

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by COUNTRY LAKES, a Maryland Partnership, by Benjamin H. Burroughs, Jr., General Partner, herein-after referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Mechanicsville, Fourth Election District, County of St. Mary's, State of Maryland, which is more particularly described as:

That parcel of land situate in the Fourth Election District of St. Mary's County, Maryland, known as Section One, Country Lakes, as recorded in Plate Book Liber DBK 12; folio 59-66, inclusive.

NOW, THEREFORE, Declarant hereby declares that all of the properties de-scribed above shall be held, sold and conveyed subject to the following easements, re-strictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. And that the foregoing covenants and restrictions shall be an addition to those covenants and restrictions covering Country Lakes, Section One, recorded among the land records of St. Mary's County, Maryland, at Liber DBK-256, folio 101.

ARTICLE 1.
DEFINITIONS.

Section 1. "Association" shall mean and refer to Country Lakes Homeowners Association, Inc., its successors and assigns.

Section 2. "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, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property herein-before described, and such additions thereto as may hereafter be brought within the juris-diction of the Association.

Section 4. "Common Area" shall mean all real property (including improvements thereto) owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

56.576 acres of land, shown as Country Lakes Recreation Area on a survey plat by D. H. Steffens Company, Land Surveyors - Engineers - Land Planners, said plat being labeled Section One, Country Lakes.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any record-ed subdivi-sion map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Country Lakes, a Maryland Partnership, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II. PROPERTY RIGHTS.

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

- (a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common area;
- (b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;
- (c) 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.

Section 2. Delegation of Use. Any owner may delegate, in 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.

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS.

Section 1. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall be assessed at the rate of twenty-five percent (25%) of the maximum annual assessment as set forth in Article IV, Section 3, as hereinbelow set forth. 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:

- (a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership, or

(b) On January 1, 1985/

ARTICLE IV. 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 therefore, whether or not it shall be so expressed in such deed, 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 established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with 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 for delinquent assessments 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 to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Sixteen Dollars (\$16.00) per Lot.

(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 each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.

(b) 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 5% by a vote to two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) 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, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the

preceding meet-ing. No such subsequent meeting shall be held more than 60 days following the preced-ing meeting.

Section 6. 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 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment 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. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty days after the due date shall bear interest from the due date at the rate of six percent (6%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse 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 subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relive such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V. 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 Associating 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 way 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, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than

ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members.

Section 5. 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.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 14th day of December, 1977.

COUNTRY LAKES, A MARYLAND PARTNERSHIP
Declarant

By: (Signature on File)
Benjamin H. Burroughs, Jr.
General Partner

STATE OF MARYLAND, COUNTY OF ST. MARY'S, TO WIT:

I hereby certify that on this 14th day of December, 1977, before me, the under-signed officer, personally appeared BENJAMIN H. BURROUGHS, JR., General Partner of Country Lakes, A Maryland Partnership, who acknowledged himself to be the General Partner of the aforementioned Maryland Partnership, and that he, being authorized to do so, executed the foregoing Declaration of Covenants, Conditions and Restrictions for the purpose therein contained.

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

(Signature and Seal on File)
Joanne D. Schindler
Notary Public
My Commission Expires: 7/1/78

COVENANTS AND RESTRICTIONS, P.U.D.
SECTION V
COUNTRY LAKES

1. The lots sold in Country Lakes shall be used only for single family residences, i.e., no commercial uses shall be permitted thereon.

- a. No trailers shall be permitted for residential use.
- b. Homes constructed on said lots shall be completed within two (2) years from date of commencement of constructions.

c. All homes constructed on said lots shall have a minimum living space of: 1) 100 square feet for one story ramblers; 2) 900 square feet of living space on the top floor for a split foyer; 3) 1800 square feet for two story homes.

d. There shall be no breeding, boarding, or selling of animals conducted on said lots; the keeping of animals for domestic purposes, and for the lot owners pleasure is permitted.

2. No lot shall be used for or maintained as a dumping ground for rubbish. Trash, garbage, or other waste shall not be kept except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. No unregistered motor vehicles, machinery or scrap material shall be stored on the lots, if same be in open view of persons on a nearby street.

3. All lots owners shall be members of the Country Lakes Citizens Association, and shall promptly pay said Association dues. The Association having authority to obtain liens on any owners lot for failure to pay said dues.

JULY 1, 1990

COUNTRY LAKES

Witness:
(Signature on File)

BY: (Signature on File)
BENJAMIN H. BURROUGHS, JR.,
GENERAL PARTNER