

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by Rockmont Associates, a Maryland limited partnership, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the 4th Election District, County of Montgomery, State of Maryland, which is more particularly described as:

Lots 34 through 53 and Parcel A, Block A and Lots 4 through 33 and Parcel B, Block A, all being in a subdivision known as and called "WOODMONT PLACE" as per plats of subdivision recorded, respectively, among the Land Records of Montgomery County, Maryland, in Plat Book 125 at plat 14664 and Plat book 125 at plat 14665.

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, 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.

MISC. 71.00

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to the Woodmont Overlook Homes Association, Inc., its successors and assigns.

Section 2. "Common Area" shall mean all real property (including the 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:

Parcel A, Block A, "WOODMONT PLACE" subdivision as per plat recorded among the Land Records of Montgomery

Witnessed by: [Signature]

MSA MAR 12 PM 4:11

U.S. DEPARTMENT OF JUSTICE

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County, Maryland, in Plat Book _____ at plat _____;
and

Parcel B, Block A, "WOODMONT PLACE" subdivision as per
plat recorded among the Land Records of Montgomery
County, Maryland, in Plat Book _____ at plat _____.

Section 3. "Declarant" shall mean and refer to Rockmont
Associates, a Maryland limited partnership, its successors and
assigns if such successors and assigns should acquire more than
one undeveloped Lot from the Declarant for the purpose of
development.

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

Section 5. "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 6. "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.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' 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 an 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 and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rds of each class of members has been recorded.

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.

Section 3. Parking Rights. Ownership of each Lot shall entitle the Owner or Owners thereof to the use of not more than two automobile parking spaces, which shall be as near and convenient to said Lot as reasonably possible, together with the right of ingress and egress in and upon said parking area. Where the garage is included in the improvements on a Lot the garage and the driveway thereto shall be counted as two parking spaces for purposes of this Section. In the event that the Board of Directors determines by majority vote that it is necessary to assign specific parking spaces to Owners it shall have the authority to do so on an equitable basis.

Section 4. Recreational and Underground Storm Water Management. It is acknowledged that there is an Easement entered into by and between Rockmont Associates, Declarant, and Hines Industrial, Ltd. pertaining to 8,502 square feet all as set forth in said Easement recorded in Liber 5931 at folio 815, among the Land Records of Montgomery County, Maryland; the Owner (as defined herein) hereby acknowledges receipt of a copy of this Easement and acknowledges that it is granted from Rockmont

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Associates to Hines Industrial, Ltd. for general recreational and underground storm water management facilities and appurtenances in conjunction with the office buildings either built or to be built by Hines on the adjacent property owned by Hines and acquired by deed dated May 14, 1981 and recorded among the Land Records of Montgomery County, Maryland in Liber 5699 at folio 244. In accordance with the terms of the Easement, Hines Industrial, Ltd. shall be responsible for the continuing maintenance of any improvements made to the aforesated Easement property by Hines Industrial, Ltd. The Woodmont Overlook Homes Association, Inc. shall be responsible for the costs and continuing maintenance of improvements that it installs and for said property.

Section 5. Easements Over Lot Lines. The Association, each Lot Owner and Declarant acknowledge that and accepts that certain and various lots are and shall be subject to easements and use across lot lines for driveways, sidewalks, utilities and the like for the benefit and use of the Association, all Lot Owners and Declarant.

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 the interest holders 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 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 equal the total votes outstanding in the Class B membership, or

(b) On December 31, 1988.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot Owner 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 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, maintenance, and other Association purposes including, but not limited to, maintenance of storm water management pipes and facilities installed below ground, such assessments to be established and collected as hereinafter provided. Any annual and special assessment which is not paid on the date when due shall be delinquent and thereafter, such delinquent assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot 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. Owners of Lots, including Declarant, upon which a townhouse has not been constructed shall not be required to pay any annual or special assessments.

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, and of the homes situated upon the Properties.

Section 3. Maximum annual assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the annual assessment shall be based upon the estimated pro rata cost per Lot of \$280.00 actual operating expenses of the Association and shall be collected at the time of settlement.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the annual assessment may be increased each year to reflect the increase in actual operating expenses to the Association.

(b) The Board of Directors may fix the annual assessment at an amount reasonably estimated to cover the actual operating expenses of the Association.

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 emergency maintenance and any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto. Any such assessment may not exceed the actual cost of the work to be performed.

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 Section 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 of 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 (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding 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 an annual 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 and shall be due no later than January 31st of the calendar year for which the assessment is made. The due dates for special assessments 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. Provided, however, that the Declarant (Developer) shall be allowed a partial assessment of twenty-five (25%) percent on Declarant

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owned and unoccupied Lots provided that the Declarant does fund all budget deficiencies and does maintain the common area at no cost to the Association. The election as to whether to pay the full assessment or the reduced assessment and do the funding shall be at the discretion of the Declarant.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 18 percent 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 non-use of the Common Area or abandonment of his Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage or Deed of Trust foreclosure or any proceeding in lieu thereof shall extinguish the lien or such assessments as to payments 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 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 or 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 mortgage or Deed of Trust foreclosure or any proceeding in lieu thereof shall extinguish the lien or such assessments as to payments 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.

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ARTICLE V

EXTERIOR MAINTENANCE AND TRASH REMOVAL

Section 1. In addition to maintenance upon the Common Area including all private roads and storm water facilities, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: painting of wood surfaces, grass at front of each townhouse, walks and driveways. Such exterior maintenance shall not include glass surfaces. Foundation planting, including front yard planting and rear yard planting, shall be maintained by the individual owners.

In the event that the need for maintenance or repair of a Lot or the improvements thereon is caused through the willful or negligent acts of its Owner, through malicious actions directed at specific Owners, or negligent acts of the family, guests, or invitees of the Owner of the Lot needing such maintenance or repair, as determined by the Board of Directors in its reasonable discretion, the cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.

Section 2. The Association shall provide for the periodic removal of trash from each Lot and the cost of such trash removal shall be included in the annual assessment. Trash shall be kept in the rear yard of each Lot in the area designated therefor.

Section 3. 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 (2/3) vote 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 assessment to which such Lot is subject.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 1. Except for the activities of the Developer during original construction of the project, no building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, 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 Directors 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.

ARTICLE VII

PARTY WALLS

Section 1. 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.

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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 provision 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 VIII

PROHIBITED USES AND NUISANCES

Section 1. Prohibited Uses and Nuisances. Except for the activities of the Developer during original construction:

(a) No noxious or offensive trade or activity shall be carried on upon any Lot or within any dwelling situate upon the Properties, nor shall anything be done therein or thereon which may be or become an annoyance or nuisance to the neighborhood or to the other Owners of any Lot.

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(b) The maintenance, keeping, boarding and/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 situated upon the Properties, except that this shall not prohibit the keeping of dogs, cats and/or caged birds as domestic pets provided they are not kept, bred or maintained for commercial purposes.

(c) No burning of any trash and no accumulation or storage of litter, new or used building materials, or trash of any other kind shall be permitted on any Lot.

(d) Except as hereinelsewhere provided, no junk vehicle, commercial vehicle, trailer, truck, camper, camp truck, house trailer, boat or the like, shall be kept upon the Properties nor (except for bona fide emergencies) shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out thereon. The Association may in the discretion of its Board of Directors provide and maintain a suitable area designated for the parking of such vehicles or the like.

(e) Trash and garbage containers shall not be permitted to remain in public view except as otherwise permitted by the Board of Directors.

(f) In order to facilitate the free movement of passing vehicles, no automobiles belonging to residents shall be parked on the paved portion of any joint driveway or streets, public or private, except during bona fide temporary emergencies.

(g) No trees existing at the time of initial conveyance by Declarant shall be moved from any Lot without written approval of the Association acting through its Board of Directors or duly appointed committee.

(h) No structure of a temporary character, trailer, tent, shack, barn or other outbuilding shall be used on any Lot at any time.

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(i) No signs of any character shall be erected, posted or displayed upon, in or about any Lot or dwelling situate upon the Properties; provided, however, that one temporary real estate sign not exceeding six (6) square feet in area may be erected upon any Lot or attached to any dwelling placed upon the market for sale or rent.

(j) No structure, planting or other material other than driveways, sidewalks, fences and other structures erected as part of the development by Declarant shall be placed or permitted to remain upon any Lot which may damage or interfere with any easement for the installation or maintenance of utilities, or which may change, obstruct or retard direction or flow of any drainage channels.

(k) Garage doors and the doors of any other storage room or the like shall be maintained in a closed position whenever possible.

(l) No outside television or radio aerial or antenna, or other aerial or antenna, for reception or transmission, shall be maintained upon any Lot or dwelling.

(m) There shall be no violation of any rules for the use of the Common Areas or community facilities which may from time to time be adopted by the Board of Directors and promulgated among the membership by them in writing, and the Board of Directors is hereby and elsewhere in the By-Laws authorized to adopt such rules.

ARTICLE XI

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

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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.

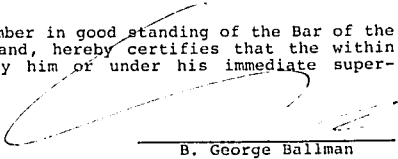
Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land 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 within the area described in Plat Book 119 at plat 14074 of the land records of Montgomery County, Maryland may be annexed by the Declarant without the consent of members within 7 years of the date of this instrument. This is provided that the FHA and the VA determine that the annexation is in accord with the general plan heretofore approved by them. (This last sentence not applicable unless Declarant has had this document and the By-Laws approved by the FHA and VA.)

Section 5. FHA/VA Approval. In the event that the Woodmont Overlook Townhouses are 1) approved by the Federal Housing Administration or the Veterans Administration for FHA and/or VA loans and 2) 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.

The undersigned, a member in good standing of the Bar of the Court of Appeals of Maryland, hereby certifies that the within instrument was prepared by him or under his immediate supervision.



B. George Ballman

PARCEL IDENTIFIER RIDER - MONTGOMERY COUNTY ONLY

Pursuant to the provisions of Section 3-501 of Subtitle 5, Real Property Article, Annotated Code of Maryland (1981 Repl. Vol.) the following information is declared by the party of the first part hereto, the owner of the land and premises described on "EXHIBIT A" hereof, to be contained within this instrument:

- (a) The address of the party of the first part:
Rockmont Associates
c/o Ronald J. Cohen
6500 Rock Spring Drive, Suite 302
Bethesda, Maryland 20817
- (b) The address of the party of the second part:
Woodmont Overlook Homes Association, Inc.
c/o Ronald J. Cohen
6500 Rock Spring Drive, Suite 302
Bethesda, Maryland 20817
- (c) The name of any title insurer insuring this instrument or otherwise involved in the transaction in which this instrument is relevant: None.
- (d) The street address of the land and premises described in this instrument, if any.
Templeton Place, Rockville, Maryland 20852.
- (e) The parcel Identifier: 4-201-158452
Montgomery County Tax Account: n/a

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BUDGET FOR THE WOODMONT OVERLOOK HOMES ASSOCIATION, INC.

<u>ITEM</u>	<u>COST PER YEAR</u>
Scheduled Assessments	\$ 14,000.00
TOTAL ASSESSMENTS	\$ 14,000.00
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Administrative Expenses:	
Management Fees \$5/unit/mo x 12 (50)	\$ 3,000.00
General/Group Insurance	
Liability Directors & Officers	
TOTAL	650.00
Office Supplies & Printing	100.00
Audit Fees	200.00
Legal Fees & Costs	500.00
Miscellaneous Administrative - postage, dues, subscriptions, meeting room rental	200.00
TOTAL ADMINISTRATIVE EXPENSES	\$ 4,650.00
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Utilities Expenses	
Water Sewage and Electricity	\$ 1,400.00
TOTAL UTILITIES	\$ 1,400.00
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Maintenance Expense	
Ground Expense: Lawn Contract - to include cutting entire project, trimming, edging, mulching common ground only	\$ 4,550.00
Groundsmen (cleaning parking lots, grounds)	500.00
Snow Removal	650.00
Extra salting & sanding	150.00
TOTAL GROUNDS	\$ 5,850.00
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Miscellaneous Maintenance Expense	\$ 827.00
TOTAL MISCELLANEOUS EXPENSE	\$ 827.00
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TOTAL MAINTENANCE	\$ 6,677.00
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TOTAL OPERATING EXPENSE	\$ 12,727.00
MISC. FUND	173.00
MISC. TAXES & LICENSES	100.00
REPLACEMENT RESERVE FUND (\$20.00/unit)	1,000.00
TOTAL ALL EXPENSES	\$ 14,000.00

The intent of the Association is to keep the maintenance fee at a minimum so that home owners can have the use of their money as long as possible. Since the maintenance of the exterior of a house is not expected to be needed for at least four years there is only a small allowance for this maintenance. Also, the Builder's one year warranty will provide for the first year. It is contemplated that this fee will be adjusted annually to reflect the maintenance requirements.

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