this Section and, promptly after the Association has given written notice of such violation to the Owner of such Lot, such Structure shall be removed or restored to its condition prior to such action, and such Use shall cease, so as to terminate such violation.

(ii) If within fifteen (15) days after having been given such notice such Owner has not taken reasonable steps toward the termination of such violation, any agent of the Association may enter upon such Lot and take such steps as may be necessary to terminate such violation. Such Owner shall be personally liable to the Association for the cost thereof, to the same extent as such Owner is liable for any Assessment levied with respect to such Lot, and the Association shall have a lien therefor which is enforceable in the same manner as an Assessment Lien imposed upon such Lot.

(h) Exceptions to Architectural Control

(i) Nothing in the foregoing provisions of this Section 8 shall be deemed in any way to require that the Developer, its successors and/or assigns submit to the Architectural Committee, or obtain its approval of any plans and specifications for any Structure or Use upon any Lot for so long hereafter as such Lot is held by the Developer, its successors and assigns, it being the Developer's intention that the foregoing provisions of this Section 8 not be applicable to a Lot until the title thereto is hereafter first acquired of record by a person other than the Developer.

Section 9. Use of Lots

(a) Uses Prohibited Absolutely

(i) Subject to the operation and effect of the provisions of Section 9 (a) (ii) hereof:

(A) no Lot shall be devoted to a Use other than a private residential Use;

(B) not more than one private single family residential Structure may exist upon a Lot at any time;

(C) no trailer, basement, tent, shack, garage, barn, other outbuildings or other structure of a temporary character which is erected upon any Lot shall be used as a residence, either temporarily or permanently.

(ii) Nothing in the provisions of this subsection shall be deemed in any way to limit or restrict the use of a Lot:

(A) by the Developer, its agents, employees, officers, contractors and invitees, of the improvements upon each Lot of which the Developer is then the Owner as offices or sample dwellings in connection with the Developers' development, construction, replacement, repair, maintenance, marketing or leasing of any or all of the Lots (and of any or all of those portions of any Future Plats which, by virtue of an expansion of the Community pursuant to the provisions of Section 7 hereof, would become Lots) or

(B) provided that in each instance of such Use, the Architectural Committee has approved the same in the manner set forth in the provisions of Section 8 hereof.

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(b) Uses Prohibited Without Approval by Architectural Committee

Subject to the foregoing provisions of this Section 9, and unless the Architectural Committee has approved the same in the manner set forth in the provisions of Section 8 hereof,

(i) No (A) house trailer, trailer, tractor-trailer or other truck (other than a van or "pick-up truck) or any similar item, or (B) (unless current and valid license plates are affixed thereto) boat, boat trailer, camper or automobile, shall be stored in the open upon any Lot or upon any street or parking area within the Community, either temporarily or permanently.

(ii) no machinery shall be placed or operated upon any Lot, except for such machinery as is customarily utilized in occupying a private residence. Equipment (including vehicle) repairs which exceed twenty-four (24) hours shall be accomplished only in an enclosed garage.

(iii) no profession or home industry shall be conducted upon any Lot (provided, in considering whether to grant such approval the Architectural Committee shall consider whether such Use is compatible with the quality of the residential neighborhood existing within the Community.

(iv) no lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any Lot; provided that:

(A) such building materials as are being utilized in the construction, reconstruction or repair of any Structure in accordance with the provisions of Section 8 hereof may be stored thereon while such activities are being carried on, and

(B) if trash or other refuse from such Lot is to be disposed of by being collected and carried away on a regular and recurring basis, containers containing the same may be placed in the open on any day upon which a collection is to be made, at such place on or adjacent to such Lot as will afford access thereto to persons making such collection (but further provided, that (1) such containers shall be stored at all other times so that they are not visible from elsewhere within the Community, and (2) the Association may, in its discretion, adopt and promulgate reasonable Rules and Regulations relating to the size, shape, color, number, type and manner of storage of such containers).

(v) no tree having a diameter of three inches or more, as measured from a point two feet above the ground level, shall be removed from any Lot.

(vi) no livestock, poultry, or other animals, birds, or insects of any kind shall be raised, bred or kept upon any Lot, either temporarily or permanently (provided that dogs, cats or other household pets may be kept upon a Lot if not kept, bred, or maintained thereon for any commercial purpose). The Board of Directors reserves the right, from time to time, to publish and impose reasonable Rules and Regulations setting forth the type and number of domestic animals that may be kept on any Lot.

(vii) no facilities for transmission of electricity, telephone messages and the like shall be placed or maintained above the surface of the ground on any Lot, and no external or outside antennas of any kind shall be erected.

(ix) no water pipes, sewer pipes or drainage pipes shall be installed or maintained on any Lot above the surface of the ground, except hoses and movable pipes used for irrigation purposes. No Lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth.

(x) no sign or other advertising device of any nature shall be placed upon any Lot. Notwithstanding the foregoing, a family or professional name plate, a name and address plate, not to exceed 240 square inches in area may be displayed on a Lot; in the event that a Lot is advertised for sale, a sale sign not to exceed eight (8) square feet may be displayed on the Lot.

(xi) no motor driven vehicles other than for maintenance purpose shall be permitted in the open space.

(C) Trash Removal

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The Association shall have the right to hire a trash collection agency for the purpose of removing trash from the Lots and Open Space throughout the Community. The Association shall have the right, in its discretion, to promulgate reasonable Rules and Regulations with respect to such trash collection.

(c) Nuisances

No noxious or offensive activity shall be carried on upon any Lot, and no odor shall be caused or permitted to emanate therefrom, and nothing shall be done thereon in any other manner, so as to render any Lot or portion thereof unsanitary, unsightly, unreasonably offensive or detrimental, or a nuisance, to any of the Community or to any occupant thereof.

(d) Repair of Structures

Each Structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished.

(e) Landscaping

Except for flower gardens, hedges, and trees, which shall be neatly maintained, all open space upon any Lot shall be maintained in lawns, which shall be kept mowed to a height not to exceed four (4) inches. The Association may enter upon any Lot and trim or prune, at the expense of the Owner thereof, any tree, hedge or other planting whose height or location upon the Lot is, in the judgment of the Association, unreasonably detrimental to any adjoining property, obscures the view of street traffic from any Lot, or is unattractive, provided that such Owner is given fifteen (15) days written notice of such action;

(f) No Division of Lot

No Lot shall be split, divided, or subdivided for sale, resale, gift transfer or otherwise, so as to create an additional Lot whether or not such "Lot" meets the applicable legal requirements of Calvert County. Notwithstanding the foregoing, Lot boundary lines may be adjusted so long as no new Lot is created. Anything herein contained to the contrary, notwithstanding the provisions of this Sub-section 9 (f) shall not apply to Bay Mills Construction Co., Inc., its successors and/or assigns.

(g) Open Space - Further Regulation

The open space and usage thereof shall be subject to such other and further restriction and regulation as may be desired by the Association, which shall have the power to promulgate any restrictions and regulations which if reasonably relates to the health or welfare of the residents of VICTORIA STATION or the enjoyment of the open space shall have the same force, operation and effect as if it were contained in this Declaration.

(h) No Limitation on Developer's Rights

Without limiting the operation and effect of the provisions of Section 9 (a) (11) hereof, nothing in the provisions of this Declaration shall be deemed to prohibit or restrict the Developer from taking any action with respect to any Lot of which Developer is then the Owner (including, by way of example rather than of limitation, the leasing of such Lot) unless any other person would, were he the Owner of such Lot, be prohibited or restricted in the same manner.

Section 10 Rights of Mortgagee

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



(ii) Any Mortgagee in Possession of ~~any~~ <sup>any</sup> ~~Lot~~ <sup>Lot</sup> ~~under~~ <sup>under</sup> ~~its~~ <sup>its</sup> ~~Mortgage~~ <sup>Mortgage</sup> shall be entitled to the operation and effect of the provisions of this Declaration, the Articles of Incorporation and By-Laws and applicable law) bear all of the obligations under the provisions of this Declaration, the Articles of Incorporation, the By-Laws and applicable law which are borne by the Owner of such Lot; provided, that nothing in the foregoing provisions of this sub-section (ii) shall be deemed in any way to relieve any Owner of any of such obligations, or of any liability to such Mortgagee in Possession on account of any failure by such Owner to satisfy any of the same.

(b) Any Mortgagee of a Lot shall be entitled to written notification by the Association of any default by the Mortgagor of such Lot in the performance of such Mortgagor's obligations under the provisions of this Declaration which have not been cured within thirty (30) days after the commencement of such default, provided that such Mortgagee has notified the Association of its status as such and has supplied the Association with the information with respect thereto which is required by the Articles of Incorporation and the By-Laws to be furnished to the Association, all in the manner which is set forth herein.

(c) Any Mortgagee in Possession shall be exempt from any right of first refusal or similar restriction held by the Association, to and only to the extent that such right of first refusal or similar restriction arises under the provisions of this Declaration, the Articles of Incorporation, the By-Laws or applicable law, it being the Developers' intention that nothing in the foregoing provisions of this subsection be deemed in any way to alter or impair the operation and effect of any right of first refusal or similar restriction which at any time may be given by an Owner or any other person to the Association or any other person but which does not arise under the provisions of this Declaration, the Articles of Incorporation, the By-Laws or applicable law.

(d) The interest in a Lot which is held by Mortgagee thereof under its Mortgage shall be:

(i) free of any claim or lien for any Assessment which is levied with respect to such Lot prior to the recordation of such Mortgage among the Land Records (unless prior to such recordation a Statement of Lien covering such Assessment is recorded among the Land Records pursuant to the provisions of Section 6 (d) hereof), other than any claim for a pro rata share of the amount represented by such Assessment which results from any pro rata reallocation of such Assessment among all of the Lots, including such Lot; and

(ii) free of any such claim or lien arising during the period following such recordation of such Mortgage, and before such Mortgagee's having become a Mortgagee in Possession of such Lot.

(e) Unless each first Mortgagee of each Lot which would be affected by such action has given its prior written approval thereof, the Association shall not by act or omission

(i) seek to abandon, partition, subdivide, encumber, sell or transfer the open space (provided, that the granting of easements for utilities or for other purposes consistent with the intended use of the open space shall not be deemed to be a transfer, for purpose of the foregoing provisions of this Section), or

(ii) use any proceeds derived from hazard insurance, and paid to the Association on account of any damage to or destruction of any of the improvements included within the open space, for other than the repair, replacement or reconstruction of such improvements, except to the extent and in the manner provided by the Articles of Incorporation, the By-Laws or applicable law, in the case of substantial loss to the open space.

(f) A Mortgagee shall, upon request of the Association, and provided that such Mortgagee has provided the Association with the notice and information which are referred to in the provisions of this Section 10 (b) hereof, be entitled:

(i) to inspect the books and records of the Association during normal business hours;  
(ii) to be given written notice of all meetings of the Membership, and to designate a representative to attend all such meetings.

(g) Should there occur any substantial damage to or destruction of the open space, of

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if the open space should be made the object of any condemnation or eminent domain proceeding of the acquisition thereof is otherwise sought by any condemning authority, any Mortgagee, shall, provided that it has provided the Association with the notice and information which are referred to in the provisions of Section 10 (b) hereof, be entitled to timely written notice thereof.

Section 11. General

(a) Effectiveness

This Declaration shall become effective upon and only its having been executed, ensealed and acknowledged by the Developer, and recorded among the Land Records.

(b) Assignment

(i) The Developer shall be entitled at any time to assign to any person any and all of its right, title and interest hereunder by an instrument which makes specific reference to this subsection and is executed, ensealed, acknowledged and delivered by the Developer and such assigns, and recorded among the Land Records.

(ii) The Developer may from time to time hereafter permit any of the rights which the Developer then holds under the provisions of this Declaration to be exercised on the Developer's behalf by any of its officers, directors, employees or other agents.

(iii) Any lease or licensing agreement which may be entered into by an Owner or any other person as landlord and covering a Lot, or by the Association and covering any portion of the open space, shall be in writing, and shall expressly provide (A) that the terms of the lease or license thereby created shall in all respects be subject to the operation and effect of the provisions of this Declaration, and (B) that any failure by the Lessee or licensee thereunder to comply with such provisions shall constitute a default under such agreement. To the extent that any such agreement does not expressly so provide, it shall be deemed expressly so to provide.

(c) Amendment and Termination.

(i) Subject to the other provisions of this Declaration, this Declaration may be amended or terminated by and only by an instrument which has been executed, sealed and acknowledged by or on behalf of at least two-thirds (2/3) of the Owners (one of which must, during the Conversion Period, be the Developer); and shall be effective only if recorded in the Land Records.

(ii) This Declaration shall remain in full force and effect (A) for a period of twenty (20) years immediately following the date hereof, and (B) thereafter for successive periods of ten (10) years each until, prior to the expiration of any such period of ten (10) years, there is recorded among the Land Records an instrument which, expressly and by specific reference to this Declaration, and in the manner set forth in the foregoing provisions of this Section, terminates the operation and effects of this Declaration, in which event such termination shall be effective as of the date specified for the same in the provisions of such instrument or, if none is specified, upon the expiration of such ten (10) year period; provided however, that should the issue of termination arise twenty (20) years from the date hereof, such termination must be approved by seventy-five percent (75%) of the Owners (one of which must, during the Conversion Period, be the Developer).

(iii). Anything contained in the foregoing provisions of this Declaration to the contrary notwithstanding; the Developer shall be entitled, without obtaining any consent thereto of any Owner or Mortgagee, to amend any of the provisions of this Declaration or the Community Plat if and only if such amendment shall (in the Developer's reasonable opinion) be necessary in order to correct obvious typographical or mathematical errors therein.

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(d) Waiver

The Developer shall not be deemed to have waived the exercise of any right which the Developer holds hereunder unless such waiver is made either expressly and in writing or pursuant to a provision of this Declaration which expressly permits such waiver to be made in any other manner (and, without limiting the generality of the foregoing, no delay or omission by the Developer in exercising any such right shall be deemed to constitute a waiver of the exercise thereof). No such waiver made with respect to any instance involving the exercise of any such right shall be deemed to constitute a waiver with respect to any other instance involving the exercise of such right, or with respect to other such rights.

(e) Applicable Law

This Declaration shall be given effect and construed by application of the laws of the State of Maryland, and any action, suit or proceedings arising hereunder shall be brought in the courts of Maryland, provided, that if any such action, suit or proceeding shall be based upon a cause of action, right or remedy created or existing under or by virtue of the Constitution, laws, or treaties of the United State of America, or if there shall exist a diversity of citizenship between or among the parties thereto, so that it is to be brought in a United States District Court, it shall be brought in the United States District Court for the District of Maryland.

(f) Headings

The heading of the sections and subsections hereof are provided herein for and only for convenience of reference, and shall not be considered in construing the contents of such sections and subsection.

(g) Severability

No determination or adjudication by any court, governmental or administrative body or agency or otherwise that any provision of this Declaration or any amendment hereto is invalid or unenforceable in any instance shall affect the validity or the enforceability (i) of any other provision of this Declaration, of such amendment or of any other such amendment, or (ii) of such provision in any other instance which is neither within the jurisdiction of such court, body or agency nor controlled by its said determination or adjudication. Each and every remaining provision hereof and of each such amendment shall be and remain valid and enforceable to the fullest extent allowed by law, and shall be construed wherever possible as being consistent with applicable law, provided however, that the meaning and intent of this Declaration is not undermined by any such severance.

((h) Construction

As used herein,

(i) all references made herein in the neuter, masculine or feminine gender shall be deemed to have been made in all genders; and

(ii) all references made herein in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well.

(i) Contract Purchasers and Lessees

Nothing in the provisions of this Declaration shall be deemed in any way to condition the effectiveness of any action upon the consent thereto or joinder therein of any Contract Purchaser or Lessee of a Lot, notwithstanding that such effectiveness may be conditioned upon the consent thereto or joinder therein of the Owner of such Lot.

(j) Exhibits

Each and every document, plat or other writing which is referred to herein as being attached hereto as an exhibit or is otherwise designated herein as an exhibit hereto is hereby made a part hereof.

(k) General Plan of Development **WBERO 396 FOLIO 562**

(i) The provisions of this Declaration shall conclusively be deemed to be part of a general plan or scheme of development for the Community and, as such, to be covenants running with, binding upon, benefiting or burdening the respective title to each Lot and to the open space, provided, that the same shall not be deemed to be covenants running with, binding upon, benefiting or burdening the title to all or any portion of a Future Plat (or otherwise to be enforceable at law or in equity with respect to such Future Plat or portion thereof) unless and until each Future Plat or portion thereof has been added to the Community through an expansion thereof pursuant to the provisions of Section 7 hereof. If any Owner or other person shall fail to comply with any of the provisions, such failure shall give rise to a cause of action for the recovery of damages, injunctive relief, or both, in any and all of the Developers, the Association and each Owner, and their respective heirs, personal representatives, successors and assigns.

(ii) Both the Developer, by delivered to the Association a deed conveying to it the title to any or all of the open space, or to any person a deed conveying to such person the title to a Lot, and the Association or such person, by accepting such delivery, shall be deemed thereby to have agreed to each other and with each other Owner to be bound by the provisions of this Declaration.

(iii) The liability of each of the persons who, together with one or more other persons, are an Owner for the adherence to the terms and satisfaction of the conditions hereof shall be joint and several.

(1) Notices

(i) Any notice, demand, consent, approval, request or other communication or document which is to be provided by or on behalf of Developer or the Association to any person hereunder shall be in writing, and (A) shall be deemed to have been provided or delivered forty-eight (48) hours after having been deposited in the United States mails, postage prepaid, and addressed (1) if the addressee is an Owner or Mortgagee who (in accordance with the Provisions of the Articles of Incorporation and the By-Laws) has notified the Association of its status as such and furnished the Association with its address, to such person's Notice Address, and (2) if the addressee either (I) has not furnished the Association with its address, as aforesaid, or (II) is any other person, to such address in the United State of America as is used by the United State Postal Service for the delivery of mail to such person, or (B) shall be deemed to have been provided upon actual hand or other delivery to such person.

(ii) Anything contained in the foregoing provisions of this subsection to the contrary notwithstanding, unless an Owner or a Mortgagee has notified the Association of its status as such and has furnished the Association with its address in accordance with the provisions of the Articles of Incorporation or the By-Laws, such person shall have no right under the provisions of the same or of this Declaration (A) to be given any notice, demand, consent, approval, request or other communication or document by the Association, or (B) to participate in the consideration or to cast any vote upon any question voted upon by the Membership, or (C) otherwise to be recognized as such by the Association or any Owner.

LIBERO 396 FOLIO 563

IN WITNESS WHEREOF, the Developer has caused this Declaration to be executed and ensealed on its behalf, by its duly authorized representative, the day and year first above written.

ATTEST:

[Signature]  
Secretary

BAY MILLS CONSTRUCTION CO., INC.

BY: [Signature]  
J. D. Murray, President

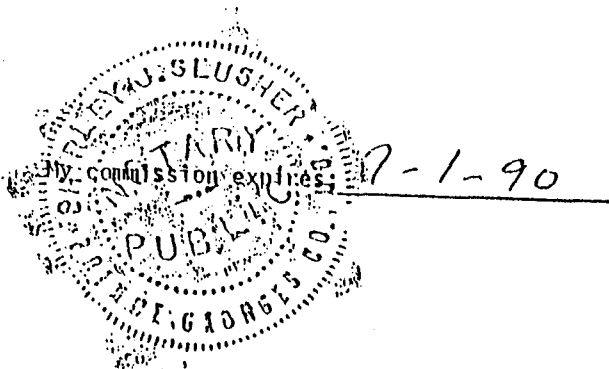
STATE OF MARYLAND

COUNTY OF Calvert

TO WIT:

I HEREBY CERTIFY that on this 10th day of March, 1987, before me, the Subscriber, a Notary Public in and for the State of Maryland, County of Calvert, personally appeared J. D. Murray, who acknowledged himself to be the President of Bay Mills Construction Co., Inc. and as such President be so authorized to do, signed the foregoing Declaration on behalf of the Corporation for the purposes therein contained.

[Signature]  
Notary Public



**FIRST AMENDMENT TO DECLARATION OF COVENANTS,  
EASEMENTS, CHARGES AND LIENS OF  
VICTORIA STATION**

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, EASEMENTS, CHARGES AND LIENS OF VICTORIA STATION (herein called this "Amendment"), made this 19th day of December, 1990 by BAY MILLS CONSTRUCTION CO., INC., a Maryland corporation (hereinafter referred to as the "Declarant").

W I T N E S S E T H :

WHEREAS, the Declarant is the Owner of certain property in the Third District of Calvert County, Maryland; and

WHEREAS, the Declarant has previously executed a Declaration of Covenants, Easements, Charges and Liens of Victoria Station which was recorded among the Land Records of Calvert County, Maryland in Liber 396, Page 543 et seq. (the "Declaration"); and

WHEREAS, as contemplated in accordance with the provisions of the Declaration with respect to annexation of additional land, the Declarant now desires to add the property described in Exhibits "A" through "H" to the property subjected to the aforesaid Declaration and membership in Victoria Station Homeowners Association, Inc.

NOW, THEREFORE, for the purposes aforesaid, the Declarant does hereby state and declare as follows:

1. Submission of Additional Property to the Declaration and the Association. The Declarant desires to and does hereby submit to the covenants, easements, charges and liens of Victoria Station established under the Declaration aforesaid all those certain lots or parcel of land located in the Third District of Calvert County, Maryland; and the Lots and the Open Space areas designated and shown on those certain Plats described in Exhibits "A" through "H" attached hereto and made a part hereof and as recorded in the Plat Records of Calvert County in the Plat Book and Plat Number indicated on the attached Exhibits; together with all buildings constructed thereon and all other improvements thereon and all rights, privileges and appurtenances thereto belonging or in any way appertaining;

2. Property Subject to the Declaration. As provided in the Declaration, upon the recording of this Amendment, the Lots and Open Space areas described herein and more particularly described

in Exhibits "A" through "H", attached hereto and made a part hereof, are subject to the covenants, easements, charges and liens set forth in the aforesaid Declaration, including the lien for assessments created thereunder.

The effect of the above amendment and addition, is to subject the Lots and Open Space areas described in Exhibits "A" through "H", aforesaid to the Declaration.

3. Definitions. All terms used herein shall have the meanings specified in the Declaration.

IN WITNESS WHEREOF, the Declarant has caused this Amendment to the Declaration to be executed on its behalf, on the date and year first above written.

WITNESS/ATTEST: BAY MILLS CONSTRUCTION CO., INC.

Don M. Logg

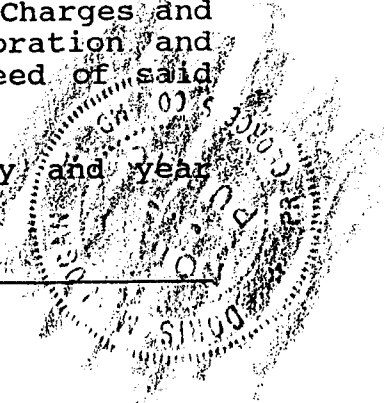
By: J.D. Murray, (SEAL)  
President

STATE OF MARYLAND, COUNTY OF Prince Georges, TO WIT:

I HEREBY CERTIFY that on this 19th day of December, 1990, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared J.D. Murray, the President of BAY MILLS CONSTRUCTION CO., INC., a Maryland corporation, who made oath in due form of law that he is authorized to execute this Amendment to the Declaration of Covenants, Easements, Charges and Liens of Victoria Station, on behalf of said corporation and acknowledged this document to be the free act and deed of said corporation.

WITNESS my hand and Notarial Seal the day and year aforesaid.

Don M. Logg  
NOTARY PUBLIC



My Commission Expires:  
9-1-93

EXHIBIT E

The following Plat and all provisions and terms thereof shall be added to and annexed to the Victoria Station subdivision as provided for in the preceding First Amendment to the Declaration of Covenants, Conditions, Charges and Liens:

Plat 6 of Victoria Station near Chaneyville, Third District, Calvert County, Maryland, describing Lots 1-10, inclusive, recorded in the Plat Records of Calvert County in Plat Book ABE 2, Plat Number 207.

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EXHIBIT F

The following Plat and all provisions and terms thereof shall be added to and annexed to the Victoria Station subdivision as provided for in the preceding First Amendment to the Declaration of Covenants, Conditions, Charges and Liens:

Plat 7 of Victoria Station, Third District, Calvert County, Maryland describing Lots 85 through 88, inclusive, recorded in the Plat Records of Calvert County in Plat Book 0433, Plat Number 014.

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EXHIBIT G

The following Plat and all provisions and terms thereof shall be added to and annexed to the Victoria Station subdivision as provided for in the preceding First Amendment to the Declaration of Covenants, Conditions, Charges and Liens:

Plat Showing Recreation Area of Victoria Station 2.6+ areas located on Skinner's Turn Road, Third District Calvert County recorded among the Plat Records of Calvert County, Maryland in Plat Book 0359, Folio 654 and 655.

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EXHIBIT H

The following Plat and all provisions and terms thereof shall be added to and annexed to the Victoria Station subdivision as provided for in the preceding First Amendment to the Declaration of Covenants, Conditions, Charges and Liens:

Plat of Lake Recreation Area of Victoria Station 12.001+ areas located near Chaneyville, Third District Calvert County recorded among the Plat Records of Calvert County, Maryland in Plat Book 2, Plat Number 144.



SECOND AMENDMENT TO DECLARATION OF COVENANTS,  
EASEMENTS, CHARGES AND LIENS OF  
VICTORIA STATION

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS,  
EASEMENTS, CHARGES AND LIENS OF VICTORIA STATION (herein called  
this "Amendment"), made this 3rd day of July, 1991 by BAY  
MILLS CONSTRUCTION CO., INC., a Maryland corporation (hereinafter  
referred to as the "Declarant").

W I T N E S S E T H :

REC FEE 15.00  
#66060 C864 R01 T09:20  
08/06/91

WHEREAS, the Declarant is the Owner of certain property  
in the Third District of Calvert County, Maryland; and

WHEREAS, the Declarant has previously executed a  
Declaration of Covenants, Easements, Charges and Liens of Victoria  
Station which was recorded among the Land Records of Calvert  
County, Maryland in Liber 396, Page 543 et seq. (the  
"Declaration");

WHEREAS, the Declarant amended the Declaration of  
Covenants, Easements, Charges and Liens of Victoria Station to  
annex certain property by a First Amendment dated December 1990  
and recorded among the Land Records of Calvert County, Maryland in  
Liber 553, Folio 500; and

REC FEE 19.00  
#66060 C864 R01 T09:18  
08/06/91

WHEREAS, as contemplated in accordance with the pro-  
visions of the Declaration, Section 7, with respect to annexation  
of additional land, the Declarant now desires to add the property  
described below to the property subjected to the aforesaid  
Declaration and membership in Victoria Station Homeowners  
Association, Inc.

NOW, THEREFORE, for the purposes aforesaid, the Declarant  
does hereby state and declare as follows:

1. Submission of Additional Property to the Declaration  
and the Association. The Declarant desires to and does hereby  
submit to the covenants, easements, charges and liens of Victoria  
Station established under the Declaration aforesaid all those  
certain lots or parcel of land located in the Third District of  
Calvert County, Maryland, known and described as Victoria Station  
II; and the Lots and the Open Space areas, if any, and shown on  
that certain Plat as recorded in the Plat Records of Calvert County  
in the Plat Book 548, Pages 382 through 384; inclusive, consisting  
of Sheets 1 of 2 and 2 of 2, describing Lots 89, 113, and 141,  
inclusive, together with all buildings constructed thereon and all

other improvements thereon and all rights, privileges and appurtenances thereto belonging or in any way appertaining;

2. Property Subject to the Declaration. As provided in the Declaration, upon the recording of this Second Amendment, the Lots and Open Space area, if any, described herein are subject to the covenants, easements, charges and liens set forth in the aforesaid Declaration, including the lien for assessments created thereunder.

The effect of this Amendment and annexation, is to subject the Lots and Open Space areas, if any, described herein in Victoria Station II to the Declaration.

3. Definitions. All terms used herein shall have the meanings specified in the Declaration.

IN WITNESS WHEREOF, the Declarant has caused this Second Amendment to the Declaration to be executed on its behalf, on the date and year first above written.

WITNESS/ATTEST:

BAY MILLS CONSTRUCTION CO., INC.

Don M. Lopez

By: J.D. Murray, (SEAL)  
President

STATE OF MARYLAND, COUNTY OF Prince George's TO WIT:

I HEREBY CERTIFY that on this 3rd day of July, 1991, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared J.D. Murray, the President of BAY MILLS CONSTRUCTION CO., INC., a Maryland corporation, who made oath in due form of law that he is authorized to execute this Second Amendment to the Declaration of Covenants, Easements, Charges and Liens of Victoria Station, on behalf of said corporation and acknowledged this document to be the free act and deed of said corporation.

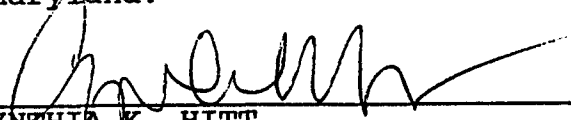
WITNESS my hand and Notarial Seal the day and year aforesaid.

Don M. Lopez  
NOTARY PUBLIC



My Commission Expires:  
9-1-93

I HEREBY CERTIFY that this instrument was prepared or caused to be prepared by the undersigned, an attorney admitted to practice before the Court of Appeals of Maryland.

  
\_\_\_\_\_  
CYNTHIA K. HITT