



**RGN MANAGEMENT, LLC**

**"WE'RE IN YOUR NEIGHBORHOOD"**

# **LAKE POINTE AT THE TOWNE CENTER**

**CONDOMINIUM ASSOCIATION, INC.**

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## Section I

## LAKE POINTE AT THE TOWNE CENTRE CONDOMINIUM

THIS DECLARATION, made and entered into this 20<sup>th</sup> day of November, 1992, by and between JMG Development Corporation, a Maryland corporation, hereinafter and in the Exhibits hereto sometimes called the "Declarant":

WHEREAS, the Declarant is the owner in fee simple of certain land and premises located in the County of Prince George's, State of Maryland, and more particularly described on "EXHIBIT A" attached hereto and by this reference made a part hereof; and

WHEREAS, the Declarant is the owner of certain buildings and other improvements constructed upon the aforesaid premises, which property constitutes a "condominium" pursuant to Title 11, Real Property Article, Section 11-101, et seq., of the Annotated Code of Maryland (1981 Repl. Vol.), and it is the desire and intention of the Declarant to divide said property and the improvements thereon into condominium units and to sell and convey the same, subject to the covenants, restrictions, uses, limitations, obligations, easements, equitable servitudes, charges and liens, hereinafter set forth, each of which is for the benefit of said property and the subsequent owners thereof; and

WHEREAS, prior to the recordation hereof, the Declarant has filed for record in the Office of the Clerk of Court for the Circuit Court for Prince George's County, Maryland, a certain plat, hereinafter referred to as the "Condominium Plat, which Condominium Plat, consisting of 2 sheets is recorded in Condominium Plat Book VJ 164, beginning at plat 37; and

WHEREAS, the Declarant desires and intends, by the recordation of the Condominium Plat and this Declaration, to submit the property described on "EXHIBIT A" attached hereto, together with the improvements heretofore or hereafter constructed thereon, and all appurtenances thereto, to the provisions of Title 11, Real Property Article, Section 11-101, et seq., of the Annotated Code of Maryland (1981 Repl. Vol.) as a condominium.

NOW, THEREFORE, the Declarant hereby declares that all of the property described on "EXHIBIT A" attached hereto, together with all improvements heretofore or hereafter constructed thereon, and all appurtenances thereto, shall be held, conveyed, divided or subdivided, leased, rented and occupied, improved, hypothecated and encumbered subject to the covenants, restrictions, uses, limitations, obligations, easements, equitable servitudes, charges and liens (hereinafter sometimes referred to as "covenants and restrictions") hereinafter set forth, including the provisions of the By-Laws of the Council of Unit Owners of the condominium, attached hereto as "EXHIBIT B" and by this reference incorporated herein, all of which are declared and agreed to be in aid of a plan for improvement of said property, and the division thereof into condominium units and common elements, and shall be deemed to run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarant, its successors and assigns, and any person acquiring or owning an interest in said property and improvements, including, without limitation, any person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who holds such interest solely as security for the performance of an obligation.

## ARTICLE I

Section 1. Definitions. Unless the context shall plainly require otherwise, the following words when used in this Declaration and any and all exhibits hereto, shall have the following meanings:

- (a) "The Act" or "the Condominium Act" means Title 11, Section 11-101, et seq., Real Property Article, Annotated Code of Maryland (1981 Repl. Vol.) and shall include any revisions thereof and amendments and supplements thereto which are enacted subsequent to the date of this Declaration and which are not inconsistent with the provisions hereof.

(b) "Condominium" or "the condominium project" means the property subject to this Declaration.

(c) "Unit" or "condominium unit" means a three dimensional area, as hereinafter and on the Condominium plat more particularly described and identified, and shall include all improvements and equipment contained within that area except those excluded in this Declaration.

(d) "Common elements" means both general common elements and limited common elements, as hereinafter and on the Condominium Plat more particularly described and identified, and shall include all of the condominium except the condominium units.

(e) "Unit owner" or "owner" means any person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who holds legal title to a unit within the condominium; provided, however, that any person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who holds such interest solely as security for the performance of an obligation shall not be a unit owner by reason only of such interest.

(f) "Council of Unit Owners" refers to that entity made up of all of the unit owners and which is described in Section 11-109 of the Act, which entity is formally known as The Council of Unit Owners of Lake Pointe at the Towne Centre Condominium, Inc..

(g) "Common expenses and common profits" means, respectively, the expenses and profits of the Council of Unit Owners.

(h) "Community Easements" means the paths, walks, lanes, streets or roads within the Condominium designed for use by unit owners, as well as others, as depicted on the Condominium Plat.

Section 2. Other Definitions. Unless it is plainly evident from the context that a different meaning is intended, all other terms used herein shall have the same meaning as they are defined to have in the By-Laws of the Council of Unit Owners or in Title 11, Section 110191, et seq., Real Property Article, Annotated Code of Maryland (1981 Repl. Vol.).

Section 3. Name. The name by which the condominium is to be identified is as follows: Lake Pointe at the Towne Centre Condominium.

## ARTICLE II

Section 1. Property Subject to Declaration. The property which is, and shall be, held, conveyed, divided or subdivided, hypothecated or encumbered, sold, leased, rented, used, occupied, and improved subject to this Declaration and the provisions of the Condominium Act is located in the County of Prince George's, State of Maryland, and is more particularly described on "EXHIBIT A" attached hereto and by this reference made a part hereof.

Section 2. Condominium Plat. The Condominium Plat is incorporated herein and by this reference made a part of this Declaration.

## ARTICLE III

Section 1. The Condominium Units. The general description and number of each condominium unit in the condominium, including its perimeters, approximate dimensions, approximate floor area, identifying number or letter, location and such other data as may be sufficient to locate and identify it with reasonable certainty, is set forth on the Condominium Plat.

The lower boundary of any condominium unit in the condominium is a horizontal plane

(or planes) the elevation of which coincides with the elevation of the upper surface of the unfinished subfloor thereof (to include finished flooring materials within the condominium unit), extended to intersect the lateral or perimetrical boundaries thereof. The upper boundary of any condominium unit in the condominium is a horizontal (or, in some cases, an inclined) plane (or planes), the elevation of which coincides with the unexposed upper surface of the ceiling drywall or wallboard thereof (as the circumstances may require), to include such ceiling drywall or wallboard within the condominium unit, extended to intersect the lateral or perimetrical boundaries thereof. The lateral or perimetrical boundaries of any condominium unit in the condominium are vertical planes which coincide with the unexposed surfaces of the perimeter drywall or wallboard thereof, to include the perimeter drywall or wallboard fireplaces, plenums, windows, doors and trim thereof within the condominium unit, extended to intersect the upper and lower boundaries thereof and to intersect the other lateral or perimetrical boundaries of the condominium unit.

In the event any condominium unit shall be constructed with windows which protrude beyond the confines of the lateral or perimetrical boundaries of said condominium unit as hereinabove described (such windows commonly known as "bay windows") or with fireplace structures or similar appurtenances which protrude beyond the confines of the lateral or perimetrical boundaries of the condominium unit as hereinabove described, then the lateral or perimetrical boundaries of that condominium unit shall be deemed to extend to include the area contained within such protrusions or appurtenances, and such areas shall be considered as a part of that condominium unit and not as a part of the common elements.

Equipment and appurtenances located within any condominium unit and designed or installed to serve only that unit, including without limiting the generality of the foregoing, air-conditioning equipment, mechanical equipment, appliances, range hoods, non-bearing partition walls, lath, furring, wallboard, plaster or plasterboard, tile, paint, finished flooring materials, carpets, outlets, electrical receptacles and outlets, fixtures, cabinets and the like, shall be considered a part of the condominium unit and not a part of the common elements. Equipment and appurtenances located outside the boundaries of any condominium unit and designed or installed to serve only one particular condominium unit, including without limiting the generality of the foregoing, fences, entrance stoops and steps, skylights, furnaces, air-conditioning equipment, compressors, ducts, chutes, flues, wires, conduits, pipes, hoses, tubing and the like shall be considered a part of the condominium unit which they are designated or designed to serve and shall not be considered a part of the common elements.

Section 2. Easements. Each condominium unit shall be subject to an easement to the owners of all of the other condominium units and to the Council of Unit Owners to and for reasonable access to and for the unobstructed and uninterrupted use of any and all pipes, ducts, flues, chutes, conduits, cables, utility lines and the like, and any other common elements located within or accessible only from any particular condominium unit, and for support.

#### ARTICLE IV

Section 1. Limited Common Elements. The limited common elements of the condominium are those common elements designated as such on the Condominium plat and such other common elements as are agreed upon by all of the unit owners to be reserved for the exclusive use of one or more, but less than all of the unit owners. Any area designated on the Condominium Plat as a balcony, deck, terrace, patio, fenced area, open (yard) area, deck, courtyard, storage locker or the like, and designated on the Condominium Plat as a limited common element, are reserved for the exclusive use of the owner or owners of the condominium unit or units to which they are adjacent or to which they are declared to be appurtenant by appropriate designation on the Condominium Plat.

Section 2. General Common Elements. The general common elements are the real property described on "EXHIBIT A" and all of the condominium except the condominium units and the limited common elements.

**Section 3. Covenant Against Partition.** The common elements, both general and limited, shall remain undivided. No owner of any condominium unit or any other person shall bring any action for partition or division thereof except as may be provided for in the Condominium Act.

**Section 4. Easements.** The common elements of the condominium shall be subject to mutual rights of support, access, use and enjoyment by all of the unit owners; provided, however, that any portion of the common elements designated as limited common elements are reserved for the exclusive use of the owner or owners of the condominium unit or units to which they are adjacent or to which they are declared to be appurtenant by appropriate designation on the Condominium Plat.

**Section 5. Common Areas and Facilities of the Largo Towne Centre and Largo Land Condominium.**

(a) **Largo Towne Centre.** The condominium project is located on lots which are a part of the Largo Towne Centre, which property is subject to a Declaration of Covenants, Conditions and Restrictions recorded among the Land Records of Prince George's County in Liber 7530, folio 313, hereinafter referred to as the "Covenants". The Covenants provide for the maintenance, administration, and use of certain common facilities for the benefit of the projects and lots within the Largo Towne Centre and give the owner of each lot certain voting rights as a member of the Largo Towne Centre Association, Inc., the governing body. By this Declaration, the Council of Unit Owners is hereby appointed as the member of the Largo Towne Centre Association, Inc., with all powers that the owner of the property occupied by the condominium project would have if such property were held by one owner and the Association is hereby irrevocably appointed as attorney-in-fact for any unit owner with the exclusive right to vote on such unit owner's behalf in the Largo Towne Centre Association, Inc., to the extent any unit owner could exercise any rights in the Largo Towne Centre Association, Inc. The annual assessments of the Largo Towne Centre Association, Inc., shall be considered as part of the expenses of the Council of Unit Owners to be included in its budget.

(b) **Largo Land Condominium.** The condominium project is located on units which are part of Largo Land Condominium, which property is subject to a Declaration of Condominium recorded, or intended to be recorded immediately prior hereto among the Land Records of Prince George's County, hereinafter referred to as the "Land Condominium Documents". The Land Condominium Documents provide for the maintenance, administration, and use of certain common facilities which may be added to the Land Condominium. By this Declaration, the Council of Unit Owners is hereby appointed as the member of the Largo Land Condominium Council of Unit Owners with all powers that the owner of property occupied by the condominium project would have if such property were held by one owner and the Association is hereby irrevocably appointed as attorney-in-fact for any unit owner with the exclusive right to vote on such unit owner's behalf in the Largo Land Condominium to the extent any unit owner could exercise any right in the Land Condominium. The annual or monthly assessments of the Land Condominium shall be considered as part of the expenses of the Council of Unit Owners to be included in its budget.

In the event this Condominium becomes the owner of all of the units of the Largo Land Condominium, the Largo Land Condominium documents provide that the Land Condominium shall be terminated. By this Declaration, the Council of Unit Owners is hereby appointed as attorney-in-fact for all unit owners with the exclusive right to take any actions necessary to terminate the Land Condominium to the extent any unit owner could exercise any such rights as a result of any law, this Declaration, or the Land Condominium Declaration.

## ARTICLE V

**Section 1. The Condominium Units.** Each condominium unit in the

condominium shall have all of the incidents of real property.

**Section 2. Percentage Interests in Common Elements and Common Profits.** Each unit owner shall have a percentage interest in the common expenses and common profits of the condominium equal to a fraction, the numerator of which is one (1) and the denominator of which is the number of units from time to time submitted to the Condominium regime hereby created. The percentage interests in the common expenses and common profits shall have a permanent character and, except as specifically provided in the Condominium Act may not be changed without the written consent of all of the unit owners and the holders of all mortgages on the condominium units. The percentage interests in the common expenses and common profits may not be separated from the condominium units to which they appertain. Any instrument, matter, circumstance, action, occurrence or proceeding in any manner affecting a condominium unit also shall affect, in like manner, the percentage interest in the common expenses and common profits appertaining to such unit, whether or not such percentage interest is expressly described or mentioned.

**Section 3. Voting Rights.** At any meeting of the Council of Unit Owners, each unit owner shall be entitled to cast one vote on each question. Upon the expansion described in Article VI, each additional unit owner shall be entitled to cast one vote on each question.

#### ARTICLE VI

**Section 1. Expansion - Addition of Subsequent Phases.** Pursuant to the provisions of Section 11-120 of the Condominium Act, and subject to the limitations and requirements herein and therein set forth, the Declarant shall have the absolute right, to be exercised prior to seven (7) years from the date of recording of this Declaration, but not the obligation, to annex to the land and improvements described on "EXHIBIT B" attached hereto, and thereby to submit to each and every of the provisions of this Declaration and the Condominium Act, the land described on "EXHIBIT B", together with the improvements heretofore or hereafter constructed thereon, as delineated, in general terms, on the Condominium Plat. Any such expansion or annexation shall be accomplished by the recordation among the Land Records for Prince George's County, Maryland of an amendment to this Declaration and the Condominium Plat as required by the provisions of Section 11-120 of the Condominium Act.

Upon the recordation of such amendment to this Declaration and such amendment to the Condominium Plat, each unit owner, by operation of law, shall have an undivided percentage interest in the common elements, common expenses and common profits as described in Article V, Section 2, above, and such percentage interests above provided shall be automatically reallocated to the new fractions resulting from each expansion. Any deed for any condominium unit in the condominium shall be delivered subject to a conditional limitation that the percentage interest appurtenant to the condominium unit shall be automatically reallocated, pro tanto, upon the recordation of such amendments.

**Section 2. Maximum Number of Units: Plan of Expansion.** The maximum number of condominium units in the condominium shall be two hundred sixteen (216) units, which shall be added, if at all, within the Maximum Limits of Expansion described in "EXHIBIT C" and depicted upon the Condominium plat. Such units shall be added in increments as follows:

Phase 1, 12 Units; Phase 2, 12 Units; Phase 3, 12 Units; Phase 4, 12 Units; Phase 5, 12 Units; Phase 6, 12 Units; Phase 7, 12 Units; Phase 8, 12 Units, Phase 9, 12 Units, Phase 10, 12 Unit, Phase 11, 12 Units, Phase 12, 12 Units, Phase 13, 12 Units, Phase 14, 12 Units, Phase 15, 12 Units, Phase 16, 12 Units, Phase 17, 12 Units, Phase 18, 12 Units for a total of 216 Units. The percentage interest in the common elements for each Unit in each Phase will be equal to a fraction, the numeration of which is one (1) and the denominator of which is equal to the number of units, which have been added to the Condominium.



Section 3. Reservation of Power of Attorney. There is hereby reserved unto John M. Greco and the Declarant an irrevocable power-of-attorney, coupled with an interest and with full power of substitution, for the purpose of reallocating the percentage interest and voting rights appurtenant to each of the condominium units in the condominium in accordance with the provisions of this Declaration and to execute, acknowledge and deliver such further instruments as may from time to time be required in order to accomplish the purposes of this Article. Each owner and each mortgagee of a condominium unit in the condominium shall be deemed to have acquiesced in amendments to this Declaration and in amendments to the Condominium Plat for the purpose of addition of additional condominium units and common elements to the condominium as set forth above, and shall be deemed to have granted unto the said John M. Greco and the Declarant an irrevocable power-of-attorney, coupled with an interest and with full power of substitution, to effectuate, execute, acknowledge, deliver and record any such amendments and each such unit owner and mortgagee shall be deemed to have agreed and covenanted to execute, acknowledge and deliver such other and further instruments, if any, as may be required by the Declarant, its successors and assigns, to properly accomplish such amendments.

Section 5. Interpretation. Whenever in this Declaration or in any of the Exhibits hereto any reference is made to "EXHIBIT A", such reference shall mean "EXHIBIT A" as from time to time modified, amended, superseded or supplemented pursuant to the provisions of this Article. Whenever in this Declaration or in any of the Exhibits hereto any reference is made to the Condominium Plat, such reference shall mean the Condominium Plat referred to in the recitals hereof as from time to time modified, amended, superseded or supplemented pursuant to the provisions of this Article.

ARTICLE VII

Section 1. Encroachments. In the event any portion of the common elements encroaches upon any condominium unit, or in the event any condominium unit encroaches upon any other condominium unit or any common element, as a result of settlement, shifting, or the duly authorized construction or repair of any building, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the building stands.

In the event any portion of the condominium is partially or totally damaged or destroyed by fire or other casualty, or as a result of condemnation or eminent domain proceedings, and then repaired or reconstructed as authorized in the By-Laws of the Council of Unit Owners and the Condominium Act, the encroachment of any portion of the common elements upon any condominium unit or any portion of the common elements due to such repair or reconstruction shall be permitted, and valid easements for such encroachments and the maintenance of the same shall exist so long as the building stands.

For all purposes incident to the interpretation of deeds, the Condominium Plat and all other instruments of title relating to any condominium unit in the condominium project, the existing physical boundaries of any condominium unit constructed or reconstructed in substantial conformity with the Declaration and the Condominium Plat shall be conclusively presumed to be its boundaries, regardless of the shifting, settling or lateral movement of any building and regardless of minor variations between the physical boundaries shown on the Condominium Plat and those of any condominium unit.

Section 2. Easement to Declarant. There is hereby reserved unto the Declarant, and to those successors and assigns of the Declarant to whom such rights are granted by the Declarant, and to their respective agents, contractors, employees and invitees, a non-exclusive easement and right-of-way over all of the common elements of the condominium for purposes of ingress, egress and regress to and from public streets, for vehicular parking and for the storage of building supplies and materials and equipment and, without limitation, for any and all purposes reasonably related to the construction, rehabilitation, renovation, repair, management, promotion, marketing and sale of the condominium and the condominium units.

## ARTICLE VIII

Section 1. Duty to Maintain. Except for maintenance requirements herein imposed upon the Council of Unit Owners, the owner of any condominium unit shall, at his own expense, maintain the interior of his condominium unit and any and all equipment, appliances or fixtures therein situate, and, as to normal custodial maintenance, any balcony, terrace, fenced area, courtyard, open yard or area, patio or the like appurtenant to such condominium unit and designated herein or in the Declaration or the condominium plat as a limited common element reserved for exclusive use by the owner of that particular condominium unit, and including all mechanical equipment and appurtenances located outside such unit which are designed, designated or installed to serve only that unit, in good order, condition and repair, free and clear of ice and snow, and in a clean and sanitary condition, and shall do all redecorating, painting and the like which may at any time be necessary to maintain the good appearance of his condominium unit. In addition to the foregoing, the owner of any condominium unit shall, at his own expense, maintain repair, replace any plumbing and electrical fixtures, water heaters, fireplaces, plenums, heating and air-conditioning equipment, lighting fixtures, refrigerators, freezers, trash compactors, dishwashers, clothes washers, clothes dryers, disposals, ranges, range hoods, and other equipment that may be in or declared to be appurtenant to such condominium unit. The owner of any condominium unit shall also, at his own expense, keep any other limited common elements which may be appurtenant to such condominium unit and reserved for his exclusive use in a clean, orderly and sanitary condition.

Section 2. Windows and Doors. The owner of any condominium unit shall, at his own expense, clean and maintain both the interior and exterior surfaces of all windows of such condominium unit and shall, at his own expense, clean and maintain both the interior and exterior surfaces of all entry doors of the condominium unit, including the interior and exterior surfaces of any door leading to any terrace, fenced area, courtyard, patio or the like appurtenant to such condominium unit and designated herein or in the declaration or the Condominium Plat as a limited common element reserved for the exclusive use of the owner of that particular condominium unit.

Section 3. Access at Reasonable Times. The Council of Unit Owners shall have an irrevocable right and an easement to enter condominium units for the purpose of making repairs to the common elements when the repairs reasonably appear necessary for public safety or to prevent damage to other portions of the condominium. Except in cases involving manifest danger to public safety or property, the Council of Unit Owners shall make a reasonable effort to give notice to the owner of any condominium unit to be entered for the purpose of such repairs. No entry by the Council of Unit Owners for any of the purposes specified in this Section may be considered a trespass and the Council of Unit Owners is held harmless for any action it may take, in good faith, in reliance upon the provisions of this Section.

Section 4. Easement for Utilities and Related Purposes. The Council of Unit Owners is authorized and empowered to grant (and shall from time to time grant) such licenses, easements, rights-of-way and similar interests over the common elements for sewer lines, water lines, electrical cables, telephone cables, CATV cables, gas lines, storm drains, overhead or underground conduits and such other purposes related to the provision of public utilities and the like to the condominium as may be considered necessary and appropriate by the Board of Directors for the orderly maintenance, preservation and enjoyment of the common elements or for the preservation of the health, safety, convenience and welfare of the owners of the condominium units or the Declarant; provided, however, that any such grant is approved by the affirmative vote of unit owners representing sixty-seven percent (67%) of the total votes of the unit owners and is made with the express written consent of the mortgagees of record of those condominium units as to which unit owners vote affirmatively.

## ARTICLE IX

Section 1. Amendment. Except as otherwise provided in the Condominium Act,

and in this Declaration, this Declaration may be amended only with the written consent of eighty percent (80%) of the unit owners and the holders of all mortgages on the condominium units in the condominium. Any such amendment shall be effective only upon the recordation of a Declaration of Amendment among the Land Records for Prince George's County, Maryland.

**Section 2. Termination and Waiver.** The condominium regime established by the recordation of this Declaration and the Condominium Plat may be terminated by Deed of Termination executed by eighty percent (80%) of the unit owners and, in a manner to indicate their consent to such termination, by all persons with recorded encumbrances, including judgment lienors, on the condominium units then in the condominium, all in the manner provided in the Condominium Act. Any such termination shall be effective only upon the recordation of a Deed of Termination among the Land Records for Prince George's County, Maryland.

**Section 3. Consents.** To the extent permitted by applicable law, and any other provision of this Declaration to the contrary notwithstanding, neither the unit owners, the Board of Directors nor the Council of Unit Owners shall take any of the following actions without the prior written consent and approval of the holders of all first mortgages of record on the condominium units and the Veterans Administration and the Federal Housing Administration, provided that any condominium unit subject to the Declaration is then encumbered by a deed of trust or mortgage which is guaranteed by the Veterans Administration or insured by the Federal Housing Administration.

(a) abandon or terminate the condominium except for abandonment or termination provided in the Condominium Act in the case of substantial damage or destruction of the condominium by fire or other casualty or in the case of a taking by condemnation or eminent domain; or

(b) modify or amend any material provision of the Declaration or the By-Laws, including, but without limitation, any amendment which would change the percentage interests of the unit owners in the common elements of the condominium, the percentage interests of the unit owners in the common expenses and common profits of the condominium or the voting rights of the unit owners; or

(c) modify the method of determining the collecting of common expense assessments or other assessments as provided in the By-Laws; or

(d) partition, subdivide, transfer or otherwise dispose of any of the common elements of the condominium project; or

(e) resolve to use the proceeds of casualty insurance for any purpose other than the repair or restoration of the condominium.

**Section 4. Limitations.** Whenever this Article IX reference is made to any requirement for the written consent of any mortgagee or for the written consent of the holder or any other person with a recorded encumbrance on any condominium unit, such requirement is specifically limited by the provisions of applicable law including, without limiting the generality of the foregoing, the provisions of Section 11-103(c) of the Condominium Act.

**Section 5. Certain Elections.** The provisions of Section 11-113 of the Condominium Act are not applicable to the condominium.

## ARTICLE X

**Section 1. Expansion - Rights of Administrator of Veterans Affairs - Veterans Administration.** So long as any mortgage secured on any condominium unit in the condominium is guaranteed by the Administrator of Veterans Affairs, the rights reserved to

the Declarant in Article VI of this Declaration may be exercised only in accordance with a plan for the total development of the condominium approved by the Administrator of Veterans Affairs. Improvements constructed upon the parcels of land described in Article VI of this Declaration shall be consistent, as to quality of construction, with the improvements constructed upon the land and premises described on "EXHIBIT A" attached hereto.

ARTICLE XI

Section 1. Construction and Enforcement. The provisions hereof shall be liberally construed to facilitate the purpose of creating a uniform plan for the creation and operation of a condominium. Enforcement of these covenants and restrictions and of the By-Laws attached hereto shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain or enjoin violation or to recover damages, or both, and against any condominium unit to enforce any lien; and the failure or forbearance by the Council of Unit Owners or the owner of any condominium unit to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

There shall be and there is hereby created and declared to be a conclusive presumption that any violation or breach or any attempted violation or breach of any of the within covenants or restrictions cannot be adequately remedied by action at law or exclusively by recovery of damages.

Section 2. Assignment by Declarant. Any or all of the easements, rights-of-way, reservations, powers, rights and the like reserved or granted in this Declaration to the Declarant may be assigned or transferred by the Declarant, either exclusively or non-exclusively, by an instrument or instruments in writing, executed and acknowledged by the Declarant, and recorded among the Land Records for Prince George's County, Maryland. For all purposes of this Declaration, the party or parties named in any such instrument or instruments shall have and enjoy all of the easements, rights-of-way, reservations, powers and rights of the Declarant therein described.

Section 3. Severability. Invalidation of any one of these covenants or restrictions by judgment, decree or order shall in no way affect any other provisions hereof, each of which shall remain in full force and effect.

Section 4. Captions. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration.

IN WITNESS WHEREOF, JMG Development Corporation, a Maryland corporation, has caused these presents to be executed in its corporate name by its President, John M. Greco, and does hereby appoint the said John M. Greco as its true and lawful attorney-in-fact to acknowledge and deliver these presents as its act and deed, all as of the year and day first hereinabove written.

ATTEST:

JMG DEVELOPMENT CORPORATION

John M. Greco

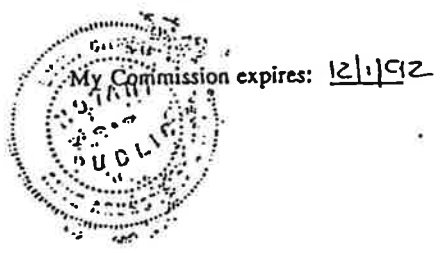
By: John M. Greco  
John M. Greco, President

STATE OF MARYLAND )  
 ) ss:  
COUNTY OF ANNE ARUNDEL )

I HEREBY CERTIFY that on this 20<sup>th</sup> day of November, 1992, before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared in said jurisdiction John M. Greco, personally well known to me (or satisfactorily proven) to be the person who executed the foregoing instrument as President of IMG Development Corporation, and by virtue of the authority vested in him by said instrument, and otherwise having the authority so to do, acknowledged the foregoing instrument to be the act and deed of said corporation and acknowledged the same was executed for the purposes therein contained.

WITNESS my hand and Notarial Seal the year and day first above written.

John M. Greco  
Notary Public



THIS IS TO CERTIFY that this Instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

[Signature]  
William M. Simmons

After recording return to:  
  
John M. Greco  
1487 Tenbury Common  
Annapolis, Maryland 21401

## Section II

ARTICLES OF INCORPORATION  
OF  
THE COUNCIL OF UNIT OWNERS OF LAKE POINTE AT  
THE TOWNE CENTRE CONDOMINIUM, INC.

APPROVED AND RECEIVED FOR RECORD BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION  
OF MARYLAND NOVEMBER 6, 1992 AT 10:00 O'CLOCK A.M. AS IN CONFORMITY  
WITH LAW AND ORDERED RECORDED.

ORGANIZATION AND  
CAPITALIZATION FEE PAID:

\$ 20.00

RECORDING  
FEE PAID:

\$ 20.00

SPECIAL  
FEE PAID:

\$

D3535515

TO THE CLERK OF THE COURT OF

ANNE ARUNDEL COUNTY

IT IS HEREBY CERTIFIED, THAT THE WITHIN INSTRUMENT, TOGETHER WITH ALL INDORSEMENTS THEREON, HAS  
BEEN RECEIVED, APPROVED AND RECORDED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND.

RETURN TO:  
WILLIAM SIMMONS  
P.O. BOX 2266  
ANNAPOLIS

MD 21404

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RECORDED IN THE RECORDS OF THE  
STATE DEPARTMENT OF ASSESSMENTS  
AND TAXATION OF MARYLAND IN LIBER. FOLIO.

RECEIVED  
STATE DEPT. OF  
ASSESSMENT & TAXATION  
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10-05-92  
ARTICLES OF INCORPORATION  
OF  
THE COUNCIL OF UNIT OWNERS OF  
LAKE POINTE AT THE TOWNE CENTRE CONDOMINIUM, INC.

THIS IS TO CERTIFY:

That I, William M. Simmons, whose post office address is 135 Gorman Street, Annapolis, Maryland 21401, being at least eighteen (18) years of age, do hereby declare myself as incorporator with the intention of forming a corporation under and by virtue of the General Laws of the State of Maryland, and for such purpose to hereby make, execute and adopt the following Articles of Incorporation:

ARTICLE I. The name of this Corporation shall be:  
THE COUNCIL OF UNIT OWNERS OF LAKE POINTE AT THE TOWNE  
CENTRE CONDOMINIUM, INC.

ARTICLE II. The period of existence and duration of the life of this Corporation shall be perpetual.

ARTICLE III. The principal office for the transaction of business of this Corporation shall initially be located in the County of Anne Arundel, State of Maryland, at:

c/o KFM Development  
P. O. Box 3465  
1660 Village Green, Suite 203  
Crofton, Maryland 21114

The following Maryland corporation shall be designated as the statutory resident agent of this Corporation:

The Corporation Trust Incorporated  
32 South Street  
Baltimore, Maryland 21202

ARTICLE IV. The general purposes for which this Corporation is formed, and the business or objects to be carried on and promoted by it, are as follows:

- (a) to organize and operate a corporation, no part of the net earnings of which is to inure to the benefit of any member of this Corporation or to any other individual; and
- (b) pursuant to and in a manner consistent with a certain Declaration relating thereto and heretofore recorded among the Land Records for Prince George's County, Maryland, to acquire and to own and to provide for the maintenance, operation and management of certain open spaces and other common areas and

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community facilities located within a certain residential community in Prince George's County, Maryland, known as "Lake Pointe at the Towne Centre Condominium" (hereinafter sometimes referred to as the "Project") and to perform certain other functions with respect to the residential and other property located therein; and

(c) to engage in, conduct and carry on any other lawful purposes or business and to do any other thing that, in the judgment of the Board of Directors of this Corporation, may be deemed to be calculated, directly or indirectly, to effectuate or facilitate the transaction of the non-profit purposes or business of this Corporation, or any of them, or any part thereof, or to enhance the value to its property, business or rights; and

(d) to conduct any business and to do anything permitted by the provisions of Section 2-103 of the Corporations and Associations Article, Annotated Code of Maryland (1975 Repl. Vol.) as amended from time to time.

For the general purposes aforesaid, and limited to those purposes, this Corporation shall have the following powers:

(a) to construct, improve and maintain, operate and to buy, own, sell, convey, assign, mortgage or lease any real estate and any personal property necessary or incident to the furtherance of the business of this Corporation; and

(b) to borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of the business of this Corporation, to secure the same by mortgage, deed of trust, pledge, or other lien; and

(c) to enter into any kind of activity, and to perform and carry out contracts of any kind necessary to, or in conjunction with, or incidental to the accomplishment of the non-profit purposes of this Corporation; and

(d) to make refunds of assessments to members as provided for in the By-Laws of this Corporation; and

(e) insofar as permitted by law, to do any other thing that in the judgment of the Board of Directors, will promote the business of this Corporation or the common benefit of its members; and to exercise the powers set out in the Declaration hereinabove referred to and the By-Laws of this Corporation and to do every other act not inconsistent with law which may be appropriate to promote and attain the purposes set for in the Declaration hereinabove referred to and the By-Laws of this Corporation; and, in general, to do everything necessary, proper, advisable or convenient for the accomplishment of the foregoing

purposes, and to do all other things incidental to them or connected with them that are not forbidden by law or by these Articles of Incorporation.

The foregoing enumeration of specific powers shall not be deemed to limit or restrict in any manner the general powers conferred by the General Laws of the State of Maryland. The provisions of subparagraphs (a) through (e), both inclusive, of this Article shall not be construed as purposes, but shall be construed as independent powers and the matters expressed in each such provision shall not, unless otherwise expressly provided, be limited by reference to, or inference from any other provision of this Article. The enumeration of specific powers shall not be construed as limiting or restricting in any manner either the meaning of general terms used in any of such provisions or the scope of the general powers of the Corporation; nor shall the expression of one thing in any of those provisions be deemed to exclude another not specifically expressed, although it may be of the same or related nature.

This Corporation may carry out its purposes and exercise its powers in any State, territory, district or possession of the United States, or in any foreign country, to the extent that these purposes and powers are not forbidden by the law of such State, territory, district or possession of the United States foreign country; and this Corporation may limit the purpose or purposes that it proposes to carry out or the powers it proposes to exercise in any application to do business in any such State, territory, district or possession of the United States, or any such foreign country.

**ARTICLE V.** This Corporation shall be without capital stock and will not be operated for profit. This Corporation does not contemplate the distribution of gains, profits or dividends to any of its members. The members of this Corporation shall not be personally liable for the debts, liabilities or obligations of this Corporation.

**ARTICLE VI.**

(a) The members of the Association shall consist of all of the record owners of condominium units.

(b) Change of membership in the Association shall be established by the recording in the public records of Prince George's County, Maryland, of a deed or other instrument establishing a record title to a unit in the condominium and the delivery to the Association of a certified copy of such instrument, the owner designated by such instrument thereby becoming a member of the Association. The membership of the prior owner shall be thereby terminated.

(c) The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his condominium unit.

(d) The members of the Association shall be entitled to at least one vote for each unit owned by them. The exact number of votes to be cast by owners of a unit and the manner of exercising voting rights shall be determined by the By-Laws of this Corporation.

ARTICLE VIII. The number of Directors of this Corporation shall be an uneven number of not less than three (3) or more than nine (9), and the names and post office addresses of the Directors who shall act as such until the first annual meeting, or until such time as their successors are duly chosen and qualified are:

<u>Name</u>	<u>Address</u>
John M. Greco	1487 Tenbury Common Annapolis, Maryland 21401
Franc Myers	c/o KFM Development P. O. Box 3465 1660 Village Green, Suite 203 Crofton, Maryland 21114
Kerry Varnardore	c/o JMG Development Corp. 1487 Tenbury Common Annapolis, Maryland 21401

The qualifications, powers, duties and tenure of the office of Director and the manner by which Directors are to be chosen shall be as prescribed and set forth in the By-Laws of this Corporation. Officers of this Corporation shall be elected and shall serve as provided for in the By-Laws.

ARTICLE VIII. This Corporation shall indemnify every person who is or was an officer or Director of this Corporation and who was, is or is threatened to be made a named defendant or respondent in any threatened, pending or completed action, suit or proceeding by reason of service in that capacity, whether civil, criminal, administrative or investigative, if that person (i) acted in good faith; and (ii) reasonably believed (a) in the case of conduct in that person's official capacity, that the conduct was in the best interests of this Corporation; and (b) in all other cases that the conduct was at least not opposed to the best interests of this Corporation; and (iii) in the case of any criminal proceeding, had no reasonable cause to believe that the conduct was unlawful.

The indemnification provided for in this Article is against judgments, penalties, fines, settlements and reasonable expenses actually incurred in connection with any such threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative; provided, however, that if any such action, suit or proceeding was one by or in the right of this Corporation, indemnification shall be made only against reasonable expenses and shall not be made in respect of any proceeding in which the person otherwise entitled to indemnity pursuant to the provisions of this Article shall have been adjudged to be liable to this Corporation. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, creates a rebuttable presumption that the person otherwise entitled to indemnify did not meet the requisite standard of conduct set forth in this Article.

A person who is or was an officer or Director of this Corporation is not indemnified under the provisions of this Article in respect of any threatened, pending or completed action, suit or proceeding charging improper personal benefit to that person, whether or not involving action in that person's official capacity, in which the person was adjudged to be liable on the basis that personal benefit was improperly received.

The provisions of this Article are intended to provide every person who is or was an officer or Director of this Corporation and who was, is or is threatened to be made a named defendant or respondent in any threatened, pending or completed action, suit or proceeding by reason of service in that capacity, with indemnification to the extent permitted in Section 2-418(b) of Title 2, Corporations and Associations Article, Annotated Code of Maryland (1975 Repl. Vol.) as from time to time amended or superceded.

Indemnification under this Article may not be made by this Corporation unless authorized in the specific case after a determination has been made that indemnification is permissible because the person who is or was an officer or Director of this Corporation has met the standard of conduct set forth in this Article. Such determination shall be made in the manner provide in Section 2-418(e) of Title 2, Corporations and Associations Article, Annotated Code of Maryland (1975 repl. Vol.) as from time to time amended or superceded.

Reasonable expenses incurred by an person who is or was an officer or Director of this Corporation and who is a party to any threatened, pending or completed action, suit or proceeding by reason of service in that capacity, may be paid or reimbursed by this Corporation in advance of the final disposition of that proceeding, after a determination that the fact then known to those making the determination would not preclude indemnification

under this Article, upon receipt by this Corporation of:

(a) a written affirmation by that person of that person's good faith belief that the standard of conduct necessary for indemnification by this Corporation as authorized in this Article has been met; and

(b) a written undertaking by or on behalf of that person to repay the amount if it shall ultimately be determined that the standard of conduct necessary for indemnification by this Corporation as authorized in this Article has not been met. The undertaking required by this subparagraph (b) shall be an unlimited general obligation of the person making it but need not be secured and may be accepted without reference to financial ability to make the repayment.

Determination and authorization of payments under this Article shall be in the manner specified in Section 2-418(e) of Title 2, Corporations and Associations Article, Annotated Code of Maryland (1975) Repl. Vol.) as from time to time amended or superceded.

The officers and Directors of this Corporation shall not be liable to this Corporation for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of this Corporation shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of this Corporation except to the extent that such officers or Directors may also be members of this Corporation, and this Corporation shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment, except as aforesaid.

The provisions of this Article do not limit the power of this Corporation to pay or reimburse expenses incurred by any person who is an officer or Director of this Corporation in connection with an appearance as a witness in any proceeding by reason of service in that capacity, or otherwise involving this Corporation, when that person has not been made a named defendant or respondent in the proceeding. Any right to indemnification provided for in this Article shall be in addition to, and not exclusive of, any other rights to which any person who is or was an officer or Director of this Corporation may be entitled by law, or otherwise.

This Corporation may purchase and maintain insurance on behalf of any person who is or was an officer or Director of this Corporation against any liability asserted against and incurred by such person in any such capacity or arising out of such person's position, whether or not this Corporation would have the

power to indemnify against such liability pursuant to the provisions of this Article, or otherwise.

Any indemnification of, or advance of expenses to, any person in accordance with the provisions of this Article, if arising out of a proceeding by or in the right of this Corporation, shall be reported in writing to the members of this Corporation with notice of the next annual meeting of members of this Corporation or prior to the next annual meeting of members.

**ARTICLE IX.** The Directors shall exercise their powers and duties in good faith and with a view to the interests of this Corporation and the community. A contract or other transaction between this Corporation and any of its Directors, or between this Corporation and any corporation, firm or other entity in which any of its Directors is a director or has a material financial interest is not void or voidable solely because of the common directorship or interest, or because the Director is present at the meeting of the Board of Directors which authorizes, approves or ratifies the contract or transaction, or because the vote of the Director was counted for the authorization, approval or ratification of the contract or transaction, if any of the following conditions exist:

(a) the fact of the common directorship or interest is disclosed or known to the Board of Directors and the Board of Directors authorizes, approves or ratifies the contract or transaction by the affirmative vote of a majority of disinterested Directors, even if the disinterested Directors constitute less than a quorum; or

(b) the fact of the common directorship or interest is disclosed or known to the members of this Corporation entitled to vote, and the contract or transaction is authorized, approved or ratified by a majority of the votes cast by the members entitled to vote other than the votes appurtenant to memberships owned by the interested Director or corporation, firm or other entity; or

(c) the contract or transaction is fair and reasonable to this Corporation at the time it was authorized, approved or ratified.

Common or interested Directors or the votes which they are entitled to cast or which are entitled to be cast by an interested corporation, firm or other entity, may be counted in determining the presence of a quorum at a meeting of the Board of Directors or at a meeting of the unit owners, as the circumstances may require, at which the contract or transaction is authorized, approved or ratified.

If a contract or transaction is not authorized, approved or ratified in the manner provided for in subparagraphs (a) or (b)

of this Article, the person asserting the validity of the contract or transaction bears the burden of proving that the contract or transaction was fair and reasonable to this Corporation at the time it was authorized, approved or ratified.

This Article does not apply to the fixing by the Board of Directors of reasonable compensation for a Director, whether as a Director or in any other capacity.

**ARTICLE X.** Subject to the limitations set forth in the Declaration hereinabove referred to and in the By-Laws of this Corporation, this Corporation reserves the right to amend, alter or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by statute for the amendment of Articles of Incorporation.

**ARTICLE XI.** As used in these Articles of Incorporation, the expression "Declarant" shall mean and refer to the Declarant, and its successors and assigns to the extent that any of the right, reservations, easements, interests, exemptions, privileges or powers of the Declarant are specifically assigned or transferred to any such successor or assign by instrument in writing. As used in these Articles of Incorporation, the expression "Declaration" shall mean and refer to the Declaration hereinabove in this Article identified, as from time to time amended and supplemented. Unless it is plainly evident from the context that a different meaning is intended, all other terms used herein shall have the same meaning as they are defined to have in the Declaration.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation this 5<sup>th</sup> day of November, 1954

WITNESS:

\_\_\_\_\_

  
\_\_\_\_\_ William M. Simmons

(SEAL)

STATE OF MARYLAND  
COUNTY OF ANNE ARUNDEL ss:

I HEREBY CERTIFY, that on this 5<sup>th</sup> day of November, 1992 personally appeared before me, a Notary Public in and for the State and County aforesaid, William M. Simmons, known personally to me, and he did acknowledge that he signed, sealed and delivered the foregoing as his voluntary act and deed, and he acknowledged the facts therein stated to be true as set forth.

GIVEN under my hand the year and day first above written.

Patience R. Morgan  
Notary Public

My Commission Expires: 2/1/94



## Section III

"EXHIBIT B"

BY-LAWS

THE COUNCIL OF UNIT OWNERS

OF

LAKE POINTE AT TOWN CENTRE CONDOMINIUM, INC.

ARTICLE I

Name and Location

Section 1. Name and Location. The name of the Council of Unit Owners is as follows:

The Council of Unit Owners of  
Lake Pointe at Towne Centre Condominium, Inc.

Its principal office and mailing address is as follows:

1660 Village Green, Suite 203  
P. O. Box 3465  
Crofton, Maryland 21114

ARTICLE II

Definitions

Section 1. Declaration. "Declaration", means the Declaration made the \_\_\_ day of November, 1992, by the Declarant, pursuant to Title 11, Real Property Article, Annotated Code of Maryland (1981 Repl. Vol.), as amended, by which certain premises (including land) are submitted to a condominium property regime and which Declaration is recorded among the Land Records for Prince George's County, Maryland, immediately prior hereto and to which these By-Laws are appended as an Exhibit.

Section 2. Mortgagee. "Mortgagee" means the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the condominium units in the condominium. "Mortgage", shall include deed of trust. "First mortgage" shall mean a mortgage with priority over other mortgages. The term "mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees. As used in these By-Laws the term "institutional mortgagee" or "institutional holder" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Government National Mortgage Association ("GNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), all corporations and any agency or department of the United States Government or of any state or municipal government. In the event any mortgage is insured by the Federal Housing Administration ("FHA") or guaranteed by the Veterans Administration ("VA"), then as to such mortgage the expressions "mortgagee" and "institutional mortgagee" include the FHA or the VA, as the circumstances may require, acting, respectively, through the Federal Housing Commissioner and the Commissioner of Veterans Benefits or through other duly authorized agents.

Section 3. Other Definitions. Unless herein specifically provided to the contrary, or unless it is evident from the context that a different meaning is intended or required, all other terms used herein shall have the same meaning as they are defined to have in the Declaration

or in Title 11, Real Property Article, Annotated Code of Maryland (1981 Repl. Vol.) and as amended.

### ARTICLE III

#### Membership

Section 1. Members. Every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who holds legal title to a unit in the condominium shall be a member of the Council of Unit Owners; provided, however, that any person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who holds such interest solely as security for the performance of an obligation shall not be a member of the Council of Unit Owners by reason only of such interest.

### ARTICLE IV

#### Meetings of Unit Owners

Section 1. Place of Meeting. Meetings of the unit owners shall be held at the principal office of the Council of Unit Owners or at such other suitable place within the State of Maryland reasonably convenient to the unit owners as may from time to time be designated by the Board of Directors.

Section 2. Annual Meetings. The first annual meeting of the unit owners shall be held when the Board of Directors determines but, in any event, no later than the earliest to occur of sixty (60) days following the date when condominium units to which fifty percent (50%) of the votes in the Condominium have been conveyed by the Declarant, or five (5) years from the date of the recording of the Declaration of Condominium. Thereafter the annual meetings of the unit owners shall be held during the month of November of each succeeding year. At each annual meeting there shall be elected by ballot of the unit owners a Board of Directors in accordance with the requirements of Article V of these By-Laws. The unit owners may transact such other business within the powers of the Council of Unit Owners as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the unit owners as directed by resolution of the Board of Directors or upon a petition signed by unit owners representing at least twenty-five percent (25%) of the total votes of the unit owners having been presented to the Secretary; provided, however, that, except upon resolution of the Board of Directors or upon a petition signed by unit owners representing at least a majority of the total votes of the unit owners having been presented to the Secretary, no special meeting of the unit owners shall be called either (a) prior to the first annual meeting of unit owners as above provided; or (b) to consider any matter which is substantially the same as a matter voted on at any special meeting of the unit owners held during the preceding twelve (12) months. The Secretary shall inform the unit owners who petition for a special meeting of the reasonably estimated cost of preparing and mailing a notice of the meeting and, upon payment of the estimated cost to the Council of Unit Owners, shall notify each unit owner entitled to notice of the meeting. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Roster of Unit Owners. The Council of Unit Owners shall maintain a current roster of the names and addresses of each unit owner to which written notice of meetings of the Council of Unit Owners shall be delivered or mailed. Each unit owner shall furnish the Council of Unit Owners with his name and current mailing address. No unit owner may vote at any meeting of the Council of Unit Owners until this information is furnished.

**Section 5. Notice of Meetings.** It shall be the duty of the Secretary to mail or otherwise deliver a notice of each annual and special meeting of the Council of Unit Owners, stating the time and place where it is to be held, to each unit owner at his address as it appears on the roster of unit owners maintained by the Council of Unit Owners, at least ten (10) but not more than ninety (90) days prior to such meeting. Notice by either method shall be considered as notice served and proof of notice shall be made by affidavit of the person giving notice. The purpose of the meeting shall be stated if the meeting is a special meeting or if notice of the purpose is required by any provision of law. Attendance by a unit owner at any annual or special meeting in person or by proxy, shall be a waiver of notice by him of the time, place and purpose thereof. Notice of any annual or special meeting of the unit owners may also be waived by any unit owner either prior to, at or after any such meeting.

**Section 6. Quorum.** A quorum is deemed present throughout any meeting of the unit owners if unit owners entitled to cast twenty-five percent (25%) of the total votes of the unit owners are present, either in person or by proxy.

**Section 7. Adjourned Meetings.** If any meeting of unit owners cannot be organized because a quorum has not attended, the unit owners who are present, either in person or by proxy, may adjourn and reconvene the meeting in accordance with the provisions and requirements of Section 5-206 of the Corporations and Associations Article, Annotated Code of Maryland (1985 Repl. Vol.), as from time to time amended.

**Section 8. Action without Meeting.** Any action, except adoption of the budget, required or permitted to be taken at any annual or special meeting of the unit owners may be taken without a meeting if all of the unit owners shall individually or collectively consent in writing to such action and if such written consent or consents is filed with the minutes of the proceedings of the unit owners.

**Section 9. Voting.** At every meeting of the unit owners, each of unit owners shall have the right to cast the number of votes appurtenant to his unit, as established in the Declaration, on each question. The votes of the unit owners representing a majority of the votes of the unit owners listed on the current roster of unit owners maintained by the Council of Unit Owners present and voting, in person or by proxy, shall decide any question brought before such meeting, unless the question is one upon which, by express provision of law, or of the Declaration or of these By-Laws, a different vote is required, in which case such express provision shall govern and control. The vote appurtenant to any condominium unit which is owned by more than one person may be exercised by any of them present at any meeting unless any objection or protest by any other owner of such condominium unit is noted at such meeting. In the event all of the co-owners of such condominium unit who are present at any meeting of the unit owners are unable to agree on the manner in which the vote appurtenant to such condominium unit shall be cast on any particular questions, then such vote shall be counted for purposes of deciding the question in accordance with the provisions and requirements of Section 2-508 of the Corporations and Associations Article, Annotated Code of Maryland (1985 Repl. Vol.), as from time to time amended. In the event any condominium unit is owned by a corporation, then the vote appurtenant to such condominium unit shall be cast by a person designated in a certificate signed by the president or any vice president and attested by the secretary or an assistant secretary of such corporation and filed with the Secretary of the Council of Unit Owners at or prior to the meeting. Any such certificate shall remain valid until revoked or superseded in writing. The vote appurtenant to any condominium unit which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, unless any objection or protest by any other trustee or partner is noted at such meeting. The Chairman of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. No unit owner shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors if the Council of Unit Owners has caused a Statement of Condominium Lien to be recorded on that unit owner's condominium unit and if the entire amount necessary to satisfy the lien has not been paid on or prior to the date of the meeting.

**Section 10. Proxies.** A unit owner may appoint any other adult natural person as his proxy. Any proxy must be in writing and must be filed with the Secretary in form approved

by the Board of Directors at or before the appointed time of each meeting. Unless limited by its terms, any proxy shall continue until revoked by a written notice of revocation filled with the Secretary or by the death of the unit owner appointing the proxy; provided, however, that no proxy is effective for a period in excess of one hundred eighty (180) days from its issuance unless granted to a lessee or mortgagee of the condominium unit to which the votes are appurtenant. The foregoing notwithstanding, only a unit owner voting in person or a proxy voting for candidates designated by a unit owner may vote for officers and members of the board of directors.

**Section 11. Rights of Mortgagees.** Any institutional mortgagee of any condominium unit in the condominium who desires notice of the annual and special meetings of the unit owners shall notify the Secretary to that effect by Registered Mail-Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom notice of the annual and special meetings of the unit owners should be addressed. The Secretary of the Council of Unit Owners shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the unit owners to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations as are provided in this Article for notice to the members. Any such institutional mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the unit owners and such representative may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the unit owners present at any such meeting. Such representative shall have no voting rights at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the unit owners upon request made in writing to the Secretary.

**Section 12. Order of Business.** The order of business at all annual meetings of the unit owners of the Council of Unit Owners shall be as follows:

- (a) Roll call and certification of proxies.
- (b) Proof of notice of meeting or waiver of motion.
- (c) Reading and disposal of minutes of preceding meetings, if any.
- (d) Reports of officers, if any.
- (e) Reports of committees, if any.
- (f) Election or appointment of inspectors of election.
- (g) Election of directors.
- (h) Unfinished business.
- (i) New Business.
- (j) Adjournment.

In the case of special meetings, items (a) through (d) shall be applicable and thereafter the agenda shall consist of the items specified in the notice of the meeting.

**Section 13. Rules of Order and Procedure.** The rules of order and all other matters of procedure at all annual and special meetings of the unit owners shall be determined by the Chairman of such meeting.

**Section 14. Inspectors of Elections.** The Board of Directors may, in advance of any annual or special meeting of the unit owners appoint an uneven number of one or more inspectors of election to act at the meeting and at any adjournment thereof. In the event inspectors are not so appointed, the Chairman of any annual or special meeting of unit owners shall appoint such inspectors of election. Each inspector so appointed, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector of election at such meeting. The oath so taken shall be filed with the Secretary of the Council of Unit Owners. No officer or Director of the Council of Unit Owners, and no candidate for Director of the Council of Unit Owners, shall act as an inspector of election at any meeting of the unit owners if one of the purposes of such meeting is to elect Directors.

## ARTICLE V

## Directors

Section 1. Number and Qualification. The affairs of the Council of Unit Owners shall be governed by a Board of Directors composed of an uneven number of at least three (3) natural persons and not more than seven (7) natural persons. The Directors of the Council of Unit Owners need not be unit owners, prior to the first annual meeting of unit owners. The number of Directors shall be determined, from time to time, by a vote of the initial Directors; provided, however, that the number of Directors shall not be less than three (3). Thereafter, the number of Directors shall be determined by a vote of the unit owners at the first annual meeting of unit owners and the number of Directors may be changed by a vote of the unit owners at any subsequent annual or special meeting of the unit owners; provided, however, that (a) the limitations of this Section shall continue to apply; and (b) no such change shall operate to curtail or extend the term of any incumbent Director.

Section 2. Initial Directors. The initial Directors shall be selected by the Declarant. The names of the Directors who shall act as such from the date upon which the Declaration is recorded until the expiration of their various terms are set forth in the Articles of Incorporation of the Council of Unit Owners.

Section 3. Powers and Duties. The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Council of Unit Owners and the condominium and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the unit owners. The powers and duties of the Board of Directors shall include, but not be limited to, the following:

- (a) to provide for the care, upkeep and surveillance of the condominium and its common elements and services in a manner consistent with law and the provisions of these By-Laws and the Declaration; and
- (b) to provide for the establishment, collection, use and expenditure of assessments and carrying charges from the unit owners and for the assessment, filing and enforcement of Statements of Condominium Liens in a manner consistent with law and the provisions of these By-Laws and the Declaration; and
- (c) to provide for the designation, hiring and dismissal of the personnel necessary for the good working order of the condominium and for the proper care of the common elements and to provide services for the condominium in a manner consistent with law and the provisions of these By-Laws and the Declaration; and
- (d) to provide for the promulgation and enforcement of such reasonable rules and regulations and such reasonable restrictions or requirements as may be deemed proper respecting the use, occupancy and maintenance of the condominium and the use of the general and limited common elements and as are designated to prevent unreasonable interference with the use and occupancy of the condominium and of the general and limited common elements by the unit owners and others, all of which shall be consistent with law and the provisions of these By-Laws and the Declaration; and
- (e) to authorize, in their discretion, the payment of patronage refunds from residual receipts of common profits when and as reflected in the annual report; and
- (f) to enter into agreements whereby the Council of Unit Owners acquires leaseholds, memberships and other possessory or use interests in real or personal property for the purpose of promoting the enjoyment, recreation or welfare of the unit owners and to declare expenses incurred in connection therewith to be common expenses of the Council of Unit Owners; and
- (g) to purchase insurance upon the condominium in the manner required by law and provided for in these By-Laws; and

- (h) to repair, restore or reconstruct all or any part of the condominium after any casualty loss in a manner consistent with law and the provisions of these By-Laws and to otherwise improve the condominium; and
- (i) to lease, grant licenses, easements, rights-of-way and other rights of use in all or any part of the common elements of the condominium; and
- (j) to purchase condominium units in the condominium and to lease, mortgage or convey the same, subject to the provisions of these By-Laws and the Declaration; and
- (k) to appoint the members of the Architectural and Environmental Control Committee provided for in Article X of these By-Laws and to appoint the members of such other committees as the Board of Directors may from time to time designate.
- (l) to take all actions, and devote as is required as the member of Largo Towne Centre and Largo Land Condominium.

The foregoing enumeration of powers shall not be deemed to limit or restrict the powers or authorities of the Board deriving from the Act or common law.

Section 4. Management Agent. The Board of Directors shall employ for the Council of Unit Owners a management agent or manager (the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. The Council of Unit Owners shall not undertake "self-management" or otherwise fail to employ a management agent or manager without the prior written approval of all of the institutional holders of all first mortgages on the condominium units in the condominium. Any management agreement entered into by the Council of Unit Owners shall provide, *inter alia*, that such agreement may be terminated, with or without cause and without the payment of any termination fee, upon thirty (30) days written notice thereof. The term of any such management agreement shall not exceed one (1) year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one year periods.

Section 5. Election and Term of Office. The term of the Directors named herein shall expire when their successors have been elected at the first annual meeting of unit owners and are duly qualified. The election of Directors shall be by ballot, unless balloting is dispensed with by the unanimous consent of the unit owners present at any meeting, in person or by proxy. There shall be no cumulative voting. At the first annual meeting of the unit owners, the term of office of the Director receiving the greatest number of votes shall be fixed for three (3) years. The term of office of the Director receiving the second greatest number of votes shall be fixed for two (2) years and the term of office of the other Director or Directors shall be fixed for one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. In the alternative, the membership may, by resolution duly made and adopted at the first annual meeting of members, or at any subsequent annual meeting, resolve to fix the term for each Director elected at any such meeting at one (1) year. Directors shall hold office until their successors have been elected and hold their first regular meeting.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the membership or an increase in the number of Directors shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected by the unit owners at the next annual meeting to serve out the unexpired portion of the term. Vacancies in the Board of Directors caused by an increase in the number of Directors shall be filled by a vote of the majority of the entire Board of Directors; and each person so elected shall be a Director until a successor is elected by the unit owners at the next annual meeting.

Section 7. Removal of Directors. At any annual meeting of unit owners, or at any special meeting duly called for such purpose, any Director may be removed with or without cause by the affirmative vote of a majority of the votes of the unit owners present and voting, in person or by proxy, and a successor may then and there be elected by the unit owners to fill the vacancy thus created. Any Director whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting. The term of any Director may be terminated by resolution of the remaining Directors and the remaining Directors shall appoint his successor as provided in this Article if the Council of Unit Owners has caused a Statement of Condominium Lien to be recorded on the Director's condominium unit and if the entire amount necessary to satisfy the lien has not been paid on or prior to the date of the annual meeting or any special meeting.

Section 8. Compensation. No compensation shall be paid to Directors for their services as Directors. Directors may be reimbursed for their actual out-of-pocket expenses reasonably and necessarily incurred in connection with their services as Directors.

Section 9. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board of Directors shall be present at such first meeting.

Section 10. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of the time and place of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least six (6) days prior to the day named for such meeting. Notice of Regular meetings of the Board of Directors shall be sent at least annually to each unit owner. Regular meetings of the Board of Directors shall be open and held at a time and location as provided in this notice.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time and place of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least one-third (1/3) of the Directors.

Section 12. Waiver of Notice. Before, at or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by him of the time, place and purpose thereof. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 13. Quorum. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at any meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 14. Action Without Meeting. Any action, except adoption of the budget, by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action and if such written consent or consents is filed with the minutes of the proceedings of the Board of Directors.

Section 15. Rights of Mortgagees. Any institutional mortgagee of any condominium



unit in the condominium who desires notice of the regular and special meetings of the Board of Directors shall notify the Secretary to that effect by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such institutional mortgagee and the name of the person to whom notice of the regular and special meetings of the Board of Directors should be addressed. The Secretary of the Council of Unit Owners shall maintain a roster of all institutional mortgagees from whom such notices are received and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each regular or special meeting of the Board of Directors to each such institutional mortgagee, in the same manner, and subject to the same requirements and limitations, as are otherwise provided in this Article for notice to the members of the Board of Directors. Any such institutional mortgagee shall be entitled to designate a representative to attend any regular or special meeting of the Board of Directors and such representatives may participate in the discussion at any such meeting and may, upon his request made to the Chairman in advance of the meeting, address the members of the Board of Directors present at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the Board of Directors upon request made in writing to the Secretary.

**Section 16. Fidelity Bonds.** The Board of Directors shall require that all officers, Directors and employees of the Council of Unit Owners regularly handling or otherwise responsible for the funds of the Council of Unit Owners shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty in accordance with the requirements of Article XI of these By-Laws. The premiums on such bonds or insurance shall be paid by the Council of Unit Owners.

## ARTICLE VI

### Officers

**Section 1. Designation.** The principal officers of the Council of Unit Owners shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. Except for the President, the officers of the Council of Unit Owners need not be Directors. Prior to the first annual meeting of unit owners, the officers of the Council of Unit Owners need not be unit owners. Thereafter, except for the President, the officers of the Council of Unit Owners need not be unit owners. The Directors may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgment may be necessary. A person may hold more than one office but may not serve concurrently as both President and Vice President or as President and Secretary.

**Section 2. Election of Officers.** The officers of the Council of Unit Owners shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board of Directors.

**Section 3. Removal of Officers.** Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors duly called for such purpose.

**Section 4. President.** The President shall be a Director of the Council of Unit Owners. The President shall be the chief executive officer of the Council of Unit Owners. He shall preside at all meetings of the unit owners and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of a corporation. The President shall count the votes at all meetings of the unit owners.

**Section 5. Vice President.** The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also assist the President generally and shall perform such other duties as shall from time to time be delegated to him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the unit owners and shall maintain accurate and complete books for the recording of the resolutions of the Council of Unit Owners. The Secretary shall give notice of all annual and special meetings of the unit owners in conformity with the requirements of these By-Laws. The Secretary shall have custody of the seal of the Council of Unit Owners, if any. The Secretary shall have charge of the membership roster and of such other books and papers as the Board of Directors may direct and he shall, in general, perform all of the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for funds and securities of the Council of Unit Owners and shall be responsible for keeping, or causing to be kept, full and accurate accounts of all receipts and disbursements in books belonging to the Council of Unit Owners. He shall be responsible for causing the deposit of all funds and other valuable effects in the name, and to the credit, of the Council of Unit Owners in such depositories as may from time to time be designated by the Board of Directors.

Section 8. Compensation. No compensation shall be paid to Officers for their services as Officers. Officers may be reimbursed for their actual out-of-pocket expenses reasonably and necessarily incurred in connection with their services as Officers.

ARTICLE VII

Liability and Indemnification of Officers and Directors

Section 1. Liability and Indemnification of Officers and Directors. The Council of Unit Owners shall indemnify every person who is or was an officer or Director of the Council of Unit Owners and who was, or is threatened to be made a named defendant or respondent in any threatened, pending or completed action, suit or proceeding by reason of service in that capacity, whether civil, criminal, administrative or investigative, if that person (i) acted in good faith; and (ii) reasonably believed (a) in the case of conduct in that person's official capacity, that the conduct was in the best interests of the Council of Unit Owners; and (b) in all other cases that the conduct was at least not opposed to the best interests of the Council of Unit Owners; and (iii) in the case of any criminal proceeding, had no reasonable cause to believe that the conduct was unlawful.

The indemnification provided for in this Section 1 is against judgments, penalties, fines, settlements and reasonable expenses actually incurred in connection with any such threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative; provided, however, that if any such action, suit or proceeding was one by or in the right of the Council of Unit Owners, indemnification shall be made only against reasonable expenses and shall not be made in respect of any proceeding in which the person otherwise entitled to indemnity pursuant to the provisions of this Section 1 shall have been adjudged to be liable to the Council of Unit Owners. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, creates a rebuttable presumption that the person otherwise entitled to indemnity did not meet the requisite standard of conduct set forth in this Section 1.

A person who is or was an officer or Director of the Council of Unit Owners is not indemnified under the provisions of this Section 1 in respect of any threatened, pending or completed action, suit or proceeding charging improper personal benefit to that person, whether or not involving action in that person's official capacity, in which the person was adjudged to be liable on the basis that personal benefit was improperly received.

The provisions of this Section 1 are intended to provide every person who is or was an officer or Director of the Council of Unit Owners and who was, is or is threatened to be made a named defendant or respondent in any threatened, pending or completed action, suit or proceeding by reason of service in that capacity with indemnification to the extent permitted in Section 2-418(b) of Title 2, Corporations and Associations Article, Annotated Code of Maryland (1985 Repl. Vol.) as from time to time amended or superseded.

Notwithstanding the foregoing indemnification provisions, the directors and officers may be found to be immune from liability as a result of certain actions taken by them pursuant to Section 14-119 of Subtitle 1, Real Property Article, Annotated Code of Maryland (1981 Replacement Volume) as from time to time amended or superseded.

**Section 2. Determination that Indemnification is Proper.** Indemnification under Section 1 of this Article may not be made by the Council of Unit Owners unless authorized in the specific case after a determination has been made that indemnification is permissible because the person who is or was an officer or Director of the Council of Unit Owners has met the standard of conduct set forth in Section 1 of this Article. Such determination shall be made in the manner provided in Section 2-418(e) of Title 2, Corporations and Associations Article, Annotated Code of Maryland (1985 Repl. Vol.) as from time to time amended or superseded.

**Section 3. Payment of Expenses in Advance of Final Disposition of Action.** Reasonable expenses incurred by any person who is or was an officer or Director of the Council of Unit Owners and who is a party to any threatened, pending or completed action, suit or proceeding by reason of service in that capacity may be paid or reimbursed by the Council of Unit Owners in advance of the final disposition of that proceeding, after a determination that the facts then known to those making the determination would not preclude indemnification under Section 1 of this Article, upon receipt by the Council of Unit Owners of:

(a) a written affirmation by that person of that person's good faith belief that the standard of conduct necessary for indemnification by the Council of Unit Owners as authorized in Section 1 of this Article has been met; and

(b) a written undertaking by or on behalf of that person to repay the amount if it shall ultimately be determined that the standard of conduct necessary for indemnification by the Council of Unit Owners as authorized in Section 1 of this Article has not been met. The undertaking required by this subparagraph (b) shall be an unlimited general obligation of the person making it but need not be secured and may be accepted without reference to financial ability to make the repayment.

Determinations and authorizations of payments under this Section 3 of Article VII shall be in the manner specified in Section 2-418 (e), Title 2, Corporations and Associations Article, Annotated Code of Maryland (1985 Repl. Vol.) as from time to time amended or superseded.

**Section 4. General Provisions.** The officers and Directors of the Council of Unit Owners shall not be liable to the Council of Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of the Council of Unit Owners shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Council of Unit Owners except to the extent that such officers or Directors may also be unit owners, and the Council of Unit Owners shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment.

**Section 5. Provisions of this Article Not Exclusive.** The provisions of this Article do not limit the power of the Council of Unit Owners to pay or reimburse expenses incurred by any person who was or is an officer or Director of the Council of Unit Owners in connection with an appearance as a witness in any proceeding by reason of service in that capacity, or otherwise involving the Council of Unit Owners, when that person has not been made a named defendant or respondent in the proceeding. Any right to indemnification provided for in this Article shall be in addition to, and not exclusive of, any other rights to which any person who is or was an officer or Director of the Council of Unit Owners may be entitled, by law or otherwise.

**Section 6. Insurance.** The Council of Unit Owners may purchase and maintain

insurance on behalf of any person who is or was an officer or Director of the Council of Unit Owners against any liability asserted against and incurred by such person in any such capacity or arising out of such person's position, whether or not the Council of Unit Owners would have the power to indemnify against such liability pursuant to the provisions of this Article or otherwise.

**Section 7. Report to Unit Owners.** Any indemnification of, or advance of expenses to, any person in accordance with the provisions of this Article, if arising out of a proceeding by or in the right of the Council of Unit Owners, shall be reported in writing to the unit owners with the notice of the next annual meeting of unit owners or prior to the next annual meeting of the unit owners.

**Section 8. Interested Director Transactions.** The Directors shall exercise their powers and duties in good faith and with a view to the interests of the Council of Unit Owners and the condominium. A contract or other transaction between the Council of Unit Owners and any of its Directors, or between the Council of Unit Owners and any corporation, firm or other entity in which any of its Directors is a director or has a material financial interest is not void or voidable solely because of the common directorship or interest, or because the Director is present at the meeting of the Board of Directors which authorizes, approves or ratifies the contract or transaction, or because the vote of the Director was counted for the authorization, approval or ratification of the contract or transaction, if any of the following conditions exist:

(a) the fact of the common directorship or interest is disclosed or known to the Board of Directors and the Board of Directors authorizes, approves or ratifies the contract or transaction by the affirmative vote of a majority of disinterested Directors, even if the disinterested Directors constitute less than a quorum; or

(b) the fact of the common directorship or interest is disclosed or known to the unit owners entitled to vote, and the contract or transaction is authorized, approved or ratified by a majority of the votes cast by the unit owners entitled to vote other than the votes appurtenant to condominium units owned by the interested Director or corporation, firm or other entity; or

(c) the contract or transaction is fair and reasonable to the Council of Unit Owners at the time it was authorized, approved or ratified.

Common or interested Directors or the votes which they are entitled to cast or which are entitled to be cast by an interested corporation, firm or other entity, may be counted in determining the presence of a quorum at a meeting of the Board of Directors or at a meeting of the unit owners, as the circumstances may require, at which the contract or transaction is authorized, approved or ratified.

If a contract or transaction is not authorized, approved or ratified in a manner provided for in subparagraphs (a) or (b) of this Section 8, the person asserting the validity of the contract or transaction bears the burden of proving that the contract or transaction was fair and reasonable to the Council of Unit Owners at the time it was authorized, approved or ratified.

This Section 8 does not apply to the fixing by the Board of Directors of reasonable compensation for a Director, whether as a Director or in any other capacity.

## ARTICLE VIII

### Assessments and Carrying Charges for Common Expenses

**Section 1. Annual Assessments and Carrying Charges.** Each unit owner shall pay to the Council of Unit Owners, in advance, a monthly sum, (hereinafter sometimes referred to as "assessments" or "carrying charges"), when assessed, equal to one-twelfth (1/12) of the unit owner's proportionate share, (as established in the Declaration) of the sum

required by the Council of Unit Owners, as estimated by its Board of Directors, to meet its annual expenses, including, but not limited to, the following:

- (a) the cost of all operating expenses of the condominium and services furnished to the condominium, including, without limitation, charges by the Council of Unit Owners for facilities and services furnished by it; and
- (b) the cost of necessary management and administration of the condominium, including fees paid to any Management Agent; and
- (c) the amount of all taxes and assessments levied against the Council of Unit Owners or upon any property which it may own or which it is otherwise required to pay, if any; and
- (d) the cost of fire and extended coverage and liability insurance on the condominium and the cost of such other insurance as the Council of Unit Owners may effect; and
- (e) the cost of furnishing water, electricity, heat, gas, garbage and trash collection and other utilities and similar services to the condominium, to the extent furnished by the Council of Unit Owners at common expense; and
- (f) the cost of funding any reserves established by the Council of Unit Owners, including, when appropriate, a general operating or working capital reserve and a reserve for replacements; and
- (g) the estimated cost of repairs, maintenance and replacements of the common elements of the condominium to be made by the Council of Unit Owners.
- (h) The cost of all assessments by the Largo Towne Centre Association, Inc. and Largo Land Condominium.

The Board of Directors shall determine the amount of the assessments at least annually, but may do so at more frequent intervals should circumstances so require. Upon resolution of the Board of Directors, installments of annual assessments may be levied and collected on a quarterly, semiannual or annual basis rather than on the monthly basis hereinabove provided.

The Board of Directors shall cause to be prepared and submitted to the unit owners an annual proposed budget at least thirty (30) days before its adoption. The budget shall be adopted by the Board of Directors at an open meeting conducted not less than thirty (30) days prior to commencement of the budget period. Any expenditure made other than those made because of conditions which, if not corrected, could reasonably be foreseen to result in a threat to the health or safety of the unit owners or a significant risk of damage to the condominium, that would result in an increase in assessments of more than fifteen (15%) percent of the budgeted amount previously adopted, shall be approved by an amendment to the budget adopted at a special meeting upon not less than ten (10) days following written notice to all unit owners. The omission of the Council of Unit Owners, before the expiration of any annual assessment period, to fix assessments for that or the next such period shall not be deemed a waiver or modification in any respect of the provisions of this Article, or a release of any unit owner from the obligation to pay the assessment, or any installment thereof, for that or any subsequent assessment period; and, in that event, the assessment fixed for the preceding period shall continue until a new assessment is fixed. No unit owner may exempt himself from liability for assessments or carrying charges by a waiver of the use or enjoyment of any of the common elements or by abandonment of any condominium unit belonging to him.

**Section 2. First Assessment.** The projected budget encompassing the items described in Section 1, above, shall be assessed upon all condominium units on the date on which the Declaration is recorded among the Land Records of Prince George's County, Maryland, as

to those condominium units described in EXHIBIT "A" attached to said Declaration. Upon such date such assessment of condominium fees shall be deemed fixed and accomplished without further action of the Declarant, the Council of Unit Owners or the Board of Directors.

Section 3. Budget. The Board of Directors, with the assistance and counsel of the Management Agent, shall prepare and adopt a budget for each annual assessment period which shall include estimates of the funds required by the Council of Unit Owners to meet its annual expenses for that period. The budget herein required to be prepared and adopted by the Board of Directors shall be in a format consistent with the classification of the accounts of the Council of Unit Owners, as hereinafter in these By-Laws provided for, and shall provide for sufficient estimates on a monthly basis, to permit comparison to and analysis of deviations from the various periodic reports of the actual results of operations and the actual financial condition of the Council of Unit Owners, on both a current basis and for prior corresponding periods, all in accordance with generally accepted accounting practices, consistently applied. Copies of the budget shall be available for examination by the unit owners and by their duly authorized agents and attorneys, and to the holder of any first mortgage on any condominium unit in the condominium and by their duly authorized agents and attorneys during normal business hours for purposes reasonably related to their respective interests.

Section 4. Special Assessments. In addition to the regular assessments authorized by this Article, the Council of Unit Owners may levy in any assessment year's special assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the condominium, including the necessary fixtures and personal property related thereto, operating contingencies of a nonrecurring nature, and for such other purposes as the Board of Directors may consider appropriate; provided, however, that any such special assessment shall have the assent of the unit owners representing sixty-seven percent (67%) of the total votes of the unit owners either at an annual meeting of the unit owners or at a special meeting of the unit owners duly called for that purpose.

Section 5. Reserve for Replacements: Initial Working Capital Contribution. The Council of Unit Owners shall establish and maintain a reserve fund for replacements by the allocation and payment monthly to such reserve fund of an amount to be designated from time to time by the Board of Directors. Such fund shall be conclusively deemed to be a common expense. Such fund shall be deposited in a special account with a lending institution the accounts of which are insured by an agency of any state or an agency of the United States of America or may, in the discretion of the Board of Directors, be invested in obligations or, or fully guaranteed as to principal by, any state or the United States of America. The reserve for replacements may be expended only for the purpose of effecting the replacement of the common elements and equipment of the condominium. Each unit owner, upon purchase of his unit from Declarant, shall deposit a sum calculated to be equal to two twelfths (2/12) of the projected annual assessment, in the Working Capital Fund, which shall be maintained in interest-bearing, insured depository accounts, and made available for defraying start-up costs and contingencies of a non-recurring nature as of the inception of the "First Assessment," as provided in Section 3, above. The proportionate interest of any unit owner in any reserve for replacements and any other reserves established by the Council of Unit Owners including the "Working Capital" Contribution shall be considered an appurtenance of his condominium unit and shall not be separately withdrawn, assigned or transferred or otherwise separated from the condominium unit to which it appertains and shall be deemed to be transferred with such condominium unit.

Section 6. Non-Payment of Assessments - Statement of Lien. Any assessment levied pursuant to the Declaration of these By-Laws, and any installment thereof, which is not paid on the date when due shall be delinquent and shall entitle the Council of Unit Owners to claim the amount of such assessment, together with interest thereon, late charges and the actual costs of collection and reasonable attorney's fees, as a lien on the condominium unit against which it is assessed pursuant to the Maryland Contract Lien Act, Sections 14-201

through 14-206. Subtitle 2, Real Property Article, Annotated Code of Maryland (1981 Replacement Volume) as from time to time amended; provided, however, that such lien shall be effective only after a Statement of Lien is recorded among the Land Records for the jurisdiction where the Declaration was originally recorded, stating the description of the condominium unit, the name of the unit owner of record and the amount due. Any such Statement of Lien shall be in substantially the following form:

STATEMENT OF LIEN

This is to certify that the property described as Unit No. \_\_\_\_\_ in Largo Lakes Condominium is subject to a lien under Title 14, Subtitle 2 of the Real Property Article, Maryland Annotated Code in the amount of \$\_\_\_\_\_. The property is owned by \_\_\_\_\_.

I HEREBY AFFIRM under penalties of perjury that notice was given under Section 14-203(a) of the Real Property Article, and that the information contained in the foregoing Statement of Lien is true and correct to the best of my knowledge, information and belief.

\_\_\_\_\_  
Officer (or Agent)

The Statement of Lien shall be signed and verified as required in the Condominium Act by any officer of the Council of Unit Owners, or by the Management Agent or any duly authorized representative thereof, or by any agent, attorney or other person duly authorized by the Board of Directors of the Council of Unit Owners for such purposes.

Upon recordation of the Statement of Lien as aforesaid, the lien shall bind the condominium unit described in the Statement of Lien in the hands of the unit owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the unit owner to pay the assessment shall, however, remain his personal obligation for the statutory period and a suit to recover a money judgment for non-payment of any assessment, or any installment thereof, may be maintained without foreclosing or waiving the lien established by the Statement of Lien to secure payment of such assessment. Upon full payment of the amount for which the lien is claimed the unit owner shall be entitled to a recordable satisfaction of the lien.

Any assessment levied pursuant to the Declaration or these By-Laws, and any installment thereof, which is not paid when due may, upon resolution of the Board of Directors, subject the unit owner obligated to pay the same to the payment of such penalty or "late charge" not exceeding the greater of \$15.00 or ten percent (10%) of the delinquent assessment or installment as the Board of Directors may fix and the Council of Unit Owners may bring an action at law against the unit owner personally obligated to pay the same or may, after the recordation of the Statement of Lien provided for in this Article and in the Condominium Act, foreclose the lien against the condominium unit or units then belonging to the unit owner in the same manner, and subject to the same requirements, now or hereafter provided for the foreclosure of mortgages or deeds of trust in the State of Maryland containing a power of sale or an assent to a decree; in either of which events interest at the rate of eighteen percent (18%) per annum, late charges, actual costs or collection and reasonable attorneys' fees shall be added to the amount of the assessment. Suit for any deficiency following foreclosure may be maintained in the same proceeding. No suit may be brought to foreclose the lien except after ten (10) days written notice to the unit owner given by Registered Mail - Return Receipt Requested to the address of the unit owner shown on the roster of unit owners maintained by the Council of Unit Owners.

Any penalty or "late charge" which the Board of Directors may elect to assess pursuant to the provisions of this Section 7 may not be imposed more than once for the same delinquent payment and may only be imposed if the delinquency has continued for at least fifteen (15) days

In the event any proceeding to foreclose the lien for any assessment due the Council of Unit Owners is commenced with respect to any condominium unit or units in the condominium, then the owner of such condominium unit or units, upon resolution of the Board of Directors, may be required to pay a reasonable rental for such unit or units and the Council of Unit Owners shall be entitled to the appointment of a receiver to collect the same.

The Board of Directors may post a list of members who are delinquent in the payment of any assessment or other fees which may be due to the Council of Unit Owners, including any installment thereof which becomes delinquent, in any prominent location within the condominium.

Section 7. Priority of Lien. The lien established by the recordation of a Statement of Lien, as in this Article provided for, shall have preference over any other assessments, liens, judgments or charges of whatever nature, except the following:

(a) general and special assessments for ad valorem real estate taxes and other public charges on the condominium unit; and

(b) the lien of any bona fide deed of trust, mortgage or other encumbrance made in good faith and for value received and duly recorded on the condominium unit prior to the recordation of the Statement of Lien, or duly recorded on the condominium unit after receipt by the holder of any such mortgage of a certificate or statement in writing signed by an officer or agent of the Council of Unit Owners stating that payments on account of all assessments levied by the Council of Unit Owners against the condominium unit were current as of the date of recordation of such deed of trust, mortgage instrument or other encumbrance; provided, however, that such subordination shall apply only to assessments, and installments thereof, which have become due and payable prior to a sale or transfer of the condominium unit pursuant to a foreclosure of such deed of trust, mortgage or other encumbrance or prior to any deed, assignment or other proceeding or arrangement in lieu of foreclosure.

Any holder of any deed of trust, mortgage or other encumbrance duly recorded on the condominium unit and made in good faith and for value received who comes into possession of the condominium unit pursuant to foreclosure or pursuant to any deed, assignment or other proceeding or arrangement in lieu of foreclosure, and any other purchaser at a foreclosure sale, shall take the condominium unit free of any claims for unpaid assessments levied against the condominium unit which accrued prior to the time such holder came into possession of the condominium unit or prior to the foreclosure sale, except for claims for a proportionate share of such unpaid assessments resulting from a reallocation of such unpaid assessments among all of the condominium units in the condominium. Such foreclosure, deed, assignment or other proceeding or arrangement in lieu of foreclosure shall not relieve the mortgagee in possession or the purchaser at any foreclosure sale from any liability for any assessments thereafter becoming due, or from the lien established by the recordation of a statement or Condominium Lien with respect to any assessments thereafter becoming due.

No amendment to this Section shall affect the rights of the holder of any such deed of trust, mortgage or other encumbrance recorded prior to the recordation of such amendment unless the holder of such deed of trust, mortgage or other encumbrance shall join in the execution of such amendment.

Section 8. Additional Rights of Mortgagees - Notice. Any mortgagee of any condominium unit who desires written notice of any default by the mortgagor in any provision of the Declaration which remains uncured for a period in excess of sixty (60) days following the date of such default shall notify the secretary to that effect by United States Registered or Certified Mail - Return Receipt Requested, postage prepaid. Any such notice



shall contain the name and post office address of such mortgagee, the name of the mortgagor, a description of the affected condominium unit and the name of the person to whom notice of default should be addressed. The Secretary of the Council of Unit Owners shall maintain a roster of all mortgagees from whom such notices are received.

The Council of Unit Owners shall provide prompt written notice to any such mortgagee of a condominium unit for which any assessment levied pursuant to the Declaration or these By-Laws, or any installment thereof, becomes delinquent for a period in excess of sixty (60) days and, further, of any other default in any provision of the Declaration or these By-Laws affecting the condominium unit described in the notice which remains uncured for a period in excess of sixty (60) days following the date of such default. Any failure to give any such notice to any mortgagee shall not affect the priorities established by this Article, the validity of any assessment levied pursuant to the Declaration or these By-Laws, or the validity of any lien to secure the same.

No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to the Declaration or these By-Laws except after ten (10) days written notice to the holder of the first mortgage on the condominium unit which is the subject matter of such suit or proceeding.

Section 9. Acceleration of Installments. Upon default in the timely payment of any one or more monthly installments of any annual assessment levied pursuant to the Declaration or these By-Laws, or any other installment thereof, the entire balance of said annual assessment may be accelerated at the option and upon resolution of the Board of Directors be declared due and payable in full; provided, however, that a demand by the Council of Unit Owners for payment of the entire balance of said annual assessment is not enforceable unless the Council of Unit Owners, within fifteen (15) days following default in the timely payment of the monthly or other installment, notifies the unit owner in writing that if the unit owner fails to pay the delinquent installment within fifteen (15) days following the date of the notice, the entire balance of said annual assessment may be accelerated and declared due and payable in full.

Section 10. Assessment Certificates. The Council of Unit Owners shall, within twenty (20) days following any written demand, furnish to any unit owner liable for any assessment levied pursuant to the Declaration or these By-Laws (or any other party legitimately interested in the same) a certificate in writing signed by an officer or agent of the Council of Unit Owners, setting forth the status of the assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of the payment of any installment of any assessment therein stated to have been paid. A charge not to exceed Thirty Dollars (\$30.00) may be levied in advance by the Council of Unit Owners for each certificate so delivered, except that no charge shall be levied against any institutional mortgagee of any condominium unit in the condominium who requests such a certificate.

Section 11. Assessments - Limited Common Elements. As to assessments or carrying charges related to the maintenance of Limited Common Elements, the Board of Directors may elect to assess and charge the specific unit owner or owners who are given the exclusive right to use such Limited Common Elements with such assessments or carrying charges. In such event, the assessments and carrying charges shall be payable, be collectible and be a lien in accordance with this Article.

## ARTICLE IX

### Use Restrictions

Section 1. Residential Use. Except for such condominium units as may be designated in the Declaration or on the Condominium Plat for commercial or other non-residential purposes, if any, and except for such temporary non-residential uses as may be permitted by the Board of Directors from time to time, all condominium units shall be used for private residential purposes exclusively. Nothing in this Section, or hereinelsewhere, shall be construed to prohibit the Declarant from the use of any condominium units which the

Declarant owns for promotional or display purposes, as "model units", a sales office or the like, or from leasing any unit or units which the Declarant owns except that Declarant shall nevertheless be bound by the provisions of Section 2 of this Article, nor from making any use thereof permitted by applicable law.

**Section 2. Leasing.** Any owner of any condominium unit who shall lease such unit shall, promptly following the execution of any such lease, forward a copy of the fully executed lease to the Board of Directors. All leases shall be in writing. Any such lease shall contain a provision to the effect that the rights of the tenant to use and occupy the condominium unit shall be subject and subordinate in all respects to the provisions of the Declaration and these By-Laws and to such other reasonable rules and regulations relating to the use of the common elements, or other "house rules", as the Board of Directors may from time to time promulgate and shall provide, further, that any failure by the tenant to comply with the provisions of such documents shall be a default under the lease. The provisions of this subsection shall not apply to the institutional holder of any first mortgage who comes into possession of any condominium unit by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure sale or other judicial sale or as a result of any proceeding, arrangement, assignment or deed in lieu of foreclosure.

**Section 3. Prohibited Uses and Nuisances.** Except for the activities of the Declarant and its agents in connection with the promotion and sale of the condominium, and except as may be reasonable and necessary in connection with the construction, maintenance, improvement, repair or reconstruction of any portion of the condominium by the Declarant or the Council of Unit Owners and except with the prior written approval of the Board of Directors of the Council of Unit Owners.

(a) no noxious or offensive trade or activity shall be carried on within the condominium or within any condominium unit, nor shall anything be done therein or thereon which may be or become an annoyance to the neighborhood or the other unit owners. No nuisances shall be permitted within the condominium, nor shall any use or practice be permitted which is or becomes a source of annoyance to the unit owners or which interferes with the peaceful use and possession thereof by the unit owners.

(b) there shall be no obstruction of any of the common elements. Nothing shall be stored upon any of the general common elements, excepting those areas designated for storage of personal property by the owners of the condominium units.

(c) nothing shall be done or maintained in any condominium unit or upon any of the common elements which will increase the rate of insurance on the condominium, or result in the cancellation thereof, without the prior written approval of the Board of Directors. Nothing shall be done or maintained in any condominium unit or upon the common elements which would be in violation of any law. No waste shall be committed upon any of the common elements.

(d) no structural alteration, construction, addition or removal of any condominium unit or the common elements shall be commenced or conducted except in strict accordance with the provisions of these By-Laws.

(e) the maintenance, keeping, breeding boarding or raising of animals, livestock, or poultry of any kind, regardless of number, shall be and is hereby prohibited within any condominium unit or upon any of the common elements, except that this shall not prohibit the keeping of a dog, cat or caged birds as domestic pets provided that they are not kept or maintained for commercial purposes or for breeding, and provided further that not more than two (2) pets are kept. Pets shall not be permitted upon the general common elements of the condominium unless accompanied by an adult and unless they are carried or leashed. Any fecal waste deposited by a pet shall be forthwith removed by the pet owner. Any unit owner who keeps or maintains any pet upon any portion of the condominium shall be deemed to have indemnified and agreed to hold the Council of Unit Owners, each of the unit owners and the Declarant and Management Agent free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet

within the condominium. All pets shall be registered and inoculated as required by law. The Board of Directors shall have the right to order any person whose pet is a nuisance, to remove such pet from the premises and the Board of Directors, after affording the right to a hearing to the unit owner affected, shall have the exclusive authority to declare any pet a nuisance.

(f) except for such signs as may be posted by the Declarant or the Council of Unit Owners for promotional or marketing purposes, traffic control or the like, no signs of any character shall be erected, posted or displayed upon, in, from or about any condominium unit or the common elements without the prior consent in writing of the Board of Directors and under such conditions as they may establish. The provisions of this subsection shall not be applicable to the institutional holder of any first mortgage who comes into possession of any condominium unit by reason of any remedies provided by law or in such mortgage or as a result of a foreclosure sale or other judicial sale or other proceeding, arrangement, assignment or deed in lieu of foreclosure.

(g) no junk vehicle, vehicle on which current registration plates are not displayed, trailer, truck, motor home, recreational vehicle, camper, camp truck, house trailer, boat or the like shall be kept upon any of the general common elements, nor (except for bona fide emergencies) shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out on any of the common elements or within or upon any condominium unit.

(h) except as hereinelsewhere provided, no part of the common elements shall be used for commercial activities of any character. This subsection shall not apply to the use of the common elements and of condominium units by the Declarant for display, marketing, promotional or sales purposes or as "model" condominium units.

(i) no burning of any trash and no unreasonable or unsightly accumulation or storage of litter, new or used building materials, or trash of any other kind shall be permitted within any condominium unit or upon any of the common elements. Trash and garbage containers shall not be permitted to remain in public view. All refuse shall be deposited with care in containers designated for such purpose during such hours as may from time to time be designated by the Board of Directors.

(j) no structure of a temporary character, trailer, tent, shack, barn or other outbuilding shall be maintained upon any common elements at anytime. Outdoor clothes dryers or clothes lines shall not be maintained upon any of the common elements at any time. No clothing, laundry or the like shall be hung from any part of any condominium unit or upon any of the common elements or from or upon any balcony or patio.

(k) except for any antenna and other devices required in connection with any "master" antenna system or CATV service installed and maintained for the benefit of the condominium, no outside television or radio aerial or antenna, or other aerial or antenna, for reception or transmission, shall be maintained upon any condominium unit or upon any of the common elements without the prior written consent of the Board of Directors.

(l) nothing shall be stored upon any balcony or patio, nor shall the cooking or preparation of food be permitted upon any balcony or upon any portion of the general common elements of the project, except with the consent of the Board of Directors.

(m) no unlawful use shall be made of any condominium unit or any portion of the common elements and all laws, zoning and other ordinances, regulations of governmental and other municipal bodies and the like shall be observed at all times.

(n) no unit owner shall engage or direct any employee of the Council of Unit Owners or the Management Agent on any private business of the unit owner during the hours such employee is employed by the Council of Unit Owners or the Management Agent nor shall any member direct, supervise or in any manner attempt to assert control over any such employee.

(o) there shall be no violation of any rules for the use of the common elements, or other reasonable "house rules", which may from time to time be adopted by the Board of Directors and promulgated among the unit owners by them in writing, and the Board of Directors is hereby and elsewhere in these By-Laws authorized to adopt and promulgate such rules.

(p) there shall be no violation of any Rules, Regulations, Covenants, Declarations and By-Laws of Largo Towne Centre or Largo Land Condominium.

## ARTICLE X

### Architectural Control

Section 1. Architectural and Environmental Control Committee. Except for the construction of the condominium by the Declarant or its agents and any improvements to any condominium unit or to the common elements accomplished concurrently with said construction, and except for purposes of proper maintenance and repair or as otherwise in the Condominium Act or these By-Laws provided, it shall be prohibited for any unit owner to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, shades, screens, awnings, patio covers, decorations, fences, walls, aerials, antennas, radio or television broadcasting or receiving devices, slabs, sidewalks, curbs, gutters, patios, balconies, porches, driveways, walls or to make any change or otherwise alter (including any alteration in color) in any manner whatsoever the exterior of any condominium unit or upon any of the common elements within the project or to combine or otherwise join two or more condominium units, or to partition the same after combination, or to remove or alter any window or exterior door of any condominium unit, or to make any other change or alteration within any condominium unit which will alter the structural integrity of any building or otherwise affect the property, interest or welfare of any other unit owner, materially increase the cost of operating or insuring the condominium or impair any easement, until the complete plans and specifications, showing the location, nature, shape, height, color, type of construction and materials associated with the proposed change or alteration (including, without limitation, any other information specified by the Board of Directors or its designated committee) shall have been submitted to and approved in writing as to safety, the effect of any such alterations on the costs of maintaining and insuring the condominium and harmony of design, color and location in relation to surrounding structures and topography, by the Board of Directors of the Council of Unit Owners, or by an Architectural and Environmental Control Committee designated by the Board of Directors.

Section 2. Architectural and Environmental Control Committee - Operation. The Architectural and Environmental Control Committee shall be composed of an uneven number of three (3) or more natural persons designated from time to time by the Board of Directors of the Council of Unit Owners and such persons shall serve at the pleasure of the Board of Directors. In the event the Board of Directors fails to appoint an Architectural and Environmental Control Committee, then the Board of Directors shall constitute the Committee. The affirmative vote of a majority of the members of the Architectural and Environmental Control Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article. Notwithstanding the foregoing, until such time as Declarant shall retain no unoccupied unit, the members of such Committee shall be designated by Declarant.

Section 3. Approvals, etc. Upon approval of the Architectural and Environmental Control Committee of any plans and specifications submitted pursuant to the provisions of this Article, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of such Committee and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. In the event the Architectural and Environmental Control Committee fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within sixty (60) days after such plans and specifications (and all other materials and

information required by the Architectural and Environmental Control Committee) have been submitted to it in writing, then approval will not be required and this Article will be deemed to have been fully complied with. The Board of Directors and the Committee are authorized and empowered to employ expert consultants to assist them or it in evaluating applications, plans and specifications submitted to them.

**Section 4. Limitations.** Construction or alterations in accordance with plans and specifications approved by the Architectural and Environmental Control Committee pursuant to the provisions of this Article shall be commenced within six (6) months following the date upon which the same are approved by the Architectural and Environmental Control Committee (whether by affirmative action or by forbearance from action, as in Section 3 of this Article provided for), and shall be substantially completed within twelve (12) months following the date of commencement, or within such longer period as the Architectural and Environmental Control Committee shall specify in its approval. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Architectural and Environmental Control Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required. There shall be no deviation from plans and specifications approved by the Architectural and Environmental Control Committee without the prior consent in writing of the Architectural and Environmental Control Committee. Approval of any particular plans and specifications or design shall not be construed as a waiver of the right of the Architectural and Environmental Control Committee to disapprove such plans and specifications, or any elements or features thereof, in the event such plans and specifications are subsequently submitted for use in any other instance.

**Section 5. Certificate of Compliance.** Upon the completion of any construction or alteration or other improvements or structure in accordance with plans and specifications approved by the Architectural and Environmental Control Committee in accordance with the provisions of this Article, the Architectural and Environmental Control Committee shall, at the request of the unit owner affected, issue a certificate of compliance which shall be prima facie evidence that such construction, alteration or other improvements referenced in such certificate have been approved by the Architectural and Environmental Control Committee and constructed or installed in full compliance with the provisions of this Article and with such other provisions and requirements of these By-Laws as may be applicable.

**Section 6. Rules and Regulations, etc.** The Architectural and Environmental Control Committee may from time to time adopt and promulgate such rules and regulations regarding the form and content of plans and specifications to be submitted for approval and may publish such statements of policy, standards, guidelines and establish such criteria relative to architectural styles or details, or other related matters, as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this Article or any other provision or requirement of the Declaration or these By-Laws. The Architectural and Environmental Control Committee may charge and collect a reasonable fee for the examination of any plans and specifications submitted for approval pursuant to the provisions of this Article. The decisions of the Architectural and Environmental Control Committee shall be final except that any unit owner who is aggrieved by any action or forbearance from action by the Architectural and Environmental Control Committee may appeal the decision of the Architectural and Environmental Control Committee to the Board of Directors of the Council of Unit Owners and, upon the request of such unit owner, shall be entitled to a hearing before the Board of Directors.

**Section 7. Additions, Alterations or Improvements by Board of Directors.** Except in cases of bona fide emergencies involving manifest danger to life, safety or property, or the interruption of essential services to the condominium, whenever in the judgment of the Board of Directors the common elements of the condominium shall require additions, alterations or improvements requiring the expenditure of funds of the Council of Unit Owners in excess of Twenty-five Thousand and \* \* \* No/100 Dollars (\$25,000.00) during any particular fiscal year of the Council of Unit Owners, such additions, alterations or improvements shall not be made until the same shall have been approved by (a) unit owners representing a majority of

the total votes of the unit owners at a meeting of the unit owners duly called for such purpose; and (b) the institutional holder of any mortgages or other obligations secured by any condominium unit or units in the aggregate principal sum of more than \$1,000,000.00, which approval shall be in writing. The limitations provided for in this Section 7 do not apply to the costs associated with the maintenance of the common elements of the condominium, whether ordinary or extraordinary, nor to the periodic replacement thereof.

ARTICLE XI

Insurance

**Section 1. Insurance.** The Council of Unit Owners shall obtain and maintain all insurance required by law, including, to the extent reasonably available, at least the following:

(a) casualty or physical damage insurance in an amount equal to the full replacement value (i.e., 100% of "replacement cost" exclusive of land, foundation and excavation) of the condominium (including all building service equipment and the like) which shall be deemed to be the "Builder's Standard" unit, net of all optional extras offered for sale by Declarant with an "Agreed Amount Endorsement" or its equivalent, a "Demolition Endorsement" or its equivalent, an "Increased Cost of Construction Endorsement" or its equivalent, a "Condominium Replacement Cost Endorsement" or its equivalent, and a "Contingent Liability from Operation of Building Laws Endorsement" or its equivalent, without deduction or allowance for depreciation, as determined annually by the Board of Directors with the assistance of the insurance company affording such coverage, such coverage to afford protection against at least:

- (i) loss or damage by fire and other hazards covered by the standard extended coverage endorsement; and
- (ii) such other risks as shall customarily be covered by the standard "all-risk" endorsement and such other risks as shall customarily be covered with respect to project similar in construction, location and use, including as appropriate, but not limited to, sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, water damage, boiler and machinery explosion or damage, and such other insurance as the Board of Directors may from time to time determine; and

(b) comprehensive public liability insurance (including medical payments insurance) with a "Severability of Interest Endorsement" or its equivalent in such amounts and in such forms as may be considered appropriate by the Council of Unit Owners, but not less than One Million and \* \* \* No/100 Dollars (\$1,000,000.00) covering all claims for bodily injuries and property damage arising out of a single occurrence, including, but not limited to, legal liability, hired automobile liability, non-owned automobile liability, liability for property of others, and such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including any and all other liability incident to the ownership and use of the condominium or any portion thereof.

(c) workmen's compensation insurance to the extent necessary to comply with any applicable law; and

(d) a "Legal Expense Indemnity Endorsement", or its equivalent, affording protection for the officers and Directors of the Council of Unit Owners for expenses and fees incurred by any of them in defending any suit or settling any claim, judgment or cause of action to which any such officer or Director shall have been made a party by reason of his or her services as such; and

(e) such other policies of insurance, including insurance for other risks of a

similar or dissimilar nature, as are or shall hereafter be considered appropriate by the Board of Directors.

**Section 2. Fidelity Bonds.** The Council of Unit Owners shall maintain adequate fidelity bonds or equivalent insurance to protect against dishonest acts on the part of officers and Directors of the Council of Unit Owners, trustees for the Council of Unit Owners and such employees and agents of the Council of Unit Owners who handle or are responsible for the handling of funds of or administered by the Council of Unit Owners. Such fidelity coverage shall meet the following requirements:

- (a) all such fidelity bonds and policies of insurance shall name the Council of Unit Owners as obligee or named insured, as the circumstances may require; and
- (b) all such fidelity bonds and policies of insurance shall be written in an amount equal to at least fifty percent (50%) of the estimated annual operating budget of the condominium, including reserves; and
- (c) all such fidelity bonds and policies of insurance shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and
- (d) all such fidelity bonds and insurance shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to any and all obligees and insureds named thereon and to any mortgagee of any condominium unit who requests such notice in writing.

**Section 3. Limitations.** Any insurance obtained pursuant to the requirements of this Article shall be subject to all applicable provisions and requirements of law and to the following provisions:

- (a) all policies shall be written with a company or companies licensed to do business in the State of Maryland and holding a current general policy holder's rating of Class B or better and a current financial rating of Class VI or better in Best's Insurance Reports.
- (b) exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors of the Council of Unit Owners, as a trustee for the owners of the condominium units, or its authorized representative, including any trustee with which the Council of Unit Owners may enter into any Insurance Trust Agreement, or any successor trustee, each of which shall be hereinelsewhere referred to as the "Insurance Trustee". Notwithstanding the foregoing, the Board of Directors shall employ a professional insurance adjuster to represent any claim in excess of \$15,000.00.
- (c) in no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article be brought into contribution with insurance purchased by the owners of the condominium units or their mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Council of Unit Owners pursuant to the requirements of this Article shall exclude such policies from consideration.
- (d) such policies shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the building, whether or not within the control or knowledge of the Board of Directors and shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Board of Directors or any owner of any condominium unit, or their respective agents, employees, tenants, mortgagees or invitees or by reason of any act of negligence on the part of any of them.
- (e) all policies shall provide that such policies may not be cancelled, surrendered or substantially modified (including cancellation nor non-payment of premium) without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and

all mortgagees of the condominium units.

(f) all policies of casualty insurance shall provide that, notwithstanding any provisions thereof which give the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Board of Directors (or any Insurance Trustee) or when in conflict with the provisions of any Insurance Trust Agreement to which the Council of Unit Owners may be a party, these By-Laws or the provisions of the Condominium Act.

(g) all policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Council of Unit Owners, the Board of Directors, the owner of any condominium unit and their respective agent, employees or tenants, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

(h) to the extent permitted by applicable law, all policies of casualty insurance shall contain the standard mortgage clause except that any loss or losses payable to named mortgagees shall be payable in the manner set forth in Article XII of these By-Laws. Such mortgage clause shall provide for notice in writing to the mortgagee of any loss paid as aforesaid.

Section 4. Notice to Unit Owners. In the event any policy of insurance obtained by the Council of Unit Owners is terminated, then, within ten (10) days following the date of receipt of notice of termination, the Council of Unit Owners shall give prompt written notice of that fact to each unit owner at his address as it appears on the roster of unit owners maintained by the Council of Unit Owners, or if no such address appears, at his last known place of address or at his condominium unit.

Section 5. Individual Policies - Recommendation of Declarant - Notice to Board of Directors. The owner of any condominium unit (including the holder of any mortgage thereon) may obtain additional insurance (including a "Condominium Unit-Owner's Endorsement" or its equivalent, for improvements and betterments to the condominium unit made or acquired at the expense of the owner) at his own expense. For this purpose, "betterments" shall be deemed to be all additions and improvements to the "Builder's Standard" unit. Such insurance shall be written by the same carrier as that purchased by the Board of Directors pursuant to this Article or shall provide that it shall be without contribution as against the same. Such insurance shall contain the same waiver of subrogation provision as that set forth in Section 3(g) of this Article. The Declarant recommends that each owner of a condominium unit in the condominium obtain, in addition to the insurance hereinabove provided to be obtained by the Board of Directors, a plate glass damage policy and a "Tenant's Homeowners Policy" or its equivalent, to insure against loss or damage to personal property used or incidental to the occupancy of the condominium unit, additional living expense, vandalism or malicious mischief, theft, personal liability and the like. Such later policy should include a "Condominium Unit-Owner's Endorsement" or its equivalent, to cover losses to improvements and betterments to the condominium unit made or acquired at the expense of the unit owner. Copies of all such policies shall be filed with the Secretary.

The owner of any condominium unit shall notify the Board of Directors in writing of any and all improvements and betterments made to the condominium unit at the expense of such unit owner, the aggregate value of which is in excess of Two Thousand and \* \* \* No/100 Dollars (\$2,000.00).

Section 6. Endorsements, etc. The Council of Unit Owners, at the request of any owner of any condominium unit in the condominium or at the request of the mortgagee of any such condominium unit, shall promptly obtain and forward to such owner or mortgagee (a) an endorsement to any of the policies aforementioned in this Article showing the interest of such unit owner or mortgagee as it may appear; and (b) certificates of insurance relating to any of such policies; and (c) copies of any such policies, duly certified by the insurer or its duly authorized agent.



## ARTICLE XII

## Casualty Damage - Reconstruction or Repair

**Section 1. Use of Insurance Proceeds.** In the event of damage or destruction to the condominium by fire or other casualty, the same shall be promptly repaired or reconstructed in substantial conformity with the original plans and specifications for the condominium with the proceeds of insurance available for that purpose, if any, unless:

- (a) the condominium is terminated; or
- (b) repair or reconstruction would be illegal under any State of Maryland or local health safety statute or ordinance; or
- (c) unit owners representing at least eighty percent (80%) of the total votes of the unit owners, including every owner of a condominium unit which proposed not to be repaired or reconstructed, vote not to make such repairs or reconstruction at any special meeting of the unit owners duly called for such purpose.

**Section 2. Proceeds Insufficient.** In the event that the proceeds of insurance are not sufficient to repair damage or destruction by fire or other casualty, or in the event such damage or destruction is caused by any casualty not insured against, then the repair or reconstruction of the damage shall be accomplished promptly by the Council of Unit Owners at common expense, pursuant and subject to such conditions and subject to such controls as the mortgagee, as defined in Section 4 of this Article, may require. The ratable share of the expense of such repairs or reconstruction may be assessed as common expenses by resolution of the Board of Directors and, in the event any Statement of Condominium Lien is recorded with respect to any such assessments, then the lien shall have all the priorities provided for in Article VIII of these By-Laws. In the event that the proceeds of casualty insurance are paid to any Insurance Trustee pursuant to the requirements of Section 4 of this Article, then all funds collected from the unit owners of the condominium units pursuant to this Section 2 shall likewise be paid over to such Insurance Trustee and shall be disbursed by such Insurance Trustee in accordance with the provisions of Section 4 of this Article.

**Section 3. No Restoration - Distribution.** In the event the condominium is damaged or destroyed by fire or other casualty and the unit owners do not promptly resolve to proceed with repair or reconstruction, then and in that event the condominium shall be deemed to be owned by the owners of all of the condominium units in the manner contemplated by law and in the same proportion as that established in the Declaration for ownership of appurtenant undivided interests in the common elements, and the condominium shall be subject to an action for partition at the suit of the owner of any condominium unit, in which event the net proceeds of sale, together with the net proceeds of any insurance paid to the Council of Unit Owners or to the unit owners in common, shall be considered as one fund and shall be divided among the owners of all of the condominium units in the same proportion as that established in the Declaration for ownership of appurtenant undivided interests in the common elements, after first paying out of the share of the owner of any condominium unit, to the extent such payment is required by any lienor and to the extent such share is sufficient for the purpose, all liens upon said condominium unit in accordance with the priority of interests in each unit.

**Section 4. Insurance Trustee.** In the event the cost of reconstruction or repair (as estimated by the Board of Directors) shall exceed an amount equal to five percent (5%) of the full replacement value of the condominium, as estimated by the Board of Directors and the insurer pursuant to the requirements of Section 1(a) of Article XI of these By-Laws for the period during which such loss was sustained, and the institutional holder or holders of any mortgages or other obligations secured by any condominium unit or units in the aggregate principal sum of more than \$1,000,000.00 (hereinafter in this Section 4 collectively called the "mortgagee") shall so require, all proceeds of insurance shall be paid

over to a trust company or bank (the "Insurance Trustee") having trust powers and authorized to engage in trust business in the jurisdiction wherein the condominium is located, selected by the Board of Directors with the approval of the mortgagee, and shall be paid out from time to time as the reconstruction or repair progresses in accordance with the provisions of an Insurance Trust Agreement satisfactory in form and substance to the mortgagee and which shall contain, *inter alia*, the following provisions to the extent permitted by law:

(a) the reconstruction or repair shall be in the charge of an architect or engineer, who may be an employee of the Council of Unit Owners, satisfactory to the mortgagee, and hereinafter in this Section 4 called the "architect".

(b) prior to the commencement of the reconstruction or repair, other than such work as may be necessary to protect the condominium from further damage, the mortgagee shall have approved the plans and specifications for such reconstruction or repair, which approval shall not be unreasonably withheld, conditioned or delayed.

(c) unless otherwise required by the mortgagee, each request for an advance of the proceeds of insurance shall be made to the mortgagee at least ten (10) days prior to delivery to the Insurance Trustee and shall be accompanied by a certificate from the architect to the effect that (i) all work then completed has been performed in accordance with the plans and specifications and all applicable building codes or similar governmental requirements; and (ii) the amount requested to be advanced is required to reimburse the Council of Unit Owners for payments previously made by the Council of Unit Owners or is due to the contractor responsible for the restoration or repair, or to subcontractors, materialmen, laborers, engineers, architects or to other persons responsible for services or materials in connection with such restoration or repair, or for fees or the like necessarily incurred in connection with the same; and (iii) when added to amounts previously advanced by the Insurance Trustee, the amount requested to be advanced does not unreasonably exceed the value of the work done and materials delivered to the date of such request; and (iv) funds remaining available to the Insurance Trustee for the purpose are sufficient to complete the reconstruction or repair.

(d) each request for an advance of the proceeds of insurance shall, if required by the mortgagee, be accompanied by satisfactory waivers of liens covering that portion of the repair or reconstruction for which payment or reimbursement is being requested, together with appropriate evidence from a title insurance company or the like to the effect that there has not been filed with respect to the condominium any mechanic's or other lien, or notice of intention to file the same, which has not been dismissed or satisfied of record.

(e) the fees and expenses of the Insurance Trustee, as agreed upon by the Board of Directors and the Insurance Trustee, shall be paid by the Council of Unit Owners as a common expense, and such fees and expenses may be deducted from any insurance proceeds in the hands of the Insurance Trustee, *pro rata* as the reconstruction or repair progresses.

(f) such other provisions not inconsistent with law or the provisions hereof as the Board of Directors, the Insurance Trustee or the mortgagee may reasonably require.

Upon completion of the reconstruction or repair and payment in full of all amounts due on account thereof, any proceeds of insurance then in the hands of the Insurance Trustee shall be paid to the Council of Unit Owners and shall be considered as one fund and shall be divided among the owners of all of the condominium units in the same proportion as that established in the Declaration for ownership of appurtenant undivided interests in the common elements, after first paying out of the share of the owner of any condominium unit, to the extent such payment is required by any lienor and to the extent the same is sufficient for the purpose, all liens upon said condominium unit in accordance with the priority of interest in each unit.

ARTICLE XIII

Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Council of Unit Owners shall begin on the first day of January every year, except for the first fiscal year of the Council of Unit Owners which shall begin at the date of recordation of the Declaration among the Land Records for the jurisdiction where the condominium is located. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should the practice of the Council of Unit Owners subsequently dictate.

Section 2. Principal Office - Change of Same. The principal office of the Council of Unit Owners shall be as set forth in Article I of these By-Laws. The Board of Directors, by appropriate resolution, shall have the authority to change the location of the principal office of the Council of Unit Owners from time to time; provided, however, that no such change shall become effective until a certificate evidencing such change shall have been made by the Secretary or any Assistant Secretary of the Council of Unit Owners and recorded, in the name of the Council of Unit Owners, among the Land Records for the jurisdiction where the Declaration is originally recorded.

Section 3. Books and Accounts. Books and accounts of the Council of Unit Owners shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices, consistently applied. The same shall include books with detailed accounts, in chronological order, of receipts and of the expenditures and other transactions of the Council of Unit Owners and shall specify the maintenance and repair expenses of the condominium, services provided with respect to the same and any other expenses incurred by the Council of Unit Owners. The amount of any assessment required for payment of any capital expenditures or reserves of the Council of Unit Owners may be credited upon the books of the Council of Unit Owners to the "Paid-in-Surplus" account as a capital contribution by the members. The receipts and expenditures of the Council of Unit Owners shall be credited and charged to other accounts under at least the following classifications:

- (a) "Current Operations" which shall involve the control of actual expenses of the Council of Unit Owners, including reasonable allowances for necessary contingencies and working capital funds in relation to the assessments and expenses herein elsewhere provided for; and
- (b) "Reserves" which shall involve the control of such reserves as are provided for in these By-Laws and any other reserve funds which may from time to time be approved by the Board of Directors; and
- (c) "Investments" which shall involve the control over investment of reserve funds and such other funds as may be deemed suitable for investment on a temporary basis by the Board of Directors.

Every record kept by the Council of Unit Owners shall be maintained in the State of Maryland or within fifty (50) miles of its borders.

Section 4. Auditing. At the close of each fiscal year, the books and records of the Council of Unit Owners shall be audited by an independent Certified Public Accountant whose report shall be prepared in accordance with generally accepted auditing standards, consistently applied. Based upon such report, the Council of Unit Owners shall furnish the unit owners and any mortgagee requesting the same by notice in writing to the Council of Unit Owners with an annual financial statement, including the income and disbursements of the Council of Unit Owners for that annual period, within the ninety (90) days following the end of the each fiscal year.

Section 5. Inspection of Books. The books and accounts of the Council of Unit Owners, vouchers accrediting the entries made thereupon and all other records maintained by the Council of Unit Owners, including the most recent copies of the Declaration, By-Laws

and any Rules governing the condominium, shall be available for examination by the unit owners and by their duly authorized agents or attorneys, and by the holders, insureds and guarantors of any first mortgage on any condominium unit and its duly authorized agents or attorneys, at some place designated by the Board of Directors, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice. In addition, the Council of Unit Owners shall make available to prospective purchasers of units current copies of the Declaration, By-Laws, and other rules governing the condominiums, and the most recent audited financial statement, if any, by allowing at a minimum, inspection and copying of such documents during reasonable business hours, upon request.

**Section 6. Execution of Documents.** With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Council of Unit Owners by either the President or a Vice President, and all checks shall be executed on behalf of the Council of Unit Owners by such officers, agents or other persons as are from time to time so authorized by the Board of Directors.

**Section 7. Seal.** The Board of Directors may provide a suitable corporate seal containing the name of the Council of Unit Owners, which seal shall be in the charge of the Secretary. If so directed by the Board of Directors, a duplicate seal may be kept and used by the Treasurer or any assistant secretary or assistant treasurer.

## ARTICLE XIV

### Physical Management

**Section 1. Management and Common Expenses.** The Council of Unit Owners, acting by and through its Board of Directors, shall manage, operate and maintain the condominium and, for the common benefit of the unit owners, shall enforce the provisions hereof and shall pay out of the common expense fund hereinelsewhere provided for the cost of managing, operating and maintaining the condominium, including, without limitation, the following:

(a) the cost of providing water, sewer, garbage and trash collection and electrical, gas and other necessary utility and similar services for the common elements and, to the extent that the same are not separately metered or billed to each condominium unit, for the condominium units; and

(b) the cost of fire and extended liability insurance on the condominium and the cost of such other insurance as the Council of Unit Owners may effect; and

(c) the cost of the services of a person or firm to manage the condominium to the extent deemed advisable by the Council of Unit Owners consistent with the provisions of these By-Laws, together with the services of such other personnel as the Board of Directors of the Council of Unit Owners shall consider necessary for the operation of the condominium; and

(d) the cost of providing such legal and accounting services as may be considered necessary by the Board of Directors for the operation of the condominium; and

(e) the cost of repairs, maintenance, service and replacement of the common elements of the condominium, including, without limitation, the cost of painting, maintaining, replacing, repairing and landscaping the common elements and such furnishings and equipment for the common elements as the Board of Directors shall determine are necessary and prop; provided, however, that nothing herein contained shall require the Council of Unit Owners to repair, replace, or otherwise maintain the interior of any condominium unit or any fixtures, appliances, equipment or the like located therein; and

(f) the cost of any and all other materials, supplies, labor, services, maintenance, repairs, taxes, assessments or the like, which the Council of Unit Owners is required to

secure or pay for by law, or otherwise, or which in the discretion of the Board of Directors shall be necessary or proper for the operation of the condominium; provided, however, that if any of the aforementioned are provided or paid for the specific benefit of a particular condominium unit or units, the cost thereof shall be specially assessed to the owner or owners thereof in the manner provided in this Article; and

(g) the cost of the maintenance or repair of any condominium unit in the event such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the common elements or to preserve the appearance or value of the condominium, or is otherwise in the interest of the general welfare of all of the unit owners; provided, however, that, except in cases involving emergencies or manifest danger to safety of person or property, no such maintenance or repair shall be undertaken without a resolution by the Board of Directors and not without reasonable written notice to the owner of the condominium unit proposed to be maintained and, provided further, that the cost thereof shall be assessed against the condominium unit for which such maintenance or repair is performed and, when so assessed, a statement for the amount thereof shall be rendered promptly to the then owner of said condominium unit at which time the assessment shall become due and payable and a continuing obligation of said unit owner in all respects as provided in Article VIII of these By-Laws; and

(h) any amounts necessary to discharge any lien or encumbrance levied against the condominium, or any portion thereof, which may, in the opinion of the Board of Directors, constitute a lien against any of the common elements rather than the interest of the owner of any individual condominium unit.

Section 2. Management Agent. To the extent permitted by law, the Council of Unit Owners may by contract in writing delegate any of its ministerial duties, powers or functions to the Management Agent. The Council of Unit Owners and the Board of Directors shall not be liable for any omission or improper exercise by the Management Agent of any such duty, power or function so delegated.

Section 3. Limitation of Liability. The Council of Unit Owners shall not be liable for any failure of water supply or other services to be obtained by the Council of Unit Owners or paid for out of the common expense funds or for injury or damage to person or property caused by the elements or resulting from electricity, water, snow or ice which may leak or flow from any portion of the common elements or from any wire, pipe, drain, conduit, appliance or equipment. The Council of Unit Owners shall not be liable to the owner of any condominium unit for loss or damage, by theft or otherwise, of articles which may be stored upon any of the common elements. No diminution or abatement of common expense assessments, as hereinelsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the common elements, or to any condominium unit, or from any action taken by the Council of Unit Owners to comply with any law or ordinance or with the order or directive of any municipal or other governmental authority.

## ARTICLE XV

### Parking

Section 1. General Requirements. All parking areas within the condominium shall be considered part of the general common elements. Each unit owner shall comply in all respects with such supplementary rules and regulations which are not inconsistent with the provisions of these By-Laws which the Board of Directors may from time to time adopt and promulgate with respect to parking and traffic control within the condominium and the Board of Directors is hereby, and elsewhere in these By-Laws authorized to adopt such rules and regulations.

ARTICLE XVI

Amendment

Section 1. Amendments. These By-Laws may be amended by the affirmative vote of unit owners representing sixty-seven percent (67%) of the total votes of the unit owners at any annual meeting of the unit owners or at any special meeting of the unit owners duly called for such purpose, in accordance with the provisions and requirements of these By-Laws and Title 11, Real Property Article, of the Annotated Code of Maryland (1981 Repl. Vol.), and as amended. Any amendment to these By-Laws shall be effective only upon the recordation of such amendment among the Land Records for the jurisdiction where the Declaration was originally recorded, together with a certificate in writing of the President of the Council of Unit Owners stating that the amendment was approved as aforesaid.

Section 2. Proposal of Amendments. Amendments to these By-Laws may be proposed by the Board of Directors of the Council of Unit Owners or by petition signed by unit owners representing at least twenty-five percent (25%) of the total votes of the unit owners, which petition shall be delivered to the Secretary. A description of any proposed amendment shall accompany the notice of any annual or special meeting of the unit owners at which such proposed amendment is to be considered and voted upon.

ARTICLE XVII

Mortgages - Notice - Other Rights of Mortgagees

Section 1. Notice to Board of Directors. Any owner of any condominium unit in the condominium who mortgages such unit shall promptly notify the Board of Directors of the name and address of its mortgagee if requested so to do. The Board of Directors shall maintain suitable records pertaining to such mortgages.

Section 2. Casualty Losses. In the event of damage or destruction of any condominium unit or any part of the common elements of the condominium the Board of Directors of the Council of Unit Owners shall give prompt written notice of such damage or destruction to the holders of all first mortgages of record on the condominium units. No provision of the Declaration or these By-Laws shall entitle any unit owner to any priority over the holder of any first mortgage of record on his condominium unit with respect to the distribution to such unit owner of any insurance proceeds.

Section 3. Condemnation or Eminent Domain. In the event any condominium unit or any part of the common elements of the condominium is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors of the Council of Unit Owners shall give prompt written notice of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the condominium units. No provisions of the Declaration or these By-Laws shall entitle any unit owner to any priority over the holder of any first mortgage of record on his condominium unit with respect to the distribution to such unit owner of the proceeds of any condemnation award or settlement.

ARTICLE XVIII

Compliance - Interpretation - Miscellaneous

Section 1. Compliance. These By-Laws are set forth in compliance with the requirements of Title 11, Real Property Article, Annotated Code of Maryland (1981 Repl. Vol.), and as amended.

Section 2. Resident Agent. The Council of Unit Owners has a statutory duty under Section 11-119(d) of the Real Property Article, Annotated Code of Maryland (1981) Repl.

Vol.), as amended, to report to the Department of Assessments and Taxation the names and mailing addresses of the condominium's officers, directors, resident agent and managing agent, if any.

**Section 3. Conflict.** These By-Laws are subordinate and subject to all provisions of the Declaration and to the provisions of Title 11, Real Property Article, Annotated Code of Maryland (1982 Repl. Vol.), and as amended. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as in the Declaration or the aforesaid statute. In the event of any conflict between these By-Laws and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between the aforesaid Declaration and Title 11, Real Property Article, Annotated Code of Maryland (1981 Repl. Vol.), as amended, the provisions of the statute shall control.

**Section 4. Notices.** Unless another type of notice is hereinelsewhere specifically provided for, any and all notices called for in the Declaration and in these By-Laws shall be given in writing.

**Section 5. Severability.** In the event any provision or provisions of these By-Laws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

**Section 6. Waiver.** No restriction, condition, obligation or provision of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

**Section 7. Captions.** The captions contained in these By-Laws are for convenience only and are not a part of these By-Laws and are not intended in any way to limit or enlarge the terms and provisions of these By-Laws.

**Section 8. Gender, etc.** Whenever in these By-Laws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

November 6, 1992  
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## Section IV



**Lake Pointe at Towne Centre Condominium, Inc.  
Policy Resolution for Vehicle Parking, Storage,  
Maintenance and Violation Enforcement**

WHEREAS, Article XV, Section (1) of the By-Laws of Lake Pointe at Towne Centre Condominium, Inc., empowers the Board of Directors to promulgate and enforce reasonable rules and regulations with respect to parking and traffic control. The Board of Directors is establishing new rules and regulations governing parking in the common areas of Lake Pointe at Towne Centre. The rules and regulations set forth here are effective immediately and supersede parking rules and regulation promulgated previously.

**Rules and Regulations**

All vehicles parked in Lake Pointe's common areas must be in compliance with the rules and regulations provided below. Vehicles that are parked in violation of these rules and regulations may be towed at the vehicle owners' expense by the towing company that serves as an independent contractor. Lake Pointe at Towne Centre and its management agent assumes no liability for vehicles towed by the towing company. Please read the policy carefully and adhere to requirements set forth herein.

It is the responsibility of each unit owner (and his or her lessee/tenant or Licensee) to fully comply with these rules and Regulations. Unit owners and their lessee/tenant or licensees will be responsible for communicating and properly instructing all who may have legitimate reasons for access or cause to be on the property, regarding the operation of these parking rules and regulations.

Parking privileges may be suspended without notice, sixty (60) days after the assessment account becomes delinquent. Any delinquent homeowner's vehicle found parked in a suspended space or in any common area will be towed at the owner's expense.

*Parking permits shall not be loaned to other residents, if additional permits are needed please contact management agents.*

**Requirement to Display Residents Decal and Visitors Parking Hang Tag**

Each unit owner will receive one (1) resident parking decal for their primary vehicle and three (3) visitor hang tags, provided the unit owner is not delinquent in payment of the condominium assessment. **Vehicles found without the current decal and hang tag are subject to be towed.** Each unit owner is required to complete a parking registration form. To obtain replacement of a current decal or hang tags, owners must submit a completed vehicle registration form. Replacement decals will cost \$25.00 each and replacement hang tags will cost \$30.00 each.

Permits may be obtained by the lessee providing written authorization from the property owner and a copy of the fully executed lease agreement. Permits will not be issued without this proper documentation

**Restrictions on Visitor Parking**

Clerk of the  
Circuit Court

2011 APR -7 AM 9:59

RECORDING FEE 15.00  
15.00  
Rec'd # 27428  
DIN # 466  
09:59 AM

Vehicles in the visitor parking area will be towed if they do not have a hang tag and are parked in visitor parking between the hours of 10:00 PM and 6:00 AM from Sunday night to Friday morning. Hang tags are not required on Friday and Saturday nights. Parking spaces shall be used only for parking of passenger vehicles. The term passenger vehicle includes motorcycles and other vehicles used solely as passenger vehicles but do not include trucks (cement trucks etc, dump trucks, and garbage trucks), buses, campers, U-Hauls, trailers, boats and recreational vehicles. No eighteen-wheel trucks allowed under any circumstances.

Any vehicle parked in the visitor parking area that has not been moved for more than 30 days will be given a 48-hour notice to move his or her vehicle, or said vehicle shall be towed at the owner's expense without further notice.

#### **Unit Owners' Resident Parking Spots**

A resident parking spot is only for the use of the designated unit owner. A unit owner has the right to have a car towed from the premises if an unauthorized vehicle is parked in his or her resident parking spot. The person who owns the vehicle is responsible for the cost of recovering the vehicle. The Board of Directors has the authority to eliminate or move a resident parking spot if such action is in the general interest of Lake Pointe.

#### **Prohibition on Abandoned/Inoperable Cars and Expired Tags**

All abandoned and inoperable vehicles and vehicles with expired tags are subject to be towed at any time. The towing company will determine whether a vehicle is abandoned or inoperable. The towing company will notify the owner of this determination by placing a sign on the front windshield of the vehicle. This sign will also inform the owner that he or she has 48 hours to remove or repair the vehicle or the towing company will remove the vehicle from the premises. If a vehicle's tags are expired, it is subject to be towed without notice. Please take appropriate action to confirm that your tags are not expired.

#### **Prohibition on Improperly Parked Vehicles and Parking in Non-Designated Area**

Any vehicle that is not properly parked in a designated parking area of the association, excluding fire lane violations which shall be enforced by the appropriate authorities is subject to be towed. Properly parked shall mean within the marked lines of a designated parking space. No vehicle shall be parked in such a manner as to impede or prevent access to any portion of the general common elements, including entrance or driveway or parking spaces. Parking is prohibited in front of dumpster enclosures areas.

All vehicles parked outside of the designated visitor parking area or unit owners' designated parking spot are subject to be towed. A vehicle that is clearly taking up two parking spots will also be towed. Clearly taking up two parking spots for this policy means more than 12 inches from the inner edge of a parking strip and the left or right end of a car's front or rear bumper in two adjoining parking spots. For example, let's assume parking strips are four inches wide. If a car is six feet and four inches wide and two feet of the car's width is located in parking spot A and four feet of its width is located in an adjoining parking spot (parking spot B), then the car will be towed because more than 12 inches of the car is located in parking spot A and parking spot B. The towing company will determine whether a vehicle violates this rule.

All vehicles parked outside of the designated visitor parking area or unit owners' designated parking spot are subject to be towed. A vehicle that is clearly taking up two parking spots will also be towed. Clearly taking up two parking spots for this policy means more than 12 inches from the inner edge of a parking strip and the left or right end of a car's front or rear bumper in two adjoining parking spots. For example, let's assume parking strips are four inches wide. If a car is six feet and four inches wide and two feet of the car's width is located in parking spot A and four feet of its width is located in an adjoining parking spot (parking spot B), then the car will be towed because more than 12 inches of the car is located in parking spot A and parking spot B. The towing company will determine whether a vehicle violates this rule.

**Violation Enforcement (Damage to Common Areas)**

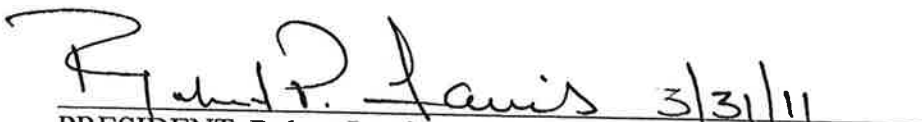
Any and all damages to the common areas: from oil, gas leaks or other chemicals to the Association caused by vehicle misuse or from any violation of this policy shall become the responsibility of the vehicle owner. If the vehicle is determined to be owned by a tenant or guest of a member of the Association, the member shall be responsible for any and all expenses associated with the damages. Cost may be placed as a charge against the unit owner either by a particular member or by the Association and shall be a continuing lien upon said unit.

Repair and maintenance of automobiles or other vehicles are prohibited on any common element of the property.

**Towing Company Authorization**

Lake Pointe at Towne Centre Condominium, Inc. shall engage an authorized towing company. The Lake Pointe at Towne Centre Condominium authorized towing company shall be properly insured and bonded. Other towing companies shall not be used.

Approved as amended, this 31 day of March, 2011 by a majority vote of the Lake Pointe at Towne Centre Condominium Board of Directors at a regularly scheduled meeting and reflected in the Minutes thereof.

  
PRESIDENT, Robert Lewis

  
SECRETARY, Angela Greenleaf

**Lake Pointe at Towne Centre Condominium**  
**Parking Registration Form**

Property Address: \_\_\_\_\_  
Property Owner(s): \_\_\_\_\_  
Mailing Address (if different): \_\_\_\_\_  
Phone Number (s): \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

If property is leased/rented, please provide the following info:

Name of Tenant(s): \_\_\_\_\_  
Tenant's Telephone Numbers #: \_\_\_\_\_

**Vehicle 1**

Make & Model of Vehicle: \_\_\_\_\_  
Year of Vehicle: \_\_\_\_\_ Color of Vehicle: \_\_\_\_\_  
Tag Number: \_\_\_\_\_

**Vehicle 2**

Make & Model of Vehicle: \_\_\_\_\_  
Year of Vehicle: \_\_\_\_\_ Color of Vehicle: \_\_\_\_\_  
Tag Number: \_\_\_\_\_

Reserved Parking Space Number : \_\_\_\_\_

\_\_\_\_\_  
Signature Date

- For Official Use Only -

**Parking Decal**

**Visitor Hangtag:**

1. \_\_\_\_\_

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Verification of Identification: \_\_\_\_\_ Initials: \_\_\_\_\_

LAKE POINTE AT THE TOWNE CENTRE CONDOMINIUM, INC.

RULES AND REGULATIONS

**Rule 201. Parking.**

**A.** Parking areas shall not be used for any purpose other than to park approved vehicles, vehicles parked by occasional guests, and vehicles parked in connection with commercial deliveries and services performed in the community. No one vehicle shall occupy more than one parking space.

1. An approved vehicle is any licensed conventional passenger vehicle that is owned by a unit owner and that is registered with the Management Agent, but does not include commercial vehicles that exceed a one-ton capacity and vehicles whose Lake Pointe registration has been suspended by the Board of Directors.

2. After 24-hours notice to the owner of any vehicle parked in violation of these rules, the Board of Directors or Management Agent may remove such vehicle at the expense of the owner thereof.

3. The Council of Unit Owners and the Board of Directors assume no responsibility for damage done to vehicles parked within the community's common parking spaces or within any reserved parking spaces.

**B. Lake Pointe Registration.** Unit owners must register their vehicles with the Management Agent by completing the Lake Pointe Vehicle Registration Application available from the Management Agent.

1. Registered vehicles must be licensed by the Maryland State Motor Vehicle Administration.

2. There is no limit to the number of vehicles that a unit owner may register with the Management Agent, provided that each vehicle is owned by the unit owner, a member of the unit owner's immediate family, or a tenant of the unit owner.

3. All vehicles shall display valid license tags and Lake Pointe registration stickers, and be maintained in proper operating condition so as not to be a hazard or nuisance by noise, exhaust emissions or appearance.

4. The Board of Directors will suspend the registration of every vehicle belonging to any unit owner who is more than \$600.00 delinquent in assessments.

**C. Reserved parking.**

1. The parking area immediately in front of each building is reserved for the unit owners or residents of that building on a first-come, first-serve basis. No signs, initials, numbers or any other additions or alterations to reserved parking spaces may be painted, displayed or erected by a unit owner or resident without the approval of the Board of Directors.

a. The unit owners or residents will have the right of ingress and egress in and upon such reserved parking spaces and, upon application to the Board of Directors using the Towing Authorization Application available from the Management Agent, will have the authority to tow any vehicle from the parking spaces reserved for the building provided that the vehicle is not authorized to park in the reserved parking area in front of the building. The authority will be effective for one year and may be extended upon application to the Board of Directors.

LAKE POINTE AT THE TOWNE CENTRE CONDOMINIUM, INC.

**RULES AND REGULATIONS**

**Rule 301. Pets.**

A. Subject to the provisions of the governing documents, unit owners are permitted to keep a reasonable number of dogs, cats, and other small orderly house pets within their unit, provided that the same shall not disturb or annoy other occupants and shall comply with all requirements of the governing documents and these Rules and Regulations and further provided that the same shall not be kept or maintained for commercial purposes or breeding.

B. Unit owners shall not permit pets unattended on the balconies or patios, regardless of whether the pets are leashed or unleashed.

C. Unit owners shall keep all pets under their direct control at all times and shall not allow pets to run free or unleashed or to otherwise interfere with the rights, comfort and convenience of any other unit owners or residents.

D. Unit owners shall be solely responsible for any inconvenience, damage or unpleasantness caused by their pets.

E. Solid waste deposited by pets on any common element, patio or balcony must be immediately removed by the unit owner, pet owner, or guest.

F. Unit owners who keep or maintain any pet within the community shall defend, indemnify and hold harmless the Council of Unit Owners, the Board of Directors, and each unit owner from any loss, claim or liability of any kind or character whatever arising by or relating to the keeping or maintaining of such pets within the community.

## **AMENDMENT TO RULE 201. PARKING**

### **1.0 GENERAL REGULATIONS**

- 1.1** To all new and prospective owners and/or tenants. All owners and tenants must pre-register their vehicles with the management agent, by filing out the attached Application in order to receive a valid color coded parking pass (hereinafter known as the “residential parking pass” or the “visitor parking pass”). Upon receipt of the Application by the Management Agent, the unit owner or tenant will be provided with 1 residential parking pass and 2 visitor parking passes. Additional visitor parking passes may be provided upon written request to the Board of Directors. A “residential parking pass” shall be displayed in any automobile parked in a parking space designated for residents only. A “visitor/guest parking pass” shall be displayed in any automobile parked in a parking space designated for visitors only.
- 1.2** Lost and stolen residential parking passes and visitors parking passes will be replaced upon written request from the owner/tenant. The payment of a standard “replacement” fee of \$25 will be charged to cover the cost of issuing a new parking pass.
- 1.3** It is the responsibility of each unit owner (and his or her lessee/tenant or licensee) to fully comply with these rules and regulations. Unit owners (and their lessee/tenant or licensees) will be responsible for communicating and properly instructing all lessees/tenants, licensees, visitors, guest, family members, tradesman, callers and other who may have legitimate reasons for access or cause to be on the property, regarding the operation of these parking rules and regulations.
- 1.4** Unit owners who lease, license, or rent their units to others (incompliance with these parking rules and regulations as elsewhere provided) may assign the use of the parking passes (provided for in Section 3 hereof), to his or her lessees, licensees, or tenants, but only if the remainder of this Section is met. The unit owner must agree that he or she is ultimately responsible for the actions of said tenants. The unit owner must include in and attach to all leases (executed 30 days after the effective date of these rules), a copy of these parking rules and regulations. Any assignment made under this Section to such tenants will only be effective during the term of the lease or license and must be renewed upon renewal or execution of a new lease or license. No assignment will be effective until the unit owner files a conformed copy of said lease or license with the Managing Agent. Under the terms of the By-Laws, violation of these parking rules shall be deemed a default under the lease.

**1.5** Each unit owner must sign an acknowledgment that he or she has received a copy of these parking rules and regulations before the parking authorization passes will be issued.

**1.6** The Board shall be authorized, in the manner and to the extent permitted by law and the condominium documents, to levy reasonable fines or penalties (towing) for the enforcement of these parking rules and regulations, and may call upon the service of municipal law enforcement agencies or services of qualified towing services to remove any vehicles which may be in violation. The towing of any vehicle found in violation of the parking regulations shall be immediate with additional notice required.

## **2.0 USE OF PARKING AREAS**

**2.1** Access. No vehicle shall be parked in such a manner as to impede or prevent access to any portion of the general common elements, including entrance or driveway or parking spaces.

**2.2** Conforming to Space. Vehicles may be parked in the boundaries of marked spaces or parking areas. Parking in intersections, grass areas or sidewalks, is not prohibited.

**2.3** Fire Lanes. Parking is prohibited in fire lanes. Any vehicle parked in such fire lane is subject to being towed at the owner's expense without notice.

**2.4** Any vehicle parked in the visitor parking area that has not been moved for more than 30 days will be given a 24-hour notice (an orange sticker placed on vehicle) to move his or her vehicle, or said vehicle shall be towed at owner's expense.

**2.5** Any vehicle which is inoperable, including but not limited to vehicles with flat tires, broken windows, etc., may not be parked in the parking areas and are subject to being towed without notice.

**2.6** Any vehicle which does not display license plates or displays license plates with expired stickers shall be deemed unregistered or abandoned and shall be towed without notice.

**2.7** Any vehicle towed from the Lakepointe Condominium common elements will be towed at the vehicle owners risk and expense.



**2.8 VEHICLES BELONGING TO THE OWNERS, TENANTS, OR RESIDENTS OF A UNIT WHICH IS 90 DAYS OR MORE DELINQUENT IN THE PAYMENT OF THE CONDOMINIUM FEES IS SUBJECT TO IMMEDIATE TOWING WITHOUT NOTICE AT ANY TIME, WHETHER DURING RESTRICTED HOURS OR NOT.**

**2.9** The parking of boats, trailers, campers, recreational vehicles, motor homes, etc., shall not be permitted in the parking areas at any time and these vehicles, etc., are subject to immediate towing without further notice.

**2.10** No eighteen-wheel trucks allowed under any circumstances.

### **3.0 RESTRICTED AND NON-RESTRICTED HOURS**

**3.1** Restricted hours shall be from 12:01 a.m. until 6:00 a.m., the following morning, Monday – Friday. During restricted hours no vehicle may lawfully be parked in the parking area without a properly displayed, valid parking pass. All other vehicles, during said restricted hours, will be considered trespassing and subject to immediate towing without further notification.

**3.2** In order for any vehicle to be parked in the general common area during restricted hours, it must have a valid color coded parking pass properly displayed in clear view (hanging from the rearview mirror or taped to the front windshield). Any vehicle, which fails to display a valid parking pass from the rearview mirror or taped to the front windshield will be towed without notice and at the owner's expense.

**3.3** Non-restricted hours shall be from 6.00 a.m. until 12.00 a.m., Monday – Friday. During weekend hours, unit owners, residents and occasional guest/visitors shall be permitted to park in the parking areas without a parking pass and without towing of their vehicles. THIS DOES NOT APPLY TO THE VEHICLES OF UNITS WHICH ARE 90 DAYS OR MORE DELINQUENT IN THE PAYMENT OF THEIR CONDOMINIUM FEES. DELINQUENT UNIT RESIDENT'S VEHICLES MAY BE TOWED AT ANY TIME.

#### **4.0 PARKING ENFORCEMENT PROCEDURES**

**4.1** The Board shall be responsible for enforcing these parking rules and regulations. Unit owners or residents who observe a violation or wish to loge a complaint should contact a Board member or the Managing Agent, and make such complaint in writing. At its regularly scheduled meeting, the Board should review the written complaints received by the owners concerning the towing of vehicles. After the review of such complaints, the Board, if it deems necessary, shall take appropriate action to respond to such complaints.

**4.2** Towing violation which result in towing of vehicles without notice at owners expense are as follows:

- (a)** Vehicles threatening the safety of the Lakepointe Condominium unit owners, residents and visitors.
- (b)** Vehicles blocking or improperly impeding access to any portion of the parking and general common areas.
- (c)** Vehicles considered trespassing during restricted hours.
- (d)** Vehicles of the type not authorized to be parked in the area by these parking rules and regulations.
- (e)** Vehicles parked with a parking pass which has been suspended or revoked.
- (f)** Vehicles belonging to the residents of units which are 90 days or more delinquent in their condominium fees.

**4.3** The Board may authorize immediate towing of vehicles for violation of this towing policy.

**4.4** All residents who are 3 or more months' delinquent in paying their assessments should have their parking privileges suspended until payment and/or payment arrangements have been made with Managing Agent.

**4.5** Any unit which "loans or provides" their parking hang tags to anyone will be fined and/or may lose their right to park in the common element parking areas for a undetermined period of time.

# LAKEPOINTE CONDOMINIUM

## PARKING REGULATIONS

### Section 1. Registration and Parking Permit

- a. Members of the Council of Unit Owners and family members and tenants of said members (hereinafter called "Residents") will be required to fill out and file with Abaris Realty, Inc., the Condominium Management Company a "Parking Registration" form (Exhibit 1). Information required is as follows:

Name(s) of resident(s), address, unit number, home telephone number, work telephone number, make and color of vehicle, and model of vehicle(s), tag number, state in which vehicle is registered, the address of the person on the registration, and signature of the resident. Parking Registration Forms are available from Abaris Realty, Inc., the Condominium Management Company.

- b. A parking registration form is required for each unit. One assigned parking space will be designated for each Lakepointe Condominium unit owner, and one resident parking hangtag will be issued, provided the unit owner is not delinquent in payment of his or her condominium assessments.
- c. An owner who lets his or her unit to a tenant may assign the allotted parking space to the tenant, provided the unit owner is not delinquent in payment of the condominium assessments. In cases where the owner becomes delinquent, the tenant will be required to remove his/her vehicle, until all obligations incurred by the owner are satisfied.
- d. Lost, misplaced or revoked permits will be replaced at a cost of \$25.00 upon written request by the owner.

### Section 2. Control and Display of Permits

Provided all of the criteria above are met, the following apply:

- a. Parking permits, except as otherwise provided herein, will be issued by the Council of Unit Owners, or its designee. A list of assigned spaces will be maintained at Abaris Realty, Inc., the Condominium Management Company.
- b. The permit will be used to verify that the user of a parking space is, in fact, entitled to be parked in that assigned space.
- c. Permits shall be placed on the rearview mirror of vehicles, and must be visible from the front of the vehicle.
- d. Signs will be posted at strategic locations on the property to inform visitors of parking restrictions and the towing policy.
- e. To the extent possible, spaces are allocated on the basis of proximity to each unit. As a general rule, once a space has been assigned, residents may not request reassignment.

### Section 3. Permitted Use of Assigned Parking Space; Restrictions

- a. Residents shall not park, nor shall they permit their family members or guests to park in the parking space of other residents, or in such a manner as to prevent ready access to the parking space of others.
- b. Parking spaces shall be used only for parking of a passenger vehicle. The term passenger vehicle includes motorcycles and other vehicles used solely as passenger vehicles but does not include trucks (cement trucks, dump trucks, garbage trucks), buses, campers, U-Hauls, trailers, boats and recreational vehicles.
- c. Parking spaces may not be used for storage of any items. No junk or derelict vehicles may be parked in parking spaces. All vehicles must be operable and bear current license tags. No washing of vehicle, repairs or oil changes may be made on any of the parking surfaces (unit owner and/or resident will be financially responsible for any damage caused to the parking lot surface). This includes any vehicle that leaks any type of fluid on to the parking surface.

#### Section 4. Visitor parking

- a. Three (3) visitor parking permits will be issued to each resident. Residents shall instruct visitors to display visitor permits on the rearview mirror. Visitors may park in an assigned space only with the authorization of the owner.
- b. Visitor parking are for current guests only, all guests that plan on staying an extended time will have to have their vehicles registered with the Management Company. Unregistered vehicles will be towed at the vehicle owners risk and expense.

#### Section 5. Restricted and Non-restricted hours

- a. Restricted hours shall be from Monday 9:00 am through Friday 6:00 pm. During restricted hours, no vehicle may lawfully be parked in the resident or visitor areas without a properly displayed valid parking pass. All other vehicles, during said restricted hours, will be considered trespassing and subject to towing.
- b. Non-restricted hours shall be from Friday 6:00 pm through Monday 9:00 am. During non-restricted hours, unit owners, residents and occasional guests/visitors shall be permitted to park in the visitor parking areas without a parking pass and without towing of their vehicles. Non-restricted hours applies to guest parking only. Resident parking is always restricted.

#### Section 6. Revocation of Permit

- a. On a monthly basis the Management Company will review residents assessment status.
- b. Owners who are more than forty-five (45) days delinquent in their Condominium assessments will have their parking permit revoked, and neither a unit owner nor his or her tenant shall be entitled to a designated parking space, nor will visitors be permitted to park on Common Elements or parking lots. In such case any permit previously issued for the designated space and any visitor permits issued shall be revoked in accordance with the following procedure:
  - (1) The owner shall be given a Notice of Revocation of Parking by any one or more of the following ways: by notice delivered or mailed to the registrant's unit, or by notice attached to the vehicle. The reason for the revocation shall be stated.
  - (2) Vehicles must be removed after receipt of "Notice of Revocation of Parking." If extenuating conditions exist, owners may within ten (10) days present, in writing, to the Board of Directors, any questions or concerns and/or request a hearing. Requests shall be forwarded to: Board of Directors, Lakepointe Condominium, 12009 Nebel Street, Rockville, MD 20852. The following procedures will apply:
    - (a) The owner shall be given a reasonable opportunity to be heard.
    - (b) The hearing shall be held in executive (no public) session by either the board or the Parking Committee pursuant to the notice.
    - (c) Proof of the notice of revocation and the request for a hearing shall be placed in the minutes of the hearing. Such proof shall be deemed adequate if a copy of the "Notice of Revocation of Parking", together with a statement of the date and manner of delivery, is entered by the person who delivered such notice.
    - (d) The notice of hearing requirements shall be deemed satisfied if the owner appears at the hearing. The minutes of the hearing shall contain a written statement of the results of the hearing and the sanction, if any, imposed.
  - (3) Any parking space revoked by this procedure will be re-designated as a Visitors Space. The number on the space will be obliterated and repainted with a "VISITOR" indicating that the space is available on a first come, first serve basis for any legitimate vehicle entitled to be parked thereon.
  - (4) Upon notification of revocation, all resident and visitor permits must be returned to the management Company.
    - (a) Once the owner's indebtedness is cleared or payment arrangements are made, a parking space will be restored, and the applicable visitor permits will be re-issued. The owner must submit a request for vehicle parking in accordance with the provisions of Section 1 of this Regulation.

## Section 7. Illegal Parking, Towing

- a. A parked vehicle shall be subject to towing if not parked in accordance with the above rules, including any vehicle for which a parking permit has been revoked, and any vehicle parked in a visitor's space that does not display a valid visitor's permit.
- b. In addition, any vehicle parked in a resident's space without the resident's permission will be towed from the premises.
- c. Vehicles parked in fire lanes will be ticketed by the police and/or towed.
- d. Other vehicles to be towed include those parked in any non-designated areas. These include: fire lanes, any yellow curb area, any grass, unpaved area, other space reserved for specified purposes, driveway, or in a manner that blocks access to the trash bins.
- e. Towing and storage charges for vehicles towed under the provisions of these regulations shall be the responsibility of the vehicle owner.

## Section 8. Liability

Neither the Board of Directors, The Council of Unit Owners or the Management Company of record assume responsibility for any damages or thefts in the parking areas. Vehicles towed will be at the expense of the owner.

**Please return Vehicle Registration Form back to Abaris Realty, Inc.,  
no later than Wednesday, August 22, 2001:**

**Mail: Abaris Realty  
Attn: Glen Charles  
12009 Nebel Street  
Rockville, MD 20852**

**Fax: (301) 468-0983**

# AMENDMENT TO RULE 201. PARKING

## 1.0 GENERAL REGULATIONS

- 1.1 All owners and tenants must pre-register their vehicles with the managing agent, by completing the attached application, in order to receive a valid color coded parking pass (hereinafter known as the "residential parking pass" or the "visitor parking pass"). Upon receipt of the application by the managing agent, the unit owner or tenant will be provided with one (1) residential parking pass and three (3) visitor parking passes. Additional visitor parking passes may be provided upon request. A residential parking pass shall be displayed in any and every automobile parked in a parking space designated for residents only. A visitor parking pass shall be displayed in any and every automobile parked in a parking space designated for visitors only.
- 1.2 Lost and stolen residential parking passes and visitor parking passes will be replaced upon written request from the owner/tenant. The payment of a standard replacement fee of fifteen dollars (\$15.00) will be charged to cover the cost of issuing a new parking pass.
- 1.3 It is the responsibility of each unit owner (and his or her lessee/tenant or licensee) to fully comply with these rules and regulations. Unit owners (and their lessee/tenant or licensee) will be responsible for communicating and properly instructing all lessees/tenants, licensees, visitors, guests, family members, tradesmen, callers and others who may have legitimate reasons for access or cause to be on the property, regarding the operation of these parking rules and regulations.
- 1.4 Unit owners who lease, license, or rent their units to others (in compliance with these parking rules and regulations as elsewhere provided) may assign the use of the parking passes (provided for in Section 3 hereof), to his or her lessees, licensees, or renters, but only if the remainder of this Section is met. The unit owner must agree that he or she is ultimately responsible for the actions of said tenants. The unit owner must include in and attach to all leases (executed 30 days after the effective date of these rules), a copy of these parking rules and regulations. Any assignment made under this Section to such tenants will only be effective during the term of the lease or license and must be renewed upon renewal or execution of a new lease or license. No assignment will be effective until the unit owner files a conformed copy of said lease or license with the managing agent. Under the terms of the By-laws, a violation of these parking rules shall be deemed a default under the lease.
- 1.5 Each unit owner must sign an acknowledgment that he or she has received a copy of these parking rules and regulations before any parking authorization passes will be issued.
- 1.6 The Board shall be authorized, in the manner and to the extent permitted by law and the governing documents, to levy reasonable fines or penalties (including towing) for the

enforcement of these parking rules and regulations, and may call upon the service of county law enforcement agencies or a qualified towing company to remove any vehicles which may be in violation. Such action is to be taken only after the Board or the managing agent has made a reasonable effort to notify the owner of the vehicle and the unit owner responsible, if any, of the violation and that enforcement action will be taken, as permitted by these rules and regulations, and By-laws.

## **2.0 USE OF PARKING AREAS**

- 2.1 Access. No vehicle shall be parked in such a manner as to impede or prevent access to any portion of the general common elements, including entrance or driveway or parking spaces.
- 2.2 Conforming to Space. Vehicles may be parked in the boundaries of marked spaces or parking areas. Parking in intersections, grass areas (unless marked for parking) or sidewalks, is prohibited.
- 2.3 Fire Lanes. Parking is prohibited in fire lanes. Any vehicle parked in such fire lane is subject to being towed at the owner's expense without notice.
- 2.4 Any vehicle which is inoperable or displays expired license plates or fails to display any license plates shall be deemed abandoned by the owner and the owner will be given a 24 hour notice (an orange sticker placed on vehicle) to move his or her vehicle or said vehicle shall be towed at owner's expense.

## **3.0 RESTRICTED AND NON-RESTRICTED HOURS**

- 3.1 Restricted hours shall be on Monday through Thursday, from 9:00 p.m. until 7:00 a.m. the following morning. During restricted hours, no vehicle may lawfully be parked in the resident areas without a properly displayed valid parking pass. All other vehicles, during said restricted hours, will be considered trespassing and subject to towing.
- 3.2 In order for any vehicle to be parked in the visitor and resident common area during restricted hours, it must have a valid color coded parking pass properly displayed in clear view (hanging from the rearview mirror or taped to the front windshield). Any vehicle which fails to display a valid parking pass from the rearview mirror or taped to the front windshield will be towed without notice and at the owner's expense.
- 3.3 During restricted hours, any vehicle parked for the purpose of commercial delivery, utility inspection/repairs, moving in or moving out of a unit owner or tenant, shall not be towed.
- 3.4 Non-restricted hours shall be on Monday through Friday, from 7:00 a.m. until 9:00 p.m. During non-restricted hours, unit owners, residents and occasional guests/visitors shall be permitted to park in the parking areas without a parking pass and without towing of their vehicles. Non-restricted hours applies to guest parking only. Resident parking is always restricted.

- 3.5 Weekend hours shall be from Friday, 9:00 p.m. until Monday, 7:00 a.m. During weekend hours, unit owners, residents and occasional guest/visitors shall be permitted to park in the visitor parking areas only, without a parking pass and without towing of their vehicles.

#### **4.0 PARKING ENFORCEMENT PROCEDURES**

- 4.1 The Board shall be responsible for enforcing these parking rules and regulations. Unit owners or residents who observe a violation or wish to lodge a complaint should contact the managing agent, and make such complaint in writing. At its regularly scheduled meetings, the Board will review the written complaints received by the owners concerning the towing of vehicles. After the review of such complaints, the Board, if it deems necessary, shall take appropriate action to respond to such complaints.
- 4.2 Towing violations which result in towing of vehicles without notice and at the owner's expense are as follows:
- a. Vehicles threatening the safety of the Lake Pointe Condominium unit owners, residents and visitors.
  - b. Vehicles blocking or improperly impeding access to any portion of the parking and general common areas.
  - c. Vehicles not displaying a valid parking pass during restricted hours.
- 4.3 The Board or the managing agent shall give the unit owner, resident or driver of the vehicle prior notice (24 hours) of the intent to tow vehicle, and state the time in which the vehicle owner must come into compliance with these rules and regulations, in the following circumstances:
- a. Vehicles of the type not authorized to be parked in the area by these parking rules and regulations.
  - b. Vehicles parked with a parking pass which has been suspended or revoked.
- 4.4 All residents who are two (2) or more months delinquent in paying their assessments will have their parking privileges suspended until payment and/or payment arrangements have been made with the managing agent.

#### **5.0 REPORTING**

- 5.1 The managing agent will provide the Board with a monthly report of all vehicles that are towed.



## AMENDMENT TO RULE 201. PARKING

### 1.0 GENERAL REGULATIONS

- 1.1** To all new and prospective owners and/or tenants. All owners and tenants must pre-register their vehicles with the management agent, by filing out the attached Application in order to receive a valid color coded parking pass (hereinafter known as the "residential parking pass" or the "visitor parking pass"). Upon receipt of the Application by the Management Agent, the unit owner or tenant will be provided with 1 residential parking pass and 2 visitor parking passes. Additional visitor parking passes may be provided upon written request to the Board of Directors. A "residential parking pass" shall be displayed in any automobile parked in a parking space designated for residents only. A "visitor/guest parking pass" shall be displayed in any automobile parked in a parking space designated for visitors only.
- 1.2** Lost and stolen residential parking passes and visitors parking passes will be replaced upon written request from the owner/tenant. The payment of a standard "replacement" fee of \$25 will be charged to cover the cost of issuing a new parking pass.
- 1.3** It is the responsibility of each unit owner (and his or her lessee/tenant or licensee) to fully comply with these rules and regulations. Unit owners (and their lessee/tenant or licensees) will be responsible for communicating and properly instructing all lessees/tenants, licensees, visitors, guest, family members, tradesman, callers and other who may have legitimate reasons for access or cause to be on the property, regarding the operation of these parking rules and regulations.
- 1.4** Unit owners who lease, license, or rent their units to others (incompliance with these parking rules and regulations as elsewhere provided) may assign the use of the parking passes (provided for in Section 3 hereof), to his or her lessees, licensees, or tenants, but only if the remainder of this Section is met. The unit owner must agree that he or she is ultimately responsible for the actions of said tenants. The unit owner must include in and attach to all leases (executed 30 days after the effective date of these rules), a copy of these parking rules and regulations. Any assignment made under this Section to such tenants will only be effective during the term of the lease or license and must be renewed upon renewal or execution of a new lease or license. No assignment will be effective until the unit owner files a conformed copy of said lease or license with the Managing Agent. Under the terms of the By-Laws, violation of these parking rules shall be deemed a default under the lease.

**1.5** Each unit owner must sign an acknowledgment that he or she has received a copy of these parking rules and regulations before the parking authorization passes will be issued.

**1.6** The Board shall be authorized, in the manner and to the extent permitted by law and the condominium documents, to levy reasonable fines or penalties (towing) for the enforcement of these parking rules and regulations, and may call upon the service of municipal law enforcement agencies or services of qualified towing services to remove any vehicles which may be in violation. The towing of any vehicle found in violation of the parking regulations shall be immediate with additional notice required.

## **2.0 USE OF PARKING AREAS**

**2.1** Access. No vehicle shall be parked in such a manner as to impede or prevent access to any portion of the general common elements, including entrance or driveway or parking spaces.

**2.2** Conforming to Space. Vehicles may be parked in the boundaries of marked spaces or parking areas. Parking in intersections, grass areas or sidewalks, is not prohibited.

**2.3** Fire Lanes. Parking is prohibited in fire lanes. Any vehicle parked in such fire lane is subject to being towed at the owner's expense without notice.

**2.4** Any vehicle parked in the visitor parking area that has not been moved for more than 30 days will be given a 24-hour notice (an orange sticker placed on vehicle) to move his or her vehicle, or said vehicle shall be towed at owner's expense.

**2.5** Any vehicle which is inoperable, including but not limited to vehicles with flat tires, broken windows, etc., may not be parked in the parking areas and are subject to being towed without notice.

**2.6** Any vehicle which does not display license plates or displays license plates with expired stickers shall be deemed unregistered or abandoned and shall be towed without notice.

**2.7** Any vehicle towed from the Lakepointe Condominium common elements will be towed at the vehicle owners risk and expense.

**2.8 VEHICLES BELONGING TO THE OWNERS, TENANTS, OR RESIDENTS OF A UNIT WHICH IS 90 DAYS OR MORE DELINQUENT IN THE PAYMENT OF THE CONDOMINIUM FEES IS SUBJECT TO IMMEDIATE TOWING WITHOUT NOTICE AT ANY TIME, WHETHER DURING RESTRICTED HOURS OR NOT.**

**2.9** The parking of boats, trailers, campers, recreational vehicles, motor homes, etc., shall not be permitted in the parking areas at any time and these vehicles, etc., are subject to immediate towing without further notice.

**2.10** No eighteen-wheel trucks allowed under any circumstances.

### **3.0 RESTRICTED AND NON-RESTRICTED HOURS**

**3.1** Restricted hours shall be from 12:01 a.m. until 6:00 a.m., the following morning, Monday – Friday. During restricted hours no vehicle may lawfully be parked in the parking area without a properly displayed, valid parking pass. All other vehicles, during said restricted hours, will be considered trespassing and subject to immediate towing without further notification.

**3.2** In order for any vehicle to be parked in the general common area during restricted hours, it must have a valid color coded parking pass properly displayed in clear view (hanging from the rearview mirror or taped to the front windshield). Any vehicle, which fails to display a valid parking pass from the rearview mirror or taped to the front windshield will be towed without notice and at the owner's expense.

**3.3** Non-restricted hours shall be from 6.00 a.m. until 12.00 a.m., Monday – Friday. During weekend hours, unit owners, residents and occasional guest/visitors shall be permitted to park in the parking areas without a parking pass and without towing of their vehicles. THIS DOES NOT APPLY TO THE VEHICLES OF UNITS WHICH ARE 90 DAYS OR MORE DELINQUENT IN THE PAYMENT OF THEIR CONDOMINIUM FEES. DELINQUENT UNIT RESIDENT'S VEHICLES MAY BE TOWED AT ANY TIME.

#### **4.0 PARKING ENFORCEMENT PROCEDURES**

**4.1** The Board shall be responsible for enforcing these parking rules and regulations. Unit owners or residents who observe a violation or wish to log a complaint should contact a Board member or the Managing Agent, and make such complaint in writing. At its regularly scheduled meeting, the Board should review the written complaints received by the owners concerning the towing of vehicles. After the review of such complaints, the Board, if it deems necessary, shall take appropriate action to respond to such complaints.

**4.2** Towing violation which result in towing of vehicles without notice at owners expense are as follows:

- (a)** Vehicles threatening the safety of the Lakepointe Condominium unit owners, residents and visitors.
- (b)** Vehicles blocking or improperly impeding access to any portion of the parking and general common areas.
- (c)** Vehicles considered trespassing during restricted hours.
- (d)** Vehicles of the type not authorized to be parked in the area by these parking rules and regulations.
- (e)** Vehicles parked with a parking pass which has been suspended or revoked.
- (f)** Vehicles belonging to the residents of units which are 90 days or more delinquent in their condominium fees.

**4.3** The Board may authorize immediate towing of vehicles for violation of this towing policy.

**4.4** All residents who are 3 or more months' delinquent in paying their assessments should have their parking privileges suspended until payment and/or payment arrangements have been made with Managing Agent.

**4.5** Any unit which "loans or provides" their parking hang tags to anyone will be fined and/or may lose their right to park in the common element parking areas for a undetermined period of time.



**Abaris Realty, Inc.**  
12009 Nebel Street, Rockville, MD 20852  
301-468-8919 • Fax: 301-468-0983  
Web Site: [www.abarisrealty.com](http://www.abarisrealty.com)

## MEMORANDUM

TO: LAKEPOINTE CONDOMINIUM UNIT OWNERS & RESIDENTS  
FROM: ANDREW MILLER, PROPERTY MANAGER  
DATE: AUGUST 18, 1999  
RE: UNIT MAINTENANCE AND REPAIRS

**THIS IS THE MOST IMMEDIATE,  
IMPORTANT DOCUMENT YOU WILL  
EVER RECEIVE REGARDING YOUR  
LAKEPOINTE CONDOMINIUM UNIT!**

For the past four years or more, the Lakepointe Condominium has occasionally paid for repairs to damaged condominium units with Association funds. As of August 1, 1999, the Association will no longer pay for damages to the inside of any condominium unit.

## **WHY?**

The common elements, such as the roofs or sewer lines, are owned and maintained by the Association. But who is the Association? You are, collectively with every other owner at the Lakepointe. There is no landlord here who owns the entire property. So whose roof leaked? Yours did, along with every other owner.

- We will do everything possible to collect delinquent condominium fee payments. Owners who do not pay their condominium fees are cheating others out of services, causing the condominium fee to be much higher than necessary and driving the community towards bankruptcy. We will take any legal action, including foreclosure, we will deny parking rights and we are exploring the legal possibility of turning off electricity and having the delinquent unit condemned and emptied by the County. It is better to have the unit vacant and not consuming utilities than to have it occupied by a deadbeat!

## **INSURANCE:**

The Association maintains a master insurance policy with a \$2,500 deductible to cover major disasters, not little problems. That means that the insurance policy will not pay one penny until the damages total \$2,500 or more. The Association **DOES NOT** pay the deductible on the insurance policy. Remember what the By-Laws said on page 9 about how the cost of repairs to a unit or group of units shall be assessed against that unit or group of units. If the Association paid the deductible for repairs to your unit, then they would have to bill you for the same cost of repairs. Therefore, we simply don't pay for them in the first place and save the bookkeeping and collection costs.

**HOWEVER, THERE IS A SOLUTION!** All unit owners must purchase condominium homeowners insurance, commonly called a HO 6 policy. This policy is available from any insurance broker you may wish to use. This HO 6 policy generally costs between \$80 and \$ 140 per year, or \$ 7 to \$12 per month Your homeowner's policy will provide you with protection against damage to your unit up to the master policy deductible of \$2,500. Then the master policy will pay for all repair costs above that. This is called "bridging the deductible gap".

Another reason why you need homeowners insurance is to protect your belongings, such as furniture, clothing, TV and stereo, etc. These items are never covered under the master policy for any reason and must be protected by you.

Another reason that you must have homeowners insurance is for liability inside your unit. If a person trips and falls in the common area and hurts themselves, he might sue the association, if he trips and falls in your unit, there is no coverage under the master policy and he might sue you.

**FOR ALL THESE REASONS, BUT ESPECIALLY "BRIDGING THE DEDUCTIBLE GAP", YOU ABSOLUTELY MUST HAVE HOMEOWNERS INSURANCE.**

That is why the Lakepointe By-Laws clearly state on page 38, Article XIV, Section 3, entitled "Limitation of Liability", the Council shall not be liable ... for injury or damage to persons or property caused by the elements or resulting from electricity, water, snow, or ice which may leak or flow from any portion of the common elements or from any wire, pipe, drain, conduit, appliance or equipment. So the Association is not responsible for damage to your property resulting from a defective common element, such as a leaky roof or pipe. **FURTHERMORE**, where the By-Laws discuss what the Association may spend Association funds for, on page 37 and 38, Article XIV, paragraphs f and g clearly state, "(in short) if the Association spends money for the specific repair or benefit of a unit or group of units, then the Association must assess the cost of those repairs or benefits against that specific unit or group of units."

Your condominium unit, which includes the walls, ceilings, carpet, tile, appliances, equipment, wiring, plumbing fixtures, vents, flue, ducts, etc. is owned by you. There is no difference between your unit and a house sitting off by itself, other than jointly used items. It is your property and your responsibility. You pay a condominium fee and one of the ten items the By-Laws allow the Association to spend money for is the repair of common elements. **NOWHERE IN YOUR BY-LAWS DOES IT GIVE ANYONE THE RIGHT TO SPEND ASSOCIATION FUNDS ON THE PRIVATE PROPERTY OF UNIT OWNERS.** Your unit is your private property!

Home ownership is not without cost. The roof can leak or the sewer can back up in any home, anywhere. As a homeowner, you must be prepared to pay for these problems which damage the parts of your home for which you are responsible. **BUT IF YOU PURCHASE HOMEOWNERS INSURANCE, THIS COST CAN BE MINIMALIZED WHEN THE DISASTER STRIKES.** I will discuss this later in the insurance portion of this memo.

## WHAT IS YOUR UNIT?

The specific definition of your unit is found on pages 2 and 3 of the Lakepointe Declaration, section 1. In short, here is a brief set of guidelines:

- The top of your unit is the top of the drywall in your ceiling. You own the drywall and everything below it.
- The bottom of your unit is the top of the unfinished sub-floor. You own the carpet or tile and everything above it.
- The sides of your unit are the unexposed surfaces of your perimeter (outside walls) drywall. You own the drywall and everything inside, including paint, wallpaper or tile.
- All inside walls.
- All doors and windows. This includes window frames, glass, hardware, locks, etc.
- The electrical panel, all wiring, switches, plugs, etc. designed for use by that unit only.

- All plumbing fixtures and pipes designed for use by that unit only.
- All telephone service.
- The air handler unit and all facilities for the provision of heat, ventilation and air conditioning designed for use by that unit only.
- All vents, ducts, fire place flue, etc which serve only that unit.

While this is not a complete list and unit owners are urged to read these pages of the Declaration, the above list covers many of the most frequently asked questions related to what a condominium unit is.

## **THEREFORE:**

If the roof leaks, the ASSOCIATION will fix the roof.

If the roof leaks, the UNIT OWNER will repair the ceiling, walls, floor and/or carpet.

If the main sewer backs up, the ASSOCIATION will unclog and, if necessary, repair the sewer line.

If the main sewer backs up, the UNIT OWNER will clean or repair the carpet etc.

If a common pipe breaks, the ASSOCIATION will fix the pipe.

If a common pipe breaks, the UNIT OWNER will repair any damage to the unit resulting from the pipe break.

## **SAVINGS:**

The Association is currently in very poor financial condition, yet it must always provide the basic elements of health, safety and welfare. These include water, sewer, trash removal, cleaning, fire safety etc. That is one reason why the Association **MUST** stop the unauthorized policy of spending Association funds on the private property of the unit owner.

The Board of Directors realizes that this is only one small area of concern and we are attacking our expenses in several other ways:

- We are re-negotiating all of our existing contracts.
- Utilizing the skills and efforts of interested and committed unit owners to assist with the operation and beautification of the community, such as the planting beds at the entrance to each building.



## Section V

**Lake Pointe at Towne Centre Condominium**

**2014 Approved Budget**

<b>Income</b>		<b>APPROVED</b>
Condo Fee = \$250	<b>2013 Budget</b>	<b>2014 Budget</b>
Condo Fees	\$ 648,000	\$ 648,000
Late Fees	\$ 10,000	\$ 14,293
NSF Fees Collected	\$ 300	\$ 400
Interest Income	\$ 1,500	\$ 1,675
Legal Fee Reimbursement	\$ -	\$ 21,524
Miscellaneous Owner Charge	\$ -	\$ -
Insurance Reimbursement	\$ -	\$ -
Other Income		
<b>Total Income</b>	<b>\$ 659,800</b>	<b>\$ 685,892</b>
<b>Expenses</b>		
<b>Administrative Expenses</b>	<b>2013 Budget</b>	<b>2014 Expenses</b>
Management Fee	\$ 36,288	\$ 36,288
Accounting Fee	\$ 2,500	\$ 2,500
Legal Fees	\$ 12,000	\$ 15,367
Bank Charges	\$ 100	\$ 100
Postage & Mailing	\$ 1,000	\$ 1,102
Printing & Reproduction	\$ -	\$ 932
Printing -- Payment Coupons	\$ 600	\$ 600
Insurance	\$ 26,000	\$ 39,929
Insurance Claims	\$ 10,000	\$ 10,000
Reserve Contribution	\$ 69,000	\$ 69,000
Fed & State Income Tax Expenses	\$ 1,500	\$ -
Umbrella Association Fees	\$ 8,581	\$ 9,010
Misc General & Administration	\$ 1,000	\$ 1,010
Social Activities	\$ -	\$ 250
	<b>\$ 168,569</b>	<b>\$ 186,088</b>
<b>Amenities</b>		
Cleaning Contract	\$ 21,000	\$ 20,910
Sprinkler/Fire Alarm	\$ 23,000	\$ 23,405
<b>Total Amenities</b>	<b>\$ 44,000</b>	<b>\$ 44,315</b>
<b>Utilities</b>		
Telephone	\$ 13,500	\$ 14,714
Electricity	\$ 27,000	\$ 26,365
Water & Sewer	\$ 100,000	\$ 89,534
<b>Total Utilities</b>	<b>\$ 140,500</b>	<b>\$ 130,613</b>
<b>Contracts &amp; Maintenance Expenses</b>		
Landscaping Contract	\$ 22,000	\$ 21,958
Tree Maintenance	\$ 8,000	\$ 4,000
Draining Repair	\$ 5,000	\$ 4,492
Snow Pushing Contract	\$ 10,000	\$ 5,000
General Maintenance	\$ 25,000	\$ 50,000
Water Related Repairs	\$ 35,000	\$ 32,369
Painting Maintenance	\$ 1,000	\$ -
Electrical Maintenance	\$ 7,500	\$ 15,000
Plumbing Maintenance	\$ 5,000	\$ 7,962
Bldg Power Washing	\$ 6,000	\$ -
Roof Repairing	\$ 6,518	\$ 6,881
Locks, Keys, Doors Closures	\$ 1,500	\$ 2,000
Security System Maintenance	\$ 2,000	\$ 2,000
Gutter Cleaning	\$ 11,000	\$ 11,500
Pest Control Services	\$ 7,000	\$ 8,000
Trash Removal Services	\$ 18,000	\$ 18,000
Bulk Trash Removal	\$ 3,000	\$ 2,500
Loan Payment	\$ 68,414	\$ 68,414
<b>Total Contract/Maintenance</b>	<b>\$ 241,932</b>	<b>\$ 260,076</b>
<b>Bad Debt Expense</b>	<b>\$ 64,800</b>	<b>\$ 64,800</b>
<b>Total Expenses</b>	<b>\$ 659,801</b>	<b>\$ 685,892</b>
<b>Income/Losses</b>	<b>\$ -</b>	<b>\$ (0)</b>





## ADDITIONAL REMARKS SCHEDULE

<b>AGENCY</b> James E Reid Jr		<b>NAMED INSURED</b> Lake Pointe At Town Center Condominium	
<b>POLICY NUMBER</b> 90-CR-7490-6			
<b>CARRIER</b> State Farm Fire and Casualty Company	<b>NAIC CODE</b> 25143	<b>EFFECTIVE DATE:</b> 02/10/2014	

**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**  
**FORM NUMBER:** 24      **FORM TITLE:** Certificate of Property Insurance

<p><b>Forms, Options and Endorsements:</b></p> <table style="width: 100%;"> <tr><td>CMP-4100</td><td>Businessowners Coverage Form</td></tr> <tr><td>CMP-4710</td><td>Emp Dishonesty \$25,000</td></tr> <tr><td>CMP-4729</td><td>Building Ordinance Or Law Cov</td></tr> <tr><td>CMP-4756</td><td>Ed Employee Excl</td></tr> <tr><td>FE-6999.1</td><td>Terrorism Insurance Cov Notice</td></tr> <tr><td>CMP-4508</td><td>Money and Securities</td></tr> </table>	CMP-4100	Businessowners Coverage Form	CMP-4710	Emp Dishonesty \$25,000	CMP-4729	Building Ordinance Or Law Cov	CMP-4756	Ed Employee Excl	FE-6999.1	Terrorism Insurance Cov Notice	CMP-4508	Money and Securities	<p><b>Forms, Options and Endorsements:</b></p> <table style="width: 100%;"> <tr><td>CMP-4814</td><td>Dir &amp; Officers \$1,000,000</td></tr> <tr><td>CMP-4220</td><td>Amendatory Endorsement</td></tr> <tr><td>CMP-4830</td><td>Interior Building Damage</td></tr> <tr><td>CMP-4829</td><td>Guaranteed Replacement Cost</td></tr> <tr><td>CMP-4550</td><td>Residential Community Assoc</td></tr> <tr><td>CMP-4705</td><td>Loss of Income &amp; Extra Expnse</td></tr> </table>	CMP-4814	Dir & Officers \$1,000,000	CMP-4220	Amendatory Endorsement	CMP-4830	Interior Building Damage	CMP-4829	Guaranteed Replacement Cost	CMP-4550	Residential Community Assoc	CMP-4705	Loss of Income & Extra Expnse
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Business Liability	\$1,000,000										
Medical Payments	\$5,000										
Products-Completed Operations	\$2,000,000										
General Aggregate	\$2,000,000										
Workers Compensation	90BUQ7751										

**Coverage**  
 Unless otherwise endorsed, this policy provides replacement cost coverage on described property and common areas detailed within the Association bylaws including the following types of property within a unit, regardless of ownership:

1. Fixtures, improvements and alterations that are a part of the building or structure; and
2. Appliances such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

Replacement cost coverage is subject to the terms and conditions of the policy and any endorsements.

Coverage under this policy may have been modified to provide actual cash value coverage rather than replacement cost coverage, or to remove specified property from coverage, if any endorsement containing in its title "ACV" or "Actual Cash Value," or "Additional Property Not Covered" is identified on this Certificate of Insurance.

This policy provides coverage on a standalone/individual condominium association.

**Commercial General Liability**  
 State Farm refers to this coverage as Business Liability Coverage. Coverage amount shown is Per Occurrence.

**Loss of Rents, Loss of Income and Extra Expense**  
 If this coverage is shown, limits are "Actual Loss Sustained". Contact the agent to confirm the number of day's coverage.



**MANAGEMENT, LLC**

**"WE'RE IN YOUR NEIGHBORHOOD"**

**Largo Town Center Association, Inc.**

**Enclosed, please find the following: Bylaws, Declaration of Covenants, Conditions and Restrictions of the Largo Town Center; Master Association for Lake Pointe at Towne Centre Condominium Association, Inc.**

**Thank you,  
RGN Management, LLC**

## Section I

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF

THE LARGO TOWN CENTER

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (the "Declaration") is made as of the First day of January, 1990 by LARGO C.L. I Limited Partnership, a Maryland Limited Partnership ("LCL") and DXD Inc., a Maryland Corporation ("DXD").

WITNESSETH

RECITALS

A. LCL and DXD, as tenants in common, own, in fee simple, approximately 168.5 acres of real property located in Largo, Prince George's County, Maryland, which property is known as the Largo Town Center (the "Center").

B. LCL and DXD desire to provide for the maintenance and administration of the common areas and facilities of the Center and to establish uniform standards covenants, conditions and restrictions so that the Center is developed and operated in an orderly manner as a mixed use town center of the highest quality and is used in a manner consistent with adopted standards and the restrictions and requirements of all applicable laws, ordinances and regulations for the benefit of the "Owners" and "Declarants" (as such terms are defined below).

C. LCL and DXD have created The Largo Town Center Association, Inc., a Maryland nonstock corporation, to own certain of the common areas and facilities of the Center, to hold easement rights for the benefit of the occupants of the Largo Town Center in trail, lake and recreation amenities and to administer and enforce the provisions of this Declaration with respect to all portions of the Center which from time to time are subject to the provisions of this Declaration.

NOW, THEREFORE, LCL and DXD hereby covenant and declare as follows:

ARTICLE I

DEFINITIONS

The following terms shall have the meanings set forth below:

1.01 "Annual Assessment for Common Expenses" - That assessment imposed pursuant to Article V hereof to pay for Common Expenses.

JAN 8 3 28 PM '90

CLERK OF THE COURT

FILED

1.02 "Annual Assessment for Recreational Expenses"- That assessment imposed pursuant to Article V hereof to pay for Recreational Area Expenses.

1.03 "Articles of Incorporation" - the Articles of Incorporation of the Association, as filed with the Maryland State Department of Assessments and Taxation, as amended from time to time;

1.04 "Association" - The Largo Town Center Association, Inc., a Maryland nonstock corporation.

1.05 "Board of Directors" - the governing body of the Association.

1.06 "Bylaws" - the Bylaws of the Association, as amended from time to time.

1.07 "Common Areas" - all green spaces, lake, private roadways, pavements, median strips, public easements, private easements and all other portions of the property from time to time subject to this Declaration and intended for common use, identified as such in the Preliminary Plan of Subdivision (defined below) or the CDP (defined below) and agency, and excluding any such areas which are conveyed as set forth in section 6.05 below, together with all improvements erected or to be erected thereon, which Common Areas simultaneously with the recordation of this Declaration shall be, or in the future may be, conveyed in fee simple to the Association, with title thereto in the condition required by Section 6.05 below, for the common use and enjoyment of the Owners.

1.08 "Common Expenses" -

(i) All costs of administration, maintenance, management, operation, repair and replacement of the Common Areas, including such reserves as may be established from time to time in accordance with the Bylaws excluding, however, Recreational Area Expense;

(ii) the administrative costs of the Association;

(iii) real estate taxes, assessments, and front foot benefit charges levied against, and the cost of all utilities serving the Common Areas;

(iv) premiums for insurance policies purchased by the Association in accordance with the provisions of the Bylaws;

(v) expenses declared Common Expenses by the provisions of this Declaration or by the Bylaws; and

(vi) expenses agreed upon as Common Expenses by the Owners acting in accordance with the provisions of this Declaration and by the Bylaws.



Anything above to the contrary notwithstanding, (i) any and all expenditures necessitated by the negligence or willful misconduct of any Owner or any party acting by, under or for such Owner shall be borne solely by the responsible Owner, (ii) extraordinary expenditures necessitated by the unique needs of an Owner or Owners constituting less than all of the Owners, as determined time to time by the Board of Directors, shall be assessed only against the Owner or Owners benefiting from such expenditures.

1.09 "Comprehensive Development Plan" or "CDP" - that master development plan or plans for the Center as filed and approved by Prince George's County, Maryland and all other applicable government and quasi-governmental authorities, as amended and/or supplemented from time to time.

1.10 "Declarant" - LCL and DXD their successors or assigns, for so long as LCL and DXD or their successors or assigns has any interest in the development of the Center.

1.11 "Declaration" - this Declaration of Covenants, Conditions and Restrictions, as amended from time to time.

1.12 "Lake" - the lake shown on the Preliminary Plan of Subdivision that serves the dual purposes of stormwater management and recreational amenity.

1.13 "Land Records" - the appropriate governmental office in and for Prince George's County, Maryland, wherein documents and instruments affecting real property are recorded for the purposes of providing notice to the general public.

1.14 "Lot" - a parcel of land designated as such or by a number and letter designation or equivalent on the CDP, on any amendment or supplement thereto, or on any subdivision or similar plat or plan pertaining to all or any part of the Center which is subject to this Declaration, but excluding the common Areas or any portion thereof or any portion of the Center owned by any governmental or quasi-governmental agency (for example, with respect to the latter, the Washington Suburban Sanitary Commission).

1.15 "Member" - each person or entity who holds fee simple interest in a Lot. Membership in the Association is and shall be appurtenant to and inseparable from fee simple ownership of a Lot.

1.16 "Mortgage" - any recorded (among the Land Records) mortgage or deed of trust or comparable security instrument or arrangement, including, without limitation, sale-and/or lease-leaseback arrangements, conditional or security deeds and security agreements, which encumber a Lot and secure a bank, savings and loan association, insurance company, real estate investment lender, institutional trustee or any holder of

purchase money financing

1.17 "Mortgagee" - any party secured by a Mortgage.

1.18 "Preliminary Plan of Subdivision" - That plan dated as of November 17, 1988 showing the division of the Center into Lots and detailing all Common Areas as approved by the appropriate governmental authorities.

1.19 "Owner" - the person or persons or entity or entities who or which, individually, together or collectively, hold fee simple legal title to a Lot, but excluding any party holding title to any Lot merely as security for the payment of an indebtedness or the performance of an obligation unless and until such party takes title to a Lot by foreclosure or proceeding nor purchase in lieu thereof.

1.20 "Recreational Area Expenses" - all costs of administration, maintenance, operation, repair and replacement of the recreational amenities associated with the Lake (including the trails around the Lake and the tennis courts) including such reserves as may be established from time to time in accordance with the Bylaws.

1.21 "Restrictive Covenants" - the restrictive covenants set forth in Article VIII of this Declaration.

1.22 "Rules and Regulations" - those rules and regulations adopted from time to time by the Board of Directors in accordance with the provisions of this Declaration and the Bylaws.

1.23 "Special Assessment" - That assessment imposed pursuant to Article V hereof to pay for extraordinary expenditures not otherwise included as Common Expenses or Recreational Area Expenses.

## ARTICLE II

### SUBMISSION OF PROPERTY; ADDITIONAL PROPERTY

2.01 **Initial Submission.** Lots A1-A8, B1-B4, C, D, E1, E2, F1, F2 and G1-G3 all as designated on the CDP and more particularly described on Exhibit A attached hereto and made a part hereof, and redesignated as Blocks A-C and Parcel 1, Block D and Parcel 1 and 2, Block E on plats to be recorded together with any and all buildings and improvements erected or to be erected thereon, hereby are declared to be subject to the provisions of this Declaration, and shall be held, improved, sold or otherwise conveyed, leased, hypothecated and encumbered subject to the provisions of this Declaration, except as otherwise specifically provided herein.

2.02 **Additional Property.** Except for Lots H (Parcel 3, Block E) and I (Parcel 2, Block D) which may be added

at the discretion of the Declarant, the Declarant, upon the affirmative vote of Owners of Lots to which at least two-thirds of the votes held by Class A Members, two-thirds of the votes held by Class B Members, two-thirds of the votes held by Class C Members, and two-thirds of the votes held by Class D Members, may subject additional real property to the provisions of this Declaration by the filing among the Land Records of a Supplementary Declaration providing therefore, provided that (i) such additional property comprises all or any part of the Center as designated on the CDP or otherwise is contiguous to the Center or any part thereof or is separated from any boundary or any part of the Center only by public or private roads or rights of way, park land or public waterway; and (ii) to the extent provided in any such Supplementary Declaration, such additional property may be subject to standards, conditions, covenants and/or restrictions in addition to or in modification of those imposed by this Declaration as may be necessary or appropriate, as determined by the submitting Declarant in its sole discretion, to reflect the different character of any such additional property, but in no event shall any such Supplementary Declaration revoke, modify or add to any of the provisions of this Declaration applicable to any property previously submitted to the provisions hereof pursuant to Section 2.01 above or the provisions of this Section 2.02. Nothing herein shall (i) require Declarant to subject any additional real property to the provisions of this Declaration, whether or not such real property is part of the 168.5 acre parcel described in Recital A, or, having subjected any such additional real property to the provisions of this Declaration, (ii) prohibit the unilateral withdrawal of such property from the effect of this Declaration by the Declarant which has subjected such additional property to the provisions hereof prior to the time any third party has acquired legal or equitable title to all or any portion thereof, and the right to withdraw any such additional property hereby is expressly reserved.

### ARTICLE III

#### MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

**3.01 Membership.** Each and every Owner of a Lot shall be a Member of the Association; Lot ownership and Membership in the Association are appurtenant to each other and are inseparable.

**3.02 Classes of Membership.** The Association shall have four classes of voting membership:

(a) **Class A:** Class A Members shall be all Members owning Lots designated for residential use on the CDP and the commercial property located adjacent to the Lake and at the intersection of Harry S. Truman Drive and Lottsford Road. Each Lot owned by a Class A Member(s) (regardless of the number of such Members owning such Lot) shall be entitled to one (1) vote for each two (2) acres contained in the Lot at all meetings

of the Association.

(b) Class B: Class B Members shall be all Members owning Lots designated for commercial use on the CDP, except for the one commercial lot included in Class A and the commercial retail lots designated as lots A1-A8. Each Lot owned by a Class B Member(s) (regardless of the number of such Members owning such Lot) shall be entitled to one (1) vote for each two (2) acres contained in the Lot at all meetings of the Association.

(c) Class C: Declarant shall be a Class C Member. Each lot owned by a Class C Member shall be entitled to ten (10) votes for each two (2) acres contained in a Lot at all meetings of the Association; provided, that Class C Memberships held by Declarant shall cease and automatically shall be converted to Class A, B or D Memberships depending upon the use designated for the Lot, with each affected Lot owned by such Declarant thereafter entitled to one (1) vote for each two (2) acres owned at all meetings of the Association, upon the earlier to occur of the following events:

(i) January 1, 2010, at which time all Class C Memberships in the Association shall convert automatically to Class A, B or D Memberships; or

(ii) at such time as Declarant voluntarily elects in writing that such Declarant's Class C Memberships be converted, in whole or in part, to Class A, B or D Memberships.

The conversion of a Declarant's Class C Memberships into Class A, B or D Memberships shall not in itself affect or diminish any other right or responsibility, or eliminate or abridge any protective provisions applicable to the Declarant under this Declaration, the Bylaws, the Articles of Incorporation, or the Rules and Regulations, and all such rights, obligations and protection shall continue in full force and effect pursuant and subject to the provisions of each such document unaffected by such change in Class of membership.

(d) Class D: Class D members shall be all Members owning Lots with the designation "A" on the Preliminary Plan (the retail commercial lot). Each lot owned by a Class D Member (regardless of the number of persons owning such Lot) shall be entitled to one (1) vote for each two (2) acres contained in the Lot at all meetings of the Association. Any Lot containing less than two (2) acres shall be entitled to one (1) vote.

For purpose of this Section 3.02 any Member whose Lot size falls between a multiple of two (2) acres and the next larger odd integer shall have votes measured by the multiple of two (2) acres and any Member whose lot size falls between the next larger odd integer and a multiple of two (2) acres shall have one (1) additional vote (ie. 4-4.99 acre equal 2 votes; 5-5.99 acre

equals 3 votes.

**3.03 Voting Rights.** Provisions governing the exercise of voting rights are set forth in the Bylaws.

#### ARTICLE IV

##### POWERS, DUTIES AND AUTHORITY OF THE ASSOCIATION

**4.01 Powers, Duties and Authority.** Except as otherwise provided by law, the Association shall have all powers, duties and authority vested in or given to the Association by law, this Declaration, the Articles of Incorporation or the Bylaws, or as may be necessary or appropriate for the administration and management of the Association and the Common Areas, In furtherance and not in limitation of the foregoing, from and after the time any Common Area has been conveyed to the Association, the Association shall have the affirmative duty to maintain such Common Area for the benefit of the Owners, and, in furtherance thereof, shall have full power, right and authority to:

(a) Adopt an annual budget, which shall be the basis for determining the required obligation of each Lot for Common Expenses and Recreational Area Expenses;

(b) levy assessments for Common Expenses and Recreational Area Expenses and establish the means and methods of collecting assessments and the methods of paying of such assessments provided that Class D members shall have no responsibility for Recreational Area Expenses or Extraordinary Expenses related to recreational areas.

(c) adopt, promulgate, amend and repeal Rules and Regulations consistent with the provisions of this Declaration and the Bylaws governing the operation and use and enjoyment of the Common Areas and establishing penalties for infractions of the Rules and Regulations; provided, that all Rules and Regulations shall be published and furnished to each Owner prior to the time when the same shall become effective;

(d) provide for the maintenance and operation of the Common Areas and the repair and replacement of improvements erected on the Common Areas;

(e) designate, hire and dismiss, and prescribe and supervise the duties of all personnel necessary for the maintenance and operation of the Common Areas and the repair and replacement of improvements erected on the Common Areas, and provide for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties, which equipment, supplies and materials shall be the property of the Association;

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(f) make or contract for the making of additions, improvements or alternations to the Common Areas in accordance with the provisions of this Declaration or the Bylaws;

(g) borrow money on behalf of the Association and encumber the Common Areas when required in connection with the maintenance, operation, repair or replacement of, and/or any addition, improvement, or alteration to, the Common Areas, in each such case upon the affirmative vote of Owners of Lots to which at least two-thirds (2/3) of the votes held by Class A Members, two-thirds (2/3) of the votes held by Class B Member(s) two-thirds (2/3) of the votes held by Class C Members and two-thirds (2/3) of the votes held by Class D Members appertain, present and cast at a special meeting of the Association duly called and held for such purpose, at which meeting a quorum is present except that any funds required to improve or maintain the Common Areas for the benefit of only one Class of Members shall require two-thirds (2/3) of the votes held by that Class and two-thirds (2/3) of the votes held by Class C Members and provided further that such funds benefiting only one class shall be assessed only against the members of such class benefited and the members of any other Class shall be exempt from such assessment.

(h) employ and retain such agents and services as are necessary or appropriate to exercise the powers, duties and authority vested in or granted to the Association by this Declaration, the Articles of Incorporation or the Bylaws;

(i) open bank accounts on behalf of the Association and designate the signatories required thereof;

(j) enforce or cause to be enforced the provisions of this Declaration, the Articles of Incorporation the Bylaws and the Rules and Regulations; and

(k) do such other acts and things not inconsistent with this Declaration, the Articles of Incorporation or the Bylaws which the Association shall be authorized to do under law or by resolution of the Association adopted in accordance with the provisions of the Bylaws.

**4.02 Delegation.** The powers, duties and authority of the Association shall be exercised by the Association's Board of Directors, elected as and in the manner set forth in the Bylaws, and/or by such officers, committees, agents or employees as may be appointed, formed, retained or employed by the Board of Directors pursuant to the provisions of the Bylaws.

## ARTICLE V

### ASSESSMENTS

**5.01 Covenant and Agreement to Pay Assessments.**  
Each Owner of any Lot, by acceptance of a deed for such Lot, whether or not it shall be so expressed in such deed, irrevocably covenants and agrees and conclusively is deemed to covenant and

agree to pay to the Association annual assessments for Common Expenses and/or Recreational Area Expenses as the case may be and special assessments for extraordinary expenditures related to Common Areas or Recreational Areas as established and provided in this Article V and in the Bylaws. No Owner shall be exempt from the obligation to pay any such assessment by the waiver of the use or enjoyment of any of the Common Areas or by abandonment of the Lot against which assessment is made. No Owner shall be liable for the payment of assessments which shall become due and payable subsequent to the perfection of a sale or other divestiture of title, by operation of law or otherwise, of such Owner's Lot.

**5.02 Proportionate Obligations of Owners to pay Assessments.** Annual assessments for Common Expenses shall be determined by a budget adopted by the Board of Directors pursuant to the Bylaws and special assessments shall be determined from time to time by the Board of Directors as and in the manner set forth in the Bylaws. The proportionate obligation of each Owner with respect to annual and special assessments other than Recreational Area Expenses shall be determined by multiplying the total amount of the applicable assessment by a fraction, the numerator of which shall be the total acreage of such Owners' Lot (rounded to the nearest whole acre) and the denominator of which shall be the total acreage (so rounded) of all Lots then subject to the provisions of this Declaration. The assessment relating to the storm water management function of the lake shall be determined by multiplying the total amount of the applicable assessment by a fraction, the numerator of which is the estimated storm water run-off from the Owners lot and the denominator of which shall be the total storm water run off from all portions of the Center draining into the lake. All such storm water run-off shall be determined by an independent engineering firm retained by the Board of Directors. Each Owner's proportionate share of any assessment shall be due and payable in the manner set forth in the Bylaws.

**5.03 Proportionate Obligations of Class A and B Owners to Pay Recreational Area Expenses.** The proportional obligation of each Class A Owner other than the Owner of the one Commercial Office Lot with respect to Recreational Area Expenses shall be determined by multiplying 57% of the total applicable assessment by a fraction, the numerator of which shall be the total number of residential units built on such Lot and the denominator of which shall be total number of residential units built in Largo Town Center. Until such time as all Lots are fully developed, the fraction described in this Section shall be that fraction the numerator of which shall be the total number of residential units to be built on such Lot and the denominator of which shall be the total number of residential units to be built in the Largo Town Center in accordance with the CDP. The proportional obligation of the Class A Owner owning the commercial office Lot (Lot C) shall be three percent (3%) of the total applicable assessment. The proportional obligation at each Class B Owner with respect to Recreational Area Expenses shall be determined by multiplying 40%

of the total applicable assessment by a fraction, the numerator of which shall be the acreage in the Lot and the denominator of which shall be the total commercial acreage exclusive of the retail commercial Lot A. The Class C Owner shall contribute such amounts as determined by the classification of any lot owned by the Class C Owner.

#### 5.04 Lien for Assessments.

(a) At any time within two (2) years after payment was due on an assessment against a Lot and before it is paid in full to the Association, the Association may give notice to the Owner thereof (by certified mail, return receipt requested) of the Association's intent to create a lien against such Lot (a "Notice of Lien").

(b) The Association may execute and record among the Land Records, in accordance with the provisions of Section 14-204 of the Contract Lien Act, a statement (a "Statement of Lien") for such assessment or any installment thereof (if payable in installments and if the Association elects to make such assessment in full), (i) within one hundred twenty (120) days after giving the Notice of Lien, if the Owner fails to file a complaint in the Circuit Court of Prince George's County, Maryland in accordance with Section 14-203 of the Contract Lien Act within thirty (30) days after the Association gives the Notice of Lien, or (ii) within thirty (30) days after the Circuit Court of Prince George's County, Maryland orders the imposition of a lien pursuant to such provisions.

(c) The form of the notice of Lien and Statement of Lien shall be determined by the Association in the exercise of its sole discretion, provided that Notice of Lien or Statement of Lien, as the case may be, complies with the requirements of Section 14-203 of the Contract Lien Act.

(d) Each assessment (or installment thereof, if payable in installments) levied against a Lot shall be a lien (an "Assessment Lien") upon the title to such Lot, from the time a Statement of Lien for such assessment or installment is recorded among the Land Records pursuant to the foregoing provisions of this paragraph 5.02 and the provisions of Section 14-203 of the Contract Lien Act, until such assessment or installment is paid.

(e) An Assessment Lien may be enforced and foreclosed by action brought in the name of the Board of Directors on behalf of the Association in the manner provided under the laws of the State of Maryland relating to the foreclosure of mortgages and deeds of trust on real property containing power of sale or assent to decree provisions. During the pendency of such action, the Owner of such Lot shall be required to pay a reasonable rental therefore, and the Association shall have the right to the appointment of a



receiver, if available under the then applicable laws of the State of Maryland.

**5.05 Subordination and Mortgage Protection.** Notwithstanding any other provision of this Declaration or the Bylaws to the contrary, any lien for assessments (together with interest, late charges, actual costs of collection and reasonable attorneys fees) shall be subordinate to the rights of the holder of Mortgage made in good faith, for value received prior to the date such assessment became due and payable and such Mortgagee or the purchaser at a foreclosure, their successors and assigns, shall not be liable for and such Lot shall not be subject to a lien for the payment of assessments which have become due and payable prior to the acquisition of title or the taking of possession (whichever first occurs) of such Lot pursuant to a decree of foreclosure, or any proceeding in lieu of foreclosure; provided, that such subordination shall apply only to assessments which have become due and payable prior to such acquisition of title or the taking of possession of such Lot, and such Mortgagee or purchaser, their successors and assigns, shall be liable for and such lot shall be subject to a lien for assessments thereafter becoming due and payable. Any such unpaid assessments for which such Mortgagee, purchaser or grantee, their successors and assigns, shall not have liability pursuant to this paragraph shall constitute a Common Expense of the Association for which each Owner, including such Mortgagee or purchaser, their successors and assigns, shall be liable in proportion to each such Owner's obligation to pay Common Expenses. Any Owner contributing toward such additional Common Expenses shall be subordinated to the rights of the Association to collect such amounts.

**5.06 Obligation for Assessments.** Every assessment, until paid, together with interest, late charges, if any, actual costs of collection and reasonable attorney's fees, also shall constitute the obligation of the Owner of the Lot against which such assessment is made. The collection of such assessment may be pursued by the Association with contract action only against the Lot of the Owner, including the rents and profits therefrom, and not against any assets of the Owner other than the lot or against the assets of any Partner of Owner other than the partnership interest in the Lot. In no event shall a suit for a deficiency judgment be maintainable against an Owner of a Lot.

**5.07 No Waiver.** Suit to recover a money judgment for any unpaid assessments shall be maintainable without waiving the lien securing such assessments, and enforcement and foreclosure of such lien shall be maintainable notwithstanding the pendency of a suit to recover a money judgment for such assessment.

## ARTICLE VI

### PROPERTY RIGHTS IN COMMON AREAS

**6.01 Owners' Easements of Enjoyment.** Each Owner and

such Owner's tenants, guests and invitees shall have a non-exclusive right and easement for ingress and egress through and over, and for the use and enjoyment of the Common Areas and to use the recreational facilities located thereon, which right and easement shall be appurtenant to and shall pass with the title to every Lot and shall be subject to the provisions of this Declaration, the Articles of Incorporation, the Bylaws, the Rules and Regulations and the right of the Association to do the following:

(a) subject to the provisions of paragraph 7.02 of this Declaration, to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility, in each such case upon the affirmative vote of Owners of Lots to which at least two-thirds (2/3) of the votes held by Class A Members, two-third (2/3) of the votes held by Class B Members and at least two-third (2/3) of the votes held by Class C Members and at least two-thirds (2/3) of votes held by Class D Members appertain, present and cast a special meeting of the Association duly called and held for such purpose, at which meeting a quorum is present; and

(b) to lease all or any portion of the Common Areas, provided that such lease(s):

(i) shall not unreasonably interfere with rights of the Members of the Association to the use of the facilities so leased;

(ii) shall prohibit assignment and subleasing;

(iii) shall require the prior approval of the Association with respect to the permitted uses of the Common Areas and any facilities thereon;

(iv) shall be consistent with the provisions of this Declaration, the Articles of Incorporation and the Bylaws, the Rules and Regulations and then existing ordinances affecting the Center and the requirements of governmental authorities having jurisdiction thereof; and

(v) shall be consistent with the use of such Commons Areas or portion thereof in effect prior to the leasing thereof.

**6.02 Declaration of Use and Obligations.** Each member shall have the right to delegate to such Member's Lot lessee(s), sub-lessees or contract purchaser(s) who occupy such Member's Lot, provided, such Member gives written notice to the Association of such delegation and identifies to whom such delegation is made, and the relationship of such party to the Member. No such delegation shall relieve any Member of such Member's obligations under this Declaration, the Articles of Incorporation, the Bylaws or the Rules and Regulations, and each

such Member and delegee shall be bound and comply with all of the provisions of the foregoing.

**6.03 Obligation to Repair.** In the exercise of any rights hereunder, there shall be no unreasonable interference with the use of any Lot or the use or enjoyment of any improvement thereon. Any party exercising any rights hereunder is and shall be obligated to repair promptly, at such person's own expense, any damage caused by the exercise of such rights and to restore all real and personal property to the condition of such property prior to the exercise of such rights.

**6.04 Declarant's Rights.** Each Declarant, its agents and employee, shall have a right of ingress and egress over the Common areas and the right to such other temporary uses of the Common Areas as may be necessary, appropriate or desirable in connection with the development of the Property except within non-disturbance areas as described in the CDP; provided, however, that the Declarant shall repair or restore the Common Areas to a condition substantially the same as that which existed prior to the Declarant's use in connection with the development of the property at Declarant's sole cost and expense and at no cost or expense to the Association. The Declarant shall make reasonable efforts to minimize the interference with other owners use of a Common Area. The Declarant shall indemnify, defend and hold harmless Owners, Members, and the Board of Directors from any and all claims or actions which might arise out of Declarant's use of the Common Areas in connection with its development of the property, including reasonable attorney's fees.

**6.05 Title to Common Areas.**

(a) Title to, (and the responsibility to maintain at the expense of the owner of) all Common Areas shall remain in LCL and DXD until such time as such Common Areas have been conveyed to the Association or to any governmental or quasi governmental agency. Unless agreed to be maintained by the individual Owner upon whose Lot a public trails easement exists, such public trails easement shall be maintained by the Association.

(b) The Association shall be responsible for maintaining the Common Areas.

(c) The Declarant shall be responsible for real estate taxes on the Common Areas or parts thereof until, the earlier to occur of the availability for use by a Member or the conveyance to the Association. At such time as any Common Areas or part thereof becomes available for use by a Member, the real estate taxes for that part shall become a part of the Common Expense. The Common Areas or any portion thereof shall be deemed to be available for use by a Member upon the issuance by the Declarant's architect of a Certificate of Substantial Completion for said Common Area.

(d) Common Areas or parts thereof shall be conveyed to the

Association free and clear of any financial encumbrances subject only to restriction of record. The Declarant shall pay costs of survey. The Association and the Declarant shall equally bear cost of transfer taxes, recording taxes and title insurance.

(e) The Declarant shall convey the Common Area (Parcel 1, Block E) to the Association at such time as building permits for all Lots with Letter designations C,D,E, F and G as designated on CDP have been issued but in no event later than March 31, 1991.

**6.06 Limitations on Use of Certain Common Areas.** Anything above or elsewhere in this Declaration to the contrary notwithstanding, and except as provided in Sections 6.04 and 13.01, nothing shall prohibit LCL and DXD or the Association from limiting the use of a Common Area to less than all Owners where such limitation reasonably is required for security purposes. The foregoing includes, without limitation, the right to designate certain private roadways as limited access security roadways. No limitation on any Common Area pursuant to this Section 6.06 shall affect the obligations of all Owners for Common Expenses attributable thereto unless two-thirds of the Association's Board of Directors determines that Common Expenses attributable to any Common area the use of which is limited to less than all Owners should be borne by a designated Owner or Owners who comprise less than all Owners. Nothing herein shall be deemed to prohibit the right of any Owner to challenge in good faith administratively or judicially a decision of the Board of Directors made pursuant to this Section.

## ARTICLE VIII

### EASEMENTS

**7.01 Easement for Encroachments.** If any portion of the Common Areas shall encroach upon any Lot by one (1) foot or less, or if any improvement on the Common Areas shall encroach by one (1) foot or less upon any Lot as a result of the construction, settling, shifting, repair or rebuilding of any building or improvement, a valid easement for such encroachment and for the maintenance of such improvement shall exist for so long as such building or improvement shall stand, provided that such encroachment does not (i) interfere unreasonably with the lawful and intended use and enjoyment of the Lot or Common Area upon which such encroachment exists or (ii) materially impair the value of any Lot. In the event any improvement on any portion of the Common Areas shall be partially or totally destroyed as a result of fire or other casualty, or as a result of a taking in condemnation or process in lieu thereof and then rebuilt, and such rebuilt improvement encroaches upon any Lot or upon any portion of the Common Areas, there shall exist a valid easement for such encroachment and for the maintenance of such encroachment for so long as such reconstructed building or other improvement shall stand, provided that such encroachment does not (i) interfere unreasonably with the lawful and intended use

and enjoyment of the Lot or Common Area upon which such encroachment exists or (ii) materially impair the value of any Lot.

**7.02 Utility Easement.** The Declarant and the Association each shall have an alienable easement and right-of-way on, through, over and under the Common Areas and all Lots, and under any dedicated street (which easements and rights-of-way shall be located so as to not to interfere unreasonably with the lawful and intended use and enjoyment of any Lot or Common Area), for the installation, maintenance and use of electric and telephone poles, wires, cables, conduits, sanitary and storm sewer lines, water mains and other facilities and equipment related to the provisions of public or private conveniences and utilities, including specifically cable television wires, cables, and conduits related thereto, provided that entrance on, through, over or under any Lot shall be made only after prior reasonable notice to the owner of such Lot (except in the event of emergency, when prior notice shall not be required) and (ii) under such reasonable conditions to protect the security requirements, of an Owner, as such Owner reasonably may impose as a condition on non-emergency entrance on, through, over or under Owner's Lot. the easements and rights hereby granted expressly includes the gradings of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health and safety for the Center. The rights of the Declarant under this paragraph 7.02 in all respects shall be and shall be deemed superior to any and all rights of the Association. The Declarant or the Association, whichever has exercised the right here granted shall indemnify and hold harmless the Lot Owner from any injury or claim by third parties suffered as a result of the exercise of this right.

**7.03 Utility Distribution Systems.** Subject to the provisions of this Declaration and the Bylaws, each Owner shall have a non-exclusive right and easement in common with all other Owners to use all pipes, wire, ducts, cables, conduits, public utility lines and all other public utility distribution facilities and systems located upon any Lot or any portion of the Common Areas to the extent any such pipe, wire, duct, cable, conduit, public utility line or other utility distribution system serves or is necessary for service to any Lot. In the exercise of any rights hereunder, there shall be no unreasonable interference with the use of any Lot or the use or enjoyment of any improvement thereon, and any party exercising any right hereunder is and shall be obligated to remove all trash and debris caused by such entry and to restore all real and personal property to the condition of such property prior to the exercise of such rights.

**7.04 Signage and Landscaping Easements.** Declarant hereby reserves unto itself a perpetual and non-exclusive easement over the Common Areas for the purpose of (but without any obligation) for landscaping any such Common Area, and/or

erecting and maintaining street intersection signs, street lights, directional signs, temporary promotional signs, entranceways and signs, and stone, wood or masonry walls and/or monuments thereon.

**7.05 Easement to Facilitate Sales.** Declarant and any other person or entity duly authorized by Declarant shall have the right to use of any and all unsold Lots and/or the improvements thereon as sales, management or other offices, to use and enter any and all unsold Lots and the Common Areas for sales, display or other purposes, to erect, maintain and operate real estate and construction offices, and to enter into agreements with other Owners who may agree to lease their Lots and/or improvements for any such purposes.

**7.06 Easement for Emergencies.** All policemen, firemen, ambulance personnel and all similar persons hereby are granted a perpetual easement to enter upon the Center (or any portion thereof) in the performance of their appropriate lawful services.

## ARTICLE VIII

### GENERAL AND RESTRICTIVE COVENANTS

**8.01 Use of Lots and Commons Areas.** Each Lot and the Common Areas, and all improvements erected or to be erected thereon, shall be occupied and used as follows:

(a) Except as permitted by the provisions of this Declaration, but subject to all requirements of the MAC zoning applicable to the Center, as the same may be amended prospectively from time to time, no part of the Center which is subject to the provisions of this Declaration shall be used for any purpose other than the residential and commercial purposes for which the Center has been designed, as set forth in the CDP. In furtherance of the foregoing, only the following uses and activities may be conducted on any Lot: Those activities listed in section 27-489 through 27-493 of the Zoning Ordinance of Prince George's County as such sections are amended from time to time.

(b) All Owners and occupants of any Lot shall abide by all laws, zoning ordinances affecting, and regulations of all governmental agencies asserting jurisdiction over, the Center.

(c) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be prohibited upon any Lot or the Common Areas, except that the keeping of a reasonable number of orderly domestic household pets shall be permitted. Pets shall not be permitted upon the Common Areas unless accompanied by a responsible person. Any Owner or other occupant who keeps or maintains any pet shall be deemed to have indemnified and agreed

to hold harmless the Declarant and any other Owner from any claim or liability of any kind or character whatsoever arising by reason of the keeping or maintaining of such pet within the Center. All pets shall be leashed, registered and inoculated as required by law.

(d) No trash, garbage or other refuse shall be dumped or stored or allowed to be accumulated on any Lot or upon the Common Areas. The burning or incineration of trash, garbage or other refuse is prohibited. All trash, garbage or other refuse shall be placed in covered containers and shall be stored out of the public view except on days of collection. Owners shall be entitled to place covered dumpsters at various locations throughout the Lot, provided the Owner takes reasonable care to screen the dumpsters.

(e) No junk or derelict vehicles, or other vehicles on which current registration plates are not displayed, shall be kept upon any Lot and except, in bona fide emergency. No repairs or extraordinary maintenance of automobile or other vehicle unless such repair or maintenance occurs on a Lot used as any automobile service station or on a Lot designated A1-A8: where the rental use requires such activity shall be carried out on any Lot or in the Common Areas. No house trailers, or commercial or industrial vehicles, including but not limited to moving vans, trucks, trailers, van (other than passenger vans), wreckers, hearses, buses or mobile homes shall be regularly or habitually parked within the center.

(f) No temporary structure of any kind, and no trailer, tent, shack or pen or other similar structure shall be erected or maintained on any Lot. The provisions hereof shall not apply to temporary structures incident to the construction, repair or marketing of improvements on any Lot or the Common Areas.

(g) No fences other than those during construction which shall be well maintained shall be erected upon any Lot or the Common Areas, except for those fences, if any, erected or approved by the Declarant and, after the time the Declarant ceases to have any interest in the Center, those erected with the prior written consent of the Board of Directors. Any fence or wall built on any Lot shall be maintained in good condition and repair in a manner consistent with the appearance of surrounding Lots.

(h) No satellite receiving systems or stations shall be maintained upon the Common Areas. Provided they are adequately screened from street view, satellite receiving systems or stations or exterior television, cable, or other communications antenna may be maintained on a Lot or on a building. Any question as to the adequacy of screening shall be determined by the Board of Directors whose determination shall be final.

(i) Except for entrance, directional, community or traffic control or safety signs maintained in accordance with the provisions of paragraph 7.04 of this Declaration, signs consistent with the CDP as permitted by the sign ordinance of Prince George's County, building facade, ground level building identification signs and with respect to the retail commercial uses on parcels A1-A8, those building facade signs ordinarily and customarily associated with stores or free standing buildings on pad sites in a retail shopping center, no signs or other advertising shall be erected, posted or displayed in, on or about any Lot or the Common Areas unless approved by the Board Of Directors; provided, that temporary for sale, rent or marketing signs may be erected upon any marketing Lot or in any area designated for such signs by the Board of Directors, or attached to any building.

(j) Except for the rights reserved to the Declarant and the Association in this Declaration or in the Bylaws, or at law or in equity, the Common Areas shall be used only for the furnishing of the services and facilities for which they are reasonably intended.

(k) No waste shall be committed in, on or to the Common Areas.

(l) No tree, hedge or shrub shall be maintained in such a manner as to obstruct street or directional signs or sight lines for vehicular traffic.

(m) No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done or placed thereon which may become an annoyance or nuisance to the other Owners. Owners shall maintain their Lots and all appurtenances thereon at all times in good repair and in a neat condition. Except for flower gardens, shrubs and trees that are neatly maintained, all open Lot areas after development shall be maintained as lawns and prior to development shall be kept free and clear of all debris and maintained in accordance with the Prince George's County clean lot ordinance unless otherwise approved by the Board of Directors. All lawn areas shall be kept mowed and shall not be permitted to grow to a height excess of four inches. The Board of Directors shall have the right to cure a breach of this provision at the sole cost and expense of the defaulting Owner.

(n) The exteriors of all structures, including walls, doors, windows and roofs, shall be maintained in good order and repair. In the event of fire, or other casualty, no structure's exterior shall be permitted to remain unrepaired for longer than four (4) months unless such fire or casualty is caused by a force majeure or there are circumstances beyond the reasonable control of the Owner which prevent the Owner from completing the repairs within the time frame set forth in this Section 8.01(n).

(o) No exterior lighting shall be directed



outside the boundaries of any Lot.

(p) No improvement shall be maintained on a Lot in violation of the building restriction and set-back lines shown on the recorded plat of subdivision for such Lot.

**8.02 Replating of Lots.** No Lot without the express written consent of the Declarant, granted or denied at the discretion of the Declarant, shall be subdivided or its boundary lines changed, except that the Declarant shall have the right, exercisable in the sole discretion of the Declarant, to replat any Lot or Lots owned by the Declarant, subject to the requirements of applicable law. This provision shall be of no further force and effect at such time as the Declarant has conveyed 80% of the total number of Lots in the Center as shown on the Preliminary Plan of Subdivision approved November 18, 1988 or December 31, 1992 whichever shall first occur.

**8.03 Enforcement.** The provisions of this Article VIII may be enforced in the manner provided in Article XI below.

**8.04 Additional Restrictions.** Any Lot Owner or group of Lot Owners may adopt rules and regulations affecting their own Lots in addition to, but not in derogation of the provisions of this Article VIII.

#### ARTICLE IX

##### CONSTRUCTION ACTIVITIES; INDEMNIFICATION PROVISIONS

**9.01 Course of Construction.** In the course of construction of any and all improvements on any Lot or the Common Areas, each Owner or Declarant, as the case may be, shall use its best efforts to minimize interference resulting from such construction activities and/or use with the construction activities and use and enjoyment of any other Lot, any Common Area or any public roadway, right of way or other public facility. However, each Owner, by acceptance of a deed to a Lot, whether or not stated in such deed, acknowledges that the Center may be the site of active construction for a period of many years, assumes the risks that inconveniences may occur, that interference resulting from construction activities is inevitable, that as a park interference from permitted uses may occur, and acknowledges that each Owner shall have no claim against any party resulting from such inconvenience and/or interference except as provided in Section 9.02.

**9.02 Indemnification.** Each Owner and the Declarant hereby indemnifies and agrees to hold harmless each other from and against any and all losses, claims and damages, including reasonable attorney's fees, resulting from construction activities and/or negligent, unreasonable and/or unlawful use of a Lot or the Common Areas by or on behalf of an indemnifying party which results in (i) physical damage to an indemnified party's person or property, or the person or property of such

party's tenants, invitees, employees or agents, where the risk of such damage has not been assumed, or (ii) unreasonable interference with an indemnified party's intended use and enjoyment of such party's Lot or the Common Areas, or the use thereof by such party's tenants, invitees, employees or agents, and damages reasonably incidental thereto. In furtherance and not in limitation of the foregoing, any Owner or the Declarant who damages any other Lot Owner's Lot or any Common Area or public roadway, right of way or other public area shall promptly cause the same to be repaired to its prior condition at the direction of the aggrieved party, and the cost thereof shall not constitute a Common Expense.

## ARTICLE X

### PRIORITY OF MORTGAGEES

**10.01 Priority of Mortgagees.** No provision of this Declaration, the Articles of Incorporation, the Bylaws or, the Rules and Regulations shall be construed to grant to any Owner, or to any other party, any priority over any rights of Mortgagees pursuant to their Mortgages in the case of distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of Lots and/or the Common Areas or any portions thereof.

## ARTICLE XI

### COMPLIANCE AND DEFAULT

**11.01 Lots Subject to Declaration, Articles of Incorporation, Bylaws and Rules and Regulations.** All present and future Owners, tenants, users and occupants of Lots shall be subject to and shall comply with the provisions of this Declaration, the Bylaws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any Lot shall constitute an agreement that the provisions of this Declaration, the Articles of Incorporation, the Bylaws and the Rules and Regulation, as they may be amended from time to time, are accepted and ratified by such Owner, tenant or occupant, and all of such provisions are and shall be deemed and taken to be enforceable equitable servitudes and covenants running with the land and shall bind any person at anytime having any interest or estate in such Lot, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof. Any default by any such person shall entitle the Association, the Board of Directors, or an aggrieved Owner to the relief provided in this Article XI.

**11.02 Legal Proceedings.** An action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of assessments, any other relief provided for in this Declaration or in the Bylaws, or any combination thereof,

and any other relief afforded by a court of competent jurisdiction, at law or in equity, may be sought by the Association, the Board of Directors, or, if appropriate, by an aggrieved Owner, including LCL and DXD.

**11.03 Costs and Attorneys Fees.** In any proceeding arising out of any alleged default by an Owner, tenant, user or occupant of a Lot, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorney's fees.

**11.04 Enforcement and No Waiver of Rights.** The failure of the Association, the Board of Directors or an aggrieved Owner to enforce any right, provision, covenant or condition which may be granted by this Declaration, the Bylaws or, the Rules and Regulations shall not constitute a waiver of the right of the Association, the Board of Directors, or such Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors, or any Owner pursuant to any term, provision, covenant or condition of this Declaration, the Bylaws or, the Rules and Regulations shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such rights as may be granted to such party by this Declaration, the Bylaws, the Rules and Regulations, or at law or in equity.

**11.05 Abatement and Enjoyment of Violations by Owners.** The violation of any Rule or Regulation, or the breach of any bylaw or the breach of any provision of this Declaration, including specifically, but without limitation, the provisions of the Article VIII, shall give the Board of Directors on behalf of the Association the right (i) to enter the Lot, Common Area and/or improvement thereon in which or as to which such violation or breach exists and summarily to abate and remove, at the expense of the party in breach, any structure, thing or condition that constitutes such violation and neither the Association nor the Board of Directors shall be deemed guilty in any manner of trespass or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach. The actions contemplated by the foregoing clause (ii) also may be maintained by any aggrieved Owner.

## ARTICLE XII

### MISCELLANEOUS

**12.01 Amendment.** Except as otherwise provided herein, this Declaration may be amended only upon the affirmative vote of Owners of Lots in which at least two-thirds of the votes held by Class A Members, two-thirds of the votes held by Class B Members, two-thirds of the votes held by Class C Members, and two-thirds of the votes held by Class D Members have consented (except that Class D Members shall have no right to vote on any

amendment effecting the recreational amenities). No such amendment shall be effective until recorded by the Association on behalf of the Owners among the Land Records. Any amendment to this Declaration may be executed by any Owner or such Owner's Duly authorized officer or general partner in accordance with the laws of the State of Maryland pertaining to the execution and acknowledgment of deeds of conveyance. Anything in this paragraph 12.01 to the contrary notwithstanding, nothing herein shall be deemed to limit the right the Declarant to replat any Lot boundaries as provided in Section 8.02 of this Declaration, and (i) so long as LCL and DXD owns one or more Lots which are or may be subjected to the provisions of this Declaration, no amendment to this Declaration shall be adopted that could unreasonably interfere with the development of the Center or the sale or leasing of Lots therein by LCL and DXD or that could abridge, modify, eliminate or otherwise affect any right, power, easement, privilege or benefit granted or reserved to LCL and DXD by the provisions of this Declaration, or which would impose any discriminatory charges or fee against LCL and DXD and (ii) no amendment to this Declaration shall be adopted that would abridge modify eliminate or otherwise affect any right, power, easement, privilege or benefit granted or reserved by the provisions of this Declaration to Mortgagees. Notwithstanding any other provisions of this Declaration, LCL and DXD shall have the right unilaterally to amend this Declaration prior to the first conveyance of any Lot in the Center.

**12.02 Duration.** The covenants, conditions, restrictions and easements of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors and assigns, for a term of ninety-nine (99) years commencing from the date of recordation of this Declaration, after which time such covenants, conditions, restrictions and easements automatically shall be extended for successive periods of ten (10) years each, unless this Declaration is waived and terminated by a written instrument executed by Owners of Lots to which at least seventy-five percent (75%) of all of the votes held by all Class A, B, C and D Members appertain.

**12.03 Severability; Conflicts.** The invalidity or unenforceability of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid or unenforceable provision had never been included herein. In the event of any conflict between any of the provisions of this Declaration, the Articles of Incorporation, the Bylaws and the Rules and Regulations, the provisions of this Declaration shall govern all other such instruments, the provisions of the Articles of Incorporation and the Bylaws shall govern the Rules and Regulations.

**12.04 Captions.** The captions in this Declaration are inserted only as a matter of convenience and for reference, and in no way define, limit or proscribe the scope of this Declaration or the intent of any provision of this Declaration.

**12.05 Governing Law.** The real property which is or may become subject to this Declaration is located in, and this Declaration shall be construed under and governed by the laws of the State of Maryland, without giving effect to the choice of law rules thereof.

**12.06 Notices.** Any notice required or permitted hereunder shall be in writing and shall be either mailed, by first class mail or delivered by hand (including, without limitation, by air courier) to the addressee at the last address appearing in the records of the Association. Notice shall be deemed given three (3) days after the date postmarked, or with respect to hand delivered notices on the date delivered or attempted to be delivered during normal working hours on business days.

**12.07 Permitted Exceptions.** This Declaration is made subject to existing conditions, restrictions, easements and rights-of-way of record.

## ARTICLE XIII

### MARYLAND NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Section 13.01 Rights of the Maryland-National Capital Park and Planning Commission ("Commission" herein). Any other provision of this Declaration or the Bylaws or Articles of Incorporation of the Association to the contrary notwithstanding, neither the members, the Board of Directors nor the Association shall, by act or omission, take any of the following actions without the prior written consent of the Commission, which consent shall not be unreasonably withheld or delayed:

(a) make any annexation or additions other than as provided for pursuant to Section 2.02 of this Declaration; or

(b) abandon, partition, dedicate, subdivide, encumber, sell or transfer any of the Common Area or community facilities; provided, however, that the granting of rights-of-way, easements and the like for public utilities or for other purposes consistent with the use of the Common Area and community facilities by the members of the Association shall not be considered a transfer within the meaning of this Section; or

(c) abandon or terminate the Declaration; or

(d) modify or amend any material or substantive provision of this Declaration, or the Bylaws or the Articles of Incorporation of the Association which adversely affects the Recreational Facilities as defined in the CDP including the Lake,

trails system and tennis courts; or

(e) merge or consolidate the Association with any other entity or sell, lease, exchange or otherwise transfer all or substantially all of the assets of the Association to any other entity; or

(f) substantially modify the method of determining and collecting assessments as provided in this Declaration unless such modification fully preserves and protects the ability of the Association to maintain and operate the Recreational Facilities as defined in the CDP.

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

IN WITNESS WHEREOF, LCL and DXD have caused this Declaration duly to be executed as of the day and year first above written.

Largo C.L. I Limited Partnership

By: 

Largo C.L. Inc., General Partner  
Dennis A. Laskin, President

DXD, Inc.

By: 

Dennis A. Laskin, President

FILED

STATE OF MARYLAND  
COUNTY OF MONTGOMERY

On this the 8th day of January, 1990, before me, the undersigned officer, personally appeared Dennis A. Laskin who acknowledged himself to be President of the Largo C.L., Inc., a corporation and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Cheryl R. Federline  
Notary Public

My Commission Expires 7-1-90

STATE OF MARYLAND  
COUNTY OF MONTGOMERY

On this the 8th day of January, 1990, before me, the undersigned officer, personally appeared Dennis A. Laskin who acknowledged himself to be President of the DXD, Inc., a corporation and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Cheryl R. Federline  
Notary Public

My Commission Expires 7-1-90

## Section II



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STATE DEPARTMENT OF ASSESSMENTS AND TAXATION ARTICLES OF INCORPORATION OF

APPROVED FOR RECORD



LARGO TOWN CENTER ASSOCIATION, INC.

11-13-89 at 10:29 .M.A

FIRST: The undersigned Ellis J. Koch, whose post office address is 6701 Democracy Boulevard, Suite 503, Bethesda, Maryland 20817, being at least eighteen (18) years old does hereby form a corporation under the Maryland General Corporations Law Subtitle 2, Nonstock Corporations, Title 5, of the Corporations and Associations Article of the Annotated Code of Maryland (1985 as amended).

SECOND: The name of the corporation (hereinafter, the "Association") is the Largo Town Center Association, Inc., a Maryland nonstock corporation.

THIRD: The period of existence and duration of the Association shall be perpetual.

FOURTH: The post office address and the principal office of the Association in the State Of Maryland is c/o Colton and Laskin Inc., 6701 Democracy Blvd. Suite 503, Bethesda, Maryland 20817.

FIFTH: The name and post office address of the registered agent of the Association in the State of Maryland is Ellis J. Koch, 6701 Democracy Blvd. Suite 503, Bethesda, Maryland 20817. The registered agent is an individual residing in Maryland.

SIXTH: The purpose for which the Association is formed are as follows:

(a) To administer and manage the affairs of the Association and to acquire and own and to provide for the maintenance and administration of those common areas (the "Common Areas") at any time and from time to time owned by the Association for the common use and enjoyment of the owners of all or portions of the Largo Town Center (the "Center") pursuant to the provisions of a Declaration of Covenants, Conditions and Restrictions (the "Declaration") to be recorded among the Land Records of Prince George's County, Maryland, contemporaneously with the filing of these Articles, as such Declaration is amended from time to time.

In furtherance and not in limitation of the accomplishment of the foregoing purpose, but subject to the provisions of the Declaration and Bylaws, the Association

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shall have the following powers:

- (i) To adopt and amend rules and regulations;
- (ii) To adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from members of the Association;
- (iii) To sue and be sued, complain and defend, or intervene in litigation or administrative proceedings in its own name and on behalf of itself or two or more members of the Association on matters affecting the Center;
- (iv) To make contracts and guarantees, incur liabilities and borrow money, sell, mortgage, lease, pledge, exchange, convey, transfer and otherwise dispose of any part of its property and assets;
- (v) To hire and terminate managing agents other employees, agents, and independent contractors;
- (vi) To invest its funds in any manner appropriate to enable it to carry on the operations or to fulfill the purposes stated in the Declaration or the Bylaws of the Association, and to take and to hold real and personal property as security for the payment of funds so invested;
- (vii) To regulate the use, maintenance, repair, replacement and modification of Common Areas;
- (viii) To cause additional improvements to be made as a part of the Common Areas;
- (ix) To grant easements, leases, licenses, and concessions through or over the Common Areas;
- (x) To impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Areas;
- (xi) To impose charges for late payment of assessments and levy reasonable funds for violations of the Declaration, the Bylaws of the Association, and/or any rules and regulations of the Association;
- (xii) To impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale and or estoppel certificates, or statements of unpaid assessments;
- (xiii) To provide for the indemnification of and maintain liability insurance for officers, directors, and any managing agent or other employee charged with the

operation or maintenance of the Common Areas;

(xiv) To exercise any other powers conferred by the Declaration or the Bylaws of the Association.

(b) The Association is further authorized to have and to exercise any and all powers and privileges now or hereafter conferred by Subtitle 2, Nonstock Corporations, of Title 5 of the Corporations and Associations Article of the Annotated Code of Maryland (1985, as amended) and, to the extent applicable, by the Maryland General Corporations Law, or under any act amendatory thereof or supplementary thereto or in substitution therefor.

SEVENTH: The Association shall have no authority to issue stock.

EIGHT: The Association shall not be operated for profit. In connection with the foregoing, the Association does not contemplate the distribution of gains, profits or dividends to any of its members. The members of the Association shall not be personally liable for the debts, liabilities or obligations of the Association.

NINTH: (a) The Association shall have no stockholders. Each person holding any fee simple interest in a Lot (as defined in the Declaration) shall be a Member of the Association. Membership in the Association is and shall be appurtenant to and inseparable from fee simple ownership of a Lot. The Members of the Association shall have no preemptive rights to acquire any memberships of the Association that may at anytime be issued by the Association except as specifically provided in this Article NINTH.

(b) The Association shall have four (4) classes of voting memberships: (i) Class A: Class A Members shall be all Members owning Lots designated for residential use and the one (1) commercial lot adjacent to the lake; and (ii) Class B: Class B Members shall be all Members owning lots designated for commercial use except for the single lot included in Class A and Lot A designated for retail commercial use; and (iii) Class C: Class C Members shall be Declarant; (iv) and Class D: Class D Members shall be a Members owning the Lot A designated for retail commercial use.

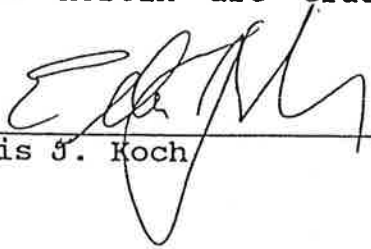
TENTH: (a) The affairs of the Association shall be governed by a Board of Directors which shall be composed of no less than three (3) nor more than seven (7) persons as provided in the Bylaws of the Association. The initial Board of Directors shall be composed of three (3) persons, whose names are as follows:

- (1) Dennis A. Laskin
- (2) Daniel I. Colton
- (3) Ellis J. Koch

ELEVENTH: The Association may be dissolved only in accordance with the provisions of Subtitle 2, Nonstock Corporations, Title 5, of the Corporations and Associations Article of the Annotated Code of Maryland (1985, as amended) and, to the extent applicable, by the Maryland General Corporations Law, or under any act amendatory thereof or supplementary thereto or in substitution therefor.

TWELFTH: These Articles may be modified or amended by the affirmative vote of Members holding sixty-six and two-thirds percent (66-2/3%) of the outstanding votes of each Class of Membership in the Association, provided, however, that, (i) so long as the Declarant (as defined in the Declaration) owns one or more Lots which now or in the future may comprise a part of the Center, no amendment to the Declaration, these Articles, the Bylaws or the Rules and Regulations shall be adopted that could unreasonably interfere with the development and sale of the Center or any part thereof, or that could abridge, modify, eliminate or otherwise affect any right, power, easement, privilege or benefit granted or reserved to Declarant or which would impose any discriminatory charges or fees against Declarant, and (ii) no amendment to the Declaration, these Articles the, Bylaws and or Rules and Regulations shall be adopted that would abridge, modify or eliminate or otherwise affect any privilege granted or reserved to Mortgagees (as defined in the Declaration).

The undersigned, Ellis J. Koch, hereby acknowledges that he has signed these Articles of Incorporation on 11/9/89, 1989, as his act and deed and that the matters and facts set forth herein are true and in all material respects.

  
 \_\_\_\_\_  
 Ellis J. Koch

## Section III

BYLAWS

OF

THE LARGO TOWN CENTER ASSOCIATION, INC.  
A Maryland Nonstock Corporation

ARTICLE I

INTRODUCTION

1.01 Name. The name of the corporation is LARGO TOWN CENTER ASSOCIATION, INC. a Maryland nonstock corporation (the "Association").

1.02 Statement of Applicability. On January 8, 1990, a Declaration of Covenants, Conditions and Restrictions of The Largo Town Center (the "Declaration") was recorded among the land records of Prince George's County, Maryland, in Liber 7530, at folio 313, by Largo CL I Limited Partnership, a Maryland limited partnership (LCL) and DXD Inc., a Maryland Corporation (DXD) as the fee simple owners, as tenants in common, of approximately 168.8 acres of real property located in Largo (unincorporated area), Prince George's County, Maryland, which real property is known as the Largo Town Center (the "Center") and is more particularly described in such Declaration. Such Declaration provides for the present and/or future conveyance of certain Common Areas, in fee simple, to the Association for the common use and enjoyment of the owners of the Center, provides for the maintenance and administration of such Common Areas and any other common facilities of the Center and establishes uniform standards, covenants, conditions and restrictions so that the Center is developed in an orderly manner as a residential, office and commercial park of the highest quality. The provisions of these Bylaws govern the structure and operation of the Association and, subject to the Declaration, the use and occupancy of the Center.

1.03 Office. The principal office of the Association shall be located c/o Colton & Laskin Inc., 6701 Democracy Blvd. Suite 503, Bethesda, Maryland 20817. The Association may have such other or additional offices within or without the State of Maryland as the Board of Directors from time to time may designate.

1.04 Registered Agent. The Registered Agent of the Association shall be Ellis J. Koch, 6701 Democracy Blvd., Suite 503, Bethesda, Maryland 20817.

The Board of Directors from time to time or at any time may change the Association's Registered Agent.

1.05 Definitions. Capitalized terms used in these Bylaws shall have the meanings set forth below:

(a) "Association" - The Largo Town Center Association, Inc., a Maryland nonstock corporation.

(b) "Articles of Incorporation" - the Articles of Incorporation of the Association, as filed on November 13, 1989 with the Maryland State Department of Assessments and Taxation, as amended from time to time.

(c) "Board of Directors" - the governing body of the Association.

(d) "Bylaws" - these Bylaws of the Association, as amended from time to time.

(e) "Common Areas" - all green spaces, lake, private roadways, pavements, median strips and other portions of the property from time to time subject to the Declaration and intended for common use, identified as such in the CDP (defined below) and not owned by any Owner (other than the Declarant) or any governmental agency and excluding any such areas which are conveyed as set forth in Section 6.05 of the Declaration, together with all improvements erected or to be erected thereon, which Common Areas simultaneously with the recordation of the Declaration shall be, or in the future maybe, conveyed in fee simple to the Association, with title thereto in the condition required by Section 6.05 of the Declaration, for the common use and enjoyment of the Owners.

(f) "Common Expenses" -

(i) All costs of administration, maintenance, management, operation, repair and replacement of the Common Areas, including such reserves as may be established from time to time in accordance with these Bylaws excluding, however, Recreational Area Expense;

(ii) the administrative costs of the Association;

(iii) real estate taxes, assessments and front foot benefit charges levied against, and the cost of all utilities serving the Common Areas;

(iv) premiums for insurance policies purchased by the Association in accordance with the provisions of these Bylaws;

(v) expenses declared Common Expenses by the provisions of the Declaration or these Bylaws; and

(vi) expenses agreed upon as Common Expenses by the Owners acting in accordance with the provisions of the Declaration and these Bylaws.

Anything above to the contrary notwithstanding, (i) any and all expenditures necessitated by the negligence or willful misconduct of any Owner or any party acting by, under or for such Owner shall be borne solely by such Owner (ii) extraordinary expenditures necessitated by the unique needs of an Owner or Owners constituting less than all of the Owners, as determined from time to time by the Board of Directors, shall be assessed against the Owner or Owners benefiting from such expenditures and (iii) separate common expenses levied against the Owners in any Pod only shall not constitute Common Expenses payable by another Owner not subject to such separate Pod assessments;

(g) "Comprehensive Development Plan" or "CDP" - that master development plan or plans for the Center as filed and approved by Prince George's County, Maryland, and all other applicable governmental and quasi-governmental authorities, as amended and/or supplemented from time to time.

(h) "Declarant" - (i) LCL and DXD for so long as LCL and/or DXD have any interest in the development of the Center, and (ii) subject to the last sentence of this paragraph, any successor(s) and/or assign(s) who (1) at any time owns beneficially, whether not of record, at least one Lot therein for resale or development and who and by written instrument duly recorded among the Land Records is or are assigned all rights and benefits reserved to the Declarant in the Declaration with respect to that portion of the Center owned by such successor and/or assign or (2) who succeeds to any of the rights of any Declarant under the Declaration pursuant to a decree of foreclosure or any proceeding in lieu of foreclosure. There shall be only one Declarant at any given time with respect to any one (1) Lot.

(i) "Declaration" - the Declaration of Covenants, Conditions and Restrictions of the Largo Town Center recorded on January 8, 1990, among the Land Records in Liber 7530 at folio 313, as amended from time to time.

(j) "Land Records" - the appropriate governmental office in and for Prince George's County, Maryland, wherein documents and instruments affecting real property are recorded for the purposes of providing notice to the general public.

(k) "Lot" - a parcel of land designated as such on the CDP, on any amendment or supplement thereto, or on any



subdivision or similar plat or plan pertaining to all or any part of the Center which is subject to the Declaration, but excluding the Common Areas or any portion thereof or any portion of the Center owned by any governmental or quasi-governmental agency (for example, with respect to the latter, the Washington Suburban Sanitary Commission).

(l) "Member" - each person or entity who holds any fee simple interest in a Lot. Membership in the Association is and shall be appurtenant to and inseparable from fee simple ownership of a Lot.

(m) "Mortgage" - any recorded (among the Land Records) first or second deed of trust or mortgage or comparable security instrument or arrangement, including, without limitation, sale-and/or lease-leaseback arrangements, conditional or security deeds, and security agreements, which encumbers a Lot and secures a bank, savings and loan association, insurance company, real estate investment trust, pension fund or other recognized institutional lender, institutional trustee, or any holder of purchase money financing.

(n) "Mortgagee" - any party secured by a Mortgage.

(o) "Owner" - the person or persons or entity or entities who or which, individually, together or collectively, hold fee simple legal title to a Lot, excluding any party holding title to any Lot merely as security for the payment of an indebtedness or the performance of an obligation unless and until such party takes title to a Lot by foreclosure or proceeding or purchase in lieu thereof.

(p) "Restrictive Covenants" - the restrictive covenants set forth in Article VIII of the Declaration.

(q) "Recreational Area Expenses" - all costs of administration, maintenance, operation, repair and replacement of the recreational amenities associated with the lake, including such reserves as may be established from time to time in accordance with these Bylaws.

(r) "Rules and Regulations" - those rules and regulations adopted from time to time by the Board of Directors in accordance with the provisions of the Declaration and these Bylaws.

## ARTICLE II

### MEMBERSHIP CLASSES

2.01 Membership. Each and every Owner of a Lot shall be a member of the Association; Lot ownership and Membership in the Association are appurtenant to each other and are inseparable.

2.02 Classes of Membership. The Association shall have four classes of voting membership:

(a) Class A: Class A Members shall be all Members owning Lots designated for residential use on the CDP and the commercial property located adjacent to the Lake and at the intersection of Harry S. Truman Drive and Lottsford Road. Each Lot owned by a Class A Member(s) (regardless of the number of such members owning such Lot) shall be entitled to one (1) vote for each two (2) acres contained in the Lot at all meetings of the Association.

(b) Class B: Class B Members shall be all Members owning Lots designated for commercial use on the CDP, except for the one commercial lot included in Class A and the commercial retail lot designated as Lot A. Each Lot owned by a Class B Member(s) (regardless of the number of such Members owning such Lot) shall be entitled to one (1) vote for each two (2) acres contained in the Lot at all meetings of the Association.

(c) Class C: Declarant shall be a Class C Member. Each Lot owned by a Class C Member shall be entitled to ten (10) votes for each two (2) acres contained in a Lot at all meetings of the Association; provided, that Class C memberships held by Declarant shall cease and automatically shall be converted to Class A or B memberships depending upon the use designated for the Lot, with each affected Lot owned by such Declarant thereafter entitled to one (1) vote for each two (2) acres owned at all meetings of the Association, upon the earlier to occur of the following events:

(i) January 1, 2010, at which time all Class C memberships in the Association shall convert automatically to Class A or B Memberships; or

(ii) at such time as Declarant voluntarily elects in writing that such Declarant's Class C memberships be converted, in whole or in part, to Class A or B memberships.

The conversion of a Declarant's Class C memberships into Class A or B memberships shall not in itself affect or diminish any other right or responsibility, or eliminate or abridge any protective provisions applicable to the Declarant under the Declaration, these Bylaws, the Articles of Incorporation, or the Rules and

Regulation, and all such rights, obligations and protection shall continue in full force and effect pursuant and subject to the provisions of each such document unaffected by such change in Class of membership.

*A* (d) Class D: Class D members shall be all Members owning portions of Lot A 9 (the retail commercial lot). Each lot owned by a Class D Member (regardless of the number of Members owning such Lot) shall be entitled to one (1) vote for each two (2) acres contained in the Lot at all meetings of the Association.

2.03 Voting Rights. Provisions governing the exercise of voting rights are set forth in Article III of these Bylaws.

### ARTICLE III

#### MEETINGS OF MEMBERS; VOTING

3.01 Place of Meetings. Meetings of the Associations shall be held at the principal office of the Association or such other suitable place convenient to Members as from time to time may be designated by the Board of Directors.

3.02 Annual Meetings. The first annual meeting of the Association shall be held within one (1) year from the date of recordation of the Declaration. Each subsequent annual meeting of the Members shall be held within thirteen (13) months following the date of the previous annual meeting, on such date and at such time as shall be determined by the Board of Directors. At all annual meetings of the Association, members of the Board of Directors shall be elected, and such other business as may properly come before a meeting may be transacted.

3.03 Special Meetings. It shall be the duty of the President to call meeting of the Association if so directed by resolution of the Board of Directors, and, subject to the provisions of Section 2-502 of the Maryland General Corporation Law, it shall be the duty of the Secretary to call a special meeting of the Association upon petition signed and presented to the Secretary by Members holding not less than twenty-five percent (25%) of the outstanding votes in the Association. No business shall be transacted at a special meeting except as stated in the notice of such meeting given in accordance with the provisions of paragraph 3.04.

3.04 Notice of Meetings; Roster of Members.

(a) It shall be the duty of the Secretary to cause to be given to each Member notice of each annual and each special meeting of the Association at least ten (10) days but no more

than ninety (90) days in advance of such meeting, stating the time and place, and purpose of such meeting and that the procedure authorized by Section 5-206 of the Corporations and Associations Article of the Annotated Code of Maryland (1985, as amended) may be invoked. Notice of a meeting given in the manner authorized by Section 2-504 (c) of the Maryland General Corporation Law shall be deemed service of notice.

(b) The Board of Directors shall maintain a current roster of the names and addresses of Members to which notices of meetings of the Association shall be sent. Each Member shall furnish the Board of Directors with his, her or its name and current mailing address. The Board of Directors may rely on the most current information supplied to it by a Member, and shall have no responsibility to verify or independently obtain any such information.

3.05 Casting of Votes. Since an Owner of a Lot may be more than one person or an entity, the Member who shall be entitled to cast the vote for such Owner shall be the Member named in a certificate executed by all of the Members constituting such Owner, or, in the case of an entity, executed by a duly authorized officer or general partner thereof and filed with the Secretary, or in the absence of such named Member from the meeting ( or the failure to name a Member), the Member who shall be entitled to cast the vote of such Lot shall be the Member who is present at any meeting, if only one Member is present. If more than one of such Members are present and no certificate has been filed with the Secretary (or if the Member named in the certificate for such Lot is not present), the vote appertaining to that Lot shall be cast only in accordance with the agreement of a majority of the Members so present, and such agreement shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Lot without protest being made to the presiding officer of the meeting. If protest is made, the vote appertaining to that Lot shall be cast proportionally.

3.06 Suspension of Voting Rights. No Member may vote at any meeting of the Association if a lien for assessments, as provided in Article VI, has been enforced or foreclosed, or action therefore has been instituted against such Member's Lot and the amount necessary to release such lien has not been paid at the time of such meeting.

3.07 Proxies. The vote appertaining to any Lot may be cast pursuant to a proxy duly executed by or on behalf of the Owner, or, in cases where the Owner is more than one Member, by or on behalf of all such Members. No proxy shall be revocable except by actual written notice of revocation by the Owner of the Lot to the presiding officer of the meeting. Any proxy shall be void if it is not dated or if it purports to be revocable without notice as aforesaid. Any proxy shall terminate automatically upon the

adjournment of the first meeting of the Association held on or after the date of such proxy at which a quorum is present, and all proxies must be presented to the presiding officer of the meeting prior to the commencement of any meeting for which they are given. Unless a proxy otherwise provides, no proxy shall be valid for a period in excess of eleven (11) months after execution thereof.

3.08 Conduct of Meetings. The minutes of all meetings shall be kept in a Minute Book maintained for the Association by the Secretary. The then current Robert's Rules of Order or any other rules of procedure acceptable to a majority of the votes of Members present at any meeting in person or by proxy shall govern the conduct of all meetings of the Association when not in conflict with these Bylaws or the Declaration.

3.09 Presiding Officer. Any person designated by LCL and DXD shall preside at the first annual meeting of the Association. Thereafter, the President shall preside at all meetings of the Association. In the absence of the President at any meeting of the Association, any person chosen by the Board of Directors shall preside over the meeting.

3.10 Inspectors of Election. One or more Inspector(s) of Election shall be appointed by the Board of Directors prior to or at the time of any meeting of the Association at which Directors shall be elected.

3.11 Quorum. Except as otherwise provided elsewhere in these Bylaws, or as required by law, the presence in person or by proxy of Members holding fifty percent (50%) of the outstanding votes in the Association shall constitute a quorum at and throughout all meetings of the Association.

3.12 Adjournment of Meetings. Except as otherwise provided in these Bylaws, if any meetings of the Association cannot be held because a quorum is not present, Members holding a majority of the votes present at such meeting, either in person or by proxy, may adjourn the meeting without further notice to a time not less than ten (10) days from the time the original meeting was called, and except as otherwise required by law, the presence, in person or by proxy, of Members holding forty percent (40%) of the outstanding votes in the Association shall constitute a quorum at and throughout such reconvened meeting, or such members may invoke the procedure authorized by Section 5-206 of the Corporations and Associations Article of the Amended code of Maryland (1985, as amended), upon notice as provided therein.

3.13 Association Action. Except as otherwise provided in these Bylaws, the Articles of Incorporation or in the Declaration, or as required by laws, decisions of the Association shall be made by Members holding a majority of the votes. As

used in these Bylaws, the term "Members holding a majority of the votes" or words of like impact shall mean more than fifty percent (50%) of the aggregate votes entitled to be cast by Member present, in person or by proxy, at a meeting of the Association at which a quorum is present.

#### ARTICLE IV

##### Board of Directors

4.01 Number. Until the first annual meeting of the Association, the affairs of the Association shall be managed by a Board of Directors composed of three (3) persons designated in the Articles of Incorporation or by LCL and DXD in accordance with the provisions of paragraph 4.09 (a) or 4.10 of these Bylaws. Thereafter, the affairs of the Association shall be managed by a Board of Directors composed of no less than three (3) nor more than seven (7) persons.

4.02 Election. Except for the initial members of the Board of Directors designated in the Articles of Incorporation or by LCL and DXD in accordance with the provisions of paragraph 4.09 (a) or 4.10 of these Bylaws, Directors, shall be elected by plurality vote. Each Lot owned by a Class A, B and D Member(s) (regardless of the number of such Members owning such Lot) shall be entitled to one (1) vote for as many persons as there are Directors to be elected and for whose election such Member(s) shall be entitled to vote. Cumulative voting by Class A, B and D Members shall be prohibited. Each Lot owned by a Class C Member shall be entitled to ten (10) votes for as many persons as there are Directors to be elected and for whose election such Member shall be entitled to vote. Cumulative voting by Class C Members shall be permitted.

4.03 Qualification. Except for the initial members of the Board of Directors designated in the Articles of Incorporation or by LCL and DXD in accordance with the provisions of paragraph 4.09 (a) or 4.10 of these Bylaws, all members of the Board of Directors shall be Members, or partners, officers, directors, trustees, agents or employees of Members which are not natural persons. No Member may be elected to or may serve on the Board of Directors if a valid lien for assessments, as provided in Article VI, has been enforced or foreclosed, or action therefor has been instituted against such Members Lot and the amount necessary to release such lien has not been paid at the time of such election or during such incumbency.

4.04 Term of Office. At the first annual meeting of the Association, each person receiving the first, second and third highest number of votes shall be elected for a term of two (2) years, and any other person or persons elected to the Board of

Directors shall be elected for a term of one (1) year. All persons elected as members of the Board of Directors at any subsequent annual meeting of the Associations shall be elected for two (2) year terms. Each member of the Board of Directors shall hold office until such person's successor shall have been elected and shall have qualified.

4.05 Compensation. No Director shall receive any compensation for serving as a Director, although each Director shall be entitled to reimbursement for actual and reasonable expenses incurred in the performance of his or her duties to the Association.

4.06 Quorum; Voting. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business. Every act or decision of a majority of the Directors present at a meeting at which proper notice is given and at which a quorum is present shall constitute the act of the Board. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present or the sole present Director may adjourn the meeting from time to time. At any reconvened meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

#### 4.07 Meetings of Directors.

(a) Regular Meetings. Regular meetings of the Board of Directors shall be held between annual meetings of the Association, with such frequency and at such time and place as shall be determined by the Board of Directors. Notice of regular meetings of the Board of Directors shall be given to each Director, by mail, telegraph, telex or facsimile transmission at least ten (10) business days prior to the date named for such meeting.

(b) Special Meetings. Special meetings of the Board of Directors may be called by the President on seven (u) business days' notice to each Director, given by mail, telegraph, telex or facsimile transmission, which notice shall state the time, place and purpose of such meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and like notice on the written request of at least two (2) Directors.

(c) Organization Meeting. A special organization meeting shall be held within ten (10) days after each annual meeting of the Association. No notice to the members of the Board of Directors shall be necessary in order legally to constitute such special meeting, provided that a quorum shall be present thereat.

(d) Waiver of Notice. Any Director at any time and in writing may waive notice of any meeting of the Board of Directors and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall constitute a waiver of notice by such Director of the time and place of such meeting, unless such attendance is for the purpose of objecting to such meeting. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

(e) Telephone Meetings. Members of the Board of Directors may participate in any meeting of the Board of Directors by means of a conference telephone or similar communication equipment if all persons participating in such meeting can hear each other at the same time. Such participation shall constitute presence in person at any such meeting.

(f) Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors consent in writing to such action and such unanimous written consent is filed with the minutes of the proceedings of the Board of Directors.

(g) Conduct of Meetings. A minute book, recording therein all resolutions adopted by the Board of Directors, and a record of all transactions and proceedings occurring at all meetings of the Board of Directors shall be kept by the Secretary of the Association. The then current Robert's Rules of Order or any other rules of procedure at any time or from time to time acceptable to a majority of the Board of Directors shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration or these Bylaws.

4.08 Powers and Duties of the Board of Directors. Except as otherwise provided by law or expressly reserved to the Members in accordance with the provisions of the Declaration, the Articles of Incorporation or these Bylaws, the Board of Directors shall have all of the powers, duties and authority vested in or given to the Association or the Board of Directors by the Declaration, the Articles of Incorporation, these Bylaws or by any resolution of the Members that hereafter may be adopted in accordance with the provisions of these Bylaws. The foregoing grant of authority to the Board of Directors shall be interpreted in its broadest sense.

4.09 Removal or Resignation of Members of the Board of Directors.

(a) Until the first annual meeting of the Association, any initial member of the Board of Directors designated in the



Articles of Incorporation may be removed, with or without cause, by LCL and DXD, and his or her successor thereupon shall be designated by CCG. Thereafter, any member of the Board of Directors may be removed, with or without cause, by Members holding a majority of the votes at any regular or special meeting of the Association duly called for such purpose, and a successor may then and there be elected. Any successor Director elected in accordance with the provisions of this paragraph shall serve for the remainder of the term of the Director so removed. Without limiting the provisions of paragraph 3.04 of these Bylaws, any Director whose removal has been proposed by the Members shall be given at least seven (7) days' notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

(b) Any member of the Board of Directors may resign at any time and shall be deemed to have resigned (i) in the event such member for any reason shall be absent from four (4) consecutive meetings of the Board of Directors or (ii) upon divestiture of title in fee or by lease for a term or terms of six (6) months or more of the Lot owned by such Director (or by such Director's corporation, partnership, trust, principal or employer, if the Owner is not a natural person), unless such Director (or such Director's corporation, partnership, trust, principal or employer) acquires or contracts to acquire another Lot under terms providing for a right of occupancy effective as of or before the termination of the right of occupancy pursuant to such divestiture.

4.10 Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director as provided in paragraph 4.09 (a) of these Bylaws (which shall be filled as provided in paragraph 4.09 (a)) shall be filled by the sole remaining Director or by a vote of a majority of the remaining Directors (whether or not the remaining Directors constitute a quorum) at a special meeting of the Board of Directors held for such purpose promptly after the occurrence of any such vacancy, and each person so elected shall be a member of the Board of Directors until a successor shall be elected at the next annual meeting of the Association, at which meeting a successor Director shall be elected and shall serve for the remainder of the term vacated; provided, however, that, until the first annual meeting of the Association, any vacancy in the position of any member of the Board of Directors designated in the Articles of Incorporation shall be filled by LCL and DXD.

4.11 Liability of the Board of Directors, Officers, Owners and Association.

(a) The officers and the members of the Board of Directors of the Association, in consideration of his/her service to the Association, shall not be liable to Members for any

mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or gross negligence. The Members and the Association hereby indemnify and hold harmless each of the officers and Directors from and against all liability arising out of contracts made or other action taken or failure to act by any officer or member of the Board of Directors on behalf of the Members of the Association to the full extent permitted under Section 2-418 of the Maryland General Corporation Law. Every agreement made by the officers, Board of Directors or the Managing Agent on behalf of the Association shall provide, if reasonably obtainable, that the offices, Board of Directors, or the Managing Agent, as the case may be, are acting only as agents for the Association and shall have no personal liability thereunder (other than as Owners), and that each Owner's liability thereunder shall be limited to such Owner's obligation to pay Common Expenses.

(b) The Officers and the members of the Board of Directors of the Association, in their capacities as such, shall not be liable for any failure of utility services or other services obtained by the Association or paid for as a Common Expense, or for injury or damages to any person or property caused by the elements, by any Member, or by any other person, or resulting from electricity, water, snow or ice which may leak or flow from any portion of the Common Areas or from any pipe, drain, conduit or equipment; provided, that nothing herein shall in any way be deemed to limit the scope of the insurance coverage required to be maintained by the Association pursuant to the provisions of Article IX of these Bylaws.

4.12 Common or Interested Directors. Each member of the Board of Directors shall exercise his or her powers and duties in good faith and with a view to the interests of the Association and the Center. No contract or other transaction between the Association and any of its Directors, or between the Association and any corporation, firm or association (including LCL or DXD) in which any of the Directors of the Association are directors, officers or employees, or are pecuniarily or otherwise interested, is or shall be either void or voidable because any such Director is present at the meeting of the Board of Directors or any committee thereof which authorizes, approves or ratifies the contract or transaction, or because his or her vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

(a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or the committee, and the Board of Directors or committee authorizes, approves or ratifies such contract or transaction by the affirmative vote of a majority of disinterested Directors, even if such disinterested Directors constitute less than a quorum; or

(b) The fact of the common directorate or interest is disclosed or known to the Members, and the Members authorize, approve or ratify such contract or transaction by a majority of the votes of Members (other than such common or interested Director(s)); or

(c) The contract or transaction is then fair and commercially reasonable to the Association.

Any common or interested Director(s) may be counted in determining the presence of a quorum at any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract, or transaction.

## ARTICLE V

### OFFICERS

5.01 Designation. The principal officers of the Association shall be a President, a Secretary and a Treasurer. The Board of Directors may appoint a vice president(s), assistant treasurer(s), assistant secretary(s) and/or such other officers as in its judgment may be necessary or desirable. All officers shall have the duties normally incident to their respective offices in a Maryland nonstock corporation and such other or additional duties as from time to time shall be assigned by the Board of Directors.

5.02 Qualifications. Except for officers elected by the initial members of the Board of Directors designated in the Articles of Incorporation or by LCL and DXD in accordance with the provisions of paragraph 4.09(a) or 4.10 of these Bylaws, all officers of the Association shall be Members, or partners, officers, directors, trustees, agents or employees of Members which are not natural persons. No member may be elected or may serve as an officer if a valid lien for assessments, as provided in Article VI, has been enforced or foreclosed, or action therefor has been instituted against such Member's Lot and the amount necessary to release such lien has not been paid at the time of such election or during such incumbency. The President shall be a member of the Board of Directors. Any officer other than the President may be but shall not be required to be a member of the Board of Directors. The offices of President and Vice President shall not be held concurrently by the same person.

5.03 Election of Officers. The officers of the Association shall be elected by the Board of Directors at the organization meeting following each annual meeting of the Association and shall hold office at the pleasure of the Board of Directors.

5.04 Removal or Resignation of Officers. Any officer may be removed, either with or without cause, by the Board of Directors. Any officer may resign at any time and shall be deemed to have resigned (i) in the event such officer for any reason shall be incapacitated or otherwise absent from his or her duties for a continuous period of sixty (60) days or more or (ii) upon divestiture of title in fee or by lease for a term of terms of six (6) months or more of the Lot owned by such officer (or such officer's corporation, partnership, trust, principal or employer) unless such officer acquires or contracts to acquire another Lot under terms providing for a right of occupancy effective as of or before the termination of the right of occupancy pursuant to such divestiture. Any vacancy in an office shall be filled by the Board of Directors at a regular meeting or a special meeting called for such purpose.

5.05 Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of Five Thousand Dollars (\$5,000) each shall be executed by any two officers of the Association or by such other person or persons as may be designated by the Board of Directors. All such instruments for expenditures or obligations of Five Thousand Dollars (\$5,000) each or less may be executed by any one officer of the Association or by such other person as may be designated by the Board of Directors.

5.06 Compensation of Officers. No officer shall receive any compensation for acting as such, although each officer shall be entitled to reimbursement for actual and reasonable expenses incurred in the performance of his or her duties to the Association.

## ARTICLE VI

### ASSESSMENTS

6.01 Fiscal Year. The fiscal year of the Association shall consist of twelve month period commencing January 1 of each year and terminating on December 31 of that year.

6.02 Determination of Common Expenses and Recreational Area Expenses. Each year on or before the first day of November, the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount which it considers necessary to pay the cost of the Common Expenses and Recreational Area Expenses for the ensuing fiscal year (including without limitation, such reasonable amounts as the Board of Directors shall deem sufficient to provide working capital for the Association, a general operating reserve, reserves for repairs and replacements of the Common Areas, and reserves for

contingencies). Before the first day of December of each fiscal year, the Board of Directors shall send to all Members a copy of such budget. At such time as the initial Board of Directors takes office, or as soon thereafter as shall be practicable, it shall determine the budget for the first fiscal year.

6.03 Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of any Member's obligation to pay assessments for Common Expenses and Recreational Expenses as provided in this Article and, in the absence of any annual budget, all Members shall constitute to pay assessments for Common Expenses and Recreational Expenses at the rates established for the previous fiscal year until the installment of such agreement which is due more than ten (10) days after such new annual budget shall have been adopted and notice thereof given to all Members.

6.04 Assessment for Common Expenses. The total amount of the estimated Common Expenses except for the non recreational aspects of the lake as set forth in the budget of the Association for any fiscal year shall be assessed against all Lots in the proportion the total acreage of each Lot (rounded to the nearest whole acre) bears to the total acreage (so rounded) of all Lots then subject to the Declaration. The assessment relating to the non-recreational aspect of the lake shall be determined by multiplying the total amount of the applicable assessment by a fraction, the numerator of which is the estimated storm water run off from the Owners lot and the denominator of which shall be the total storm water run off from all portions of the Center draining into the Lake. The proportional obligation of each Class A Owner other than the Owner of the one Commercial Office Lot with respect to Recreational Area Expenses shall be determined by multiplying 57% of the total applicable assessment by a fraction, the numerator of which shall be the total number of residential units built on such Lot and the denominator of which shall be total number of residential units built in the Largo Town Center. The proportional obligation of the Class A Owner owning the commercial office Lot (Lot C) shall be three percent (3%) of the total applicable assessment by a fraction, the numerator of which shall be the acreage in the commercial acreage exclusive of the retail commercial Lot A. The Class C Owner shall contribute such amounts as determined by the classification of any lot owned by the Class C Owner. Each Owner's proportionate share of any assessment shall be due and payable in the manner set forth in the Bylaws. Annual assessments shall be payable in equal monthly installments on the first day of each month, provided that with respect to the first fiscal year of the Association, assessments shall commence only when Common Areas have been conveyed to the Association, as provided in the Declaration. Within ninety (90) days after the

end of each fiscal year, the Board of Directors shall supply to all Members an itemized accounting of the Common Expenses and Recreational Area Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the provisions of this Article for such fiscal year, and showing the net amount over or short of the actual expenditures, plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves, in the discretion of the Board of Directors, either shall be (i) credited, in proportion to the obligation of each Lot to bear assessments for Common Expenses or Recreational Area Expenses, to next due installments, or (ii) refunded pro rata to Members who paid assessments in the relative proportion to the obligation of each Lot to bear assessments for Common Expenses with appropriate proration between transferor Owners and transferee Owners, if any, with respect to the fiscal year in question, or (ii) added to reserves, until exhausted. Any net shortage in assessments from the amount required for actual expenses and reserves shall be assessed, subject to the provisions of the second sentence of this paragraph, in proportion to the obligation of each Lot to bear assessments for Common Expenses and Recreational Area Expenses and shall be payable, in the discretion of the Board of Directors, either (i) in full, with payment of the next due installment, or (ii) in not more than six (6) equal installments, beginning with the next due installment.

6.05 Reserves. All reserves shall be kept in a separate bank account(s), segregated from the general operating funds of the Association. If the Board of Directors shall deem it advisable, funds accumulated for each type of reserve shall be kept in a separate bank account, identified by reference to the specific category of reserve. Extraordinary expenditures which may become necessary during any fiscal year shall be charged first against such reserves. Except where an emergency requires an expenditure to prevent or minimize loss from further damage to or deterioration of the Common Areas, reserves accumulated for one purpose may not be expended for any purpose unless approved by the Board of Directors.

6.06 Special Assessments. In addition to annual assessments for Common Expenses and Recreational Expenses, the Board of Directors at any time or from time to time may levy special assessments to defray, in whole or in part, extraordinary expenditures, or the cost of any construction, reconstruction, or replacement of the Common Areas or lake, which shall be assessed in proportion to the obligation of each Lot to bear assessments for Common Expenses or Recreational Area Expenses. Special assessments may be payable in lump sum or in installments, as the Board of Directors from time to time may determine.

6.07 Accounts. Except as otherwise provided in these Bylaws, all assessments collected by the Board of Directors may

be commingled into a single fund.

6.08 Collection of Assessments. The Board of Directors shall take prompt action to collect any assessments for Common Expenses or Recreational Area Expenses which remain unpaid for more than thirty (30) days from the due date for payment thereof. Any assessment, or installment thereof, which remains unpaid for a period in excess of fifteen (15) days shall bear interest from the due date until paid at a rate to be determined from time to time by the Board of Directors but not to exceed the maximum rate allowable by law.

6.09 Statement of Common Expenses and Recreational Area Expenses. The Board of Directors shall promptly provide to any Owner, contract purchaser or Mortgagee so requesting the same in writing a written certificate with respect to any Lot or Lots stating that (a) the Declaration, these Bylaws, the Articles of Incorporation, and the Rules and Regulation are in full force and effect and have not been modified except as stated in such certificate and (b) that the Board is not aware of any unpaid assessments or other charges with respect to such Lot, or any violation by the Owner of such Lot of the documents referred to in clause (a) except, in each case, as specified in such certificate. A reasonable fee may be charged by the Board of Directors to defray the cost of rendering each such certificate.

## ARTICLE VII

### BOOKS AND RECORDS

7.01 Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with good accounting practices, and shall include detailed accounts, in chronological order, of the receipts and expenditures of the Association and its administration, and shall specify maintenance, repair and service expenses and any other expenses incurred. The amount of any special assessment required for payment of any capital improvement of the Association shall be credited upon the books of the Association to the "Paid-in-Surplus" account as a capital contribution.

7.02 Inspection of Books. The books and accounts of the Association shall be available for examination and copying by the Members at their own expense and/or their duly authorized agents or attorneys, upon reasonable notice, during normal business hours and for purposes reasonably related to their interest.

7.03 Documents. Each Owner shall receive at no charge one copy of each of the Declaration, the Articles of Incorporation, these Bylaws, and the Rules and Regulations, as then in effect, at or prior to the time such Owner takes title to any Lot.

Additional copies of such documents may be purchased from the Association at such reasonable cost as from time to time may be established by the Board of Directors.

7.04 Auditing. All books and records of the Association shall be audited at least once for each fiscal year of the Association by an outside auditor employed by the Board of Directors. Such auditor shall not be a Member. In addition, any Member, at the sole expense of such Member, may cause the books and records of the Association to be audited, during normal business hours and upon reasonable notice, by an independent Certified Public Accountant.

## ARTICLE VIII

### MAINTENANCE AND REPAIR

8.01 By the Association. Except as otherwise provided in the Declaration or in these Bylaws, the Association shall be responsible for the maintenance, repair and replacement of the Common Areas and the recreational aspect of the lake, the cost of which shall be a Common Expense.

8.02 By the Owners. Each Owner shall be responsible for the maintenance of such Owner's Lot and the maintenance, repair, replacement of all improvements located on such Owner's Lot and all portions thereof. Each Owner shall perform normal maintenance and repair to such Owner's Lot and improvements, and shall keep such Lot and improvements and adjacent sidewalks and driveways in a clean, safe and sanitary condition, free and clear of snow, ice and accumulation of water. Each Owner shall be responsible for the expense of any maintenance, repair and/or replacement of any of the Common Areas and the recreational aspect of the lake, if in the opinion of not less than a majority of the Board of Directors, such expense was necessitated by the negligence, misuse or neglect of any Owner(s), or of any employee(s), agent(s), licensee(s) or invitee(s) of such Owner(s). All repairs or replacements to and/or of any and all Common Areas made pursuant to this paragraph shall be made by the Association, but the cost thereof shall be borne by the party(ies) responsible therefor as herein provided. Nothing in this Section 8.02 shall be deemed to prohibit any Owner from challenging administratively or judicially in good faith any determination of the Board made pursuant to this Section.

8.03 Manner of Repair and Replacement. All repairs and replacements to the Common Areas shall be substantially similar to the original construction and installation and shall be of first class quality.



## ARTICLE IX

### INSURANCE

#### 9.01 General Requirements.

(a) Each policy of insurance purchased by the Board of Directors on behalf of the Association shall provide to the fullest extent obtainable that:

(i) in no event shall any such insurance be brought into contribution with insurance purchased by individual Owners or their Mortgagees;

(ii) the insurer waives (1) any right to claim by way of subrogation against the Association, the Board of Directors or the Owners, and their respective agents, employees and invitees; and (2) any defense based upon co-insurance or upon any invalidity arising from the acts of the insured;

(iii) such policy shall not be canceled, invalidated or suspended due to the act or omission of any Owner (including any Owner's invitees, agents and employees) or of any member, officer or employee of the Board of Directors;

(iv) such policy may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior notice to the Board of Directors; and

(v) any "no other insurance" clause shall expressly exclude individual Owners' policies from its operation.

(b) All policies of insurance shall be written by companies with a financial rating of A or better under Best's Rating Guide (or any comparable rating under a revised rating guide), for premiums, to the extent obtainable, which are commercially competitive at the time incurred.

9.02 Physical Damage Insurance. The Board of Directors shall obtain and maintain a blanket all-risk policy of physical damage insurance, with extended coverage, insuring the Common Areas in an amount equal to one hundred percent (100%) of the full replacement value of the Common Areas based on then current replacement cost (exclusive of the land and other items normally excluded from such coverage), without deduction for depreciation. The amount of coverage shall be reviewed annually by the Board of Directors with the assistance of the insurance company affording such coverage and such coverage shall be redetermined when and as the Board of Directors deems advisable. A certificate of

insurance or a true and certified copy of the policy of physical damage insurance, all renewals thereof, and any subpolicies or certificates and endorsements issued thereunder, together with proof of payment of premiums shall be delivered by the insurer to any Mortgagee so requesting the same.

9.03 Liability Insurance. The Board of Directors shall obtain and maintain comprehensive general public liability insurance in such limits as the Board of Directors may from time to time determine in accordance with this paragraph, insuring each member of the Board of Directors, the Association and each Owner against any liability to the public or to the Owners (and their invites, agents and employees) arising out of or incident to the ownership and/or use of the Common Areas and the recreational aspects of the lake. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) libel, slander, false arrest and other personal injury offense endorsements; (ii) medical payments coverage; (iii) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to such insured's action against another named insured; (iv) coverage for water damage liability; and (v) a "severability of interest" endorsement which shall preclude the insurer from denying liability to an Owner because of negligent acts of the Board of Directors, the Association or of another Owner. The Board of Directors shall review such limits once each year, but in no event shall such insurance be written in an amount less than Two Million Dollars (\$2.0 million) covering all claims for bodily injury or property damage arising out of any one occurrence. Additional amounts of umbrella liability insurance in excess of the primary limits, in the discretion of the Board of Directors, also may be obtained.

9.04 Other Insurance. The Board of Directors shall obtain and maintain:

(a) Directors and officers liability coverage and fidelity bond coverage to protect against wrongful and dishonest acts on the part of officers, directors and employees of the Association and all others who handle, or are responsible for handling, funds of the Association. Fidelity bonds shall: (i) name the Association as an obligee; (ii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and (iii) include provision for thirty (30) days' written notice to the Association before any bond can be canceled or substantially modified; and

(b) Such other insurance as the Board of Directors may determine, or as may be requested from time to time by Members holding a majority of the votes or as required by law.

9.05 Separate Insurance. Each Owner shall have the right, at such Owner's expense, to obtain insurance for such Owner's Lot and the improvements thereon, upon such Owner's personal property and for such Owner's personal liability.

9.06 Board of Directors as Agent. The Board of Directors hereby irrevocably is appointed the agent for each Owner, to adjust and settle all claims arising under insurance policies maintained by the Association and to execute and deliver releases upon the payment of claims.

9.07 Repair and Reconstruction After Fire or Other Casualty. Unless otherwise provided by law or unless the Declaration shall have been waived and terminated in accordance with the provisions of Section 13.02 of the Declaration, in the event of damage of fire or other casualty, the Board of Directors must and shall arrange for and supervise the prompt repair and restoration of such Common Areas, subject to the provisions of Article VIII of these Bylaws.

## ARTICLE X

### MORTGAGES

10.01 Whenever so requested in writing by a Mortgagee of a Lot, the Board of Directors promptly shall report to such Mortgagee

(a) any sixty (60) day or greater delinquency in the payment of assessments due from the Owner of such Lot or other default by such Owner of any obligation under the Declaration, the Articles of Incorporation or these Bylaws,

(b) any material damage to such Lot or to the Common Areas, and of any condemnation or similar proceeding which may affect the Mortgagee, and

(c) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

10.02 Representation at Association Meetings. All Mortgagees or their representatives shall be entitled to attend meetings of the Association and shall have the right to speak, but not the right to vote, thereat.

10.03 Right to Satisfy Association Obligations. All Mortgagees shall have the right, to be exercised jointly or severally, to pay taxes or other charges which are in default and which have or may become a charge against the Common Areas, and to pay overdue premiums on hazard insurance policies affecting

the Common Areas or to secure new insurance coverage upon the lapse of any such policy. Any Mortgagee making any such payment or incurring any such expense immediately shall be reimbursed therefor by the Association.

## ARTICLE XI

### MISCELLANEOUS

11.01 Notices. Except as otherwise provided in these Bylaws or by law, all notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first-class postage prepaid, (i) if to a Member, at the address that such Member shall designate in writing and file with the Association, or if no such address is designated, at the address of the Lot of such Member, or (ii) if to the Association or the Board of Directors, at the principal office of the Association or at such other address as shall be designated by notice in writing to the Members pursuant to this paragraph.

11.02 Invalidity. The invalidity of any portion of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

11.03 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision hereof.

11.04 Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter gender, and the use of the singular shall be deemed to include the plural, and vice versa whenever the context so requires.

11.05 Amendments. These Bylaws may be modified or amended by the affirmative vote of Members holding sixty-six and two-thirds percent (66-2/3%) of the outstanding votes of each Class of Membership in the Association, provided, however, that, (i) so long as LCL or DXD owns one or more Lots which are or may be subjected to the provisions of the Declaration, no amendment to the Declaration, the Articles of Incorporation, these Bylaws, or the Rules and Regulations shall be adopted that could reasonably interfere with the development and sale of the Center or that could abridge, modify, eliminate or otherwise affect any right, power, easement, privilege or benefit granted or reserved to LCL or DXD or which would impose any discriminatory charges or fees against LCL or DXD, and (ii) no amendment to the Declaration, the Articles of Incorporation, these Bylaws, or the Rules and

Regulations shall be adopted which could abridge or otherwise affect adversely any privilege granted or reserved to Mortgagees.

IN WITNESS WHEREOF, the Board of Directors of the Association unanimously hereby adopt these Bylaws as the Bylaws of the The Largo Town Center Association, Inc. as of this 8th day of January, 1990.

  
\_\_\_\_\_  
Dennis A. Laskin

  
\_\_\_\_\_  
Daniel I. Colton

  
\_\_\_\_\_  
Ellis J. Koch

## Section IV

**LARGO TOWN CENTER ASSOCIATION, INC.**  
**2014 Operating Budgeted Account**

**INCOME**

Assessments	65,227	
Late Fees	<u>0</u>	
<b>Total Funds</b>		<b>65,227</b>

**EXPENSES**

**Reserve**

Recreation	4,000
Common	6,000

**Total Reserve** 10,000

**Common Expenses**

Lawn Maintenance / Trash Patrol	12,000
Property Management Services	22,000
Insurance	6,000
Audit/Accounting Fees	1,700
Legal/Collection Expense	1,000
Security	5,400
Storm Pond Maintenance	4,000
Events	850
Tree removal	2,000
Administrative Expense	25
Electricity	250
Federal Income Taxes	2
State Income Taxes	0
Property Tax Expense	

**Total Common Expenses** 55,227

**Total Expense** 65,227

**Net Income (Deficit)** 0

LARGO TOWN CENTER

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
MANAGEMENT	20250	21262	22265	23266	24268	25270	26272	27273	28275	29277
INSURANCE	17800	18690	19580	20470	21360	22250	23140	24030	24920	25810
GROUPS MAINTENANCE	21000	22050	23100	24150	25200	26250	27300	28350	29400	30450
REPAIR MAINTENANCE	500	525	550	575	600	625	650	675	700	725
ELECTRICAL	2500	2625	2750	2875	3000	3125	3250	3375	3500	3625
TRASH REMOVAL	500	525	550	575	600	625	650	675	700	725
PROPERTY TAX	1000	1050	1100	1150	1200	1250	1300	1350	1400	1450
AUDIT	1000	1050	1100	1150	1200	1250	1300	1350	1400	1450
LEGAL	3000	3150	3300	3450	3600	3750	3900	4050	4200	4350
RESERVE	68550	71977	75395	78811	82228	85645	89062	92478	95895	99312
TOTAL										

INITIAL ANNUAL CONTRIBUTION = \$111. PER UNIT BASED ON A TOTAL OF 620 RESIDENTIAL UNITS  
 INITIAL MONTHLY CONTRIBUTION = \$9.25 PER UNIT

ITEM	EST LIFE	TOTAL COST	ANNUAL CONTRIBUTION
GAZEBO	20 years	25000	1250
PATHWAYS	20 years	15000	750
TEMMIS COURT	8 years	3000	375
BOARDWALK	8 years	5000	625
TOTAL		48000	3000



## Section V

*Lake Largo Townhouse Association, Inc.*

3352 Old Washington Road  
Waldorf, Maryland 20602-3204  
(301) 843-8111

**FILE COPY**

May 9, 1997

Mr. Stephen Helfrich  
4000 Mitchellville Road  
#416  
Bowie, Maryland 20716

Dear Mr. Helfrich:

This letter will serve as our understanding that for an initial retainer fee of \$1250, which is enclosed, you will provide the following:

Review of all Association documents (Largo Town Center Association, Inc.)

Research land records to determine all Association property, identify deeds to Association and all parcels that were supposed to be or have been conveyed to the Association.

Obtain copies of all said deeds.

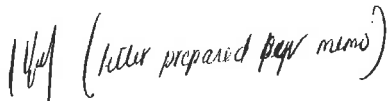
You will provide a list of what is to be deeded, what has already been deeded, and what remains to be deeded.

You will reinstate the Association's charter to ensure that you have a legal client.

We understand that we will be billed at your hourly rate of \$150. All bills are to be forwarded to the above address, but are to be headed Largo Town Center Association, Inc. The townhouse Association is advancing costs for these legal activities but expects the Largo Town Center Association to provide credit for these advances, once Largo Town Center Association is straightened out. Thus, it is imperative that the billings for Largo Town Center and any work that you are performing for Lake Largo Townhouse Association be kept completely separate.

We look forward to working with you to resolve these issues and arrive at a functioning association.

Sincerely,

 (letter prepared per memo)

Renna Young  
President  
Lake Largo Townhouse Association, Inc.  
Member Largo Town Center Association, Inc.

CLERK OF THE  
CIRCUIT COURT

JAN 23 11 01 AM '96

DECLARATION OF CROSS EASEMENTS

LARGO TOWN CENTER CONDOMINIUM

THIS DECLARATION OF CROSS EASEMENTS, made this 19<sup>th</sup> day of JANUARY, 1996, by and between CONDOMINIUM COMMUNITY (LARGO TOWN CENTER) INC., a Maryland Corporation, (hereinafter referred to as "Declarant").

W I T N E S S E T H :

WHEREAS, WASHINGTON, HOMES, INC., is the owner of the land and improvements (the "Property") known as Parcel 2, Block C, Largo Town Center, as shown on the plat entitled "Parcel 2, Block C, Largo Town Center", which Plat is recorded among the Land Records of Prince George's County, Maryland in Plat No. 152, as Plat No. 51 (the "Plat"); and

WHEREAS, it is intended that a Condominium Regime will be declared and recorded for all or part of the Property, but that in any event this Declaration shall apply to the entire Property whether subject to a condominium regime or not; and

WHEREAS, a portion of said Property, being Phase 3 of the Condominium Plat, will be made a part of the Condominium Regime to be known as Largo Town Center Condominium (the "Condominium"), and a Condominium Plat and Condominium Declaration and ByLaws for Largo Town Center Condominium are intended to be recorded among the Land Records of Prince George's County, Maryland, immediately prior or subsequent hereto; and

IMP FD SURE \$ 2.00  
RECORDING FEE 20.00  
NOTAR 22.00  
LARGO \$ 20.00  
LARGO \$ 25.00  
LARGO \$ 11.01

WHEREAS, the Condominium Plat designates Phase 3 as part of the Condominium and five (5) proposed Phases shown as Phases 1, 2, 4, 5 and 6 (Phase 3 and the 5 proposed Phases are sometimes referred to herein as "Phase(s)"), and each of such Phases shows a building or proposed building (identified on the Condominium Plat as Building (or Bldg.) 1 through 6 and being referred to herein as "Building(s)") and parking areas and portions of common roadways; and

WHEREAS, the common roadways ("Common Roadways") are shown cross-hatched on Exhibit 1 hereto, and

WHEREAS, those areas of each of Phases 1 through 6 which are not included within the "Building" outline or Limited Common Elements of the Condominium are common areas which shall be part of the common elements of the condominium or open space for areas not subject to the Condominium Regime (which common areas are sometimes referred to herein as "Community Space"); and

WHEREAS, Declarant desires by this Declaration of Cross Easements to create rights in common for the owners of said Property, or parts thereof, including, but not limited to, Condominium Unit Owners and other dwelling owners or occupants, to utilize the "Common Facilities", as hereinafter described, and Community Space, as herein defined, for community space, ingress, egress, parking, utilities and other common purposes as hereinafter set forth, and to create certain easements.

NOW, THEREFORE, Declarant hereby declares that the aforesaid described Property (Phase 3 and proposed Phases 1, 2, 4, 5, and 6 inclusive, as shown on Exhibit 1 hereto and on the aforesaid Condominium Plat) shall be subject to the following rights, easements, covenants, agreements and restrictions, and Declarant does further declare that all of the aforesaid Property shall be held, sold and conveyed subject to this Declaration, all of which is for the purpose of enhancing and protecting the value, desirability and attractiveness of the aforesaid Property. The restrictions, rights, easements, covenants and agreements herein contained (the "Covenants") shall run with the Property and be binding on all parties having or acquiring any right, title and interest in and to the Property or any portion thereof and shall inure to the benefit of each owner thereof, their successors and assigns.

1. Definitions.

(a) Common Facilities. As used herein, the term and expression "Common Facilities" shall refer to and include:

- (1) all water mains constructed or to be constructed on the Property;
- (2) all sewer mains now constructed or to be constructed on the Property;
- (3) all storm water mains constructed or to be constructed on the Property;
- (4) all walkways and sidewalks constructed or to be constructed on the Property;
- (5) all gas and/or electrical mains constructed or to be constructed on the Property;

(b) Community Space. As used herein, the terms and expression "Community Space" shall refer to and include all areas in Phase 3 and proposed Phases 1, 2, 4, 5 and 6, inclusive, on Exhibit 1 hereto, and shown on the Condominium Plat, not within the Building boundaries, as they may exist from time to time, and not within Limited Common Elements of the Condominium. While the Buildings are shown on Exhibit 1 hereto and on the Condominium

Plat, the boundaries, size and location of a Building or Buildings may vary from time to time as a result of construction or reconstruction, but in no event shall a Building location deny access to and across any of the Phases for access, storm drainage and utilities as herein set forth..

2. (a) There is hereby declared a perpetual non-exclusive easement for ingress and egress in, through, over and across the areas of Phase 3 shown on the aforesaid Exhibit 1 as Common Roadways (as shown double cross-hatched on Exhibit 1, attached hereto and made a part hereof) said areas being the Common Roadway for Phase 3, the initial section of the Condominium. At such time as each of proposed Phases 1, 2, 4, 5 or 6 shall become part of the Condominium, it shall be subject to an easement for ingress and egress in, through, over and across the areas of such proposed Phases shown cross-hatched on Exhibit 1 hereto. These easements are for the benefit of all the owners of the aforesaid Property, which is also identified as Phase 3 and proposed Phases 1, 2, 4, 5 and 6, inclusive, on Exhibit 1. These Easements shall be a burden upon the Common Roadways and shall be for the benefit of said Phase 3 and Phases 1, 2, 4, 5 and 6 served thereby and shall run with and bind the land in perpetuity.

(b) In order to provide for common maintenance of the Common Roadways that are now or may become part of the Condominium and the Common Facilities to be located thereon, and of improvements, installed or to be installed, in, through, over and across such Common Roadways and the parking areas appurtenant thereto, Declarant does hereby declare that all costs of maintenance and replacement of the Common Roadway improvements of the Condominium and their appurtenant parking areas, and all costs of ground maintenance, street lights, reserves for replacement, insurance and other usual common and/or Condominium expenses for such parking areas and Common Roadways, and for Common Facilities thereon, shall be borne and paid by the owners, from time to time, of the aforesaid six (6) Phases shown on Exhibit 1 in the following proportion: Phase 1 shall bear 17.647% of such costs, Phase 2 shall bear 11.765% of such costs, Phase 3 shall bear 17.647% of such costs, Phase 4 shall bear 17.647% of such costs, Phase 5 shall bear 17.647% of such costs, Phase 6 shall bear 17.647% of such costs.

(c) That any and all obligations created by or arising out of the provisions of subparagraph (b) above shall be personal only with the owners of the Phases, or parts thereof, at the time that the costs in question are incurred, and shall not be a lien or charge on any of the Phases, or parts thereof, at any time.

(d) That if any of the aforesaid Phases is placed into a Condominium Regime or otherwise subdivided into individual lots, or developed as apartments or dwelling units, the percentage attributable to said Phase shall be divided equally amongst the number of Condominium Units in that Phase, or the number of

subdivided lots or apartments or dwellings units in that Phase, as the case may be. Notwithstanding the foregoing, if any of the aforesaid Phases is or becomes a part of a Condominium, then, and in such event, the share of the costs to be borne by such phase, and each of the Condominium Units therein, shall be governed by the Condominium Declaration and other documents recorded among the Land Records of Prince George's County, Maryland.

(e) Owners of each Phase shall have the right from time to time to temporarily close any roadways or walkways on their respective properties for a short but reasonable period of time to avoid the granting by prescription of any absolute rights in such roadways or walkways.

3. (a) There is hereby declared a perpetual non-exclusive easement for pedestrian ingress and egress and access, and for storm drainage and other utilities, in, through, over and across the Community Space as hereinabove defined, for the benefit of all of owners of any portion of the aforesaid Property, being Phases 1 through 6, inclusive. This easement shall be a burden upon the land and shall be for the benefit of the properties served thereby and shall run with and bind the land in perpetuity.

(b) In order to provide for the common maintenance of the Community Space areas and the Common Facilities to be located thereon, and of improvements, installed or to be installed, in, through, over and across such Community Space, Declarant does hereby declare that all costs of maintenance and replacement of the improvements to be located in the Community Space, if any, and all costs of ground maintenance, street lights, reserves for replacement, insurance and other usual common and/or Condominium expenses for such Community Space, and for Common Facilities thereon, shall be borne and paid by the owners, from time to time, of the foregoing six (6) Phases in the following proportion: Phase 1 shall bear 17.647% of such costs, Phase 2 shall bear 11.765% of such costs, Phase 3 shall bear 17.647% of such costs, Phase 4 shall bear 17.647% of such costs, Phase 5 shall bear 17.647% of such costs, Phase 6 shall bear 17.647% of such costs.

(c) That any and all obligations created by or arising out of the provisions of subparagraph (b) above shall be personal only with the owners of the phases, or parts thereof, at the time that the costs in question are incurred, and shall not be a lien or charge on any of the phases, or parts thereof, at any time.

(d) That if any of the aforesaid Phases is placed into a Condominium Regime, or otherwise subdivided into individual lots, or developed as apartments or dwelling units, the percentage attributable to said Phase shall be divided equally amongst the number of Condominium Units in that Phase, or the number of subdivided lots or apartments or dwellings units in that Phase, as the case may be. Notwithstanding the foregoing, if any of the

aforesaid Phases is or becomes a part of a Condominium, then, and in each event, the share of the costs to be borne by each Phase, and each of the Condominium Units therein, shall be governed by the Condominium Declaration and other documents recorded among the Land Records of Prince George's County, Maryland.

4. As used in this Declaration the singular shall include the plural, the plural the singular, and the use of the any gender shall be applicable to all genders.

5. This Declaration shall be binding upon and inure to the benefit of the Owners of the Property or any part thereof and their successors and assigns.

6. The provisions of this Declaration shall be deemed to be cumulative. No provision of this Declaration shall be deemed to be in limitation of or to exclude any other provision thereof, or any right, remedy or provision of law, unless otherwise expressly stated.

7. These easements shall be a burden upon the property and shall be for the benefit of the properties served thereby and shall run with and bind the Property in perpetuity.

8. If the rule against perpetuities or any other rule of law would invalidate this Declaration or any portion hereof or would limit the time during which this entire Declaration or any portion hereof shall be effective due to the potential failure of any interest in property created herein to vest within a particular time, then each such interest in property shall be effective only from the date hereof until the passing of twenty-one (21) years after the death of the last survivor of the members of the Senate of the United States of America representing the State of Maryland who are serving on the date hereof, but each such interest in property shall be extinguished after such time, and all other interests in property created herein and all other provisions hereof shall remain valid and effective without modification.

WITNESS the corporate act of each of Declarant by signatures of their respective Vice Presidents below.

WITNESS:

CONDOMINIUM COMMUNITY  
(LARGO TOWN CENTER) INC.

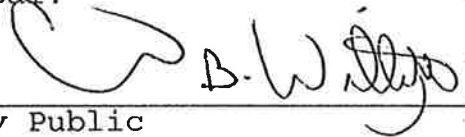


By: 

STATE OF MARYLAND, COUNTY OF CHARLES, TO WIT:

I HEREBY CERTIFY that on this 19<sup>th</sup> day of JANUARY, 1995<sup>6</sup>, before me, the subscriber, a Notary Public for the State and County aforesaid, personally appeared GASTON A. DE CESARIS JR., who acknowledged himself to be the President of CONDOMINIUM COMMUNITY (LARGO TOWN CENTER) INC., and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself as Vice President.

WITNESS my hand and Notarial Seal.

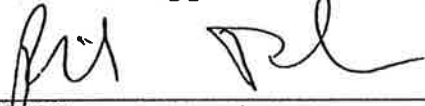


Notary Public

My Commission Expires:

6-1-99

THIS IS TO CERTIFY that the within instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.



RICHARD B. TALKIN



Amendment to Articles of Incorporation

**Thirteenth: Due to neglect, bankruptcy, and other mishaps the Declarant did not administer and manage the affairs of the Association which led to the need to file an Articles of Revival.**

**Articles of Revival were filed and subsequently approved on October 9, 1997.**

**The post office address and principle office of the Association in the State of Maryland is c/o Gerhardt and Associates, 3352 Old Washington Road, Waldorf, MD 20602**

**The name of the registered agent of the Association in the State of Maryland is Stephen Halfrich, 4000 Mitchelville Road, Suite 416, Bowie, MD 20716. The registered agent is an individual residing in Maryland.**

Amendment to Bylaws of Largo Town Center Association, Inc.

**Section 1.03. (update address)..The principal office of the Association shall be located c/o Gerhardt and Associates, 3352 Old Washington Road, Waldorf, MD 20602.**

**Article II Section 2.02 Classes of Membership. (add a sentence to change the method for determining the number of votes assigned to members) ...shall have four classes of voting membership. Voting rights are apportioned according to the percent of the total assessment paid by each parcel owner multiplied by 59 (half the acreage of parcel owners).**

**(a) (delete "adjacent to the Lake" in the 3rd line); Change Lottsford Road to Largo Center Drive (4th line); Change to the number of votes as determined by multiplying 59 by the fraction of the parcel assessment divided by the annual assessment (i.e.  $59 * \$2,522.80 / \$31,152.63 = 4.7$  or 5 votes in 1997) at all meetings of the Association.**

**(b) (change 2nd sentence)...entitled to the number of votes as determined by multiplying 59 by the fraction of the parcel assessment divided by the annual assessment (i.e.  $59 * \$5547.96 / \$31,152.63 = 10.5$  or 11 votes in 1997) at all meetings of the Association.**

**(d) (change 2nd sentence) ...entitled to the number of votes as determined by multiplying 59 by the fraction of the parcel assessment divided by the annual assessment (i.e.  $59 * \$4607.23 / \$31,152.63 = 8.7$  or 9 votes in 1997) at meetings of the Association. However, Class D members shall have no rights to vote on any matters that pertain to recreational amenities.**

Article III Section 3.06 (change 2nd line to ensure Board members are financially qualified) ...**Association if they have not paid the annual assessment in full or...meeting.**

Article IV

Section 4.03 (change 2nd sentence to ensure Board members are financially qualified)...**Directors if annual assessments have not been paid in full or...incumbency.**

Section 6.04 (change beginning at line 20 to be consistent with declaration and require annual assessment payments) ...**Center. The Recreational Expense proportional obligation...(3) percent of the total applicable assessment. The proportional obligation for each Class B Owner with respect to Recreational Area Expense shall be determined by multiplying 40% of the total applicable assessment by a fraction...owned by the Class C owner. The Class D owner pays no recreational area expense...Annual assessments shall be payable in full within 30 days of the posting date on the billing statement. A single statement will be sent to the governing residential association or apartment complex owner. For convenience, the residential association or complex owner will collect from each unit that they represent. Similarly, a single statement will be sent to the commercial property owner or designee for payment....installment.**

Article IX Section 9.03 (change line 21 to reduce amount from \$2million)...**less than one million dollars (\$1 million)...obtained**

Article XI Section 11.05 (change 3rd line to delete reference to each class)...**outstanding votes of Membership in the association (except Class D members shall have no right to vote on any amendment affecting the recreational amenities)...Mortgagees.**