

AMENDED DECLARATION OF COVENANTS AND RESTRICTIONS

THIS, AMENDED DECLARATION made this 25th day of March, 2004,
by the OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION;

WITNESSETH

WHEREAS, real property located within Sections 1, 2 and 3 of the subdivision known as "OLNEY OAKS" situated in Montgomery County, Maryland was subjected to the covenants and restrictions of a declaration recorded December 7, 1982 among the Land Records of Montgomery County, Maryland in Liber 5972 at Folio 809 and re-recorded on September 7, 1983 in Liber 6175 at Folio 277 among said Land Records; and

WHEREAS, said Declaration of Covenants and Restrictions created a nonprofit, unincorporated association to be known as the "OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION" (hereinafter referred to as "Association") whose sole purpose is the care, maintenance, and improvement of the community's open spaces, and the appurtenances and improvements thereon, and the enforcement of said covenants and restrictions; and

WHEREAS, the covenants and restrictions were amended by an Amended Declaration of Covenants and Restrictions recorded at Liber 6813 at folio 001 (and rerecorded in Liber 6813 at Folio 558), which added Sections 4, 5, 6, 7 and 8 of the subdivision known as "OLNEY OAKS" to the properties subjected to the Declaration of Covenants and Restrictions for Olney Oaks, and substantially rewrote the use restrictions and architectural controls in the original Declaration; and

WHEREAS, the covenants and restrictions were amended by a Fifth Amended Declaration of Covenants to add certain additional lots in "Plat 17, Olney Oaks", as well as Parcel E in Block lettered A in the subdivision known as "Plat 18, Olney Oaks" to the common areas of the Association; and

WHEREAS, various other amendments have been adopted to the Declaration of Covenants and Restrictions and the Association is desirous of placing all of these

amendments in one document which can be easily referenced by members of the Association, and to incorporate language into the Declaration which complies with existing Montgomery County Code, Maryland Code and Federal Regulations; and

WHEREAS, Article XII of the Amended Declaration of Covenants provides that the Declaration can be amended by the majority vote of those votes entitled to be cast by members attending any meeting duly called for such purposes; and

WHEREAS, this amendment was approved by the majority of those votes entitled to be cast by members of the Association attending a meeting of the Association at which a quorum was present, held on February 24, 2004, and called for the purpose of adopting the following amendment to the Amended Declaration; and

WHEREAS, this amendment is to be considered to be a comprehensive rewrite of the Declaration of Covenants and Restrictions of Olney Oaks, and to repeal and replace the language of any previous such Declaration.

NOW, THEREFORE, the OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION hereby declares that the real property described in Article II hereof is and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to the covenants, restrictions, uses, limitations, obligations, easements, equitable servitudes, charges and liens (hereinafter sometimes referred to as "Covenants and Restrictions") all of which are declared and agreed to be running with and binding on said land, and shall inure to the benefit of and be enforceable by the original Declarant, Olney Oaks Land Development Corporation, 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, trust or other legal entity, or any combination thereof, who shall hold such interest solely as security for the performance of an obligation.

ARTICLE I

Definitions

The following words when used in this Declaration shall have the following meanings:

- (a) "Association" shall mean and refer to Olney Oaks Single Family Homeowners Association.
- (b) "The Property" shall mean and refer to all real property described in Article II hereof.
- (c) "Lot" shall mean and refer to all subdivided parcels or property which are part of The Property.
- (d) "Common Areas" shall mean and refer to all real property owned by the Association.
- (e) "Dwelling" shall mean and refer to any building or portion of a building situated upon the Property and designed and intended for use and occupancy as a residence by a single person or family.
- (f) "Owner" shall mean and refer to the record owner of the fee simple title to any Lot situated on the The Property.
- (g) "Developer" or "Grantor" shall mean and refer to the original Declarant, Olney Oaks Land Development Corporation.
- (h) "Member" shall mean and refer to every person, group of persons, corporation, trust or other legal entity who is a member of the Association.

ARTICLE II

Subject Property

The real property which is, and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to this Amended Declaration is located in Montgomery County, Maryland, and is more particularly described in Exhibits A and B, attached hereto and by reference made part hereof.

ARTICLE III

Membership

Every person or other entity who or which is a record owner of a fee interest in any Lot which is a part of the premises described in Article II of this Amended Declaration shall be a Member of this Association.

ARTICLE IV

Association of Members

The several members of the Association shall be deemed to be associated and organized, in accordance with the terms of this Amended Declaration, as a nonprofit, unincorporated Association, the sole purpose of which is the care, maintenance, and improvement of those certain open spaces, and the appurtenances and improvements thereto, and the enforcement of the covenants herein contained.

ARTICLE V

Right of Enjoyment

Every member shall have a right and easement of enjoyment and access to the common areas and facilities and such easements shall be appurtenant to and shall pass with the fee title to every Lot, subject, however, to the following:

- (a) The right of Association to adopt and promulgate reasonable rules respecting use of the Common areas and facilities;
- (b) The right of the Association to suspend the voting rights and the rights to use the Common Areas and facilities of any member in default of payment of any assessment required by the terms of this Amended Declaration, or for any infraction of any of the published rules and regulations of the Association;
- (c) The right of the Association to dedicate or transfer all or any part of the Common Areas or community facilities to any public or municipal agency, authority or utility for purposes consistent with this Amended Declaration, provided, however,

- that no such dedication or transfer shall be effective unless a majority of the then members of the Association consent to such dedication or transfer at a special meeting of the members to be called for such purposes; and
- (d) The right of the Association, acting by and through its Board of Directors, to grant licenses, rights of way and easements for access or the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility or the original Declarant, provided, however, that no such licenses, rights of way or easements shall be unreasonable or inconsistent with the rights of the members' use and enjoyment of the Common Areas and facilities, nor with the rights of the Association in pursuance of its duties.
- (e) The right of the Association, acting on the approval of a majority vote of those votes entitled to be cast by members attending, in person or by proxy, any meeting called for such purpose, to grant licenses, rights-of-way, and easements to any developer or builder, provided, however, that no such licenses, rights-of-way, or easements shall be unreasonable or inconsistent with the rights of the members to the use and enjoyment of the Common Areas and facilities, nor to the rights of the Association in pursuance of its duties.

ARTICLE VI

Maintenance Assessments

A. Each member, by acceptance of a deed conveying title to property subject to this Amended Declaration, whether or not it shall be so expressed in any deed or conveyance, shall be deemed to covenant and agree to pay the Association, in advance, the member's proportionate share of the sum required by the Association, as estimated by its Board of Directors, to meet its annual expense. The Association may create differential assessments for attached and detached lots based on the differing expenses associated with each type of dwelling unit. Such assessments may, from time to time, be made upon a monthly, quarterly, or annual basis and shall include but not be limited to the following:

- (a) The cost of all operating expenses of the Common Areas and facilities; and

- (b) The cost of necessary management and administration of the Common Areas and facilities; and
- (c) The amount of all taxes, fees and assessments levied against the Common Areas and facilities; and
- (d) The cost of liability insurance on the Common Areas and facilities and the cost of such other insurance as the Association may obtain; and
- (e) The cost of utilities, if any, and other services which may be provided by the Association for the Common Areas; and
- (f) The cost of maintaining, replacing, repairing and landscaping the Common Areas, including, without limitation, maintenance of any storm water retention basins or the like located upon the Common Areas, and the cost of the maintenance of all pathways upon the property, and parking for townhouse units (chargeable to townhouse owners only), and such equipment as the Board of Directors shall determine necessary and proper in connection therewith; and
- (g) The cost of funding all reserves established by the Association, including when appropriate, a general operating reserve and a reserve for replacements.

Each year, prior to the commencement of the fiscal year to be adopted by the Association, the Board of Directors shall meet and shall adopt an annual budget for the Association from which assessments shall be determined and set. Assessments may be changed on an annual basis. When set, each residence shall be advised in writing of the assessment applicable to that property.

B. At any time the Board deems it advisable, it may recommend to the membership that a special assessment be adopted for any purpose consistent with the purposes of the Association. A special assessment may only be adopted after written notice is delivered to each residence at least ten (10) days in advance of the date of a meeting called to consider a special assessment. No special assessment shall be considered adopted unless it is voted favorably upon by a majority of the votes permitted to be cast at a meeting at which a quorum is present in person or by proxy.

ARTICLE VII

Nonpayment of Assessments

Any assessment levied pursuant to this Amended Declaration, or any installment thereof, which is not paid on the date when due shall be called delinquent and shall, together with a late payment penalty set by the Board of Directors, the cost of collection thereof and reasonable attorneys' fees, become a continuing lien upon the lot or lots belonging to the member against whom such assessments is levied and shall bind such lot or lots in the hands of the then owners, his or her heirs, devisees, personal representatives and assigns, and the Association may place a lien on the property or foreclose on the lien against the Lot in the name provided in the Maryland Contract Lien Act, or as may otherwise from time to time be provided by law. The personal obligation of the member to pay such assessment shall, in addition, remain his or her personal obligation for the statutory period and a suit to recover money judgment for non-payment of any assessment levied pursuant to this Declaration, including the cost of collection and reasonable attorneys' fees, or any installment thereof, may be maintained without foreclosing or waiving the lien herein created to secure the same. The lien hereby created shall have priority and preference over any other assessments, liens, judgments or changes of whatever nature, except:

- (a) General and special assessments for ad valorem real estate taxes on the Lot; and
- (b) The liens of any deeds of trusts, mortgage instruments or encumbrances duly recorded on the Lot prior to the assessment thereof of the lien provided for in this Declaration.

No amendment to this section shall effect the rights of the holder of any first mortgage on any lot, or the indebtedness secured thereby, unless the party thereby secured shall join in the execution of such amendment.

ARTICLE VIII

Meeting of Members

Meetings of the membership shall be held at least annually at a suitable place in Montgomery County, Maryland, which is reasonably convenient to the membership, which may from time to time be designated by the Board of Directors. The annual meeting of the members of the Association shall be held at such time and place as may be designated by the Board of Directors. Notice of such meetings shall be given by the Board of Directors not less than ten or more than ninety days prior to such meeting by delivery of a notice thereof to each residence.

From time to time, the Board of Directors may call special meetings for the purposes of conducting business of the Association. Notice of a special meeting shall be given in writing more than ten (10) days before said meeting by delivery of a notice to each residence.

At all meetings of the Association, attendance by members, through personal presence or proxy, representing ten percent (10%) of the votes entitled to be cast shall constitute a quorum for purposes of the conduct of the Association's business.

ARTICLE IX

Board of Directors

The affairs of the Association shall be governed by a Board of Directors composed of not less than five (5) nor more than nine (9) persons who shall also be the officers of the Association. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by this Amended Declaration directed to be done by the Members. The powers and duties of the Board of Directors shall include, but should not be limited to the following:

- (a) care and upkeep of the Common Areas and facilities; and
- (b) establishment, collection, use and expenditure of the assessments from the members and the filing and enforcement of liens for any unpaid assessments; and

(c) to purchase insurance upon the Common Areas and facilities in accordance with the following:

(1) To purchase such policies of insurance as shall from time to time be considered appropriate by the Board of Directors including, without limitation, casualty insurance, public liability insurance, workmen's compensation insurance in the extent necessary to comply with any applicable law, so-called "legal expense indemnity insurance" affording protection for the officers and Directors of the Association for expenses and fees incurred by any of them in defending any suit or settling any claim or cause of action to which any such officer or Director shall have been made a party by reason of his or her service as such, fidelity coverage and the like, and in addition to such authority:

(aa) The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief. This insurance shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard.

(bb) The Board shall also obtain a public liability policy covering the Common Area, the association and its Members for all damage or injury caused by the negligence of the Association or any of its Members or agents. The public liability policy shall have at least a Five Hundred Thousand (\$500,000.00) Dollar single person limit as respects bodily injury and property damage, a One Million (\$1,000,000.00) Dollar limit per occurrence, and a Two Hundred Fifty Thousand (\$250,000.00) minimum property damage limit.

(cc) In addition to the other insurance required by this Section, the Board shall obtain, as a common expense, fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds. The amount of fidelity coverage shall be determined in the directors' best business judgment, but may not be less

than three (3) months' assessments, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be cancelled or substantially modified without a least ten (10) day's prior written notice to the Association.

- (2) Notwithstanding any provisions of the Amended Declaration to the contrary, the provisions of Article XV shall not be applicable to the Declarant or any builder constructing a new residence in the property prior to its initial use as a bona fide residence; and
- (d) to improve, maintain, repair, restore or reconstruct all or any part of the Common Areas; and
- (e) to adopt reasonable rules and regulations regarding use of the Common Areas, the conduct of meetings, election and voting practices and other matters related to the organization and operation of the business of the Association, including the establishment of a schedule of fines for violation of the provisions of this Declaration or Rules and Regulations adopted by the Board, said fines to be enforced the same as delinquent assessments as provided for in Article VII hereof; and
- (f) to represent the Members at local civic organizations and other governmental proceedings; provided, however, that the Association may not endorse a particular candidate for political office or otherwise engage in partisan politics.

ARTICLE X

Organization

1. Officers:

A. Number: The officers, of the Association shall include a President, a Vice President, a Records Secretary, a Treasurer, a Correspondence Secretary, a Townhouse Representative, a Recreation Committee Chairperson, and may include delegates-at-large.

B. Election: The officers shall be elected by the membership of the annual meeting, or the results of the election shall be announced at the annual meeting, in accordance with rules adopted by the Board of Directors. For the first election of officers under these Amended Covenants and Restrictions, the rules of procedure shall be adopted by the current Board Members.

2. Committees: The Board of Director may appoint whatever committees are deemed appropriate in carrying out the purposes of the Association. The number of committees, their size and their members shall be determined by the Board of Directors.

ARTICLE XI

Classes of Membership and Voting Rights

The Association shall have one class of membership. Class A members shall be all owners of a residence constructed within the properties. A lot owned by a Class A member is entitled to one vote to be cast on all matters of Association business, in person or by proxy, in a manner that shall be determined amongst the respective homeowners themselves. In the event of a dispute among the homeowners about how the vote of a lot is to be cast, the presiding officer at a meeting may exclude said vote. Any Class A member who is in violation of this Declaration with respect to any Lot or is delinquent in payment of any assessment on any Lot, as determined by the Board of Directors, shall not be entitled to cast the vote of that Lot as long as the violation or delinquency continues.

ARTICLE XII

Amendments

This Amended Declaration may be amended by the majority vote of those votes entitled to be cast by members attending any meeting, in person or by proxy, duly called for such purpose, provided, however, that no such amendment shall be permitted or accomplished which has the effect of negating or substantially modifying the requirement that the Association care for and maintain the Common Areas owned by it, nor shall any amendment be accomplished which excuses any member from payment of his pro rata share of the cost of maintaining such Common Areas.

ARTICLE XIII

Rights of The Maryland-National Capital Park and Planning Commission ("Commission" herein)

Any other provision of this Amended Declaration 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; or
- (b) abandon, partition, dedicate, subdivide, encumber, sell or transfer any of the Common Areas 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 Areas 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.
- (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.

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.

ARTICLE XV

Land Use Restrictions

1. None of the Lots shall be used for any purpose other than for residential use, and no profession or home industry shall be conducted in or on any part of a Lot or on any improvement thereon except for a “no impact” home-based business or a “registered”

home occupation as defined by the Montgomery County Zoning Ordinance. A “no impact” or “registered” home based business

- (a) must have no discernable impact on the surrounding neighborhood and must be accessory to the residential use of the dwelling unit in which it occurs;
- (b) requires no external modifications that detract from the residential appearance of the dwelling unit;
- (c) uses no equipment or process that creates noise, vibration, glare, fumes, odors, or electrical or electronic interference detectable by neighbors or that causes an increase in the common expenses that can be solely and directly attributable to the home-based business;
- (d) does not involve the use, storage or disposal of hazardous materials.

2. The maintenance, keeping, boarding or raising of animals, livestock, or poultry of any kind, regardless of number, shall be and is hereby prohibited on any Lot or within any dwelling, except that this shall not prohibit the keeping of dogs, cats, or caged birds as domestic pets provided they are not kept, bred or maintained for commercial purposes and, provided further, that such domestic pets are not a source of annoyance or nuisance to the neighborhood or other members. The Board of Directors shall have the authority, after hearing, to determine whether a particular pet is a nuisance or a source of annoyance to other members, and such determination shall be conclusive. Pets shall be attended at all times and shall be registered, licensed and inoculated as may from time to time be required by law. Pets shall not be permitted upon the common areas unless accompanied by a reasonable person who acknowledges that he or she is in control of the pet and unless the pet is carried or leashed. The Board of Directors shall have the right to adopt such additional rules and regulations as it may from time to time consider necessary or appropriate.

3. No burning of any trash and no accumulation or storage of litter, lumber, scrap metals, refuse, bulk materials, waste, new or used building materials, or trash of any kind shall be permitted on any lot, except temporary storage of building materials during construction or reconstruction.

4. No boats on cradles, trailers, campers, motor homes, trucks over three (3) tons payload capacity, or unlicensed vehicles may be parked in streets, yards, or common

parking areas for more than twenty-four (24) hours, nor may these be parked in driveways for more than seven (7) days. In the event that a problem arises, the Association may designate a specific place where such parking may be allowed, including a place on the Owner's Lot.

5. No lots shall be divided or subdivided and no portion of any lot (other than the entire lot) shall be transferred or conveyed for any purpose. No portion of any dwelling (other than the entire dwelling) shall be leased. The provisions of this subsection shall not be constructed to prohibit the granting of any easement or right-of-way to any municipality, political subdivision, public utility or other public body or authority, or to the Association, or any other person for any purpose.

6. No Lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth.

7. No exterior antennas of any type, including, but not limited to satellite dishes for reception or transmission may be erected or maintained by Owners within the community; provided, however, that dish antennas one meter (39.37 inches) or less in diameter or diagonal measurement designed to receive direct broadcast satellite service or to receive and transmit fixed wireless signals, and television broadcast antennas for local television reception are permitted subject to the following rules regarding placement of the antennas. Television broadcast antennas shall be attached to the apex of the roof or to the chimney of single-family homes and townhouses. Dish antennas under one meter in size shall be located on the rear or side yards. However, if the homeowner is unable to obtain an acceptable quality signal from a dish located in either location, the antenna may be located on the roof, attached to the home or located in the front yard, as close to the home as possible. If the dish is located in the front yard, the dish will be placed in such a fashion that it fits into, and is screened by, the bushes or foundation plantings located in front of the home. No antennas of any type for private use may be installed on Common Areas.

8. All Common Areas shall be limited in use to and for, and only for, parks and recreational purposes, parking and ingress or egress purposes in designated areas, and such other purposes authorized by the Association or its Board of Directors, subject to the provisions of this Declaration. No one will place any structure for private use on any of the Common Areas without prior approval of the Board of Directors.

9. All improvements which are under construction or completed as of the date of the recordation of this document shall not be considered in violation of the provisions of this document, or its predecessor, whether or not approvals for such improvements were first obtained. Said existing improvements, or improvements under construction are deemed to be "grandfathered" and these covenants are intended to apply prospectively only.

ARTICLE XVI

Miscellaneous Provisions

1. Townhouse Provisions

(a) Party Walls. Each wall which is built as part of the original construction of a Dwelling Unit upon the Property and placed on the divided line between 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 wall and of liability for property damage due to negligent or willful acts or omissions shall apply thereto.

(b) 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.

(c) 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 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 negligence or willful acts or omissions.

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

(e) Right to Contribution Runs with Land. The right of any Owner to contributions from any other Owner under this Article shall be appurtenant to the Land and shall pass to such Owner's successors in title.

(f) Dispute. In the event of a dispute between Owners with respect to the repair or rebuilding of a party wall or with respect to the sharing of the cost thereof, then upon written request of one of such Owners addressed to the Association, the matter shall be submitted to the Board of Directors who shall decide the dispute, and the decision of such Board of Directors shall be final and conclusive upon the parties.

(g) Parking. Ownership of a townhouse lot shall entitle the owner to the use of two automobile parking spaces or other quantity as designated by the Board of Directors, or its designee, or in accordance with the Rules and Regulation of the Association, together with the right of ingress and egress in, upon and over said parking area. The Board of Directors may assign parking spaces to each Townhouse Lot by designating which Lots the spaces are assigned to, or it may adopt such other rules to regulate parking on the Common Areas as the Board may deem appropriate, including the towing of vehicles in violation of said rules and regulations.

2. Consent by Lenders. Any other provisions of this Declaration 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 and approval of sixty-seven percent (67%) of the holders of the first mortgages of record on the Lots:

(a) Abandon, partition, alienate, release, hypothecate, dedicate, subdivided, encumber, sell or transfer any of the Common Areas or community facilities directly or indirectly owned by the Association; 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 Areas and community facilities by the members of the Association shall not be considered a transfer within the meaning of this Section; or

(b) abandon or terminate the Association; or

(c) modify or amend any substantive provision of the Declaration; or

(d) 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

(e) substantially modify the method of determining and collecting assessments against an Owner of his Lot as provided in this Declaration; or

(f) waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of buildings or structures on the Lots, the exterior maintenance of building or structures on the Lots, the maintenance of the Common Area party walls or common fences and driveways, or the upkeep of lawns and planting within the Property; or

(g) fail to maintain fire and extended coverage on insurable Association Common Area property on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost);

(h) use hazard insurance proceeds for losses to any Association Common Area property for other than the repair, replacement or reconstruction of such Common Area property.

3. Additional Rights of Mortgagees – Notice. The Association shall promptly notify the holder of the first mortgage on any Lot for which any assessment levied pursuant to the Declaration, or any installment thereof, becomes delinquent for a period in excess of sixty (60) days and the Association shall promptly notify the holder of the first mortgage on any Lot with respect to which any default in any other provision of this Declaration remains uncured for a period in excess of sixty (60) days following the date of such default. Any failure to give any such notice shall not affect the validity of priority of any first mortgage on any Lot and the protection extended in this Declaration to the holder of any such mortgage shall not be altered, modified or diminished by reason of such failure.

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

Any first mortgagee of any Lot may pay any taxes, utility charges or other charge levied against the Common Area and community facilities which are in default and which may or have become a charge of lien against any of the Common areas and community facilities and any such first mortgagee may pay any overdue premium on any hazard insurance policy or secure new hazard insurance coverage on the lapse of any policy, with respect to the Common areas and community facilities. Any first mortgagee who advances any such payment shall be due immediate reimbursement from the Association in the amount so advanced.

4. Casualty Losses. In the event of substantial damage or destruction to any of the Common areas, the Board of Directors of the Association shall give prompt written notice of such damage or destruction to the holders of all first mortgages on record on the Lots. No provision of this Declaration of the Association shall entitle any member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such member of any insurance proceeds paid or payable on account of any damage or destruction of any of the Common Areas.

5. Condemnation or Eminent Domain. In the event any part of the Common Areas is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, the Board of Directors of the association shall give prompt written notice of any such proceeding or proposed acquisition to the holder of all first mortgages of record on the Lots. No provisions of this Declaration of the Association shall entitle any member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such member of the proceeds of any condemnation or settlement relating to a taking of any of the Common Areas.

6. Books and Records.

(a) The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration and the books, records and papers of the Association shall be available for inspection by any member and their duly authorized agents or attorneys and to the institutional holder of any first mortgage on any Lot and its duly authorized agents or attorneys at the principal office of the Association, where copies may be purchased at reasonable cost.

(b) The financial records of the Association shall be subjected to an independent review on an annual basis.

7. Leases. All leases shall be for a period of not less than thirty (30) days.

8. New Policies and Procedures. Any new (or amended) administrative policy or procedure not specifically addressed by the Declaration of Covenants and Restrictions shall be published in its entirety and distributed to the members of the Olney Oaks Homeowners Association at least fifteen (15) days prior to being put into effect by the Board of Directors for the Olney Oaks Homeowners Association.

ARTICLE XVII

Maintenance of Buildings and Lots

The Owner of each Lot shall be obligated to keep and maintain all portions of his/her Lot and the portion of the right-of-way on which the Lot is located lying between the Lot and the pavement of the road within such right-of-way in good order and repair and in a neat, sanitary and attractive condition, and shall conduct such repairs and maintenance of the property in a manner and with such frequency as is consistent with good property management.

- (a) Each structure must be maintained in good repair. All installation, repair, and replacement must be performed in a workmanlike manner and with materials having properties and qualities substantially equal to or better than the original materials.
- (b) All exterior surfaces must be adequately protected from water seepage and against decay. All exterior surfaces must be free of flaking, peeling, or loose paint.
- (c) The paved surface of each entry apron, driveway, walkway and patio must be maintained in a good, serviceable, and safe condition.
- (d) Each lawn and other land not covered by a structure must be reasonably free of erosion or gullying. Any grass or weeds must not be allowed to grow more than ten (10) inches high. Shrubbery, trees, vines, hedges, and other vegetation, including dead trees and branches, must be maintained so they do

not pose a danger to health or safety or detract from the appearance of the community.

- (e) Trees and shrubs on an Owner's Lot must be trimmed away from sidewalks and paths. Low branches of trees overhanging sidewalks and paths must be cut back to a height of eight (8) feet. Owners who fail to trim branches and limbs overhanging the sidewalks and paths are subject to having this work accomplished by the Association with the cost being paid by the Owner. If the Owner fails to pay the cost associated with this work, then the Association may proceed with any and all appropriate legal remedies including the filing of a lien against the Owner's Lot. Trees located on the County's right of way along each side of the street must be trimmed by a licensed contractor.
- (f) All rubbish, garbage and yard trim must be disposed of in a clean and sanitary manner by placing it in appropriate containers. Rubbish, garbage and yard trim may not be stored or discarded on Common Areas.
- (g) In the event an Owner of any Lot in the Property shall fail to maintain the Lot and improvements situated thereon as provided in this Declaration, the Board of Directors may appoint or hire someone to enter upon said Lot to correct drainage and to repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon. All costs associated with any such correction, repair or restoration shall be owed by the Owner of the Lot and shall become a lien upon such Lot and such lien may be enforced in the same manner as an annual assessment levied in accordance with Article VII hereof.

ARTICLE XVIII

Construction and Enforcement

The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the community. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against the person or persons violating or attempting to violate any covenants or

restriction, either to restrain or enjoin violation or to recover damages, or both, and against any Lot to enforce the lien created hereby; and the failure or forbearance by the Association or the owner of any Lot 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 attempted violation or breach of any of the covenants and conditions set forth herein cannot be adequately remedied by an action at law or exclusively by recovery of damages.

In the event the Association incurs costs or legal fees in enforcing the terms of this Declaration against any owner who may be in violation thereof, the owner shall be liable for the costs thereof and reasonable attorneys' fees incurred by the Association in enforcing the Declaration, and said fees and costs may be assessed against the Lot upon which such violation occurred and when so assessed, a statement for the amount thereof shall be rendered to the owner of said Lot at which time the assessment shall become due and payable and a continuing lien upon such Lot, and a binding personal obligation of the owner of such Lot, in all respects as provided in Articles VI and VII of this Declaration. The Association shall have the further right, through its agents, to enter upon and inspect any Lot at any reasonable time to determine if there has been a violation of the provisions of this Declaration, and neither the Association nor its agent will be deemed to have committed a trespass or other wrongful act by reason of its entry or inspection.

In the event there is a violation of the Land Use Restrictions set forth in Article XV, the Maintenance of Buildings and Lots provisions set forth in Article XVII, or any Rules and Regulations adopted by the Association for the use of the Lots and Common Areas in the community, the Association, acting through its Board of Directors, shall provide written notice to the Lot owner to correct the violation. In the event the violation is not corrected within fifteen (15) days after notice of such violation is delivered to the owner of the Lot upon which the violation exists, or to the member responsible for such violation, then the Association shall have the right, through its agents and employees (but only after a resolution of the Board of Directors) either to enter upon the Lot and take

such steps as may be necessary to terminate or abate the violation, or to file the appropriate legal action to enforce the terms of the Declaration, and all costs thereof and reasonable attorneys' fees incurred by the Association will be assessed against the Lot owner or offending member, as set forth hereinabove.

IN WITNESS WHEREOF, the undersigned has executed this instrument this

_____ day of _____, 2004.

OLNEY OAKS SINGLE FAMILY
HOMEOWNERS ASSOCIATION

ATTEST:

By _____
Mark Wheeler, Correspondence Secretary Spencer Green, President

By _____
Jay Feinberg, Vice President

STATE OF MARYLAND
COUNTY OF MONGOVERY, to wit:

On this _____ day of _____, 2004, before me, the undersigned officer, personally appeared Spencer Green who satisfactorily proven to be President of the OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION, whose name is subscribed to this written instrument, for the purposes therein contained.

Given under my hand and seal this _____ day of _____, 2004.

Notary Public

My Commission Expires: _____

Exhibit A

**OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION
LAND DESCRIPTION**

Description	Reference	Accession Number
Olney Oaks Block A, Lots 76-85, Parcel E, Plat 18	Plat 19423-19424	MSA S 1249-6181
Olney Oaks Plat 10, Block B, Lots 47-54, 78-88, Parcel E	Plat 15840	MSA S 1249-22044
Olney Oaks Plat 11, Block B, Lots 55-77, Parcels C-D	Plat 15841	MSA S 1249-22045
Olney Oaks Plat 16, Block A, Lot 75	Plat 15532	MSA S 1249-21736
Olney Oaks Plat 12, Block H, Lots 1-33, Parcel L	Plat 15302	MSA S 1249-21507
Olney Oaks Plat 14, Block H, Lots 45-50, 52-60 Parcel O	Plat 15304	MSA S 1249-21508
Olney Oaks Plat 15, Block A, Lots 43-74, Parcel D, Block K, Lots 1-13, Parcel A	Plat 15204	MSA S 1249-21409
Olney Oaks Plat 7, Block F, Lots 28-54	Plat 14778	MSA S 1249-20983
Olney Oaks Plat 7, Block H, Parcel B, Street Dedication	Plat 14650	MSA S 1249-20855
Olney Oaks Plat 8, Block A, Lots 14-42, Outlot A, Parcels B-C, Block G, Lots 75-81, Block H, Parcel A	Plat 14651	MSA S 1249-20856
Olney Oaks Lots 34-44, 51, 61-71, Parcels M-N, Block H	Plat 15303	MSA S 1249-27246
Olney Oaks Plat 5, Block E, Lots 20-33, Block F, Lots 12-27, Block G, Lots 1-3	Plat 13507	MSA S 1249-19713
Olney Oaks Plat 6, Block A, Lot 13, Block C, Lots 35-43, Block E, Lots 18-19, Block G, Lots 4-8, Parcel A	Plat 13508	MSA S 1249-19714
Olney Oaks Plat 3, Block B, Lots 21-30, Parcel A, Block C, Lots 18-34, Block D, Lots 3-14, Block E, Lots 12-17	Plat 13459	MSA S 1249-19666
Olney Oaks Plat 4, Block B, Lots 31-4, Block D, Lots 1-2, 15-21, Block E, Lots 1-11, Block F, Lots 1-11	Plat 13460	MSA S 1249-19667
Olney Oaks Plat 2, Block B, Lots 4-20, Parcels B-C, Block C, Lots 4-17,	Plat 13168	MSA S 1249-19375
Olney Oaks Plat 1, Block A, Lots 1-12, Parcel A, Block B, Lots 1-3, Block C, Lots 1-3, Block F, Lots 1-11	Plat 13169	MSA S 1249-19376