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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

.v. 12/4/78

THIS DECLARATION made as of the day of November, 1978, by MCD ENTERPRISES, INC., a Maryland Corporation, (hereinafter referred to as "Declarant").

### WITNESSETH THAT:

WHEREAS, Declarant is the owner of those certain pieces or parcels of real property situate in the First Election (Vansville) District of Prince George's County, State of Maryland, being all of the property more particularly described on the following Subdivision Plats:

Plat One Blocks A, B, C, D, E, V, W, X, Y, Z, A-A and B-B CALVERTON TOWNES as per plat recorded in Plat Book , Plat No. , among the Land Records of Prince George's County, Maryland, and

Plat Two Blocks F, G, H, l, J, K, L and M CALVERTON TOWNES as per plat recorded in Plat Book , Plat No. , among the Land Records of Prince George's County, Maryland, and

Plat Three Blocks N, O, P, Q, R, S, T and U CALVERTON TOWNES as per plat recorded in Plat Book , Plat No. , among the Land Records of Prince George's County, Maryland.

WHEREAS, Declarant desires to convey the said property from time to time, subject to certain protective covenants, conditions, restrictions, reservations, liens and charges, as hereinafter set forth, and

WHEREAS, Declarant wants to comply with the Zoning Ordinance for the Maryland-Washington Regional District in Prince George's County, Maryland, as enacted on November 29, 1949, and as amended:

NOW, THEREFORE, the Declarant hereby declares that all of the property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the real property. The easements, covenants, restrictions, and conditions shall run with the real property and shall be binding upon all parties having or acquiring any right, title or interest in the described property or any part thereof, and shall inure to the benefit of each owner thereof.

### ARTICLE I DEFINITIONS

Section I. "Association" shall mean and refer to CALVERTON TOWNES HOME OWNER'S ASSOCIATION, INC., a Maryland Corporation, its successsors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association and initially being more particularly described as follows:

Parcel lettered "A", containing 5.6097, in the subdivision known as "Blocks A, B, C, D, E, V, W, X, Y, Z, A-A and B-B PLAT ONE CALVERTON-TOWNES" as per plat recorded in Plat Book , Plat No. , among the Land Records of Prince George's County, Maryland, and

Parcel lettered "B", containing 5.5636 acres, in the subdivision known as "Blocks F, G, H, I, J, K, L and M PLAT TWO CALVERTON TOWNES" as per plat recorded in Plat Book , Plat No. , among the Land Records of Prince George's County, Maryland, and

Parcel lettered "C", containing 3.3936 acres, in the subdivision known as "Blocks N, O, P, Q, R, S, T and U PLAT THREE CALVERTON TOWNES" as per plat recorded in Plat Book , Plat No. , among the Land Records of Prince George's County, Maryland.

Section 4. "Lot" shall mean and refer to any plot of land included within the Properties and shown upon any recorded subdivision map or plat with the exception of the Common Area.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities of a fee simple title to any Lot which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to MCD ENTERPRISES, INC., a Maryland Corporation, its successors and/or such persons, firms or corporations as shall acquire more than two undeveloped lots from the Declarant for the purpose of development and be designated by Declarant as an additional declarant.

Section 8. "Dwelling Unit" shall mean a building or portion thereof originally arranged or designed to provide living facilities for only one family.

Section 9. "Townhouse" shall mean and refer to a dwelling unit attached to one or more other dwelling units by a party wall.

Section 10. "Board of Directors shall mean and refer to the Board of Directors elected by the members pursuant to the Articles of Incorporation and By-Laws of Calverton Towns Home Owner's Association, Inc.

Section II. "Institutional Mortgagee" shall mean any bank, or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company or any federal or state agency, which is the mortgagee or beneficiary designated in a Deed of Trust secured on one or more of the lots referred to herein.

### ARTICLE II MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, shall be a member of the Association; provided that any persons, or entities, who hold an interest merely as security for the performance of an obligation shall not be a member. No owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

# VOTING RIGHTS

The Association shall have two (2) classes of voting membership:

Class A: Class A members shall be all those owners as defined-in-Artide II with the exception of the Declarant. Class A members shall be emritled to one vote for each Lot in which they hold the interest required for membership by Article II. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

The Class B member shall be the Declarant. member shall be entitled to three votes for each Lot in which it holds the interest required for membership by Article II, provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- When the total votes outstanding in the Class A membership equals or exceeds the total votes outstanding in the Class B membership, or
- (p) On October 1, 1983.

### ARTICLE IV PROPERTY RIGHTS

Section 1. Members' Easements of Enjoyment. Every member shall have a right of easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

- The right of the Association to limit the number of guests of
- The right of the Association to charge reasonable admission and other (P) fees for the use of any recreational facility situated upon the
- The right of the Declarant and/or the Association, in accordance with its Articles and By-Laws, to borrow money for the purposes of improving the Common Area and facilities and in aid thereof to mortgage said property, and the rights of such mortgagee in said properties shall be subordinate to the rights of the home owners
- The right of the Association to suspend the voting rights and right to use of the recreational facilities by a member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed ninety (90) days for any infraction of its published rules
- The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by members entitled to cast two-thirds (2/3rds) of the votes of the Class A membership and two-thirds (2/3rds) of the votes of the Class B membership, if any, has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every member not less than thirty (30) days, nor more than sixty (60) days in advance of the date such action

Section 2. Delegation of Use. accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Title to the Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area to the Association, free and clear of all encumbrances and liens, prior to the conveyance of the first Lot to an owner.

Section 4. Parking Rights. The Association shall maintain at all times upon the Common Area described herein a sufficient number of parking spaces to satisfy all applicable governmental requirements and in any event shall-provide and maintain not less than one vehicular parking space for each lot. As to land subsequently annexed, sufficient parking spaces must be provided and maintained upon the subsequently annexed Common Areas, to satisfy all parking requirements of applicable governmental authorities. Subject to reasonable rules and conditions, the Association shall designate one parking space, conveniently located with respect to each lot, for the exclusive use of the members residing in the residence located thereon, their families and guests, if required by any governmental ordinance, law or regulation to make such a designation or if the Association elects to make such a designation. The use of any such designated space by any other member or person may be enjoined by the Association or the members entitled thereto. The right to the use of any such designated parking space and to its maintainence by the Association shall be appurtenant to and shall pass with the title to each lot.

# ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual collection thereof, as hereinafter with such interest thereon and costs of shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the following purposes: the promotion of the recreation, health, safety and welfare of the residents in the Properties; the payment of all costs relating to the maintenance and operation of the Association; the improvement, maintenance, replacement and repair of the Common areas, including, but not limited to, the maintenance, improvement and establishment of any parks, playgrounds, roads, parking areas, paths, landscaping and any and all other facilities located or established from time to time thereon and including the cost of all labor, equipment, materials, management, supervision and all other costs directly or indirectly incident thereto; the payment of any taxes or assessments levied from time to time by any lawful authority against the said Common Areas; the payment of any insurance from time to time carried on the Common Areas or the facilities located thereon; and the improvement, maintenance and beautification of the Properties, services and facilities devoted to the promotion of the health, recreation, safety and welfare of the residents in the Properties.

Section 3. Establishment of Annual Assessments. A minimum assessment will be established by the Board of Directors of the Association in an amount to assure the purposes of the Association as set forth in Section 2 of this Article V. This minimum shall be adjusted from time to time based on actual experience cost data. Until January I of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment per lot shall be One Hundred Twenty (\$120.00) Dollars.

(a) From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased effective January 1 of each year without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D. C.) for the preceding month of July; provided that maximum increase in any one year shall not exceed five (5%) per cent of the annual assessment for the preceding year.

From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above that established by the Consumer Price Index formula, by a vote of the members, for the next succeeding five (5) years, and at the end of such period of five (5) years for each succeeding period of five (5) years; PROVIDED, THAT, any such change shall have the assent of two-thirds (2/3rds) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days, nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting.

(c) After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment 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 upon the Common Area, including the necessary fixtures and personal property related thereto; PROVIDED, THAT, any such assessment shall have the assent of two-thirds (2/3rds) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days, nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting.

Section 5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 6. Quorum for any Action Authorized under Sections 3 and 4. At any meeting called, as provided in Sections 3 and 4 nereof, the presence at the meeting of members or of proxies entitled to cast sixty per cent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any such meeting, another meeting may be called, subject to the notice requirement set forth in Sections 3 and 4, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting at which a quorum was not present. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting, at which a quroum was not present.

Section 7. Date of Commencement of Annual Assessments; Due Dates. The annual and special assessments provided for herein shall commence as to each lot within the Properties at such time as the dwelling unit that shall be located thereon shall be first occupied, thereafter said assessment shall be fully effective whether said dwelling unit be occupied or not; provided, however, that if a dwelling unit is completed on any lot and not occupied within six (6) months from the date of completion (defined for this purpose to be the date the Declarant obtains, or is eligible to obtain, a use and occupancy permit therefor from the applicable governmental authorities), then and in that event the annual and special assessments herein provided for shall commence, as to any such lot, one hundred eighty (180) days from the date of completion (as hereinabove defined) of the dwelling unit on such lot. The first annual assessment against each lot shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. The due date of any special assessment authorized under Section 4 shall be fired in the resolution authorizing such assessment. Written notice of the annual amore special assessments shall be sent to every owner subject thereto. The due dues shall be established by the Board of Directors. The Association shall, upon demand at any time, by a member or institutional mortgagee, furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight per cent (8%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinated to the lien of any bona fide first mortgage or first deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot, pursuant to a decree of foreclosure under a mortgage or deed of trust or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein:

- (a) All properties dedicated to and accepted by a local public authority;
- (b) The Common Area; and
- (c) All properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Maryland.

However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

### ARTICLE VI PARTY WALLS

Section I. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

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

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

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

### ARTICLE VII ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced erected or raintained upon the Properties, nor shall any exterior addition to or change or raintained upon the Properties, nor shall any exterior addition to or change or raintained upon the Properties, nor shall any exterior addition to or change or raintained the made until the plans and specifications showing the nature, such, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Direct so of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. The Declarant shall not be subject to the terms of this provision, insofar as it affects original construction, of dwelling units and appurtenances thereto, until October 1, 1983.

# ARTICLE VIII EXTERIOR MAINTENANCE

In the event an Owner of any Lot in the Properties shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3rds) rote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said parcel and to repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the arsessment to which such Lot is subject.

## ARTICLE IX EASEMENTS

Notwithstanding any provisions herein, the Declarant and/or the Association shall have the unrestricted right to grant any necessary easements or rights of way across Common Areas for the installation and maintenance of public utilities, including sanitary and storm sewers which may be reasonably required for the development of the herein described property.

## ARTICLE X GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (LO) years. The covenants and restrictions of this Declaration may be amended denity the first twenty (20) year period by an instrument signed by not less than aimsty per cent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five per cent (75%) of the Lot Owners. Any amendment must be properly recorded among the aforesaid Land Records.

Section 4. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration; annexation of additional properties, dedication of Common Area, and amendment of this Declaration of

Covenants, Conditions, and Restrictions; except that this provision shall not be applicable—unless the herein described properties are being financed by loans which are insured or guaranteed by the Veterans Administration or the Federal Housing Administration.

Section 5. Approval. Any sale, transfer, assignment, dedication or donation of any common areas or facilities, or any part thereof, in fee or otherwise, whether by the Association or the Declarant, shall require approval of the Prince George's County Planning Board of the Maryland-National Capital Park and Planning Commission, said approval not to be unreasonably withheld. Furthermore, the Commission shall have the right to bring any action for any legal or equitable relief necessary to enforce the aforementioned Commission rights. In addition, the rights, privileges and obligations afforded to the Prince George's County Planning Board of the Maryland-National Capital Park and Planning Commission as set forth herein shall not be subject to any amendment procedure.

Section 6. Notice of Default. The Board of Directors, when giving notice to an owner of a default in the payment of assessments or charges shall send a copy of such notice to each institutional mortgagee secured by a mortgage or deed of trust on the lot owned by the defaulting owner, provided the Board of Directors has been furnished the name and address of such mortgagee.

Section 7. Amendment Required by Lender. Anything herein to the contrary notwithstanding. The Declarant may, without the consent of the members make any amendment to this Declaration which may be reasonably required or necessary to comply with the requirements of the Veterans Administration, The Federal Housing Administration, the Federal National Mortgage Association, or any other comparable governmental agency in order to have such agent or agencies buy and/or insure loans on lots subject to this Declaration, provided that any such amendment is approved in writing by the Prince George's County Planning Board of the Maryland-National Capital Park and Planning Commission.

IN WITNESS WHEREOF, the Declarant, has hereunto affixed its hand and seal as of the day and year first above written.

MCD ENTERPRISES IN

Warren W. Pearce: Jr., President

STATE OF MARYLAND / COUNTY OF PRINCE GEORGE'S, to wit:

On this GTH day of November, 1978, before me, lived S. Thauelli, the undersigned officer, personally appeared WARREN W. PEARCE, JR., who acknowledged himself to be the President of MCD ENTERPRISES, INC., a Corporation, and that he as such President being authorized to do so 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.

Notary Public

My commission expires: July 1, 1982

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## DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS AMENDMENT made this lith day of July, 1980, by MCD ENTERPRISES, INC., a Maryland Corporation, hereinafter referred to as the "Declarant".

#### WITNESSETH:

WHEREAS, the Declarant, being the owner of all of that property described as:

> Plat One Blocks A, B, C, D, E, V, W, X, Y, Z, A-A and B-B CALVERTON TOWNES as per plat recorded in Plat Book NLP 102, Plat No. 1, among the Land Records of Prince George's County, Maryland, and

Plat Two Blocks F, G, H, I, J, K, L and M CALVERTON TOWNES as per plat recorded in Plat NLP 102, Plat No. 2, among the Land Records of Prince George's County, Maryland, and

Plat Three Blocks N, O, P, Q, R, S, T and U CALVERTON TOWNES as per plat recorded in Plat Book NLP 102, Plat No. 3, among the Land Records of Prince George's County, Maryland.

SAVING AND EXCEPTING THEREFROM Lots numbered 6 and 7 in Block lettered "S" and Parcel "C" containing 3.3936 acres all as more particularly shown on said Plat Three CALVERTON TOWNES and further SAVING AND EXCEPTING THEREFROM any portion thereof lying within the streets dedicated or intended to be dedicated to public use by virtue of said Plats;

did heretofore subject said land to certain covenants, conditions and restrictions all as more particularly set forth in that certain Declaration of Covenants, Conditions and Restrictions made by MCD Enterprises, Inc. dated November 6, 1978 and recorded December 7, 1978 in Liber 5030 at folio 156 among the Land Records of Prince George's County, Maryland; and

WHEREAS, the Declarant desires to amend the aforesaid Declaration in several respects in order to meet certain requirements for Veterans Administration approval; and

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WHEREAS, Article X, Section 3 of the Declaration recorded in Liber 5030 at folio 156 provides that said Declaration may be amended by the approval of not less than Ninety percent (90%) of the lot owners; and

WHEREAS, the Declarant is the present owner of not less than Ninety percent (90%) of all of the lots in the subdivision and is therefore entitled to amend said Declaration.

NOW, THEREFORE, in consideration of the premises the Declarant does hereby amend the hereinabove described Declaration recorded in Liber 5030 at folio 156 as follows:

1. The first sentence of Article V, Section 3 is deleted and replaced by the following:

"Upon conveyance of the common area to the Assocition, a minimum assessment will be established by the Board of Directors of the Association in an amount to assure the purposes of the Association as set forth in Section 2 of this Article V."

2. Article V, Section 7 is amended in its entirety to read as follows:

"The annual and special assessments provided for herein shall commence as to each lot within the properties at such time as the Declarant conveys the common area to the Association. Assessments shall be levied on a uniform basis on all lots, whether occupied or not except that the Declarant shall be required to pay only 25% of such assessment for each unoccupied lot owned by it, provided that Declarant shall fund all budget deficits and shall maintain the common area at no cost to the Association until such time as Class B membership is terminated in accordance with Article III The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. The due date of any special assessment authorized under Section 4 shall be fixed in the resolution authorizing such assessment. Written notice of the annual and special assessments shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand at any time, by a member or institutional mortgagee, furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Except as modified and amended hereby said Declaration shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF the said Declarant has caused these presents to be executed in its corporate name by its President, with its corporate seal hereunto affixed, attested by its Secretary on the date first above written.

MCD ENTERPRISES, INC

Attest:

Warren W. Pearce, Jr., President

Secretary

Maryland-National Capital Park and Planning Commission joins in the execution of this Amendment for the sole purpose of indicating its approval hereof as required by Article X, Section 7, of the hereinabove referred to Declaration of Covenants, Conditions and Restrictions.

> MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

STATE OF MARYLAND

COUNTY OF PRINCE GEORGE'S, to wit:

I HEREBY CERTIFY that on this 1844 day of before me, the subscriber, a Notary Public, in and for the State and County aforesaid, personally appeared Warren W. Pearce, Jr., who made oath in due form of law that he is the duly elected and acting President of MCD ENTERPRISES, INC., Declarant, in the aforegoing instrument and he acknowledged said instrument to be the act and deed of said Corporation, executed by authority of its Board of Directors.

WITNESS my hand and seal this 1/4/1 day of

My commission expires: 7/1/82

DESIGNED AS TO SUFFICIENCY

### DECLARATION OF COVENANTS AND BYLAWS, STATE AND COUNTY LAWS

The Rules and Regulations. have been prepared as a simplified reference for day to day living at Calverton Townes. In all cases, Maryland State laws, Prince George's County laws and ordinances and the rules set forth in the Declaration of Covenants and Bylaws (given to you at settlement) of Calverton Townes take precedence.

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If the townhouse is a rented unit, it shall be the responsibility of the owner of record to furnish his/her tenant(s) with a copy of these. Rules and Regulations. The owner of record is responsible for compliance of his/her tenant(s), guests or invitees.

### RULES AND REGULATIONS

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These Rules and Regulations are designed to keep Calverton Townes a clean, safe and attractive community.

1. Clotheslines: Clotheslines are permitted provided it is not a permanent structure and must be removed when not in use, such as a clothes post with retractable cable. No clotheslines may extend beyond the property line.

(PENALTY FOR VIOLATION: CLASS D SANCTION).

Additionally, clotheslines cannot be attached to the property divider fences.
(PENALTY FOR VIOLATION: CLASS B SANCTION).

- Firewood Storage: Firewood must be placed on a platform or in a container on private property only away from the privacy fences and homes to prevent termites from migrating, as well as to inhibit the infestation of rats, snakes, etc. (PENALTY FOR VIOLATION: CLASS A SANCTION).
- 3. Privacy Fences: The homeowner has the responsiblity to maintain the privacy fences in good repair.

  (PENALTY FOR VIOLATION: CLASS B SANCTION).
- 4. Automotive: Maintenance and repairs such as changing oil, overhauling engines or extensive body work are not permitted. (PENALTY FOR VIOLATION: CLASS B SANCTION).
- 5. Trash Collection: Trash may be placed at the curb in the front of your home no earlier than the evening before scheduled pick-up. All garbage must be placed in heavy duty (animal proof) plastic bags or properly secured containers. Homeowners are to arrange for service directly with Beltsville Refuse. Trash collection fees are not part of the HOA fees.

Proof of service is required from those residents not appearing on the trash company's master list for trash pick-up. (PENALTY FOR VIOLATION: CLASS A SANCTION).

- 6. Common Areas: Users of the common areas must clean up the area after use. This includes removal of toys from sidewalks and playground areas and any trash or refuse. Additionally, nothing may be installed or planted upon the common areas without Board approval. Picnic activities must be confined to the designated picnic areas only. Under no circumstances may any vehicle be driven or parked on any common area. (PENALTY FOR VIOLATION: CLASS A SANCTION).
- 7. Outdoor Barbecuing: In the interest of safety, barbecuing should be a safe distance from the dwelling.
- 8. Swimming Pools: Outdoor pools shall not be placed on common elements.

  (PENALTY FOR VIOLATION: CLASS B SANCTION).
- No exterior antennas are allowed.
   (PENALTY FOR VIOLATION: CLASS A SANCTION).
- 10. County ordinances require that pets be leashed when outside their owner's fenced-in property. Pet owners are solely and totally responsible for cleaning areas soiled by their pet(s), including their yard(s). All pets shall be registered and innoculated as required by law. (PENALTY FOR VIOLATION: CLASS A SANCTION).
- 11. No commercial activities of any type are permitted. (PENALTY FOR VIOLATION: CLASS A SANCTION).
- 12. No temporary or permanent structure shall be placed upon the common grounds without the prior consent of the Board of Directors.

  (PENALTY FOR VIOLATION: CLASS A SANCTION).
- No trailers, recreational, commercial, inoperable vehicle and/or other vehicle on which current license plates are not installed shall be parked upon any of the general common elements.

  (PENALTY FOR VIOLATION: CLASS A SANCTION).
- 14. Homeowners/tenants are requested to be aware of the parking situation in their immediate area and to attempt to negotiate an agreeable solution should there be problems. Guests are requested to park outside the courts along Beltsville Drive or Beltsville Road.

  (PENALTY FOR VIOLATION: CLASS E SANCTION).
- 15. Except for such signs as may be posted by the Association for promotional or marketing purposes, no signs of any character shall be erected, posted or displayed upon, in, from or about any townhouse unit or common elements without prior consent in writing of the Board of Directors and under such conditions as they may establish. One sign of not more than four square feet advertising the lot for sale or rent will be permitted without the prior consent of the Board.

  (PENALTY FOR VIOLATION: CLASS E SANCTION).

- 16. Outdoor burning of any trash, wood or leaves is not permitted in accordance with Subtitle 11, Prince Goerge's County Fire Code. Additionally, fireworks are also prohibited by State and County codes.

  (PENALTY FOR VIOLATION: CLASS A SANCTION).
- 17. Accumulation or storage of materials shall not be permitted on private property or common grounds and elements (except Firewood Storage, see Rule #2).

  (PENALTY FOR VIOLATION: CLASS A SANCTION).
- 18. Homeowners are responsible for clearing snow and ice from their front doors to the common ground sidewalks. Snow removal from common element streets is provided by the Homeowners Association.

For traction on ice, the use of kitty litter is suggested. Use of corrosive chemicals such as rock salt to clear snow and ice is prohibited to avoid damage to sidewalks and lawns. (PENALTY FOR VIOLATION: CLASS B SANCTION).

- 19. Due to the close proximity of townhouses, please be considerate of your neighbors by maintaining the volume of radios, stereos, etc. to a reasonable level. In cases where you find noise to be excessive, a complaint of disturbing the peace should be lodged with the Prince George's County police.

  (PENALTY FOR VIOLATION: CLASS B SANCTION).
- 20. ANIMALS: Due to the close proximity of the townhouses, please be considerate of your neighbors by preventing your pet from being a public nuisance, such as excessive barking, howling, roaming free, etc.
  - a) Leash Law Owners of animals shall not allow their pets to be at large. Any pet observed at large is a Prince George's County violation and subject to Class D Sanction.
  - b) Removal of Excrement Residents are required to remove the excrement of their pets from their private property and all common grounds. Excrement is a major attraction for rats. Violators will be subject to a Class D Sanction.
  - c) <u>Licensing</u> Residents are required to comply with Prince George's County pet licensing and innoculation requirements. Failure to comply is a Class D Sanction.
  - d) Prince George's County Recent Bill Number CB 35 1985 Prince George's County Bill has now been amended to include domesticated felines "cats" under the general provisions for animal control.

### BOARD OF DIRECTORS, ARCHITECTURAL CONTROL COMMITTEE, MANAGEMENT COMPANY

The Rules and Regulations you are reading were prepared by your Board of Directors in conjunction with the Architectural Control Committee and the community. The Board of Directors consists of five homeowners elected by the community at the October annual meeting. A President, Vice President, Secretary, Treasurer and a fifth director make up the Board. The term of office is three years. The Board of Directors does not run the community, but rather serves to protect the common interests of the community, ensuring that Calverton Townes is kept a safe, enjoyable and beautiful place to live.

The Architectural Control Committee (ACC) is a group of volunteer homeowners who meet to review requests for changes to the exterior of the homes or properties. Their recommendation is forwarded to the Board of Directors. Each request is given an impartial review and a decision rendered. The homeowner will receive written notification of this decision.

The community maintains P.O. Box 1630, Beltsville, Maryland, 20705, to receive ACC requests and other communications from homeowners.

In addition to the Board of Directors and the ACC, Calverton Townes has contracted the services of Abaris Realty, Inc., a professional management company, to take care of such matters as: quarterly assessment fee billing, collection of delinquent accounts, financial record keeping, etc. They also advise the Board in such areas as contracting for snow removal and landscaping services, as well as provide the homeowners with a telephone number (468-8919) to report problems.

### HISTORY

Construction on Calverton Townes was originally begun by MCD Enterprises, Inc. Before the community was complete, MCD went into receivership and Maryland National Bank assumed responsibility for completion of the houses left unfinished. The Ryland Group purchased the property and completed the development to the original architect's blueprints with their style of townhouses. Because two builders contributed to our community, we have a distinctive mix of styles that adds a unique variety to this development. This also means that some guidelines will be different for each type of homes. Where this happens, a distinction will be made.

### GRANDFATHERED CHANGES TO THE EXTERIOR OF HOMES AND PROPERTIES

Exterior changes made to homes which differ from what the individual builder installed are allowed to stand under the grandfathering provision, which is defined as: Any physical addition, change or structure in place before authority for such actions is exercised by the controlling party or parties cannot be abolished, removed, or destroyed. This provision is necessary due to the unique nature of our development as explained in the short history given above. Simply stated, this means that existing changes, additions and practices before October 1983 (the date control of the Homeowners Association was transferred to the homeowners), cannot be required to be removed.