

March 19, 1999

BY-LAWS OF TANTERRA HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Name and Location

The name of the corporation is TANTERRA HOMEOWNERS ASSOCIATION, INC. hereinafter referred to as the "Association." The principal address of the corporation shall be located 18608 Tanterra Way, Brookeville, Maryland 20833, but meetings of members and directors may be held at such places within the State of Maryland as may be designated by the Board of Directors.

ARTICLE II

Definitions

Section 1. "Association" shall mean and refer to the TANTERRA HOMEOWNERS ASSOCIATION, INC., a non-stock, profit Maryland corporation, its successors and assigns.

Section 2. "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, 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 Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property 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 the fee simple title to any Lot which is a part of the Property.

Section 6. "Declarant" shall mean and refer to the original developer of all the properties (which now comprise individual lot owners and the common ground).

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded among the Land Records of Montgomery County, Maryland, including amendments and supplements thereto.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 9. "Proxy" A written, signed designated vote by an owner concerning a specific issue in which an owner wishes to vote for but cannot attend the meeting. Proxies are to contain specific language for a specific issue. Example: I vote affirmative for resolution A.

Section 10. "Absentee Ballot" A ballot that is cast by an owner that is unable to attend the Annual Meeting. The Absentee Ballot will contain names of Directors nominated by the nominating committee and spaces for write in candidates. The Absentee ballot must be marked Absentee Ballot and contain the address of the owner as well a signature of an Owner.

ARTICLE III

Meetings of Members

Section 1. Annual Meetings. Annual meetings of the members shall be held every November with the date set by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes entitled to be cast of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days (but not more than sixty (60) days) before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Written notice may be waived as provided in the Corporations and Associations Article of the Maryland Annotated Code.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these by-laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Voting. At every meeting of the members, each member shall have the right to cast a vote. The vote of the members representing fifty-one percent (51%) of the total of the votes present in person or by proxy shall be necessary to decide any question brought before such meeting, unless the question is one upon which, by the express provision of law or of the Articles of Incorporation, or of the Declaration or of these by-laws, a different vote is required, in which case such express provision shall govern and control. The vote for any Lot which is owned by more than one person may be exercised by any of the co-owners present at any meeting unless any objection or protest by any other owner of such Lot is noted at such meeting. In the event all of the co-owners of any Lot who are present at any meeting of the members are unable to agree on the manner in which the votes for such Lot shall be cast on any particular question, then such vote shall not be counted for purposes of deciding that question. No member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association.

Section 6. Proxies. At all meetings of members, each member may vote in person or by proxy in the conduct of normal association business. All proxies shall be in writing and filed with the Secretary. Every proxy shall be content specific and pre-printed.

ARTICLE IV

Board of Directors: Selection: Term of Office

Section 1. Number. The affairs of the Association shall be managed by a Board of Directors consisting of Nine (9) persons. Each year three new directors shall be elected and hold office for a three year period. Members of the Board of Directors are members of the Association except one. The non-member of the Association must be an Associate member in good standing. An Associate member is an individual or family that pays the Association to use the pool but does not live in the subdivision.

Section 2. Term of Office. At each annual meeting, the members shall elect 3 directors for a term of three (3) years; and at each annual meeting thereafter, the members shall elect a director to each vacancy for a term of three (3) years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority of the votes of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he/she may render to the Association as director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without A Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a simple majority of the directors and such approval is filed with the minutes of the proceedings of the

Board of Directors. Any action so approved shall have the same effect as though taken at a meeting of the directors. Telephonic meetings shall be permitted in accordance with the Corporations and Associations Article of the Maryland Annotated Code.

ARTICLE V

Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors, shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their absentee ballots may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 3. Filling a board vacancy. Should a board member resign or be removed from the board, then the board will appoint a replacement member that will serve out the term remaining.

ARTICLE VI

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, at least six (6) days prior to the date named for such meeting. Notice may be waived as permitted in the Corporations and Associations Article of the Annotated Code of Maryland.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally or by mail, telephone, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of any two (2) of the Directors.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Fidelity Bonds. The Board of Directors shall require that all officers, Directors and employees of the Association regularly handling or otherwise responsible for the funds of the Association shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty. The premiums on such bonds or insurance shall be paid by the Association.

ARTICLE VII

Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Property, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use of the Common Areas and recreational facilities of a member during any period in which such member shall be more than thirty (30) days delinquent in the payment of any assessment levied by the Association. Such rights may also be suspended for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these by-laws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such members shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the votes of the members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to: (1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and when determined necessary, foreclose the lien against any property for which assessments are not paid within ten (10) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained;

(h) otherwise perform or cause to be performed the functions and obligations of the Board and the Association as provided for in the Declaration and Articles of Incorporation and these by-laws.

Section 3. Management Agent. The Board of Directors may employ for the Association a management agent or manager (the Management Agent) at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. Any management agreement entered into by the Association shall provide, that such agreement may be terminated for cause by either party upon thirty (30) days written notice thereof to the other party. The term of any such management agreement shall not exceed one year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one-year periods.

ARTICLE VIII

Officers and Their Duties

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create, all of which officers are to be elected by the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members; provided that the initial Board of Directors shall elect the first group of officers at its first organizational meeting.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year or until his successor is duly elected and qualified, unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person, but in no event shall the same officer execute, acknowledge or verify any instrument in more than one capacity, if such instrument is required by law, the Declaration, the Articles of Incorporation or these by-laws to be executed, acknowledged or verified by two (2) or more officers. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall sign checks and promissory notes.

Vice President

(b) The Vice President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign checks and promissory notes of the Association; keep proper books of account, cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX

Liability and Indemnification of Officers and Directors

The Association shall indemnify every officer and director of the Association against any and all expenses, including counsel fees, reasonably incurred by or imposed upon an officer or director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then

Board of Directors of the Association) to which he may be made a party by reason of being or having been an officer or director of the Association, whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors of the Association shall not be liable to the members of the Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith.

The officers and directors of the Corporation shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to Indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Association may be entitled. The Association shall indemnify the directors and officers to the full extent permitted by Section 2-418, Corps. and Assoc. Art., Md. Ann. Code, as amended, or other applicable law. If any of the provisions of this Article are inconsistent with the statute(s), then the provisions of the statute(s) shall be controlling.

ARTICLE X

Committees

The Finance Committee consists of the President, Treasurer and other members as deemed appropriate by the President. The Finance Committee shall meet quarterly and have the principle responsibility of determining the budget to be presented and approved by the Board. The Finance Committee can also address key issues that are to be voted on at board meetings.

The Executive Committee consists of the President, Vice President, Treasurer and Secretary. In addition, it is recommended that the Executive Committee have at least one past president (appointed by the current president) and other members as deemed appropriate by the President. The Executive Committee shall meet quarterly and address key issues that are to be voted on at board meetings.

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these by-laws. The Board of Directors shall appoint other committees as deemed appropriate in carrying out functions.

ARTICLE XI

Books and Records - Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January every year. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should the practice of the Association subsequently dictate.

Section 2. Principal Office - Change of Same. The principal office of the Association shall be as set forth in Article II of the Articles of Incorporation of the Association. The Board of Directors, by appropriate resolution, shall have the authority to change the location of the principal office of the Association from time to time.

Section 3. Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices, consistently applied. The same shall include books with detailed accounts, in chronological order, of receipts and of the expenditures and other transactions of the Association and its administration and shall specify the maintenance and repair expenses of the Common Areas services required or provided with respect to the same and any other expenses incurred by the Association. The amount of any assessment or portion of any assessment, required for payment of any capital expenditure or reserves of the Association shall be credited upon the books of the Association to the "Paid-in-Surplus" account as a capital contribution by the members.

Section 4. Auditing. At the close of each fiscal year, the books and records of the Association shall be audited by an independent Certified Public Accountant whose report shall be prepared in accordance with generally accepted auditing standards.

Section 5. Inspection of Books. The books and accounts of the Association, vouchers accrediting the entries made thereupon and all other records maintained by the Association (including without limitation, current copies of the Declaration, by-laws, and any rules and regulations governing the Association), shall be available for examination by the members and their duly authorized agents or attorneys. The Declaration, the Articles of Incorporation and the by-laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost. Such documents may also be obtained from the Montgomery County repository in Rockville in accordance with guidelines established for that purpose.

ARTICLE XII

Assessments

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within ten (10) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may impose a "late charge" and bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and in either event, interest, costs, and reasonable attorneys' 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.

ARTICLE XIII

Corporate Seal

The Association shall have a seal in circular form having within its circumference the words: TANTERRA HOMEOWNERS ASSOCIATION, INC., a Maryland Corporation.

ARTICLE XIV

Amendments

Section 1. Amendments to these by-laws shall be subject to the provisions of the Declaration that require certain approvals or voting percentages for designated amendments. Otherwise, these by-laws may be amended, by a vote of a majority of the votes of the then members of the Association.

Section 2. In the case of any conflict between the Articles of Incorporation and these by-laws, the Articles shall control; and in the case of any conflict between the Declaration and these by-laws, the Declaration shall control.

ARTICLE XV

Interpretation - Miscellaneous

Section 1. Definitions. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration.

Section 2. Notices. Unless another type of notice is herein else where specifically provided for, any and all notices called for in these by-laws shall be given in writing.

Section 3. Severability. In the event any provision or provisions of these by-laws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

Section 4. Waiver. No restriction, condition, obligation or provisions of these by-laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section 5. Captions. The captions contained in these by-laws are for convenience only and are not a part of these by-laws and are not intended in any way to limit or enlarge the terms and provisions of these by-laws or to aid in the construction thereof.

Section 6. Gender, etc. Whenever in these by-laws the context so requires the singular number shall include the plural and the converse, and the use of any gender shall be deemed to include all genders.

IN WITNESS WHEREOF, we, being all of the Directors of TANTERRA

HOMEOWNERS ASSOCIATION, INC., have hereunto set our hands this day of

April 28, 1999

WITNESS

October 24, 1999

RE-STATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

TANTERRA HOMEOWNERS ASSOCIATION

THIS DECLARATION, made on the date hereinafter set forth by Tanterra Homeowners Association, a Maryland corporation, hereinafter sometimes referred to as the "Association."

Witnesseth:

WHEREAS, THE PROPERTY DESCRIBED ON THE ATTACHED Exhibits A and B was subjected to certain covenants, conditions, and restrictions as set forth in a Declaration of Covenants, Conditions and Restrictions dated June 24, 1974 (The "Original Declaration" and recorded among the land records for Montgomery County, Maryland at Liber 4084 Folio 328, by the Declarant Von der Heide, Inc. and additional declarations recorded in the records for Montgomery County, Maryland at Liber 4132, Folio 436, Liber 4178 Folio 707, Liber 4235 Folio 295, Liber 4427 Folio 149, Liber 4492 Folio 459, Liber 4504 Folio 802, Liber 5444 Folio 639, and Liber 5555 Folio 363, and;

WHEREAS, the Association desires to establish the covenants, conditions and restrictions herein in the place of and superseding all previous covenants, conditions, and restrictions, and also desires to identify in one document, all of the property subject to these re-stated covenants by consolidating the several property descriptions recorded as the Tanterra community was developed over the years; and

WHEREAS, the Original Declaration provides in Article VI, Section 3 that after the passage of twenty years from the date of recording of the Original Declaration, it may be amended by an instrument signed by not less than 75% of the lot owners; and

WHEREAS, more than 75% of the lot owners have signed an instrument attached to this re-stated Declaration, and the Secretary of the Association has certified that the original Declaration has been amended in accordance with the requirement of Article VI, Section 3 therein, and the certification has been attached hereto.

NOW, THEREFORE, Association hereby declares that this Re-stated Declaration does replace the Original Declaration in its entirety and that all of the property described on Exhibit A and B attached hereto 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 property

described on Exhibit A and B hereto, as supplemented, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to the Tanterra Homeowners' Association, Inc., a nonstock corporation, 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 an Lot which is a part of the property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean and refer to that certain real property described in Exhibit A.

Section 4. "Common Area" shall mean all real property 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 more particularly on the legal description attached hereto and made a part thereof as Exhibit B Title to the Common Area has been conveyed to the Association consistent with all regulatory approvals, subject to covenants, easements, and conditions of record, including future taxes and front-foot benefit assessments, if any.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property with the exception of the Common Area.

Section 6. "Dwelling Unit" shall mean any building or portion of a building originally designated and intended for use and occupancy as a residence by a single family.

Section 7. "Member". Every owner of the Lot shall be a member of the Association. An Owner of more than one (1) Lot shall be deemed to have a membership for each Lot owned.

ARTICLE II

Property Subject to Declaration and Property Rights

Section 1. Property Subject to Declaration. The real property which is hereby subject to the terms and conditions of this Declaration is all that property located in Montgomery County, Maryland, described in Exhibit A attached hereto and made a part hereof.

Section 2. The title to the Common Area has been conveyed to the Association subject to the covenants, easements and conditions of record, including, without limitation, the following:

- a. The Conservation Easements shown on the plats.
- b. Site Plan Enforcement Agreement referred to on the plats.
- c. Any storm water management, storm drainage and/or wetland mitigation easements or agreements relating to the Common Areas.

The Association shall assume and comply in all respects with the easements and agreements affecting the Lots and Common Areas, including (a) through (c) above.

Section 3. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, including an easement for the use and enjoyment of the walkways within the Common Area, if any, 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 and uniform admission and other fees for the use of any recreational facility including but not limited to the pool or tennis courts situated upon the Common Area, if any;
- (b) the right of the Association to suspend the voting rights and right of use of any recreational facilities by an Owner for any period during which any assessment against his Lot is more than thirty (30) days delinquent; 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 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 two-thirds (2/3) of the members agreeing to such dedication or transfer has been recorded;
- (d) the right of the Association, by and through the Board of Directors, to grant easements and rights of- way for the installation, maintenance, repair, and reconstruction of utility lines or appurtenances, to a municipality, public or private utility, or otherwise. No easements or rights of-way shall unreasonably affect the use of the Common Area by the members;
- (e) the right of the Association to reasonably limit the number of guests of members who use the Common Area and the facilities thereon.
- (f) the right of the Association to establish uniform rules and regulations pertaining to the use of the Common Area and the facilities thereon:
- (g) the right of the Association, utility companies and other Owners with respect to the easements established in Section 15 of Article VII hereof: and

Section 3. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area to the members of his family, his tenants, or contract purchasers who reside on his Property.

* Exhibit B and

ARTICLE III

Membership and Voting Rights

Section 1. Membership. Every Owner of a Lot 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. There can be only one vote per lot.

Section 2. Voting Rights. All Owners shall have the right of voting membership. Each Owner has one vote.

ARTICLE IV

Covenant For Maintenance Assessments

Section 1. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, welfare, common benefit and enjoyment of the Owners in the Property and for the improvement, maintenance, repair and replacement of the Common Area, including maintenance and repair of any storm water management features and the payment of taxes and any front foot benefit assessments for the Common Area.

Section 2. Maximum Assessment.

- (a) From and after January 1 of each year the annual assessment may be increased by the Board of Directors of the Association, by an amount not to exceed Six Percent (6%) of the maximum annual assessment for the preceding year.
- (b) From and after January 1 of each year, the maximum annual assessment may be increased above Six Percent (6%) upon approval by a majority of the votes of a duly constituted quorum of the members who are voting in person, at a meeting duly called for this purpose.
- (c) The Board of Directors may from time to time fix the annual assessment at an amount not in excess of the maximum.

Section 3. Special Assessments. 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, or for any other purpose as the Board may consider appropriate, provided that any such

assessment shall have the assent of a majority of votes of a duly constituted quorum of members who are voting, in person at a meeting duly called for this purpose.

Section 4. Reserves for Replacements. The Association shall establish and maintain a reserve fund for replacements of the Common Area by the allocation and payment to such reserve fund of an amount to be designated from time to time by the Board of Directors. Such fund shall be conclusively deemed to be a common expense of the Association and may be deposited in any banking institution, the accounts of which are insured by any State or by an agency of the United States of America or may, in the discretion of the Board of Directors, be invested in obligations of; or duly guaranteed as to principal by, the United States of America. The reserve for replacements of the Common Areas may be expended only for the purpose of effecting the replacement of the Common Areas, including storm water management features, for major repairs to any equipment or replacement thereof, including the pool, tennis courts, parking lots, entrance sign, landscaping and for startup expenses and operating contingencies of a non-recurring nature relating to the Common Areas. The Association may establish such other reserves for such other purposes as the Board of Directors may from time to time consider to be necessary or appropriate. The proportional interest of any member in any such reserves shall be considered an appurtenance of his Lot and shall not be separately withdrawn, assigned or transferred or otherwise separated from the Lot to which it appertains and shall be deemed to be transferred with such Lot.

Section 5. Notice and Quorum for any Action Authorized Under Sections 2 and 3. Written notice of any meeting called for the purpose of taking any action authorized under Section 2 and 3 shall be sent to all members, not less than fifteen (15) days. nor more than sixty (60) days in advance of the meeting. At the first such meeting called if the required quorum is not present, another meeting may be called subject to the same notice requirement. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. Twenty percent (20%) of the Association's members present at a in person meeting (or represented by proxy) constitutes the required quorum under this article.

Section 6. Uniform Rate of Assessment. Except as otherwise provided in Section 3 of this Article IV, both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected in advance on annual, monthly or quarterly basis.

ARTICLE V

Commencement of Annual Assessments & Remedies for Nonpayment

Section 1. Commencement of Annual Assessments.

Except as may be otherwise resolved by the Board of Directors of the Association, the annual maintenance assessment for the membership shall commence on the first day of each calendar year and extend until the last day of the year. Assessments are due and payable on a date determined by the Board of Directors.

Section 2. Creation of the Lien and Personal Obligation of Assessments.

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, such assessments to be established and collected as hereinafter provided. The Board of Directors shall determine the annual assessment at least annually. The Board of Directors shall determine whether the assessments are payable annually, monthly or quarterly. The annual assessment shall be based upon a budget prepared by or for the Board of Directors prior to the beginning of the assessment period. However, the failure to determine the annual assessment prior to the beginning of an assessment period shall not be deemed a waiver or modification of the provisions of this Article, but the annual assessment for the preceding period shall continue until the Board has determined the new annual assessment.

Section 3. Effect of Nonpayment of Assessments: Remedies of the Association.

Any assessment not paid within ten (10) days after the due date shall bear interest from the due date at the rate of Eighteen Percent (18%) per annum; provided, however, that if said interest rate is higher than that permitted by law, then the highest interest rate permitted by law shall be applicable. The Board may also impose a uniform, "late charge," the amount of which shall be determined by the Board but in no event higher than that permitted by law. The annual and special assessments, together with interest costs and reasonable attorney's fees (allowable by courts), and the late charge, as may be determined by the Board, shall be a charge on the Lot (including all improvements thereon), 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. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot (and all improvements thereon) in the manner as provided by Maryland law for the foreclosure of mortgages containing a power of sale. In either event, interest, costs and reasonable attorney's fees of any such action shall be added to the assessment, however, the provisions of the Maryland Contract Lien Act (Section 14-201. et seq., Real Property Article, Maryland Annotated Code) shall, if applicable, govern the establishment and enforcement of said lien. 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. If assessments are paid other than annually, and if any installment is not paid when due, then the Association may declare the entire annual assessment due and payable.

ARTICLE VI

Architectural Control

Section 1. Previous Architectural Changes

All architectural changes made prior to the date of these Covenants will not be subject to the rules and regulations outlined in the sections below.

Section 2. Architectural Change Approval

- (a) No building, fence, wall, deck, exterior antenna, or other structure, building or improvement shall be erected upon the property, nor shall any exterior addition to or change or alteration therein be made (including change in color) 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, and as to compliance with the provisions of this Declaration, by an Architectural Committee composed of three (3) or more representatives appointed by the Board. The Architectural Committee may promulgate standards for homes in the subdivision.
- (b) Upon the receipt of any request for change, the Architectural Committee has two weeks within which to notify the homeowner by telephone that the request has been received. If the homeowner does not hear from the Architectural Committee within two weeks stating that the request has been received (and is being reviewed) then the homeowner must assume that the request has not been received by the Architectural Committee. It is then the homeowner's responsibility to assure that the request for change does reach the Architectural Committee. The request may be submitted by mail or hand delivered to a member of the Architectural Committee.
- (c) After having confirmed by telephone that a request for change has been received, in the event the Architectural 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. Design approval by the Architectural Committee shall in no way be construed as to pass judgment on the correctness of the location, structural design, suitability of water flow or drainage, location of utilities, or other qualities of the item being reviewed. Any exterior addition to or change or alteration made without application having first been made and approval obtained as provided above may be deemed to be in violation of this covenant and the addition, change or alteration may be required to be restored to the original condition at the Owner's cost and expense. In any event, no such exterior addition to or change or alteration shall be made without approvals and permits obtained by the Owner from the applicable public authorities or agencies.

Section 3. Initiation and Completion of Approved Changes

Construction or alterations in accordance with plans and specifications approved by the Architectural Committee shall be commenced within six (6) months following the date which they were approved by the Architectural Committee and shall be substantially completed within twelve (12) months following the date of commencement. In the event construction is not commenced within the time frame specified, then approval of the plans and specifications by the Architectural Committee shall be conclusively deemed to have lapsed and compliance with the provisions of this Article shall again be required. There shall be no substantial deviations from plans and specifications approved by the Architectural Committee without any prior consent in writing of the Architectural Committee.

Section 4. Certificate of Compliance

Upon completion of any construction or alterations or other improvements or approved by the Architectural Committee in accordance with the provisions of this Article. the Architectural Committee shall. at the request of the Owner thereof, issue a certificate of compliance which shows that construction or installation is in full compliance with the provisions of this Article and with such other provisions and requirements of this Declaration as may be applicable.

Section 5. Architectural Committee Rules and Regulations

Appeal of Architectural Committee Decisions. Subject to the Board of Director's approval, the Architectural Committee may from time to time adopt and promulgate such rules and regulations regarding the form and content of plans and specifications to be submitted for approval and may publish such statements of policy, standards, guidelines and/or establish such criteria relative to architectural styles or details, or other matters, as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this Article or any other provision or requirement of this Declaration.

The decisions of the Architectural Committee shall be final; except that any Owner who is aggrieved by any action or inaction by the Architectural Committee may appeal the decision of the Architectural Committee to the Board of Directors. Upon the request of such Owner, he/she shall be entitled to a hearing before the Board of Directors. Agreement of two-thirds (2/3) of the Board of Directors shall be required to reverse the decision of the Architectural Committee.

ARTICLE VII

Use Restrictions and Easements

In addition to all other covenants contained herein, the use of the Lot therein is subject to the following:

Section 1. The Lots shall be used for Residential purposes.

Section 2. Small businesses which are in the dwelling may be allowed such as Home Day Care. Within home businesses must not generate a large number of cars parked along the street that impede the flow of traffic, generate excessive trash or hazardous waste, generate excessive noise, or accumulate building supplies. The important factor in allowing home business is to assure that the neighbors' rights are not infringed upon.

Section 3. No burning of any trash and no unreasonable or unsightly accumulation or storage of litter, new or used building materials, or trash of any other kind shall be permitted on the Property. All refuse shall be deposited with care in containers designated for such purpose. No structure of a temporary character such as trailers, tents, shacks, barns or other outbuildings without written approval, for special occasions, shall be maintained upon the Property at any time. Outdoor clothes dryers or clothes lines which are retractable or portable units are recommended. These shall not be in clear view of the street and shall be taken down or retracted when not in use. Machinery and equipment shall be prohibited upon any Lot unless obscured from view of adjoining Lots and streets by a fence or appropriate screen.

Notwithstanding the foregoing, firewood for use in a Dwelling should be stored inconspicuously in a neat stack on the Lot. No commercial use is permitted.

Section 4. There shall be no obstruction of the Common Areas nor shall anything be stored, placed or offered for sale in the Common Area without the prior consent of the Board of Directors. No waste shall be placed or deposited in the Common Area.

Section 5. No farm animals, livestock, or poultry of any kind shall be raised, bred or kept in private or Common Areas within the Tanterra Development. Each Owner, tenant or guest shall be responsible for cleaning up after their pets.

Section 6. Fences must be maintained in good order. Rotten or broken boards must be replaced and painted to match, if appropriate. All barrier (privacy) fences shall be behind the front of the house. Decorative fences in a landscape are acceptable in the front of the house. The intent of this rule is to prohibit property delineation fences in the front of a dwelling and along the fronting street. There are some corner houses whose back yard is on the street. These homes have a particular situation and should be addressed on a case-by-case basis. There shall be no chain link fences. Material and location of the fence shall be approved by the Architectural Committee. Split rail, alternating board and adjacent board fences are recommended. Privacy fences shall not exceed six feet in height. The "good side" of privacy fences will face outward from the lot of the homeowner installing the fence.

Section 7. Vehicles should be parked in driveways when possible. Commercial vehicles must be parked in driveways. No heavy construction equipment over 10,000 pounds, trucks over 26,000 pounds gross vehicle weight trailers over 15,000 pounds gross vehicle weight, busses or semi-trailers can be parked in driveways, yards or on common grounds.

Section 8. The rights and duties with respect to sanitary sewer and water, cable television, electricity, gas and telephone lines and facilities shall be governed by the following:

- (a) whenever water, sanitary sewer, electricity, gas, cable television or telephone connection, lines, cables or any portion thereof, are or have been installed within the Property, the Owner of any Lot or the Association, shall have the right, and are hereby granted an easement to the extent necessary therefore, to enter upon or have a utility company enter upon any portion of the Property in which said installations lie, to repair, replace, and generally maintain said installations.
- (b) the right granted in Subparagraph (a) above shall be only to the extent necessary, to entitle the Owner to be serviced by said installation to its full and reasonable use and enjoyment; and, provided further, that anyone exercising said right shall be responsible for restoring the surface of the easement area so used to its condition prior to such use, and provided further that the right granted in Subparagraph (a) shall be subject to the rights of the utility company or governmental agency owning or controlling said utilities and facilities.
- (c) in the event of a dispute between Owners with respect to the repair or rebuilding of said connections, or with respect to the sharing of the cost thereof, 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 the Board shall be final and conclusive on the parties.

Section 9. Any lease agreement between a Lot Owner and a lessee shall be subject in all respects to the provisions of this Declaration, and the Articles of Incorporation and by-laws of the Association, and any rules and regulations there under. The lease shall state that it is subject to the foregoing and that any failure by the lessee to comply with the terms of such documents shall be a default under the Lease. All such leases shall be in writing.

Section 10. The following easements and rights are hereby declared or reserved. Association reserves the right to grant easements, both temporary and permanent, to all public authorities and utility companies over any part of the Common Areas. or areas designated easement areas on the recorded subdivision plats.

Section 11. All Owners shall obey the rules and regulations which may be adopted from time to time by the Board of Directors to prevent the unreasonable interference with the use and occupancy of the Lots and Common Area, all of which rules and regulations shall be consistent with this Declaration.

Section 12. No owner will permit any Lot or Common Area or any portion thereof to be used for the disposal or storage of hazardous waste or material. In the event the owner becomes aware of or receives any notice of (i) the happening of any event involving the use, storage, spill, discharge or cleanup of any hazardous or toxic waste, substance or material or any oil or pesticide on or about any portion of a Lot or Common Area or caused by the owner or any person or entity claiming by or through the owner (a "Hazardous Discharge"), or (ii) any complaint, order, citation or notice with regard to air emissions, water discharges, noise emissions or any other environmental, health or safety matter affecting the Association, any Lot or Common Area or any portion thereof, (an "Environmental Complaint") from any person or entity, then the owner shall immediately give written notice of same to the Board of Directors and shall promptly comply with its obligations under the law with regard to such Hazardous Discharge or Environmental Complaint. In the event the Board of Directors becomes aware of or receives any notice of (i) a Hazardous Discharge or (ii) an Environmental Complaint from any person or entity, then the Board of Directors shall immediately give written notice of same to the owner(s) who shall promptly comply with its obligations under law with regard to such Hazardous Discharge or Environmental Complaint. In the event that it shall be determined that the party responsible for the Hazardous Discharge or Environmental Complaint (the "Responsible Party") under law shall have willfully or negligently caused the Hazardous Discharge or the activity leading to the Environmental Complaint, then the Responsible Party shall bear all of the other party's damages related to the Hazardous Discharge or Environmental Complaint.

Section 13. If any structure shall be altered, created, placed or maintained upon any Lot, or any new use commenced on any Lot, otherwise than in accordance with plans and specifications approved by the Architectural Control Committee pursuant to the provisions of Article VI and Article VII, such alteration, erection, maintenance or use shall be deemed to have been undertaken in violation of this Declaration and without the approval required herein, and, upon written notice from the Architectural Control Committee, any such structure so altered, erected, placed or maintained upon any Lot in violation hereof shall be removed or altered, and any such use shall be terminated, so as to extinguish such violation.

ARTICLE VIII

Exterior Maintenance

Section 1. Each Owner shall keep each Lot owned by him or her, and all improvements therein or thereon, in good order and repair and free of debris.

Section 2. In the event an Owner of any Lot in the Property shall fail to maintain the Lot and the improvements situated thereon, the Board of Directors after approval by two-thirds (2/3) vote of the Board, shall have the right 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. The Board will first give the owner notice of thirty days to make necessary improvements. If after 30 days, the owner has not complied, then the board will take action. All costs, including legal fees related to such correction, repair or restoration 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 V hereof.

Section 3. All siding must be vertical unless either approved by the Architectural Committee or already in existence as of the filing of this document with the county. Doors and windows should be of a design consistent with the architecture of the neighborhood and should be compatible with the color of the house.

Section 4. Earth Tone Colors for Exterior. Paint or siding in Tanterra must be of earth tone colors. Paint or stain on houses must be in good condition. Houses with excessive cracks, peeling, unpainted boards, rotten boards, mold or faded paint or stain must be painted, stained or replaced. Brick and stucco portions of the exterior must be kept in good order.

Section 5. Roofs shall be maintained in good condition. Any change in roofing material other than cedar shake or asphalt/fiberglass shingles in a color complementary to the house must be approved by the Architectural Committee.

Section 6. Landscaping should be neatly maintained.

Lawns, including the right-of-way area adjacent to the street must be kept cut.

Composting is environmentally beneficial and encouraged by the county. and for that reason, well maintained compost containers are acceptable. Composts should follow county guidelines and should be located along the side or back of the lot so as to not be seen from the front of the lot. Meat, fish or poultry may not be included in compost bins.

Section 7. Architectural Enforcement Procedures

1. If any homeowner feels that a violation of the Architectural Regulations exists, they should forward a complaint in writing to the Architectural Committee. All complaints must be specific in nature. If a response from the Architectural Committee is requested, the homeowner must include his or her name and complete mailing address. All correspondence will be kept confidential. .

2. Upon receipt of the complaint, the Chairperson of the Architectural Committee shall determine if the complaint is valid. If the complaint is valid, the Chairperson of the Architectural Committee will issue an Architectural Violations Notice to the owner of record for the property where the architectural violation exists.
3. Upon receipt of the Architectural Violations Notice, the owner of record for the property in question will have thirty days to contact the Chairperson of the Architectural Committee to work out a schedule to correct the violation. If the owner and the Chairperson of the Architectural Committee agree on a schedule to correct a violation, an agreement shall be put in writing by both parties and signed by the owner of record for the property and a member of the Board of Directors.
4. If the owner of record does not agree with the Architectural Violations Notice, they may issue a written appeal to the Board of Directors. All appeals to the Board of Directors must be received within thirty days of the date that the Architectural Violations Notice was postmarked to the owner of record for the property in question.
5. Upon receipt of a written appeal of an Architectural Violations Notice, the President of the Board of Directors will schedule a hearing before the Board of Directors. At this hearing the Board of Directors and/or the owner may call witnesses, and all witnesses will be subject to questioning by both parties. At the conclusion of the hearing, a vote will be taken by the Board to either affirm or reject the Architectural Violations Notice.
6. If the decision is to affirm the Architectural Violations Notice, the Board of Directors then will inform the owner as to the date and the steps necessary to correct the violation.
7. In the event that an owner of record does not correct a violation by the specified date, the Board of Directors will have the right to enforce a fine according to the schedule below. Furthermore, the Board of Directors will have the right to enter said property and correct said violation and charge the homeowner the costs associated with this remedy.

FINES AND PENALTIES

The Board of Directors may levy a fine for each occurrence of a violation of the Architectural Rules. The amount of the fine shall be \$25.00 for the first occurrence, with the fine being doubled for each occurrence of the same violation (i.e., \$25.00 for the first occurrence, \$50.00 for the second occurrence, \$100.00 for the third occurrence, etc.). In addition, if the violation is flagrant and continuing in nature, the board may levy a fine up to but not exceeding \$1600.00 in any 365-day period.

All fines and costs associated with the enforcement of the above regulations will be billed directly to the owner and after 60 days be subject to the remedies mentioned in Article V, Section 2.

ARTICLE IX

Management

Section 1. Management Agent. The Board of Directors may employ for the Association a management agent or manager (the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. The Board may also appoint a clerk which is a position designated to work on Association activities who may also receive monetary compensation determined by the Board of Directors.

Section 2. Limitation of Liability. Except for its negligence, the Association shall not be liable for any failure of any services to be obtained by the Association or paid for out of the common expense funds, or for injury or damage to person or property caused by the elements or resulting from water which may leak or flow from any portion of the Common Area or easement area, or from any wire, pipe, drain, conduit or the like. Except for its negligence, the Association shall not be liable to any member for loss or damage, by theft or otherwise, of articles which may be stored upon the Common Area. No diminution or abatement of assessments, as herein elsewhere provided for, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Area or from any action taken by the Association to comply with any of the provisions of this Declaration or with any law or ordinance or with the order or directive of any municipal or other governmental authority.

ARTICLE X

Insurance

Section 1. Required Coverage. The Board of Directors of the Association, or its duly authorized agent, shall be required to obtain, maintain and pay the premiums, as a common expense, upon a policy of property insurance covering all the Common Areas (except land, foundation, excavation and other items normally excluded from coverage) including fixtures, building service equipment, and the pool to the extent that they are a part of the Common Areas of the Association, as well as common personal property and supplies.

The insurance policy shall afford, as a minimum, protection against loss or damage by fire and other perils normally covered by the standard extended coverage endorsement, as well as all other perils which are customarily covered with respect to projects similar in construction, location and use, including all perils normally covered by the standard "All Risk" endorsement, where such is available. The policy shall be in an amount equal to one hundred percent (100%) of the current replacement cost of the Common Areas (less a deductible deemed reasonable by the Board of Directors) and shall name the Association as the named insured.

Each hazard insurance policy must be written by a hazard insurance carrier which has a current rating by Best's Insurance Reports of B/VI or better (or its equivalent). Hazard insurance policies are also acceptable from any insurance carrier which has a financial rating, by Best's Insurance Reports of Class V, provided it has a general policyholder's rating of at least "A." Each insurer must be specifically licensed or authorized by law to transact business within the State of Maryland. The policy contract shall

provide that no assessment may be made against the mortgagee, and that any assessment made against others may not become a lien on the mortgages premises superior to the first mortgage. The deductible on any hazard policy should be the lesser of Ten Thousand Dollars (\$10,000.00) or one percent (1%) of the face amount of the policy.

If the Common Areas are subject to the lien of a mortgage, all policies of hazard insurance must contain or have attached the standard mortgagee clause commonly accepted by private institutions as mortgage investors in the area in which the mortgaged premises are located. The mortgagee clause must provide that all property insurance policies must provide an Agreed Amount and Inflation Guard Endorsement, if available, and a Construction Code Endorsement if the Common Areas in the Association are subject to a construction code provision which would become operative and require changes to undamaged portions of the building(s), thereby imposing significant costs in the event of partial destruction of the project by an insured peril.

If any portion of the Common Areas are in a special flood hazard area, as defined by the Federal Emergency Management Agency, the Board of Directors of the Association, or its duly-authorized agent, shall be required to obtain, maintain and pay, as a common expense, the premiums upon a "master" or "blanket" policy of flood insurance on Common Area buildings and any other Common Area property. The policy shall be in an amount deemed appropriate, but not less than the maximum coverage available under the NFIP for all buildings and other insurable property within any portion of the Common Areas located within a designated flood hazard area or one hundred percent (100%) of current replacement cost of all such buildings and other insurable property. Unless a higher maximum amount is permitted under the laws of Maryland, the maximum deductible for flood insurance shall be the lesser of Five Thousand Dollars (\$5,000.00) or one percent (1%) of the face amount of the policy.

The Association shall maintain comprehensive general liability insurance coverage covering all of the Common Areas, public ways of the development, and other areas that are under its supervision (including, but not limited to, commercial spaces, if any, owned by the Association, whether or not they are leased to third parties). Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction, location and use. However, such coverage shall be for at least One Million Dollars (\$1,000,000) for bodily injury and property damage arising, out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insured for property damage, bodily injuries and deaths of persons in connection with the operation and maintenance or use of the Common Areas, and legal liability arising- out of lawsuits related to employment contracts in which the Association is a party. Such insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association or other Owners. Such policies must provide that they may not be canceled or substantially modified, by any party, without at least ten (10) days prior written notice to the Association.

Blanket fidelity bonds shall be required to be maintained by the Association for all officers, directors, managers, trustees, employees and volunteers of the Association and all other persons handling or responsible for funds held or administered by the Association, whether or not they receive compensation for their services. Where the Association has delegated some or all of the responsibility for the handling of funds to a management agent, such management agent shall be covered by its own fidelity bond. Except for fidelity bonds that the management agent obtains for its personnel, all other bonds should

name the Association as an obligee and should have their premiums paid as a common expense by the Association. The total amount of fidelity coverage required shall be sufficient to cover the maximum funds that will be in the custody of the Association or management agent at any time, but must at least equal the sum of three (3) months' assessments on all Lots within the Property, plus the Association's reserve funds. The bonds shall provide that they cannot be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days' prior written notice to the Association.

ARTICLE XI

Casualty Damage Reconstruction or Repair

Section 1. Repair and Reconstruction of Common Areas After Fire or Other Casualty. Except as hereinafter provided (and inconsistent herewith), in the event of damage to or destruction of any portion of the Common Areas covered by insurance payable to the Association as a result of fire or other casualty, the Board of Directors shall arrange for the prompt repair and restoration thereof, and the Board of Directors or the Insurance Trustee appointed by the board of Directors as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration, as provided below.

The Insurance Trustee may rely upon a certificate of the Board of Directors which certifies whether or not the damaged Common Area is to be reconstructed or repaired. The Board of Directors, upon request of the, Insurance Trustee, shall deliver such certificate as soon as practicable.

Immediately after a casualty causing damage to the Common Areas for which the Board of Association has the responsibility of maintenance or, repair, Directors shall obtain reliable and detailed estimates of the cost to place the damaged portions of the Common Areas in as good a condition as existed before the casualty. Such costs may include professional fees and premiums for such bonds as the Board of Directors desire.

- (a) the reconstruction or repair shall be in the charge of an architect or engineer, who may be an employee of the Association, and hereafter called the "Architect;"
- (b) any restoration or repair of the project shall be performed substantially in accordance with the Declaration and the original plans and specifications, unless other action is approved by the Board of Directors;
- (c) each request for an advance of the proceeds of insurance shall be made to the Insurance Trustee and shall be accompanied by a certificate from the Architect and Board of Directors to the effect that (i) all work then completed has been performed in accordance with the plans and specifications; and (ii) the amount requested to be advanced is required to reimburse, the Board of Directors for payments previously made by the Board of Directors or is due to the contractor responsible for the restoration or repair, or to subcontractors, material men, laborers, engineers, architects or to other persons responsible for services or materials in connection with such restoration or repair, or for fees or

the like necessarily incurred in connection with the same; and (iii) when added to amounts previously advanced by the Insurance Trustee, the amount requested to be advanced does not unreasonably exceed the value of the work done and materials delivered to the date of such request;

- (d) each request for an advance of the proceeds of insurance shall be accompanied by satisfactory waivers of liens covering that portion of the repair or reconstruction for which payment or reimbursement is being requested, together with appropriate evidence from a title insurance company or the like to the effect that there has not been filed with respect to the Common Areas, or any part thereof, any mechanics' or other lien, or notice of intention to file the same, which has not been dismissed, bonded, or satisfied of record;
- (e) the fees and expenses of the Insurance Trustee, as agreed upon by the Board of Directors and the Insurance Trustee, shall be paid by the Association as a common expense, and such fees and expenses may be deducted from any insurance proceeds in the hands of the Insurance Trustee, pro rata, as the reconstruction or repair progresses;
- (f) such other provisions not inconsistent with the provisions hereof as the Board of Directors or the Insurance Trustee may reasonably require. Upon completion of the construction or repair and payment in full of all amounts due on account thereof, any proceeds of insurance then in the hands of the Insurance Trustee shall be paid to the Board of Directors if such funds relate to Common Areas, or (ii) to the Owner of any Lot to which any such proceeds may relate.

ARTICLE XII

General Provisions

Section 1. **Enforcement.** The Association, or any Owner, or any mortgagee of any Lot shall have the right to enforce, by any proceeding at law and/or in equity, all restrictions, conditions, covenants, reservations, liens, charges or other obligations or terms now or hereafter imposed by the provisions of this Declaration, or the Articles of Incorporation or By-laws of the Association. Failure by the Association or by any Owner or by any mortgagee of any Lot to enforce any covenant or restrictions herein contained or any provision of the By-Laws or Articles of Incorporation of the Association shall in no event be deemed a waiver of the right to do so thereafter. In the event enforcement of these covenants is affected by the institution of a suit in equity, 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 within covenants or restrictions or any provision of the by-laws or Articles of Incorporation of the Association cannot be adequately remedied by action at law or exclusively, by recovery of damages; provided, however, that the aforesaid shall not preclude an action at law for recovery of damages including legal fees.

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

Section 3. Duration and Amendment. Except where permanent easements or other permanent rights or interests are herein created the covenants and restrictions of the 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 by an instrument signed by not less than sixty-six percent (66%) of the lot Owners. Any amendment must be recorded.

Section 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 members of the association.

Section 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 condemnation authority, then the Board of Directors of the Association shall give prompt written notice of any such proceeding or proposed acquisition to the Owner of record on the Lots. No provision of this Declaration or the Articles of Incorporation or the By-laws of the Association shall entitle any member to any priority over the Owner 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.

Section 6. Captions and Gender. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male shall include all genders and the singular shall include the plural.

IN WITNESS THEREOF, Tanterra Homeowners' Association, Inc., has executed this instrument this 18 day of December, 2001.

ATTEST:

Tanterra Homeowners' Association, Inc.

Kyra H. Blau
Secretary

Wayne Johnson
President

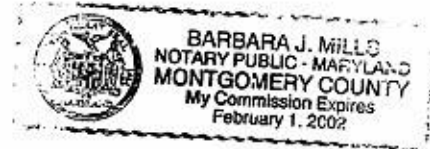
State of Maryland
County of Montgomery

On this 18 day of December, 2001, before me, the undersigned officer, personally appeared Wayne Johnson, who has satisfactorily proven to be the President of Tanterra Homeowners' Association, whose name is subscribed to this written instrument, and who acknowledged his execution thereof, for the purposes therein contained as President.

Given under my hand and seal this 18 day of December, 2001.

Barbara J. Mills

Notary Public
My commission expires: Feb. 1, 2002



ATTORNEY'S CERTIFICATE

I HEREBY CERTIFY that I am an attorney duly admitted to practice before the Court of Appeals of Maryland and that the within instrument was prepared under my supervision.

Thomas C. Schild
Thomas C. Schild

TANTERRA HOMEOWNERS' ASSOCIATION, INC.
(8th Election District)

Exhibit A - Residential Lots Subject to the Declaration

The Legal Description of all residential lots subject to the Re-Stated Declaration dated October 24, 1999 is as follows:

1. All of that property identified in a Declaration of Covenants, Conditions and Restrictions recorded among the Land Records for Montgomery County, Maryland on 6/24/71 at Liber 4084 folio 328, more particularly described as:

Block A - Lots 8-24
Block B - Lots 16-30
Block Q - Lots 1,42-46

Being 38 Lots as shown on Plat 16, Brookeville Knolls recorded in Plat Book 89 at Plat 9577.

2. All of that property identified in a Declaration of Covenants, Conditions and Restrictions recorded among the Land Records for Montgomery County, Maryland on 10/6/71 at Liber 4132 folio 436, more particularly described as:

Block A - Lots 25-33
Block C - Lot 25
Block P - Lot 20
Block Q - Lots 47-65

Being 30 Lots as shown on Plat 17, Brookeville Knolls recorded in Plat Book 89 at Plat 9578.

and:

Block P - Lots 1-5, 21-29
Block Q - Lots 67-72, 75-80

Being 26 Lots as shown on Plat 18, Brookeville Knolls recorded in Plat Book 89 at Plat 9579.

TANTERRA HOMEOWNERS' ASSOCIATION
(8th Election District)

Schedule A - Residential Lots Subject to the Declaration

3. All of that property identified in a Declaration of Covenants, Conditions, And Restrictions recorded on 2/2/72 at Liber 4178 folio 707, more particularly described as:

Block Q - Lots 2-41

Being 40 Lots as shown on Plat 19, Brookeville Knolls recorded in Plat Book 91 at Plat 9797.

4. All of that property identified in a Declaration of Covenants, Conditions and Restrictions recorded among the Land Records for Montgomery County, Maryland on 6/30/72 at Liber 4235 folio 295, more particularly described as:

Block C - Lots 19-24

Block P - Lots 6-19

Block R - Lots 1-10

Being 30 Lots as shown on Plat 21, Brookeville Knolls recorded in Plat Book 91 at Plat 9833.

and:

Block R - Lots 11-46

Block S - Lots 1-20

Block T - Lots 1-2

Being 58 Lots as shown on Plat 22, Brookeville Knolls recorded in Plat Book 92 at Plat 9991.

5. All of that property identified in a Declaration of Covenants, Conditions, and Restrictions recorded among the Land Records for Montgomery County, Maryland on 8/22/73 at Liber 4427 folio 149, more particularly described as:

Block R - Lots 47-55

Block T - Lots 3-13

Block W - Lots 4-14

Being 31 Lots as shown on Plat 23, Brookeville Knolls recorded in Plat Book 93 at Plat 10172.

TANTERRA HOMEOWNERS' ASSOCIATION
(8th Election District)

Schedule A - Residential Lots Subject to the Declaration

and

Block R - Lots 56-60
Block T - Lots 14-22
Block W - Lots 1-3, 15-17

Being 20 Lots as shown on Plat 24, Brookeville Knolls recorded in Plat Book 93 Plat 10173.

6. All of that property identified in a Declaration of Covenants, Conditions and Restrictions recorded among the Land Records for Montgomery County, Maryland on 2/4/74 at Liber 4491 folio 459, more particularly described as:

Block R - Lots 61-74, 87
Block T - Lots 23-27
Block X - Lots 1-9

Being 29 Lots as shown on Plat 24, Brookeville Knolls recorded in Plat Book 93 at Plat 10173.

and

Block R - Lots 75-86

Being 12 Lots as shown on Plat 26, Brookeville Knolls recorded in Plat Book 93 at Plat 10175.

7. All of that property identified in a Declaration of Covenants, Conditions and Restrictions recorded among the Land Records for Montgomery County, Maryland on 3/20/74 at Liber 4504 folio 802, more particularly described as:

Block T - Lots 45-56
Block U - Lots 1-18

Being 30 Lots as shown on Plat 23, Brookeville Knolls recorded in Plat Book 23 at Plat 10172.

TANTERRA HOMEOWNERS' ASSOCIATION
(8th Election District)

Schedule A - Residential Lots Subject to the Declaration

and

Block T - Lots 40-44
Block U - Lot 19
Block V - Lots 1-3

Being 9 Lots as shown on Plat 24, Brookeville Knolls recorded in Plat Book 93 at Plat 10173.

and

Block R - Lot 88
Block T - Lots 28-39
Block V - Lot 4

Being 14 Lots as shown on Plat 26, Brookeville Knolls recorded in Plat Book 93 at Plat 10175.

8. All of that property identified in a Declaration of Covenants, Conditions and Restrictions recorded among the Land Records for Montgomery County, Maryland on 12/3/79 at Liber 5444 folio 639, more particularly described as:

Block B - Lots 34, 35

Being 2 Lots as shown on Plat 29, Brookeville Knolls recorded in Plat Book 95 at Plat 10520.

9. All of that property identified in a Declaration of Covenants, Conditions and Restrictions recorded among the Land Records for Montgomery County, Maryland on 8/5/80 at Liber 5555 folio 363, more particularly described as:

Block U - Lots 48-68

Being 21 Lots as shown on Plat 41, Brookeville Knolls recorded in Plat Book 109 at Plat 12640.

TANTERRA HOMEOWNERS' ASSOCIATION, INC.
(8th Election District)

Exhibit B - Common Area Subject to the Declaration

The Legal Description of the common area subject to the Re-stated Declaration dated October 24, 1999 is as follows:

1. All of that property conveyed to the Tanterra Homeowners Association, Inc., by Carl M. Freeman Associates in a deed dated June 24, 1971, and recorded among the land records at Montgomery County, Maryland at Liber 4084 folio 651 and more particularly described as:
 - a. A strip of land fifteen (15) feet wide lying within, and adjacent, contiguous and parallel to, the northerly, northeasterly and easterly outlines of Lot 1 in Block (Q) in the subdivision known as "Brookeville Knolls", as per plat of said subdivision recorded in Plat Book 89, . Plat 9577, one of the Land Records for Montgomery County, Maryland, more particularly described as follows:

Beginning for the same at a point on the southerly line of Heritage Hills Drive at a point S. 79 degrees 32'00" E.60.08 feet from the beginning of the northerly line of said lot and running thence with the same and the outlines of said lot (1) S. 79 degrees 32'00" E. 15.00 feet to the end thereof, thence (2) S. 35 degrees 32'00" E. 35.97 feet to a point on the westerly side of Georgia Avenue, and running thence with the same, (3) S. 08 degrees 28'00" W. 25.00 feet to a point, containing therein 953 square feet or 0.0220 acres of land.

- b. A strip of land fifteen (15) feet wide lying within, and adjacent, contiguous and parallel to, the southerly, southeasterly and easterly outlines of Lot 30 in Block (B) in the subdivision known as "Brookeville Knolls", as per plat of said subdivision recorded in Plat Book 89, plat 9577, one of the Land Records for Montgomery County, Maryland, more particularly described as follows:

Beginning for the same at a point on the northerly line of Heritage Hills Drive at a point N. 79 degrees 32'00" W. 15.00 feet from the beginning of the southerly lines of said lot and running thence reversely with the same and the outlines of said lot, (1) S. 79 degrees 32'00" E. 15 feet to the end .

TANTERRA HOMEOWNERS' ASSOCIATION, INC.
(8th Election District)

Exhibit B - Common Area Subject to the Declaration

thereof, thence (2) N. 54 degrees 28'05" E. 34.73 feet to a point on the westerly side of Georgia Avenue, and running thence with the same (3) N. 08 degrees 28'00" W. 25.00 feet to a point, containing therein 930 square feet or 0.0214 acres of land.

2. All of that property conveyed to the Tanterra Homeowners Association, Inc., by Carl M. Freeman Associates, in a deed dated June 24, 1971, and recorded among the land records at Montgomery County, Maryland at Liber 4084 folio 653 and more particularly described as:
 - a. Parcel D, containing 2.6762 acres, as shown on a plat of subdivision entitled "Plat 20, Parcels D and E, "Brookeville Knolls" recorded in Plat Book 91 as Plat No. 9810, one of the land records for Montgomery County, Maryland.
3. All of that property conveyed to the Tanterra Homeowners Association, Inc., by Carl M. Freeman Associates in a deed dated August 10, 1973 and recorded at Liber 4427 folio 151 and more particularly described as:
 - a. Parcel E, containing 3.3162 acres, as shown on a plat of subdivision entitled `Plat 20, Parcels D and E, "Brookeville Knolls" recorded in Plat Book 91 as Plat No. 9810, one of the Land Records for Montgomery County, Maryland.
4. All of that property conveyed to the Tanterra Homeowners Association, Inc., by Carl M. Freeman Associates in a deed dated May 9, 1974, and recorded among the land records at Montgomery County, Maryland at Liber 4522 folio 869 and more particularly described as:
 - a. Parcel F, containing 5.2800 acres, as shown on a plat of subdivision entitled "Plat 25, Parcel F, "Brookeville Knolls" recorded in Plat Book 93 as plat No. 10174, one of the Land Records for Montgomery County, Maryland.


TANTERRA HOMEOWNERS' ASSOCIATION, INC.
(8th Election District)

Exhibit B - Common Area Subject to the Declaration

5. All of that property conveyed to the Tanterra Homeowners Association, Inc., by Von Der Heide, Inc. in a deed dated December 4, 1974, and recorded among the land records at Montgomery County, Maryland at Liber 4605 folio 029 and more particularly described as:
 - a. Parcel G, containing 18,901 square feet as shown on a Plat of Subdivision entitled "Plat 26, Part of Blocks R, T and V, Brookeville Knolls" recorded in Plat Book 93 at Plat No.10175, one of the Land Records for Montgomery County, Maryland.

**CERTIFICATE OF SECRETARY OF THE
TANTERRA HOMEOWNERS' ASSOCIATION, INC.**

In accordance with the Declaration of Covenants, Conditions, and Restrictions, dated January 24, 1971, the Secretary, as a person authorized to count votes of the owners, hereby certifies that the Restated Declaration of Covenants, Conditions, and Restrictions to which this Certificate is attached were approved by owners having at least seventy-five percent (75%) of the votes of the owners.



Secretary of the Tanterra
Homeowners' Association, Inc.

Attest:

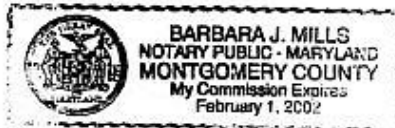


President

TO WIT:

On this 18 day of December, 2001, before me Barbara Jo MILLS, the undersigned, personally appeared the Secretary of the Tanterra Homeowners' Association, Inc., Nora M. Blau, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that she execute the same for the purposes therein contained.

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



Barbara J. Mills
Notary Public

My Commission Expires: Feb. 1, 2002