

MONTGOMERY COUNTY CIRCUIT COURT (Land Records) HMS 6583, p. 0052, MSA_CE63_6541. Date available 06/22/2005. FT

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DECLARATION

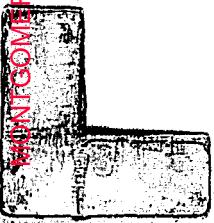
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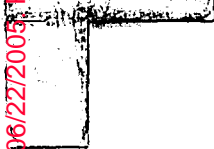
SADDLE RIDGE, A CONDOMINIUM
The Town Homes of Rock Creek

(Montgomery County, Maryland)

PLAT-CONDO	9.00
MISC.	235.00
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SUBTOTAL	244.50
CHECK	244.50
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WITNESSES: *J. Taylor*





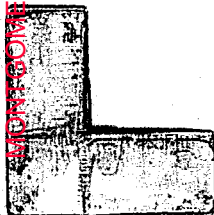
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DECLARATION

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13-501-2298070

DECLARATION
FOR CONDOMINIUM OWNERSHIP OF
PREMISES LOCATED IN
MONTGOMERY COUNTY, MARYLAND
PURSUANT TO THE
CONDOMINIUM ACT OF THE STATE OF MARYLAND

THIS DECLARATION is made as of November 28, 1984, by THE ANDEN GROUP (the "Developer"), a California general partnership having an office in the State of Maryland at 2068 Derby Ridge Lane, Silver Spring 20910, and a principal office in the Commonwealth of Virginia at One Skyline Place, 5205 Leesburg Pike, Falls Church, 22041. A Trade Name Designation and Co-Partners Certificate heretofore has been filed among the corporate records of Montgomery County, Maryland, and in the Department of Assessments and Taxation of the State of Maryland.

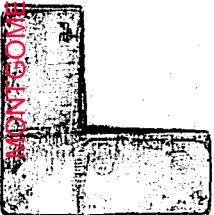
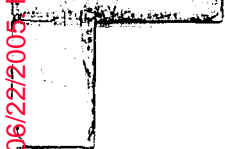
1. Submission of Property. The Developer, owner of the land located in Montgomery County, Maryland, as described in the metes and bounds description attached hereto and made a part hereof as Exhibit A-1(a) and further described on the survey attached hereto and made a part hereof as Exhibit A-1, hereby submits to the provisions of the Condominium Act of the State of Maryland [Real Property Article, Title 11, Sections 11-101 et seq., Annotated Code of Maryland (1981 Replacement Volume and 1982 Supplement, as amended)] such land, together with the buildings and improvements erected thereon (the "Condominium"), in order to create a plan of condominium ownership in such land, buildings and improvements. Condominium Plat recorded in Plat Book 36 at Plats 3742-3744, inclusive.

2. Definitions. The terms used in this Declaration and in the attached Bylaws shall have the following meanings:

(a) "Additional Land" means the real property as described in the metes and bounds description attached hereto and made a part hereof as Exhibit A-3(a) and further described on the survey attached hereto and made a part hereof as Exhibit A-3, and any amendments thereto, which real property may be added in whole or in part at any time or from time to time to the Condominium in accordance with the provisions of this Declaration and the Condominium Act.

(b) "Board of Directors" means the governing body of the Council of Unit Owners.

(c) "Building(s)" means the building(s) and any other improvements erected on the Submitted Land. In the event the Condominium is expanded, the term "Building(s)" shall mean the building(s) and any other improvements erected on the Submitted Land and on such portions of the Additional Land as from time to time have been added to the Condominium.



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(d) "Bylaws" means the Bylaws attached hereto as Exhibit B, as amended from time to time.

(e) "Common Elements", both "General" and "Limited," means all parts of the Condominium other than the Units, as more fully set forth in the Section of this Declaration captioned "Common Elements."

(f) "Common Expenses" means and includes all sums lawfully assessed against the Unit Owners by the Council of Unit Owners, including, without limitation, (i) expenses of administration, maintenance, repair or replacement of the Common Elements, including insurance premiums and contributions to such reserves as may be established, and (ii) expenses declared Common Expenses pursuant to the provisions of the Condominium Act or this Declaration or the Bylaws.

(g) "Condominium Act" means Real Property Article, Title 11, Sections 11-101 et seq., of the Annotated Code of Maryland (1981 Replacement Volume and 1982 Supplement, as amended).

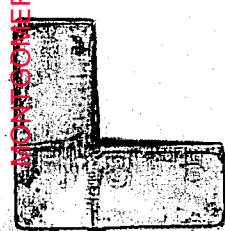
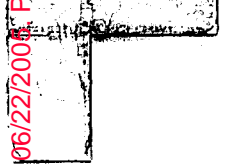
(h) "Condominium Unit" means a Unit together with the undivided interest in the Common Elements appertaining to that Unit.

(i) "Council of Unit Owners" means all of the Unit Owners acting as a group in accordance with the provisions of the Condominium Act, this Declaration and the Bylaws. The Council of Unit Owners shall not be incorporated but shall be subject to the provisions of Title 5, Subtitle 2 of the Corporations and Associations Article of the Annotated Code of Maryland (1974 Volume and 1982 Supplement, as amended) to the extent not inconsistent with the Condominium Act.

(j) "Developer" means THE ANDEN GROUP, a California general partnership, and its successors and assigns at any time involved in the development of the Condominium.

(k) "Floor Plans" consist of the plans attached hereto and made a part hereof as Exhibit A-2, and any supplemental plans thereto, showing graphic particulars of the Buildings and the Units.

(l) "Land" or "Submitted Land" means the real property described in the metes and bounds description attached hereto and made a part hereof as Exhibit A-1(a) and further described on the survey attached hereto and made a part hereof as Exhibit A-1, and any amendments thereto. In the event the Condominium is expanded, the term "Land" shall mean and refer to the Submitted Land together with such portions of the Additional Land as from time to time have been added to the Condominium.



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(m) "Managing Agent" means any professional managing agent employed to perform duties and services for the Condominium in accordance with the provisions of the Condominium Act, this Declaration and the Bylaws.

(n) "Mortgage" means any recorded deed of trust or recorded mortgage encumbering one or more Condominium Units.

(o) "Mortgagee" means the beneficiary of any recorded deed of trust or the holder of any recorded mortgage encumbering one or more Condominium Units.

(p) "Percentage Interest" means the undivided interest of each Unit in the Common Elements as set forth in Exhibit C attached hereto and made a part hereof, as amended from time to time. In the event the Condominium is expanded, Percentage Interests for all Units in the Condominium as expanded shall be adjusted as set forth in the Section of this Declaration captioned "Option to Expand the Condominium."

(q) "Plat" means the plat of the Condominium and consists of the survey of The Submitted Land attached hereto as Exhibit A-1 and the Floor Plans attached hereto as Exhibit A-2 and the survey of the Additional Land attached hereto as Exhibit A-3, and any amendments or supplements thereto.

(r) "Rules and Regulations" means the rules and regulations adopted from time to time by the Board of Directors in accordance with the provisions of the Condominium Act, this Declaration and the Bylaws.

(s) "Unit" means a unit as described as a Unit on the Plat and in the Sections of this Declaration captioned "Units; Percentage Interests; Voting" and "Dimensions of Units," and in any amendment to any of the foregoing.

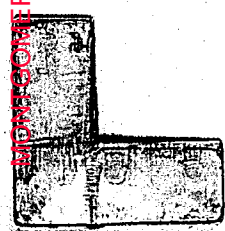
(t) "Unit Owner" means any natural person, corporation, partnership, association, trust or other entity capable of holding title to real property, or any combination thereof, which owns fee simple title to a Condominium Unit, but does not include a Mortgagee, as such, unless and until such Mortgagee takes title to a Unit by foreclosure or process in lieu thereof.

3. Name of Condominium. The Condominium is known as "Saddle Ridge, A Condominium" (a/k/a "The Town Homes of Rock Creek").

4. Units; Percentage Interests; Voting. There have been erected on the Submitted Land eight (8) Units and appurtenant facilities. The location, dimensions and area of the improvements on the Submitted Land are shown on the Plat. Attached hereto and made a part hereof as Exhibit C is a list of all Units in the Condominium, the area of each of the Units (determined by reference to the dimensions shown on the Plat), and the Percentage Interest of



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each Unit in the Common Elements determined on the basis of the proportion the approximate area of each Unit bears to the total approximate area of all Units. Each Unit shall be entitled to one (1) vote at all meetings of the Council of Unit Owners, as more particularly set forth in the Bylaws.

5. Dimensions of Units. Each Unit consists of the space measured horizontally from the inside facing of concrete block and/or concrete party walls separating Units and the outside facing of studs of the perimeter walls, and the inside facing of exterior block or concrete foundation walls, enclosing the Unit, and the space measured vertically from the inside facing of the slab of such Unit to the inside facing of the bottom chord of the roof truss of such Unit. Included as a part of each Unit are: (a) the door to patio, deck and/or yard serving the Unit; (b) the front entrance door and any other entrance door to the Unit; (c) all windows in the Unit; (d) interior ceilings and floors of the Unit; (e) the air-conditioning compressors and heating components serving only the Unit, whether located within or without the designated boundaries of the Unit; (f) the exterior patio lights and entrance door lights, if any, mounted on the Unit; (g) the facing and hearth of the fireplace serving the Unit; (h) all utility features and components (including, without limitation, lights, and electrical, mechanical and plumbing components) located in the attic appurtenant to and serving the Unit; (i) rear yard hose bibbs mounted on the Unit; and (j) subject to the following sentence, all space, interior partitions, and other fixtures and improvements (including, without limitation, sinks, bathtubs, other plumbing facilities, refrigerators, ovens and other appliances) within the designated boundaries of the Unit. If any chutes, flues, ducts, conduits, wires, bearing walls, bearing columns or any other apparatus lies partially within and partially outside of the designated boundaries of a Unit, any portions thereof serving only that Unit shall be deemed a part of that Unit, while any portions thereof serving more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements.

6. Common Elements.

(a) General Common Elements. The General Common Elements as shown on the Plat consist of the entire Condominium other than the Units and Limited Common Elements and include, without limitation, the following:

- (1) The Land;
- (2) The maintenance building located between Buildings 3-B and 3-C;
- (3) All foundations and supports of Buildings not included as parts of Units;
- (4) All exterior walls and facings, roofs of Buildings, and all partitions separating Units not included as parts of Units;
- (5) All fences, and front and side yard hose bibbs mounted on Units;



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(6) All surface parking and driveway areas, sidewalks, common walkways, pathways, and private streets;

(7) All pumps, pipes, wires, cables, conduits and other apparatus relating to the water distribution, power, light, telephone, gas, sewer and plumbing systems not included as parts of Units; and

(8) All apparatus and installations existing or hereinafter constructed in the Buildings or on the Land for common use, or necessary or convenient to the existence, the common maintenance or the safety of the Condominium.

(b) Limited Common Elements. The Limited Common Elements consist of those Common Elements which are described as such on the Plat and which are reserved for the use of specific Units to the exclusion of other Units. The Limited Common Elements include, without limitation, the patios, decks and/or yards adjacent to Units, the front entrance landing and access steps serving Units, the fireplace chimney, flue and firebox beyond the horizontal boundary of Units, and the attic space adjacent to Units, all as more fully shown on the Plat. Such Limited Common Elements are reserved for the exclusive use of the Unit to which each is adjacent and/or serves.

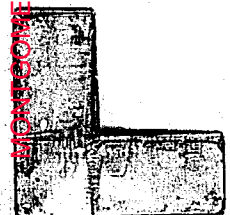
7. Maintenance and Repair.

(a) By the Council of Unit Owners. Except as otherwise provided in this Section or by the provisions of this Declaration or the Condominium Act, the Council of Unit Owners shall be responsible for the maintenance, repair and replacement of the Common Elements, including the Limited Common Elements, whether located inside or outside of the Units, the cost of which shall be charged to all Unit Owners as a Common Expense.

(b) By the Unit Owner.

(1) Each Unit Owner shall be responsible at his or her own expense for the maintenance, repair and replacement of his or her Unit and all parts thereof, including, without limitation, interior walls included as part of a Unit, interior ceilings and floors, and the finished interior surfaces of all perimeter walls, ceilings and floors, kitchen and bathroom fixtures and appliances, lighting, heating and air-conditioning components included as a part of the Unit, and the exposed surfaces (but not structural components) of Limited Common Element patios, decks and yards, front entrance landings and access steps, and fireplace fireboxes and flues. Each Unit Owner shall promptly report to the Board of Directors or the Managing Agent any defect or need for repairs for which the Council of Unit Owners is responsible.

(2) Each Unit Owner shall perform normal maintenance of any Limited Common Element appurtenant to such Unit Owner's Unit and of any portion of the General Common Elements which such Owner





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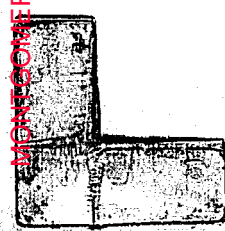
has the right to utilize exclusively or in conjunction with less than all of the other Unit Owners, and shall keep such Limited Common Element or portion of the General Common Elements in a clean, safe and sanitary condition, free and clear of snow, ice and any accumulation of water, and shall seasonally drain and winterize Common Element hose bibbs.

(3) Each Unit Owner shall be responsible for all damage to any and all other Units or to the Common Elements resulting from (i) any entry made by a Unit Owner pursuant to the provisions of Section 3(b) of Article VI of the Bylaws, or (ii) such Unit Owner's failure to maintain or make any of the repairs required to be made pursuant to this Section. Each Unit Owner also shall be responsible for the expense of any maintenance, repair and/or replacement of any of the Common Elements, including the Limited Common Elements, if in the opinion of not less than a majority of the Board of Directors such expense was necessitated by the negligence, misuse or neglect of any Unit Owner(s), or of any member(s) of such Unit Owner's household or family, or of any employee(s), agent(s), licensee(s) or invitee(s) of such Unit Owner(s). All structural repairs or replacements of any and all Common Elements, including, Limited Common Elements, made pursuant to this paragraph (3) shall be made by the Council of Unit Owners, but the cost thereof shall be borne by the party(ies) responsible therefor as herein provided.

(c) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and shall be of first class quality.

8. Additions, Alterations or Improvements.

(a) By the Council of Unit Owners. Whenever the Common Elements shall require any addition, alteration or improvement costing in excess of Ten Thousand Dollars (\$10,000) and the making of such addition, alteration or improvement shall have been approved by the Council of Unit Owners at a meeting duly called for such purpose, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense. Emergency repairs, however, necessary to prevent or correct conditions involving manifest danger to life or property, or for the preservation and safety of the Condominium, or for the safety of the Unit Owners, or required to avoid the suspension of any necessary service to the Condominium, may be made by the Board of Directors on behalf of the Council of Unit Owners without approval of the Council of Unit Owners, regardless of the cost limitations imposed by this Section. Any addition, alteration or improvement costing Ten Thousand Dollars (\$10,000) or less may be made by the Board of Directors on behalf of the Council of Unit Owners without approval of the Council of Unit Owners and the cost thereof shall constitute a Common Expense. Notwithstanding the foregoing provisions of this Section, if, in the opinion of not less than a majority of the members of the Board of Directors, any additions, alterations or improvements are or shall be exclusively or substantially exclusively for the benefit of the Unit Owner or Owners requesting the same, such requesting Unit Owners shall be assessed therefor in such proportion as they approve or, if they



are unable to agree thereon, in such proportions as may be determined by the Board of Directors. The dollar limitations set forth above shall increase automatically each year, beginning in 1985, in proportion to increases in the Consumer Price Index (all items) for the Washington, D.C. Metropolitan Area, or any successor index thereto.

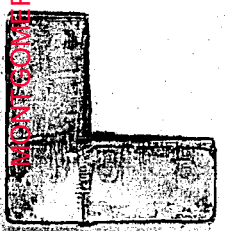
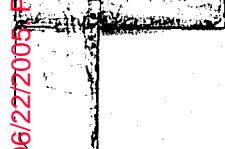
(b) By the Unit Owners. No Unit Owner shall make any addition, alteration or improvement in or to his or her Unit which will or may impair the structural integrity, or the mechanical, electrical or plumbing systems of any of the Buildings or of the Condominium. Interior partitions contributing to the support of any Unit or Building shall not be altered or removed. No Unit Owner shall make any addition, alteration or improvement, or shall change the appearance of the Common Elements or the exterior appearance of a Unit (including, without limitation, doors and windows) without the prior written consent of the Board of Directors acting for and on behalf of the Council of Unit Owners. If application to any governmental authority for a permit to make any addition, alteration, improvement or change requires execution by the Council of Unit Owners, and, if applicable, provided consent of the Board of Directors has been given, then the application shall be executed on behalf of the Council of Unit Owners by the Board of Directors or any officer designated by the Board, without however incurring any liability to any contractor, subcontractor or materialman on account of such addition, alteration, improvement or change, or to any person having any claim for injury to person or damage to property arising therefrom. Nothing herein shall in any way be deemed to prohibit or unreasonably restrict the development or sales activities of the Developer.

9. Relocation of Unit Boundaries and Subdivision of Units. No Unit shall be subdivided, or the boundaries thereof relocated.

10. Insurance.

(a) Authority to Purchase. Except as otherwise provided in this Section, all insurance policies relating to the Condominium shall be purchased by the Board of Directors. The Board of Directors shall be required to use its best efforts to obtain and maintain the insurance specified in this Section, together with any other insurance required by the Condominium Act. Notice of the termination of any insurance policy relating to the Condominium shall be given to all Unit Owners within ten (10) days of termination. Copies of all insurance policies pertaining to the Condominium shall be maintained with the books and records of the Condominium and shall be available for inspection as provided in the Bylaws.

(b) General Requirements. Each policy of insurance purchased by the Board of Directors shall provide to the fullest extent applicable, consistent with the requirements of the Condominium Act, that:



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(1) The named insured under such policies shall be the Unit Owners, Council of Unit Owners, the Developer, the Board, the Insurance Trustee and the Managing Agent, and their authorized representatives, as their interests may appear;

(2) In no event shall any such insurance be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees;

(3) The insurer waives (i) any right to claim by way of subrogation against the Council of Unit Owners, the Board of Directors, the Managing Agent or the Unit Owners, and their respective agents, employees, invitees and, in the case of the Unit Owners, the members of their households; and (ii) any defense based upon co-insurance or upon any invalidity arising from the acts of the insured;

(4) Such policy shall not be cancelled, invalidated or suspended due to the act or omission of any Unit Owner (including any member of his or her household or family or his or her invitees, agents and employees) or of any member, officer or employee of the Board of Directors or the Managing Agent;

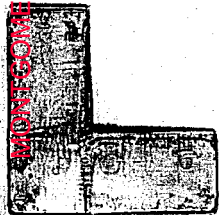
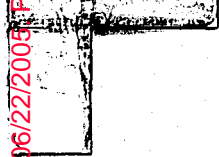
(5) Such policy may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior written notice to the Board of Directors and the Managing Agent, and to all Mortgagees and Unit Owners to whom certificates, have been issued;

(6) Any "no other insurance" clause contained in the master policies shall expressly exclude individual Unit Owners policies from its operation; and

(7) Subject to the provisions of the Condominium Act, the master policy shall contain a standard mortgage clause, without contribution, in favor of each Mortgagee of a Unit to the extent of the portion of the coverage of the master policy allocated to such Unit, which shall provide that the loss, if any, thereunder shall be payable to such Mortgagee and the Unit Owner, as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee set forth in this Section.

(c) Developer Protection. The Developer, so long as the Developer shall own any Unit, shall be protected by all such policies as a Unit Owner.

(d) Insurance Companies. All policies of insurance shall be written by reputable companies licensed to do business in the State of Maryland, with a financial rating of "A" or better rating under Best's Rating Guide (or any comparable rating under a revised rating guide).



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(e) Physical Damage Insurance.

(1) The Board of Directors shall obtain and maintain a blanket all-risk policy of fire insurance with extended coverage, vandalism, malicious mischief, windstorm, sprinkler leakage, debris removal, cost of demolition and water damage endorsements, insuring the entire Condominium (excluding only improvements and betterments supplied or installed by or other personal property of the Unit Owners in the Units), together with all heating and air-conditioning equipment and other service machinery contained therein, and covering the interests of the Council of Unit Owners, the Board of Directors and all Unit Owners and their Mortgagees, as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors and the Insurance Trustee contained in this Section, in an amount equal to one hundred percent (100%) of the value of the Condominium based on then current replacement cost (exclusive of the Land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation. The amount of coverage shall be reviewed annually by the Board of Directors with the assistance of the insurance company affording such coverage and such coverage shall be redetermined when and as the Board of Directors deems advisable.

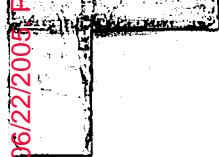
(2) Such policy shall also provide or include:

(i) A waiver of any right of the insurer to repair, rebuild or replace any damage or destruction, if a decision is made pursuant to this Declaration not to do so and, in such event, that the insurer shall pay on the basis of the agreed amount endorsement as though a total loss had occurred;

(ii) The following endorsements (or their equivalent): (i) "no control", (ii) "contingent liability from operation of building laws or codes", (iii) "increased cost of construction" or "condominium replacement cost", and (iv) "agreed amount" or elimination of co-insurance clause; and

(iii) That any "no other insurance" clause expressly exclude individual Unit Owners' policies from its operation so that the Council's physical damage policy shall be deemed primary coverage and any individual Unit Owners' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees.

(3) A certificate or memorandum of insurance, or a true and certified copy of the policy of physical damage insurance, all renewals thereof, and any subpolicies or certificates and endorsements issued thereunder together with proof of payment of premiums shall be delivered by the insurer to any Mortgagee so requesting the same. All Mortgagees whose names have been previously furnished to the Council of Unit Owners shall be notified promptly of any event giving rise to a claim under such policy.



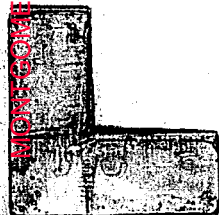
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(4) The master policy secured pursuant to this Paragraph (e) also shall provide that (1) the insurer will issue to each Unit Owner a certificate or sub-policy specifying the portion of the master policy allocated to his or her Unit and the Percentage Interest of such Unit in the Common Elements; (2) each Unit Owner shall have the right to request an increase in the coverage allocated to his or her Unit by reason of permitted improvements made solely to his or her Unit, but any additional premium resulting from such additional coverage shall be billed by the insurance company directly to, and shall be paid by, such Unit Owner; and (3) each Unit Owner shall have the right, at such Owner's sole expense, to obtain an endorsement to the master policy insuring such Unit Owner for the cost of emergency shelter in the event of casualty rendering his or her Unit uninhabitable.

(f) Liability Insurance. The Board of Directors shall obtain and maintain comprehensive general public liability (including libel, slander, false arrest and invasion of privacy coverage, medical payments coverage and errors and omissions coverage for Directors, officers, the Managing Agent, and their agents and employees) and property damage insurance in such limits as the Board of Directors may from time to time determine, insuring each member of the Board of Directors, the Managing Agent, the Council of Unit Owners, each Unit Owner and the Developer against any liability to the public or to the Unit Owners (and their invitees, agents and employees) arising out of, or incident to the ownership and/or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to such insured's action against another named insured; (ii) hired and non-owned vehicle coverage; (iii) host liquor liability coverage with respect to events sponsored by the Council of Unit Owners; (iv) coverage for water damage liability, property of others and garage-keeper's liability to the extent required by the Federal Home Loan Mortgage Corporation; (v) deletion of the normal products exclusion with respect to events sponsored by the Council of Unit Owners; (vi) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Board, the Managing Agent, the Council of Unit Owners or of another Unit Owner; and (vii) a "liberalization" endorsement. The Board of Directors shall review such limits once each year, but in no event shall such insurance be written in an amount less than One Million Dollars (\$1,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of umbrella liability insurance in excess of the primary limits also may be obtained.

(g) Other Insurance. The Board of Directors shall obtain and maintain:

(1) Adequate fidelity bond coverage to protect against dishonest acts on the part of officers, directors and employees of the Council of Unit Owners and all others who handle,





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or are responsible for handling, funds of the Council of Unit Owners, including the Managing Agent. Such fidelity bonds shall (i) name the Council of Unit Owners as an obligee; (ii) be written in such amounts as from time to time shall be required by the Federal Home Loan Mortgage Corporation; and (iii) contain waivers of any defense based upon the exclusion for persons who serve without compensation from any definition of "employee" or similar expression;

(2) If the Condominium is located in an area at any time designated by the Secretary of the Department of Housing and Urban Development (or equivalent) as having special flood hazards, a blanket policy of flood insurance in the amount of the aggregate of the outstanding principal balances of all Mortgages on Condominium Units or the maximum limit of coverage available under the National Flood Insurance Act of 1968, as amended, whichever is less;

(3) Workmen's compensation insurance if and to the extent required under law; and

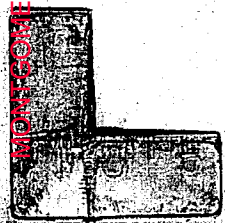
(4) Such other insurance not inconsistent with the requirements of this Section as the Board of Directors may determine, or as may be requested from time to time by the Council of Unit Owners, or as required by law.

(h) Separate Insurance. Subject to the provisions of this Section, each Unit Owner shall have the right, at his or her own expense, to obtain insurance for his or her own Unit and for his or her own benefit and to obtain insurance coverage upon such Unit Owner's personal property and for such Unit Owner's personal liability as well as upon any permitted improvements or betterments made by such Unit Owner to his or her Unit.

(i) Insurance Trustee.

(1) Subject to the provisions of Section 11-114(d) of the Condominium Act, all physical damage insurance policies purchased by the Council shall provide that, with respect to any single loss, if the proceeds thereof exceed One Hundred Thousand Dollars (\$100,000.00), then all such proceeds shall be paid in trust to such bank, insurance company, trust company or other agency, with trust powers, located in the State of Maryland or in the metropolitan Washington, D.C. area, as may be designated by the Board of Directors (which trustee is herein referred to as the "Insurance Trustee"). If such proceeds do not exceed One Hundred Thousand Dollars (\$100,000.00), then all such proceeds shall be paid to the Board of Directors to be applied in accordance with the provisions of Section 11 of this Declaration.

(2) The Board of Directors shall enter into an Insurance Trust Agreement with the Insurance Trustee chosen by the Board of Directors. The Insurance Trust Agreement shall provide that the Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or contents of the policies, the correctness of any amounts received on account of the proceeds of any insurance policies nor for the failure



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to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes elsewhere stated in this Declaration for the benefit of the insureds and their beneficiaries.

(j) Board of Directors as Agent. The Board of Directors hereby is irrevocably appointed the agent for each Unit Owner, to adjust and settle all claims arising under insurance policies maintained by the Council and to execute and deliver releases upon the payment of claims.

11. Repair and Reconstruction After Fire or Other Casualty. Except to the extent then applicable law permits a decision not to repair or reconstruct in the event of fire or other casualty, in the event of damage to or destruction of all or any part of the Condominium as a result of fire or other casualty, the Board of Directors must and shall arrange for and supervise the prompt repair and restoration of the Condominium (excluding only improvements and betterments supplied or installed by or other personal property of Unit Owners in the Units). Notwithstanding the foregoing, each Unit Owner shall have the right to supervise the interior cosmetic redecoration of his or her own Unit.

(a) Procedure for Reconstruction and Repair.

(1) Cost Estimates. Immediately after a fire or other casualty causing damage to any part of the Condominium, the Board of Directors shall obtain detailed estimates of covered repair costs so as to accomplish repairs to a condition as good as that existing before such fire or other casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary or desirable.

(2) Assessments. If the proceeds of the Council's insurance are not sufficient to defray the estimated costs of reconstruction and repair, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, special assessments in sufficient amounts to provide payment of such costs shall be levied by the Board of Directors against all Unit Owners in proportion to the respective Percentage Interests of all Units, anything in this Declaration or in the Bylaws to the contrary notwithstanding. Such special assessments shall not require the approval of the Council of Unit Owners, anything in this Declaration or in the Bylaws to the contrary notwithstanding.

(3) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the Condominium originally was constructed, subject to the requirements of applicable law at the time of reconstruction or repair.

(4) Encroachments. Encroachments upon or in favor of Units which may be created as a result of any reconstruction or repair shall not constitute a claim or basis for any proceedings or

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action by the Unit Owner upon whose property such encroachment exists, provided that such reconstruction is substantially in conformity with the plans and specifications under which the Condominium originally was constructed or with then current applicable law. Such encroachments shall be allowed to continue in existence for so long as the reconstructed or repaired Building(s) shall stand.

(b) Disbursements of Construction Funds.

(1) Construction Fund and Disbursement. The net proceeds of insurance collected on account of casualty, together with the sums received by the Board of Directors from collections of assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner: If the estimated cost of reconstruction and repair is One Hundred Thousand Dollars (\$100,000.00) or less, then the construction fund shall be disbursed in payment of such costs upon order of the Board of Directors. If the estimated cost of reconstruction and repair is more than One Hundred Thousand Dollars (\$100,000.00), the construction fund shall be disbursed in payment of such costs by the Insurance Trustee upon approval of an architect qualified to practice in the State of Maryland and employed by the Insurance Trustee to supervise such work, payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with the work and stating that: (a) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished; (b) there is no other outstanding indebtedness known to such architect for the services and materials described; and (c) the cost as estimated by such architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested. The dollar limitations set forth above shall increase automatically each year, beginning in 1985, in proportion to increases in the Consumer Price Index (all items) for the Washington, D.C. Metropolitan Area, or any successor index thereto.

(2) Surplus. The first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of reconstruction and repair for which the fund is established, such balance shall be divided first among all Unit Owners who paid special assessments levied pursuant to Paragraph (a)(2) of this Section in proportion to their payments, and the balance, if any, shall be divided among the Unit Owners in proportion to their Percentage Interests and shall be distributed in accordance with the priority of interests, at law or in equity, in each Unit.

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(3) Common Elements. When damage is to both Common Elements and Units, the Insurance proceeds shall be applied first to the cost of replacing and/or repairing those portions of the Common Elements which enclose and service the Units, next to the cost of replacing and/or repairing the perimeter walls of the Units, next to the cost of replacing and/or repairing the other Common Elements, and the balance, if any, to the cost of replacing and/or repairing the Units (to the extent provided herein).

(4) Certificate. The Insurance Trustee shall be entitled to rely upon a certificate executed by the President (or the Vice President) and the Secretary of the Council of Unit Owners, certifying (i) whether the damaged property is required to be reconstructed and repaired; (ii) the name of the payee and the amount to be paid with respect to disbursement from any construction fund; and (iii) all other matters concerning the holding and disbursing of any construction fund. Any such certificate shall be delivered to the Insurance Trustee promptly after request.

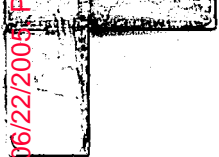
12. Sales, Leases, and Alienation of Units.

(a) No Severance of Ownership. Except to the extent otherwise expressly provided by this Declaration, the Bylaws or the Condominium Act, the undivided interest in the Common Elements allocated to any Unit shall not be altered, and any purported transfer, encumbrance, or other disposition of that interest without the Unit to which it appertains shall be void.

(b) By Developer. The Developer shall retain title to each Unit not conveyed to any purchaser. The Developer retains the right to enter into leases with any third parties for the occupancy of any of the Units so retained by Developer and not so conveyed to any purchaser, or to lease back and sublease any Unit so conveyed upon agreement of the Owner thereof.

(c) By Unit Owners.

(i) Resales of Units by Unit Owners (other than the Developer) are governed by law. Section 11-135 of the Condominium Act requires a Unit Owner (other than the Developer) to obtain from the Council of Unit Owners certain statements and to furnish to his or her purchaser certain certifications concerning the proposed resale, the Unit and the Condominium. Any contract for the resale of a Unit is voidable by a purchaser until five (5) days after such certification has been furnished or until transfer of the Unit, whichever first occurs. A Unit Owner also shall furnish to his or her purchaser a copy of the Declaration (other than the Plats), the Bylaws, and the Rules and Regulations, all as amended. Section 11-135 imposes other obligations on a Unit Owner, his or her purchaser, and the Council of Unit Owners in connection with the resale of a Unit by a Unit Owner, and all Unit Owners are directed to such section prior to the sale of a Unit. It shall be the responsibility of a Unit Owner other than the Developer to comply with the provisions



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of Sections 11-135 and any and all amendments thereto. The Council may charge a fee of \$50.00, or such lesser or greater amount at any time allowable by law, to provide any certificates which are required or requested in connection with the resale of a Unit.

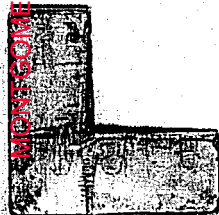
(ii) Leases of Units by Unit Owners are governed by Section 1(c), Article VI, of the Bylaws.

13. Units Subject to Declaration, Bylaws and Rules and Regulations. All present and future Unit Owners, tenants and occupants of Condominium Units shall be subject to and shall comply with the provisions of this Declaration, the Bylaws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any Condominium Unit shall constitute an agreement that the provisions of this Declaration, the Bylaws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Unit Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be enforceable equitable servitudes and covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance of lease thereof.

14. Easements. The Condominium shall be subject to all covenants, limitations and restrictions of record and to the following additional easements and conditions:

(a) Pipes, Ducts, Cables, Wires, Conduits, Public Utility Lines and Other Utility Distribution Systems; Support. Each Unit Owner shall have an easement in common with the Owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located in any of the other Units or in any other part of the Condominium, to the extent any such pipe, duct, cable, wire, conduit, public utility line or other utility distribution system serves any Unit or is necessary for service to any Unit. Every portion of a Unit which contributes to the structural support of a building, a Unit or the Common Elements shall be burdened with an easement of structural support and necessity for the benefit of all other Units and the Common Elements. The easements set forth in this paragraph are in addition to those contained in the Condominium Act.

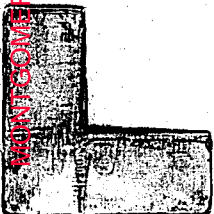
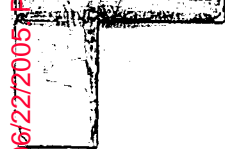
(b) Ingress and Egress Through, and Use, of, General Common Elements. Each Unit Owner shall have an easement in common with the Owners of all other Units for ingress and egress through, and use and enjoyment of, all General Common Elements to the extent use thereof is not reserved to less than all Unit Owners pursuant to this Declaration. The Common Elements shall be subject to easements of use and enjoyment and ingress and egress by all persons lawfully using or entitled to the same, including, without limitation, officers, employees and agents of public utility companies in the performance of their duties.



(c) Utility Lines. The Developer expressly reserves the right with respect to the Condominium, and any portion of the Additional Land which may be added to the Condominium, to lay water, sanitary and storm sewer, electricity, and telephone and cable television lines that may hereafter be placed on the Condominium, or any portion of the Additional Land which may be added to the Condominium, with the further provision that the rights to place such lines and to grant additional utility easements expressly are retained.

(d) Additional Land Ingress and Egress. The Developer, for itself and its successors and assigns, and contract purchasers, the family members, guests, invitees, licensees, employees and agents of any of the foregoing, and any person or entity at any time owning or occupying any portion of the Additional Land or any Unit in the Condominium, hereby reserves a perpetual, alienable and non-exclusive easement on, over and through any and all private roadways, drives or pathways at any time a part of the Condominium or the Additional Land for pedestrian and vehicular ingress and egress into and from any and all portions of the Condominium and the Additional Land, whether or not the Condominium is expanded to include any portion of the Additional Land, for any and all lawful purposes. In the exercise of any rights hereunder, there shall be no unreasonable interference with the use of any Unit for residential purposes, or with the Common Elements or the Additional Land for the purposes for which each reasonably is intended. Any person exercising any rights hereunder is and shall be obligated to repair promptly, at such person's own expense, any damage caused by the exercise of such rights and to restore, to the extent practicable, all real and personal property to the condition of such property prior to the exercise of such rights. The provisions of this Paragraph automatically shall terminate and be of no further force and effect at such time, if any, the Condominium shall be expanded to include all of the Additional Land, in accordance with the provisions of this Declaration and the Condominium Act, whereupon the provisions of Paragraphs (a), (b) and (c) of this Section, and any other applicable provisions of this Declaration or of the Bylaws, shall govern the matters referred to in this Paragraph.

(e) Easement to Facilitate Sales. The Developer and its duly authorized agents, representatives and employees shall have the right, exercisable in Developer's sole discretion, to use as sales and/or rental offices and/or model units any and all unsold Unit or Units and any Units leased by the Developer from Unit Owners who agree to lease their Units to the Developer for such use(s). Such Units shall be Units within the meaning of this Declaration and the Condominium Act, and shall not comprise a part of the Common Elements. The Developer shall have the absolute right for itself, its successors and its invitees and prospective purchasers, to use and enter, without being subject to any special charge or fee therefor, any and all such Units and the Common Elements, inclu-



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ding parking areas, for sales and/or rental purposes and/or any other lawful purpose or purposes, including placing thereon "for sale" or "for rent" signs and other promotional materials. The provisions of this paragraph shall be construed broadly to facilitate the development of the Condominium.

(f) Encroachments. If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, as a result of the construction, settling or shifting, or lateral movement of any Building or other improvement, or if any such encroachment shall occur after the recordation of this Declaration as a result of the construction, settling or shifting, or lateral movement of any Building or other improvement, a valid easement for such encroachment and for the maintenance of the same shall exist so long as such Building or other improvement shall stand.

15. Option to Expand the Condominium. The Developer hereby expressly reserves the option, until the seventh anniversary of the recordation of this Declaration, at any time or from time to time to expand the Condominium and thereby submit to the Condominium Act the Additional Land or any portion thereof, together with the buildings and improvements thereon erected. The option to expand may be terminated prior to such anniversary only upon the filing by the Developer of an amendment to this Declaration. The option to expand as hereby reserved is subject only to the provisions of Section 11-120 of the Condominium Act. In the event the Condominium is expanded, the allocation of Percentage Interests in the Condominium, as expanded, from time to time shall be determined on the basis of the ratio that the approximate square footage of each Unit in the Condominium bears to the approximate aggregate square footage of all Units in the Condominium. In the event of full expansion of the Condominium, the maximum number of Units in the Condominium (and the maximum number of votes in the Council of Unit Owners, based on one (1) vote per Unit) shall not exceed 49. Upon any expansion of the Condominium pursuant hereto, any and all references in this Declaration or in the Bylaws to the "Condominium", to "Condominium Units", "Common Elements", "Buildings", "Unit Owners", "Council of Unit Owners", "Board of Directors" and all other terms which refer to the Condominium or any aspect thereof automatically shall refer to the Condominium, as expanded.

16. Amendment of Declaration. Except as necessary to reflect an exercise or termination of the Developer's right to expand as set forth in Section 15 of this Declaration, in which event the Declaration may be amended solely by the Developer without the consent of any other party, or except as otherwise provided in this Declaration, this Declaration may be amended only by the written consent of every Unit Owner and every Mortgagee. No such amendment shall be effective until recorded among the land records of Montgomery County, Maryland. Any amendment to this Declaration may be executed (i) if on behalf of the Developer pursuant to the Developer's rights hereunder, by the President or any Vice President and by the Secretary

or any Assistant Secretary of the Developer, and (ii) if on behalf of the Council of Unit Owners, pursuant to the Condominium Act. Anything in this Section to the contrary notwithstanding, so long as the Developer is the only Unit Owner, the Developer may amend this Declaration or any Exhibit to this Declaration without the approval of any party.

17. No Revocation or Partition. The Common Elements shall remain undivided and no Unit Owner or any other person shall bring or have the right to bring any action for partition or division thereof, nor shall the Common Elements be abandoned by act or omission, unless the condominium regime is waived and terminated by the agreement of Unit Owners owning at least eighty percent (80%) of the Units in the Condominium.

18. No Merger. In accordance with the Section 36.4300 series of the Code of Federal Regulations, the condominium regime may not be amended or merged with a successor condominium regime without the prior written approval of the Administrator of Veterans Affairs of the Veteran's Administration.

19. Consent of First Mortgagees. Notwithstanding any other provision of this Declaration, the Bylaws or the Rules and Regulations, but without granting any additional rights or authorities by this Section, and subject to the provisions of the Condominium Act, unless at least sixty-six and two-thirds percent (66-2/3%) of the Mortgagees holding Mortgages constituting first liens on Condominium Units subject to such Mortgages (based upon one vote for each such Mortgage owned) or sixty-six and two-thirds percent (66-2/3%) of Unit Owners (other than the Developer) have given their prior written approval, the Council of Unit Owners and Board of Directors shall not be entitled to:

(a) By act or omission seek to abandon or terminate the condominium regime;

(b) Except as provided in Section 15 of this Declaration, change the prorata interest or obligations of any Unit for the purpose of (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the prorata share of ownership of each Unit in the Common Elements;

(c) Partition or subdivide any Unit;

(d) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Elements by the Condominium shall not be deemed a transfer within the meaning of this clause); or

DEPARTMENT OF REVENUE
COUNTY CLERK
CLERK OF CIRCUIT COURT
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(e) Use hazard insurance proceeds for losses to any property of the Condominium (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such property. The foregoing provisions relating to consent by Mortgagees shall in no way be interpreted as limiting the exercise or termination of the right of the Developer to expand the Condominium pursuant to Section 15 of this Declaration, or the rights of a Unit Owner and his or her particular Mortgagee which such Unit Owner and Mortgagee may have with respect to matters particularly affecting such Unit Owner's Unit.

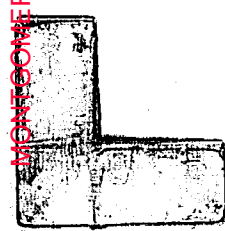
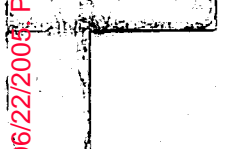
20. Priority of First Mortgagees. Except as otherwise provided by the Condominium Act, no provision of this Declaration, the Bylaws, or the Rules and Regulations shall be construed to grant to any Unit Owner, or to any other party, any priority over any rights of Mortgagees pursuant to their Mortgages in the case of the termination of the condominium regime hereby created or the distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Units and/or the Common Elements or any portions thereof.

21. Washington Suburban Sanitary Commission. In the event that any sewer or water use charge, or front foot benefit charge, or sewer charge, or ad valorem tax, imposed pursuant to the Washington Suburban Sanitary Commission District Act is not paid by the Council of Unit Owners, or by one or more of the Unit Owners, then the Washington Suburban Sanitary Commission ("WSSC") shall have the right, within the time provided by that Act or the Regulations of WSSC to terminate sewer and water service to all the Units. Each present and future Unit Owner and tenant shall acknowledge and take title subject to the obligation for payment by the Council of Unit Owners of annual front foot benefit charges levied by WSSC, such charges to run for the specific period of years commensurate with the life of the bonds issued for the construction of said water and/or sewer lines as applicable.

22. Changes by Developer. Nothing contained in this Declaration shall be deemed to impose upon the Developer or its successors or assigns any obligation of any nature to build, construct or provide any additions to the condominium regime hereby created.

23. Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

24. Severability. The invalidity or unenforceability of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid or unenforceable provision had never been included herein. Any conflict between any provision of any condominium document and the Condominium Act, or any questions regarding the interpretation of any condominium document, shall be governed by the Condominium Act.



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25. Gender. The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed on the date first above written.

Attest:

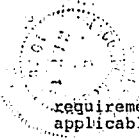
THE ANDEN GROUP, a California
general partnership

By: MIDEN CORPORATION, a
general partner

By: Ronald Testa
Ronald Testa,
Assistant Secretary

By: James P. Joyce
James P. Joyce,
Vice President

(Corporate Seal)



AFFIRMATION

I hereby affirm under penalty of perjury that the notice requirements of Section 11-102.1 of the Real Property Article, if applicable, have been fulfilled.

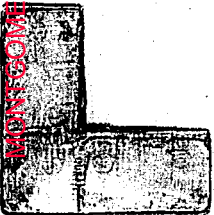
THE ANDEN GROUP, a California
general partnership

By: MIDEN CORPORATION, a
general partner

By: James P. Joyce
James P. Joyce,
Vice President

COMMONWEALTH OF VIRGINIA)
) ss.:
COUNTY OF FAIRFAX)

I, Lucille L. Allen, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that James P. Joyce and Ronald Testa as Vice President and Assistant Secretary, respectively, of Miden Corporation, a general partner of The Anden Group, being by me first duly sworn, did depose and say that they, as such



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officers, are parties to the foregoing and annexed Declaration and that the facts set forth in said Declaration are true and correct; and they acknowledged to me that they, as such officers, executed the said Declaration as the free act and deed on behalf of The Anden Group.

Subscribed and sworn to before me this 28th day of September, 1984.



Luella S. Sloan
Notary Public

My Commission Expires: April 6, 1987

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CORPORATION

Jack Kontgas, L.S.
Michael B. McCordic, P.E.
J. Michael Waring, P.E.
Marcus W. Montgomery

October 3, 1983

EXHIBIT A-1(a)

DESCRIPTION OF
PHASE BUILDING 3-B
SADDLE RIDGE,
A CONDOMINIUM
ROCK CREEK GARDENS
WHEATON (13th) DISTRICT
MONTGOMERY COUNTY, MARYLAND

Being part of Parcel 'B', Block 2, as shown on a plat of subdivision entitled "Parcel - 'B', Block 2, Rock Creek Gardens" and recorded among the Land Records of Montgomery County, Maryland in Plat Book 122 as Plat 14292; and being more particularly described as follows:

Beginning for the same at a point on the dividing line between the State of Maryland and the District of Columbia, said point also being on the South 45°05'32" West 1232.97 foot plat line, as shown on the aforesaid plat, 688.13 feet from the beginning thereof; and running thence with part of said plat line and also along said dividing line

1. South 45°05'32" West 136.03 feet to a point; thence leaving said dividing line and running in, through, over and across the aforesaid Parcel 'B', the three (3) following courses and distances
2. North 44°54'28" West 60.00 feet to a point; thence
3. North 45°05'32" East 50.66 feet to a point; thence
4. North 44°54'28" West 70.00 feet to a point on the North 45°05'32" East 1281.00 foot plat line as shown on the aforesaid plat, 507.50 feet from the beginning thereof; thence running with part of said plat line
5. North 45°05'32" East 172.00 feet to a point; thence running again in, through, over and across the aforesaid Parcel 'B', the three (3) following courses and distances

ENGINEERS

PLANNERS

SURVEYORS

13321 New Hampshire Avenue • Suite 300 • Silver Spring, Maryland • 20904 • (301) 384-4300

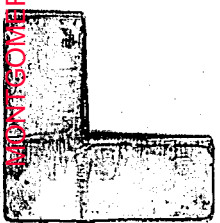
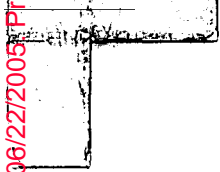
October 3, 1983
Exhibit A-1(a)
Description of Phase Building 3-B
Saddle Ridge, A Condominium
Rock Creek Gardens

LIBER 6583 FOLIO 076

- 2 -

6. South 44°54'28" East 70.00 feet to a point; thence
7. South 45°05'32" West 86.63 feet to a point; thence
8. South 44°54'28" East 60.00 feet to the place of
beginning; containing 20,202 square feet or
0.4638 of an acre of land.

SUBJECT TO a right of way and easement to Washington Suburban Sanitary
Commission for sanitary sewers, water mains and appurtenances recorded in Liber 5988
at Folio 635.



2025 RELEASE UNDER E.O. 14176



LIBER 6583 FOLIO 077

CORPORATION

Jack Konigas, L.S.
Michael B. McCordic, P.E.
J. Michael Waring, P.E.
Marcus W. Montgomery

October 3, 1983

EXHIBIT A-3(a)

DESCRIPTION OF
EXPANSION PHASE
BUILDINGS 1, 2, 3-A, 3-C & 4
SADDLE RIDGE

ROCK CREEK GARDENS

WHEATON (13th) DISTRICT
MONTGOMERY COUNTY, MARYLAND

Being part of Parcel 'B', Block 2, as shown on a plat of subdivision entitled "Parcel - 'B', Block 2, Rock Creek Gardens" and recorded among the Land Records of Montgomery County, Maryland in Plat Book 122 as Plat 14292; and being more particularly described in two (2) parts as follows:

PART ONE (Phase Buildings 1, 2 & 3-A)

Beginning for the same at a point on the northerly right of way line of Grubb Road, 40.00 feet from the centerline thereof, said point also being on the dividing line between the State of Maryland and the District of Columbia, and still said point also being at the end of the South 65°11'08" East 138.59 foot plat line, as shown on the aforesaid plat; and running thence reversely with said plat line and also along said right of way line, the one (1) following course and distance, and also running with and along part of the outline of said Parcel 'B', the two (2) following courses and distances

1. North 65°11'08" West 138.59 feet to a point; thence
2. North 45°05'32" East 507.50 feet to a point; thence leaving said plat outline and running in, through, over and across the aforesaid Parcel 'B', the three (3) following courses and distances
3. South 44°54'28" East 70.00 feet to a point; thence
4. South 45°05'32" West 50.66 feet to a point; thence
5. South 44°54'28" East 60.00 feet to a point on the dividing line between the State of Maryland and the District of Columbia, said point also being on the South 45°05'32" West 1232.97 foot

ENGINEERS

PLANNERS

SURVEYORS

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MONMOUTH COUNTY CIRCUIT COURT (Land Records) HMS 6583, p. 0077, MSA_CE63_6541. Date available 06/22/2005 P.P.

October 3, 1983
Exhibit A-3(a)
Description of Expansion Phase
Buildings 1, 2, 3-A, 3-C & 4
Saddle Ridge
Rock Creek Gardens

LIBER 6583 FOLIO 078

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- plat line, as shown on the aforesaid plat,
824.16 feet from the beginning thereof; thence
running with part of said plat line and also
along said dividing line
6. South 45°05'32" West 408.81 feet to the place of
beginning; containing 59,814 square feet or
1.3731 acres of land.

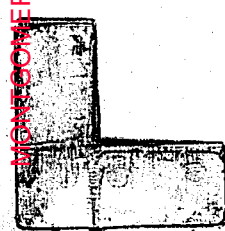
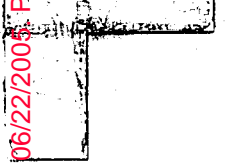
PART TWO (Phase Building 3-C & 4)

Beginning for the same at a point on the aforesaid dividing line between
the State of Maryland and the District of Columbia, said point also being at the
beginning of the South 45°05'32" West 1232.97 foot plat line, as shown on the
aforesaid plat; and running thence with part of said plat line and also along
said dividing line

1. South 45°05'32" West 688.13 feet to a point; thence
running in, through, over and across the aforesaid
Parcel 'B', the three (3) following courses and
distances
2. North 44°54'28" West 60.00 feet to a point; thence
3. North 45°05'32" East 86.63 feet to a point; thence
4. North 44°54'28" West 70.00 feet to a point on the
North 45°05'32" East 1281.00 foot plat line,
as shown on the aforesaid plat, 679.50 feet
from the beginning thereof; thence running
with part of said plat line
5. North 45°05'32" East 601.50 feet to a point at
the beginning of the South 44°54'28"
East 130.00 foot plat line, as shown on the
aforesaid plat; thence running with said
plat line
6. South 44°54'28" East 130.00 feet to the place of
beginning; containing 83,393 square feet or
1.9144 acres of land.

SUBJECT TO a right of way and easement to Washington Suburban Sanitary
Commission for sanitary sewer recorded in Liber 823 at Folio 427.

SUBJECT TO a right of way and easement to Washington Suburban Sanitary
Commission for sanitary sewers, water mains and appurtenances recorded in
Liber 5988 at Folio 635.



06/22/2005 P. 0078, MSA_CE63_6541. Date available HMS 6583, p. 0078, MSA_CE63_6541. Date available

October 3, 1983
Exhibit A-3(a)
Description of Expansion Phase
Buildings 1, 2, 3-A, 3-C & 4
Saddle Ridge
Rock Creek Gardens

LIBER 6583 FOLIO 079

- 3 -

SUBJECT TO a 100 Year Flood Plain as established on plat recorded in
Plat Book 122 as Plat 14292.

SUBJECT TO water and sewer house connections from the northwest adjacent
property to existing water and sewer mains.

SUBJECT TO overhead electric wires.

MISSISSIPPI COUNTY CIRCUIT COURT (Land Records) HMS 6583, p. 0079, MSA_CE63_6541. Date available 06/22/2009 P1

MDMT GALEY COUNTY CIRCUIT COURT (Land Records) HMS 6583, p. 0080, MSA_CE63_6541. Date available 06/22/2009. P

LIBER 6583 FOLIO 080

BYLAWS

OF

SADDLE RIDGE, A CONDOMINIUM
The Town Homes of Rock Creek
(Montgomery County, Maryland)

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16/22/2008 P.1
MONTGOMERY COUNTY CIRCUIT COURT (Land Records) HMS 6583, p. 0081, MSA_CE63_6541. Date available

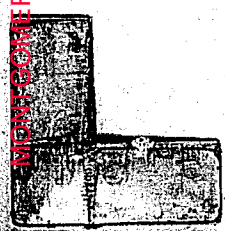
LIBER 6583 FOLIO 081

SADDLE RIDGE, A CONDOMINIUM
The Town Homes of Rock Creek
(Montgomery County, Maryland)

BYLAWS

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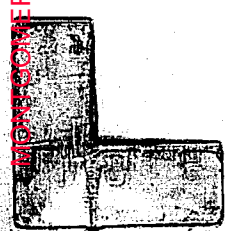
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BYLAWS

OF

SADDLE RIDGE, A CONDOMINIUM
The Town Homes Of Rock Creek

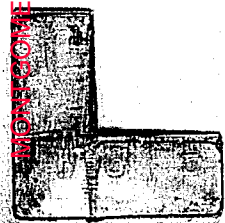
ARTICLE I

Plan of the Unit Ownership

Section 1. Unit Ownership. Certain land, buildings and improvements located in Montgomery County, Maryland, have been submitted to the provisions of the Condominium Act of the State of Maryland [Real Property Article, Title 11, Sections 11-101 et seq., Annotated Code of Maryland, 1981 Replacement Volume and 1982 Supplement, as amended], by a Declaration (the "Declaration") recorded among the Land Records of Montgomery County, Maryland, immediately prior to the recordation of these Bylaws.

Section 2. Definitions. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration or, if not defined therein, the meanings specified for such terms in Section 11-101 of the Condominium Act. In the event the Condominium is expanded pursuant to the provisions of the Declaration, the provisions of these Bylaws shall be applicable to the Condominium, as expanded, and the terms "Condominium," "Condominium Units," "Unit Owners," "Land" and all other terms which refer to the Condominium shall mean and refer to the Condominium, as expanded.

Section 3. Applicability of Bylaws. The provisions of these Bylaws are applicable to the use and occupancy of the Condominium and the structure and operation of the Council of Unit Owners. All present and future Unit Owners, Mortgagees, lessees and occupants of Units and any other persons who may use the facilities of the Condominium in any manner are subject to these Bylaws, the Declaration and the Rules and Regulations, as any of the same may be amended from time to time.



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Section 4. Office, Mailing Address and Resident Agent. The office of the Condominium, the Council of Unit Owners and the Board of Directors shall be located at the Condominium or at such other place as may be designated from time to time by the Board of Directors. The initial mailing address of the Council of Unit Owners is 2068 Derby Ridge Lane, Silver Spring, Maryland 20910. The Board of Directors, from time to time or at any time, may change the mailing address, and notice thereof shall be given to all Unit Owners, the Developer, the Managing Agent and all Mortgagees. The initial Resident Agent of the Condominium shall be The Corporation Trust Incorporated, 32 South Street, Baltimore, Maryland 21202. The Board of Directors, from time to time or at any time, may change the Resident Agent, and notice thereof shall be given to all Unit Owners, the Developer, the Managing Agent and all Mortgagees.

ARTICLE II

Council of Unit Owners

Section 1. Composition. All Unit Owners in the Condominium acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute the "Council of Unit Owners." The Council of Unit Owners shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the assessments for Common Expenses, arranging for the management of the Condominium, and performing all of the other acts that may be performed by the Council of Unit Owners pursuant to the Condominium Act, the Declaration and these Bylaws.

Section 2. Annual Meetings.

(a) The first annual meeting of the Council of Unit Owners shall be held on a date to be determined by the Developer within six (6) months following the date of the recordation of the Declaration, or, within sixty (60) days after the date of conveyance of Units to which fifty percent (50) of the Percentage Interests in the Condominium appertain, whichever first occurs. Annual meetings of the Council of Unit Owners held after the first such annual meeting shall be held on the same day of the same month of each succeeding year, unless such date shall occur on a Saturday, Sunday or legal holiday, in which event the meeting shall be held on the next succeeding Monday which is not a legal holiday. At all annual meetings of the Council of Unit Owners, members of the Board of Directors shall be elected and such other business as may properly come before the meeting may be transacted.

(b) As used in this Section 2 (and in these Bylaws, unless the context otherwise requires), "conveyance" means conveyance of fee simple title by deed.



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LIBER 6 5 8 3 FOLIO 0 8 6

Section 3. Place of Meetings. Meetings of the Council of Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Owners as may be designated by the Board of Directors.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Council of Unit Owners if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Unit Owners having not less than twenty-five percent (25%) of the votes of all Units. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted as a special meeting except as stated in the notice.

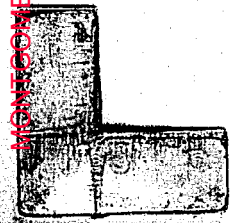
Section 5. Notice of Meetings; Roster of Unit Owners.

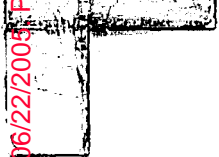
(a) It shall be the duty of the Secretary to cause to be personally delivered or mailed, first class postage prepaid, to each Unit Owner, a notice of each annual and each special meeting of the Council of Unit Owners at least ten (10) and not more than ninety (90) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held. The mailing of a notice of a meeting in the manner provided in this Section shall be deemed service of notice.

(b) The Council of Unit Owners shall maintain a current roster of names and addresses of each Unit Owner to which notice of meetings of the Council of Unit Owners and of the Board of Directors shall be sent. Each Unit Owner shall furnish the Council of Unit Owners with his or her name and current mailing address.

Section 6. Adjournment of Meetings. If any meetings of the Council of Unit Owners cannot be held because a quorum is not present, Owners holding a majority of the votes present at such meeting, either in person or by proxy, may adjourn and reconvene the meeting as provided in Section 5-206 of the Corporations and Associations Article of the Maryland Code.

Section 7. Presiding Officer. Any person designated by the Developer shall preside at the first annual meeting of the Council of Unit Owners and over any special meeting(s) of the Council of Unit Owners held prior to such first annual meeting. Thereafter, the President shall preside at all meetings of the Council of Unit Owners. In the absence of the President from any meeting of the Council of Unit Owners, any person designated by the Board of Directors shall preside over such meeting.





LIBERTY COUNTY CIRCUIT COURT (Land Records) HMS 6583, p. 0087, MSA_CE63_6541. Date available 06/22/2009 P1

Section 8. Conduct of Meeting. The minutes of all meetings shall be kept in a Minute Book maintained for the Council of Unit Owners by the Secretary. The then current Robert's Rules of Order or any other rules of procedure acceptable to the majority of the votes of Unit Owners shall govern the conduct of the meetings of the Council of Unit Owners when not in conflict with these Bylaws, the Declaration or the Condominium Act. All votes shall be tallied by a person or persons appointed by the presiding officer of the meeting.

Section 9. Inspectors of Election. One or more inspector(s) of election shall be appointed by the Board of Directors prior to the time of any meeting of the Council of Unit Owners at which Directors shall be elected.

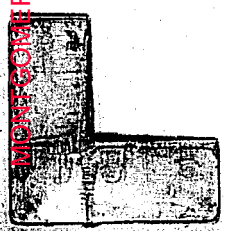
Section 10. Voting.

(a) Each Unit shall be entitled to one (1) vote at all meetings of the Council of Unit Owners. Since a Unit Owner may be more than one person, the person who shall be entitled to cast the vote of such Unit shall be the natural person named in a certificate executed by all of the owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting (or the failure to name such a person), the person who shall be entitled to cast the vote of the Unit shall be the co-owner who is present at any meeting, if only one such person is present. If more than one of such persons are present and no certificate has been filed with the Secretary (or if the person named in the certificate for such Unit is not present), the vote appertaining to that Unit shall be cast proportionately in accordance with Section 2-508(c) of the Corporations and Associations Article of the Maryland Code.

(b) Except as otherwise provided in these Bylaws or the Declaration, or as required by law, decisions of the Council of Unit Owners shall be made by a majority of the votes of Unit Owners. The Developer shall have the right at any meeting of the Council of Unit Owners to cast the vote or votes for Unit(s) it owns.

(c) No Unit Owner may vote at any meeting of the Council of Unit Owners until such owner shall have furnished, as provided for in Section 5(b) of this Article, his or her name and current mailing address for the current roster of the Condominium. Subject to the notice and hearing provisions of Section 11-113 of the Condominium Act, no Unit Owner may vote at any meeting of the Council of Unit Owners if the Council of Unit Owners has perfected a lien against his or her Unit and the amount necessary to release such lien has not been paid at the time of such meeting.

Section 11. Proxies. The vote appertaining to any Unit may be cast pursuant to a proxy duly executed by or on behalf of the Unit Owner, or, in cases where the Unit Owner is more than one person or is an entity, by or on behalf of all such persons or by an authorized officer or agent thereof. No proxy shall be revocable



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except by actual notice of revocation by the Unit Owner or by any of the persons who are Owners of the Unit to the person presiding over the meeting. Any proxy shall be void if it is not dated or it if purports to be revocable without notice as aforesaid. The proxy of any Unit Owner shall be void if not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of such Unit Owner. Any proxy shall terminate automatically upon the adjournment of the first meeting at which a quorum is present held on or after the date of that proxy, and all proxies must be filed with the person presiding over the meeting before the commencement of the meeting for which they are given. Except with respect to proxies in favor of a lessee or Mortgagee, no proxy shall be valid for a period in excess of one hundred eighty (180) days after execution thereof.

Section 12. Quorum. Except as otherwise provided in these Bylaws or as required by law, the presence, in person or by proxy, of Unit Owners of a majority in number of the Units in the Condominium shall constitute a quorum at all meetings of the Council of Unit Owners.

Section 13. Majority of the Votes of Unit Owners. As used in these Bylaws, the term "majority of the votes of Unit Owners" or words of like import shall mean more than fifty percent (50%) of the aggregate votes of Unit Owners listed on the current roster, voting and present, in person or by proxy, at a meeting of the Council of Unit Owners at which a quorum is present.

Section 14. Council Action. Except as otherwise required by the Condominium Act, the Declaration or these Bylaws, decisions of the Council of Unit Owners shall be made by a majority of the votes of Unit Owners.

ARTICLE III

Board of Directors

Section 1. Number. The affairs of the Condominium shall be governed by a Board of Directors of not less than three (3) nor more than five (5) persons. Until the first annual meeting of the Council of Unit Owners, and, thereafter until their successors shall have been elected and shall have qualified, the Board of Directors shall consist of three persons each of whom shall be designees of the Developer.

Section 2. Election. Directors shall be elected by plurality vote. Each Unit shall be entitled to one (1) vote for as many persons as there are Directors to be elected and for whose election the Owners of such Unit shall be entitled to vote. Votes shall not be cumulated.

Section 3. Term of Office. At the first annual meeting of the Council of Unit Owners, the person receiving the first and second highest number of votes shall be elected for a term of two (2) years

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and the remaining person or persons elected as a member or members of the Board of Directors shall be elected for a term of one (1) year. All persons elected as members of the Board of Directors at any subsequent annual meeting of the Council of Unit Owners shall be elected for a term of two (2) years. All members of the Board of Directors shall hold office until their respective successors shall have been elected and shall have qualified.

Section 4. Qualifications. All members of the Board of Directors shall be Unit Owners, or partners, officers, directors, trustees, agents or employees of Unit Owners who are not natural persons. No Unit Owner may be elected to or may serve on the Board of Directors if a lien has been perfected, or action therefor has been instituted against such Owner's Unit and the amount necessary to release such lien has not been paid at the time of such election or during such incumbency.

Section 5. State Reporting. In accordance with Section 11-119(d) of the Condominium Act, subject to any amendments thereto, following the first annual meeting of the Council of Unit Owners, the Board of Directors on behalf of the Council of Unit Owners shall register with the Department of Assessments and Taxation of the State of Maryland by providing to such Department the names and mailing addresses of the officers and Directors of the Condominium. An updated list, including, without limitation, the name and address of the Resident Agent and Managing Agent of the Condominium shall be provided to such Department on the April 15th next following the first annual meeting and on each April 15th thereafter. All filing fees required to be paid in connection with such filings shall be a Common Expense.

Section 6. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Condominium and may do all acts and things as are by the Condominium Act, the Declaration or these Bylaws directed to be done by the Council of Unit Owners. In addition to the duties imposed by these Bylaws or by any resolution of the Council of Unit Owners, the Board of Directors shall have the power to, and shall be responsible for, the following:

(a) Adopting an annual budget, in which there shall be established the required contribution of each Unit Owner to the Common Expenses.

(b) Levying assessments against Unit Owners to defray the Common Expenses, establishing the means and methods of collecting such assessments from the Unit Owners, and establishing the period of the installment payment of annual and any special assessments.

(c) Providing for the operation, care, upkeep, replacement, and maintenance of the Common Elements. The Board of Directors is expressly authorized to enter into cooperative, cost sharing agreements with the owners of other neighboring condominiums, if in the judgment of the Board, such arrangements will be beneficial to

the Condominium without adversely affecting the scope, level and quality of services necessary for the proper care, upkeep and operation of the Condominium.

(d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements, and providing services for the Condominium, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties, which equipment, supplies and materials shall be the property of the Condominium.

(e) Collecting from Unit Owners assessments against Units and depositing the proceeds thereof in a bank depository(ies) which it shall approve.

(f) Making and amending Rules and Regulations respecting the use and enjoyment of the Condominium, provided, such Rules and Regulations shall not conflict with these Bylaws, the Declaration, or the Condominium Act. Except as provided in Article V, Section 6 of these Bylaws, the adoption of all Rules and Regulations shall conform with the procedures set forth in Section 11-111 of the Condominium Act, as the same may be amended from time to time.

(g) Opening bank accounts on behalf of the Condominium and designating the signatories required therefor.

(h) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations or restorations of the Condominium in accordance with the provisions of these Bylaws, the Declaration and the Condominium Act.

(i) Enforcing by legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations, and bringing or defending against any proceedings which may be instituted on behalf of or against the Council of Unit Owners and/or the Unit Owners.

(j) Obtaining and carrying insurance as provided in the Declaration, and paying the premium cost thereof, and adjusting and settling claims thereunder.

(k) Paying the cost of all services rendered to the Condominium and not billed to Unit Owners of individual Units.

(l) Keeping books with detailed accounts in chronological order of the receipts and expenditures affecting the Condominium, specifying maintenance and repair expenses incurred. The Council's books and records, including copies of all insurance policies pertaining to the Condominium, shall be maintained in the State of Maryland or within fifty (50) miles of its borders and shall be available at such address within Montgomery County as the Board of Directors from time to time shall designate for examination and copying by the Unit Owners and Mortgagees of Units or their duly

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authorized agents or attorneys, during general business hours on working days and after reasonable notice. All books and records shall be kept in accordance with good and acceptable accounting practices, and the same shall be audited at least once a year by an outside auditor employed by the Board of Directors who shall not be a resident of the Condominium, or a Unit Owner. The cost of such audit shall be a Common Expense.

(m) Notifying the Mortgagee of any Condominium Unit of any default by the Unit Owner of such Unit which continues uncured for more than thirty (30) days.

(n) Borrowing money on behalf of the Council when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that at no time shall there be borrowed or owed in excess of Ten Thousand Dollars (\$10,000) without the prior consent of at least two-thirds in number of the votes of Unit Owners obtained at a meeting duly called and held for such purpose. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this paragraph (n) is not repaid by the Council of Unit Owners, a Unit Owner who pays to the creditor such proportion thereof as such Owner's Percentage Interest bears to the aggregate Percentage Interests in the Condominium or, if applicable, who files a written undertaking as and in the manner specified under the Maryland Rules shall be entitled to obtain from the creditor a recordable release of any judgment or other lien which such creditor shall have filed or shall have the right to file against such Unit Owner's Condominium Unit. The dollar limitations set forth above shall increase automatically each fiscal year, beginning in 1985, in proportion to increases in the Consumer Price Index (all items) for the Washington, D.C. Metropolitan Area, or any successor index thereto.

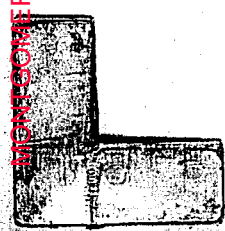
(o) Exercising such rights as the Council of Unit Owners may have as a member of any recreation or other association.

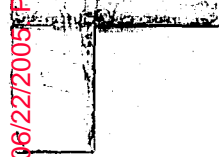
(p) Granting easements, rights-of-way, licenses and concessions through or over the General Common Elements, in accordance with Section 11-125(f) of the Condominium Act.

(q) Enforcing any implied warranties made to the Council of Unit Owners by the Developer under and pursuant to Section 11-131 of the Condominium Act.

(r) Doing such other things and acts not inconsistent with the Condominium Act or the Declaration or these Bylaws which it may be authorized to do by the Condominium Act or by a resolution of the Council of Unit Owners.

Section 7. Managing Agent. The Board of Directors shall employ for the Condominium a professional Managing Agent at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the Managing Agent all of the powers





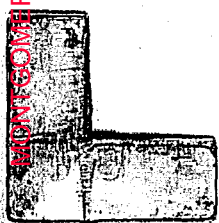
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granted to the Board of Directors by these Bylaws other than the powers set forth in paragraphs (a), (b), (f), (g), (n), and (o) of Section 6 of this Article III. The Board of Directors shall delegate to one of its members the authority to act on its behalf on all matters relating to the duties of the Managing Agent which might arise between meetings of the Board of Directors. The Council of Unit Owners and the Board of Directors shall not undertake self management or fail to employ a professional Managing Agent. The Developer, or an affiliate of the Developer, may be employed as Managing Agent. Any contract with a Managing Agent must provide that it may be terminable for cause on no more than thirty (30) days written notice and without cause or imposition of any termination fee on no more than ninety (90) days written notice. The term of any such contract may not exceed one year.

Section 8. Removal of Members of the Board of Directors. Until the first annual meeting of the Council of Unit Owners, the Developer shall have the right, in its sole discretion, to replace such Directors as it shall designate, and to select and designate their successors. Thereafter, subject to any notice and hearing provisions of the Condominium Act in addition to those set forth below, any member of the Board of Directors may be removed, with or without cause, by a majority of the votes of the Unit Owners at any annual or special meeting duly called for such purpose, and a successor may then and there be elected to fill the vacancy thus created for the remainder of the term of the member so removed. Any Director whose removal has been proposed by the Unit Owners shall be given notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Section 9. Resignations of Members of the Board of Directors. A member of the Board of Directors may resign at any time. Any Director shall be deemed to have resigned upon divestiture of title in fee, or by lease for a term or terms of six (6) months or more, of the Unit owned by such Director or such Director's corporation, partnership, trust, principal or employer, if the Unit Owner is not a natural person, unless such Director or such Director's corporation, partnership, trust, principal or employer acquires or contracts to acquire another Unit under terms providing for a right of occupancy effective as of or before the termination of the right of occupancy pursuant to such divestiture.

Section 10. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Council of Unit Owners shall be filled by the sole remaining Director or by a vote of a majority of the remaining Directors (whether or not such remaining Directors constitute a quorum) at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, and each person so elected shall be a member of the Board of Directors until a successor shall be elected at the next annual meeting of the Council of Unit Owners for the remainder of the term created by such vacancy; provided, however, that until the first annual meeting of the Council of Unit Owners, the vacancy in the position of any Director designated by the Developer shall be filled by the Developer.



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Section 11. Organization Meeting. A special organization meeting of the Board of Directors shall be held within ten (10) days after each annual meeting of the Council of Unit Owners.

Section 12. Regular Meetings. Regular meetings of the Board of Directors shall be held at least twice during each fiscal year, at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings of the Board of Directors shall be given to each Director and to each Unit Owner at least annually, by mail, telegraph, telex or teletype at least ten (10) days prior to the date named for such meeting.

Section 13. Special Meetings. Special meetings of the Board of Directors may be called by the President on no less than seven (7) days' notice to each Director and to each Unit Owner, given by mail, telegraph, telex or teletype 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 like notice on the written request of at least two (2) Directors.

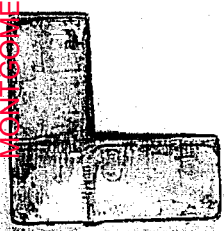
Section 14. Quorum; Voting of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present or a sole present Director may adjourn the meeting from time to time. At any such reconvened meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

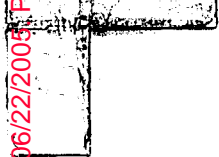
Section 15. Compensation. No Director shall receive any compensation for acting as a Director.

Section 16. Conduct of Meetings.

(a) All resolutions adopted by the Board of Directors and all transactions and proceedings occurring at all meetings of the Board of Directors shall be kept in a Minute Book maintained for the Board of Directors by the Secretary. The then current Robert's Rules of Order or any other rules of procedure at any time or from time to time acceptable to a majority of the Board of Directors shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, these Bylaws or the Condominium Act.

(b) A meeting of the Board of Directors may be held in closed session only for the following purposes:





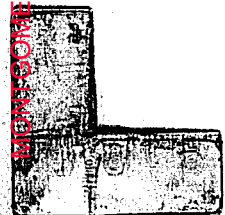
1. Discussion of matters pertaining to employees and personnel;
2. Protection of the privacy or reputation of individuals in matters not related to the Council of Unit Owners' business;
3. Consultation with legal counsel;
4. Consultation with staff personnel, consultants, attorneys, or other persons in connection with pending or potential litigation;
5. Investigative proceedings concerning possible or actual criminal misconduct;
6. Complying with a specific constitutional, statutory, or judicially imposed requirement protecting particular proceedings or matters from public disclosure; or
7. On an individually recorded affirmative vote of two-thirds of the Board members present, for some other exceptional reason so compelling as to override the general public policy in favor of open meetings.

If a meeting is held in closed session under this paragraph (b) (i) no action may be taken and no matter may be discussed if it is not permitted hereunder, and (ii) a statement of the time, place, and purpose of any closed meeting, the record of the vote of each member of the Board of Directors by which any meeting was closed, and the authority under this paragraph for closing such meeting shall be filed in the minutes of the next meeting of the Board of Directors.

Section 17. Action Without Meeting. Except with respect to the adoption of any budget for any fiscal year, any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed in the minutes of the next meeting of the Board of Directors.

Section 18. Liability of the Board of Directors, Officers, Unit Owners, and Council of Unit Owners.

(a) The officers of the Council of Unit Owners and the members of the Board of Directors shall not be liable to the Unit Owners for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith or as otherwise provided by law. The Unit Owners and the Council of Unit Owners may indemnify and hold harmless each of the officers and Directors in accordance with Section 2-418 of Corporations and Associations Article of the Maryland Code from and against all liability arising out of contracts made or other action taken by the



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officers or the Board of Directors on behalf of the Unit Owners or the Council of Unit Owners, unless any such contract or action shall have been made in bad faith. The liability of any Unit Owner (other than liability arising from acts or omissions of the Unit Owner) arising out of any contract made, or other action taken by the officers or the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors or officers, or for damages as a result of injuries arising in connection with the Common Elements, or for liabilities incurred by the Council of Unit Owners, shall be limited in amount in proportion to such Unit Owner's obligation to pay Common Expenses. Every agreement made by the officers, Board of Directors or the Managing Agent on behalf of the Council of Unit Owners shall provide, if reasonably obtainable, that the officers, Board of Directors, or the Managing Agent, as the case may be, are acting only as agents for the Council of Unit Owners and shall have no personal liability thereunder (other than as Unit Owners), and that each Unit Owner's liability thereunder shall be in amount in proportion to such Unit Owner's obligation to pay Common Expenses.

(b) The Council of Unit Owners and the Board of Directors shall not be liable for any failure of utility services or other services obtained by the Council of Unit Owners or paid for as a Common Expense, or for injury or damages to any person or property caused by the elements, by the Unit Owner, or by any other person, or resulting from electricity, water, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment. The Council of Unit Owners shall not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of any assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Elements or from any action taken by the Council of Unit Owners to comply with any of the provisions of these Bylaws, the Declaration, the Rules and Regulations or any law, ordinance, order or directive of any municipal or other governmental authority.

Section 19. Common or Interested Directors. Each member of the Board of Directors shall exercise his or her powers and duties in good faith and with a view to the interests of the Condominium. No contract or other transaction between the Council of Unit Owners and any of its officers or Directors, or between the Council of Unit Owners and any corporation, firm or association (including the Developer) in which any of the officers or Directors of the Council of Unit Owners are directors or officers or are pecuniarily or otherwise interested, is or shall be either void or voidable because any such officer or Director is present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or her vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

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(a) The material facts of such relationship or interest are disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies such contract or transaction in good faith and by a vote sufficient for the purpose, without counting the vote(s) of such disinterested officer(s) or Director(s); or

(b) The material facts of such relationship or interest are disclosed or known to Unit Owners holding at least a majority of the votes in the Council of Unit Owners and such Unit Owners authorize, approve or ratify such contract or transaction in good faith by a vote sufficient for the purpose, without counting the vote(s) of such disinterested officer(s) or Director(s); or

(c) Such contract or transaction is fair and commercially reasonable to the Council of Unit Owners at the time it is authorized, ratified, approved or executed.

Any common or interested Director(s) may be counted in determining the presence of a quorum at any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction.

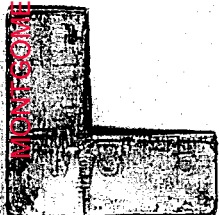
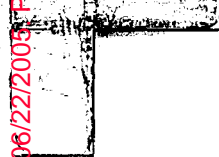
Section 20. Committees. The Board of Directors may from time to time appoint (and expand and/or disband) such committees from among its own membership and/or from among the Council of Unit Owners as the Board of Directors from time to time deems desirable to assist in the administration or operation of the affairs of the Condominium.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Condominium shall be a President, a Vice President, a Secretary, and a Treasurer (or a Secretary-Treasurer). The Board of Directors may appoint an assistant treasurer, an assistant secretary, and/or such other officers as in its judgment may be necessary or desirable. All officers shall have the duties normally incident to their respective offices in a stock corporation doing business in Maryland and such other or additional duties as from time to time shall be assigned by the Board of Directors.

Section 2. Qualifications. All officers shall be Unit Owners, or partners, officers, directors, trustees, agents or employees of Unit Owners who are not natural persons. The President and Secretary shall be members of the Board of Directors. Any officers other than the President and the Secretary may be, but shall not be required to be, members of the Board of Directors. The foregoing restrictions shall not apply to officers selected by Directors designated by the Developer prior to the first annual meeting of the Council of Unit Owners.



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Section 3. Election. The officers of the Condominium shall be elected annually by the Board of Directors at the organization meeting following each annual meeting of the Council of Unit Owners and shall hold office at the pleasure of the Board of Directors.

Section 4. Removal or Resignation of Officers. Any officer may be removed, either with or without cause, upon the affirmative vote of a majority of the members of the Board of Directors. Any officer may resign at any time. Any officer shall be deemed to have resigned upon divestiture of title in fee, or by lease for a term or terms of six (6) months or more, of the Unit owned by such officer (or such officer's corporation, partnership, trust, principal or employer, if the Unit Owner is not a natural person), unless such officer or such officer's corporation, partnership, trust, principal, or employer acquires or contracts to acquire another Unit under terms providing for a right of occupancy effective as of or before the termination of the right of occupancy pursuant to such divestiture. Any vacancy in an office shall be filled by the Board of Directors at a regular meeting or special meeting called for such purpose.

Section 5. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium or the Council of Unit Owners for expenditures or obligations in excess of Ten Thousand Dollars (\$10,000) shall be executed by any two officers of the Condominium or by such other person or persons as may be designated by the Board of Directors. All such instruments for expenditures or obligations of Ten Thousand Dollars (\$10,000) or less may be executed by any one officer of the Condominium or by such other person as may be designated by the Board of Directors.

Section 6. Compensation of Officers. No officer shall receive any compensation for acting as an officer.

ARTICLE V

Assessments

Section 1. Fiscal Year. The fiscal year of the Condominium shall consist of the twelve month period commencing on January 1 of each year and terminating on December 31 of such year.

Section 2. Preparation and Adoption of Budget. At least sixty (60) days before the beginning of each new fiscal year commencing for fiscal 1985, the Board of Directors shall cause to be prepared and sent to all of the Unit Owners a proposed budget for the Condominium containing an estimate of the total amount which the Board of Directors considers necessary in order to pay during the ensuing fiscal year the costs for the Common Expenses and reserves of the Condominium. Each proposed budget shall specify, without limitation, estimates for each of the following income and expense categories: (i) Common profits, including, without limitation, income of the Condominium; (ii) Administrative expenses, including, without limi-

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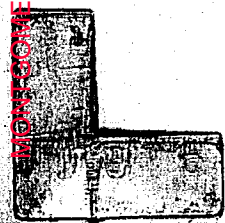
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tation, management fees and payroll expenses; (iii) Maintenance expenses, including, without limitation, grounds and building maintenance, snow removal, trash collection and extermination costs; (iv) Utility costs, including, without limitation, water and sewer charges and assessments, and Common Element electric; (v) Fixed and general expenses, including, without limitation, Condominium insurance premiums, and legal and audit expenses; and (vi) Replacement and general contingency reserves, including, without limitation, capital expenditures. No less than thirty (30) days after a proposed budget has been sent to all of the Unit Owners in accordance with the provisions of this Section, such budget shall be moved for adoption at an open, special meeting of the Board of Directors. The budget, as adopted, shall constitute the basis for determining each Unit Owner's share of Common Expenses. The Developer shall adopt the budget for the Condominium for the period commencing upon the conveyance of the first Unit by the Developer and ending on the last day of the fiscal year in which such conveyance occurs, such fiscal year being 1984.

Section 3. Effect of Failure to Adopt Budget. The failure or delay of the Board of Directors to adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his or her allocable share of the Common Expenses as provided in this Article. In the absence of any annual budget, each Unit Owner shall continue to pay the monthly charge at the rate established for the previous fiscal year until the monthly installment which is due more than ten (10) days after a new annual budget shall have been adopted and notice of new assessments have been given to Unit Owners.

Section 4. Assessment of Common Expenses.

(a) The total amount of the estimated funds required for the operation of the Condominium set forth in the budget for any fiscal year adopted by the Board of Directors shall be assessed against all Unit Owners in proportion to the Percentage Interest of such Unit Owner's Unit. The assessment made against each Unit for each fiscal year shall set forth separately such Unit's share of the amount of the total assessments. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors), one-twelfth (1/12th) of the assessment for such fiscal year. Within ninety (90) days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures, plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, in the discretion of the Board of Directors, either (1) be credited among all Unit Owners to the next monthly installments due from Unit



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Owners in proportion to each Unit Owner's obligation to pay Common Expenses, or (ii) refunded among Unit Owners who paid assessments in proportion to their payments, or (iii) added to reserves, until exhausted. Any net shortage shall be assessed against Unit Owners then of record in proportion to each Unit Owner's obligation to pay Common Expenses and shall be payable, in the discretion of the Board of Directors, either (i) in full, with payment of the next due monthly installment; or (ii) in not more than six (6) equal monthly installments, beginning with the next due monthly installment.

(b) Notwithstanding any provisions of these Bylaws to the contrary, except for emergency repairs necessary to prevent or correct conditions involving manifest danger to life or property, or for the preservation and safety of the Condominium, or for the safety of the Unit Owners, or required to avoid the suspension of any necessary service to the Condominium, no expenditures in excess of fifteen percent (15%) of the total amount of budgeted assessments for any fiscal year shall be made unless approved by amendment to such budget adopted at a special meeting of the Board of Directors upon not less than ten (10) days' prior written notice to Unit Owners.

Section 5. Reserves. The Board of Directors shall build up and maintain adequate reserves for working capital and for repairs to and replacements of the Common Elements, and may establish reserves for general operations, contingencies or other matters. All reserves shall be kept in a separate bank account(s), segregated from general operating funds, and, if the Board of Directors shall deem it advisable, funds accumulated for each type of reserve shall be kept in a separate bank account, identified by reference to the specific category of reserve. Subject to the provisions of paragraph 4(b) of this Article, extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except where an emergency requires an expenditure to prevent or minimize loss from further damage to, or deterioration of, the Common Elements, reserves accumulated for one purpose may not be expended for any other purpose unless approved by the Council of Unit Owners.

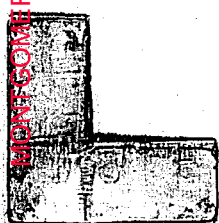
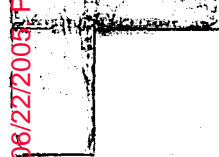
Section 6. Special Assessments. Subject to the provisions of paragraph 4(b) of this Article, if reserves established and maintained in accordance with this Article shall be inadequate for any reason, including the non-payment of any Unit Owner's assessment, the Board of Directors may at any time or from time to time assess a special assessment in order to defray, in whole or in part, extraordinary expenditures, or the cost of any construction, reconstruction or replacement of the Common Elements. Such special assessment shall be levied against all Unit Owners in proportion to the Percentage Interest of each Unit Owner's Unit, and may be payable, as the Board of Directors may determine, in lump sum or in installments. The Board of Directors shall serve notice of any such special assessments on all Unit Owners by a statement in writing giving the amount of and reasons for such special assessment, which special assessment shall, unless otherwise specified in the notice, become payable with

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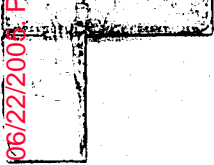
the next due monthly installment which is due more than ten (10) days after the giving of such notice. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if the special assessment is not payable in installments, the amount of such assessment.

Section 7. Working Capital Fund. Pursuant to the requirements of the Federal Home Loan Mortgage Corporation, there will be established an initial working capital fund through the payment made by each Unit Owner, upon the purchase of his or her Condominium Unit from the Developer, of an amount equal to twice the monthly installments for Common Expenses for such Unit under the pro forma or actual budget then in effect. The Developer shall deliver such funds so collected to the Board of Directors to provide working capital for the Council of Unit Owners. Neither the Developer, any Mortgagee who obtains title by a Unit by foreclosure or deed in lieu thereof, any purchaser at a foreclosure sale, nor any purchaser upon a resale of a Unit, shall be required to pay working capital assessments. The working capital fund may be used for any lawful purpose, as the Board of Directors from time to time shall determine, including, without limitation, defraying shortages in operating funds; provided, that, until the conveyance of Units to which fifty (50) percent of the Percentage Interests in the Condominium appertain, the working capital fund may not be used to pay for normal and customary expenses of operating, maintaining and repairing the Condominium or to pay for any amounts for which the Developer shall be responsible under Section 11-131 of the Condominium Act.

Section 8. Obligation to Pay Common Expenses. Each Unit Owner shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to these Bylaws. No Unit Owner shall be exempt from liability to contribute toward payment of the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his or her Condominium Unit subsequent to the perfection of a sale or other divestiture of title, by operation of law or otherwise, of such Unit by such Unit Owner. Subject expressly to and except as otherwise provided in Section 10 of this Article, the purchaser of a Condominium Unit or other successor Unit Owner shall be liable jointly and severally with the divesting Unit Owner for all unpaid assessments which have become due and payable against such divesting Unit Owner's Unit for which a Condominium lien is recorded, without prejudice, however, to any rights of such successor owner to recover from the divesting Unit Owner the amounts paid by the successor therefor; provided, however, that any Unit Owner, upon written request made in accordance with the Condominium Act, shall be entitled to a statement from the Board of Directors or Managing Agent setting forth the amount of the unpaid assessments against the divesting Unit Owner's Unit, and such successor shall not be liable for, nor shall the Condominium Unit conveyed be subject to a lien for any unpaid assessments in excess of the amount set forth in such statement. The recordation of a conveyance of a Unit for value extinguishes the right of the Council of Unit Owners thereafter to file a statement of Condominium lien for assessment or installments thereof due prior to such recordation.



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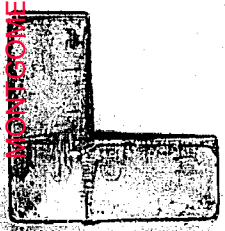
06/22/2004 P. 0101, MSA_CE63_6541. Date available HMS 6583, p. 0101, MSA_CE63_6541. Date available

Section 9. Lien for Assessments. The total annual assessment against each Unit Owner for Common Expenses and any special assessment levied pursuant to these Bylaws, together with interest, late charges, if any, and actual costs of collection and reasonable attorneys' fees, constitutes a lien against the Condominium Unit of such Unit Owner within the purview of the Condominium Act, which lien shall be effected as provided by law. In any case where an assessment against a Unit Owner is payable in installments, upon a default by such Unit Owner in the timely payment of any two (2) consecutive installments, the maturity of the remaining total of the unpaid installments of such assessment may be accelerated, at the option of the Board of Directors, and the entire balance then owing may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner and his or her Mortgagee by the Board of Directors or the Managing Agent.

Section 10. Subordination and Mortgagee Protection. Notwithstanding any other provision of the Declaration or the Bylaws to the contrary, any lien for assessments shall be subordinate to the rights of a Mortgagee of a Mortgage made in good faith, for value received prior to the date such assessment became due and payable, and such Mortgagee or the purchaser at a foreclosure sale, their successors and assigns, shall not be liable for and such Unit, shall not be subject to a lien for the payment of assessments which have become due and payable prior to the acquisition of title or the taking of possession (whichever first occurs) of such Unit pursuant to a decree of foreclosure, or any proceeding in lieu of foreclosure; provided, that such subordination shall apply only to assessments which have become due and payable prior to such acquisition of title or the taking of possession of such Unit, and such Mortgagee or purchaser, their successors and assigns, shall be liable for and such Unit shall be subject to a lien for assessments thereafter becoming due and payable. Any such unpaid assessments for which such Mortgagee or purchaser, their successors and assigns, shall not have liability pursuant to this Section shall constitute a Common Expense for which each Unit Owner, including such Mortgagee or purchaser, their successors and assigns, shall be liable in proportion to such Unit Owner's obligation to pay Common Expenses.

Section 11. Collection of Assessments. The Board of Directors or the Managing Agent at the request of the Board of Directors, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof.

Section 12. Interest; Late Charges. In the event of a default by any Unit Owner in paying any Common Expenses or any other sum assessed against the Unit Owner which default continues for a period in excess of fifteen (15) days, such Unit Owner, in the discretion of the Board of Directors, shall be obligated to pay interest thereon at the maximum rate permitted under Section 11-110(e) of the Condominium Act and/or a late payment penalty charge of \$15.00.



ARTICLE VI

Use; Access

Section 1. Restrictions on Use of Units and Common Elements.
Each Unit and the Common Elements shall be occupied and used as follows:

(a) Except as permitted by these Bylaws, no part of the Condominium shall be used for any other purpose except housing and the related common purposes for which the Condominium was designed.

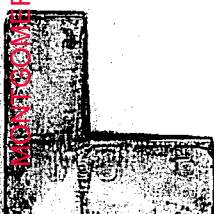
(b) A Unit Owner may use a portion of a Unit for a home office or studio, provided that such use is consistent with all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction in respect of the Condominium, and that the activities therein shall not interfere with the quiet enjoyment or comfort of any other Unit Owner, and provided, further, that in no event shall any part of the Condominium be used as a school or music studio. Except for such home office or studio use, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, shall be conducted, maintained, or permitted in any Unit.

(c) No Unit shall be rented for transient or hotel purposes. Each Unit Owner, promptly following the execution of a lease for a Unit shall forward a conformed copy thereof to the Board of Directors.

(d) No immoral, improper, offensive, or unlawful use shall be made of the Condominium or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction, relating to any portion of the Condominium shall be complied with, by and at the sole expense of the Unit Owner or the Council of Unit Owners, whichever shall have the obligation under the Declaration, these Bylaws or by law to so comply.

(e) Nothing shall be done or kept in any Unit or in or on the Common Elements which will increase the rate of insurance for the Condominium, without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in a Unit or in or on the Common Elements which will result in the cancellation of insurance on the Condominium or which would be in violation of any public law, ordinance or regulation. No waste shall be committed in, on or to the Common Elements. Nothing herein shall in any way be deemed to limit or proscribe the development and/or sales activities of the Developer.

(f) Parking spaces designated as such on the Plat shall be used by Unit Owners for self-service parking purposes on an unassigned, first come, first served basis, unless otherwise determined by the Board of Directors.



MISSISSIPPI COUNTY CIRCUIT COURT (Land Records) HMS 6583, p. 0102, MSA_CE63_6541. Date available 06/27/2005 11:11

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HMS 6583, p. 0103, MSA_CE63_6541. Date available

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(g) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements, except that the keeping of a reasonable number (as determined from time to time by the Board of Directors) of orderly domestic pets is permitted subject to Rules and Regulations adopted by the Board of Directors; provided, that such pets are not kept or maintained for commercial purposes, and, provided, further, that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Condominium upon three (3) days' written notice from the Board of Directors. Pets shall not be permitted upon the Common Elements unless accompanied by a responsible person. Any Unit Owner who keeps or maintains any pet upon any portion of the Condominium shall be deemed to have indemnified and agreed to hold harmless the Condominium, the Council of Unit Owners, each Unit Owner, the Board of Directors, the Managing Agent, and the Developer from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium. All pets shall be registered and inoculated as required by law. Any officer of the Department of Animal Control and Humane Treatment specifically is authorized to enter onto the Condominium to enforce the Animal Control provisions of the Montgomery County Code, as amended.

(h) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Condominium.

(i) No fences may be erected in the Condominium except for those fences erected by the Developer and those erected with the written consent of the Board of Directors.

(j) No satellite receiving systems or stations or exterior antennas of any kind shall be maintained on a Unit or upon the Common Elements, except for any master antennas which may be provided by the Developer or with the prior written consent of the Board of Directors.

(k) No person may post any advertisement, poster, or sign of any kind on the exterior of a Unit or in the windows of a Unit, except as permitted by the Board of Directors or when required by law. The right is reserved by the Developer or its agents to use any unsold Unit or Units or any Unit or Units leased by the Developer, for model, sales and/or rental offices and/or for any other lawful purpose or purposes, and to display "For Sale" and "For Rent" signs of any size on the Common Elements, or on any such Unit or on the Building where such Unit is located, and the right is hereby given to any Mortgagee who may become the owner of any Unit to place such signs on any Unit owned by such Mortgagee.



06/22/2009 P:1
HMS 6583, p. 0104, MSA_CE63_6541. Date available 06/22/2009 P:1
HMS 6583, p. 0104, MSA_CE63_6541. Date available 06/22/2009 P:1

Section 2. Rules and Regulations. Rules and Regulations concerning the operation and use of the Common Elements may be promulgated, amended and/or repealed by the Board of Directors, provided that such Rules and Regulations are not contrary to or inconsistent with the Condominium Act, the Declaration or these Bylaws. Copies of the Rules and Regulations shall be furnished by the Board of Directors to each Unit Owner prior to the time when the same shall become effective. Except for the initial Rules and Regulations adopted by the initial Board of Directors, the adoption of all Rules and Regulations shall conform with the procedures set forth in Section 11-111 of the Condominium Act, as the same from time to time may be amended.

Section 3. Right of Access.

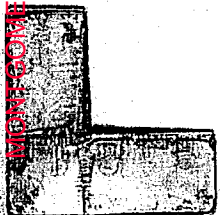
(a) By acceptance of a deed of conveyance, each Unit Owner thereby grants a right of access to his or her Unit to the Board of Directors or the Managing Agent, their respective agents and employees, or any group of the foregoing, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including, without limitation, making inspections, correcting any condition originating in a Unit and threatening another Unit or the Common Elements, performing installations, alterations or repairs to the mechanical or electrical services or the Common Elements in a Unit or elsewhere in the Condominium, or to correct any condition which violates the provisions of the Declaration, these Bylaws, the Rules and Regulations or any Mortgage, provided, that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. Any exercise of the rights herein referred to shall be in a manner, to the extent practicable, so as not to unreasonably interfere with the use of a Unit.

(b) Notwithstanding the provisions of paragraph (a) above, the Council of Unit Owners, the Board of Directors and the Managing Agent, their respective agents and employees, and other Unit Owners shall have an irrevocable right and easement to enter Units to make repairs to the Common Elements when such repairs reasonably appear necessary for public safety or to prevent damage to other portions of the Condominium. A reasonable effort shall be made to give notice of entry to the Unit Owner. However, in a case of emergency involving manifest danger to public safety or property, such right of entry shall be immediate and without notice. Any damage inflicted as a result of any entry shall be repaired promptly by the party responsible for such damage.

ARTICLE VII

Mortgages

Section 1. Notice to Board of Directors. A Unit Owner who mortgages a Condominium Unit shall notify the Board of Directors of the name and address of the Mortgagee and shall file a conformed copy of the note and Mortgage with the Board of Directors.



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Section 2. Notice of Unpaid Assessments for Common Expenses. The Board of Directors, whenever so requested in writing by a Mortgagee, promptly shall report any then unpaid assessments for Common Expenses due from, or any other default by, the Unit Owner of the mortgagee Condominium Unit.

Section 3. Notice of Default. The Board of Directors, when giving notice to a Unit Owner of a default in paying an assessment for Common Expenses or any other default, simultaneously shall send a copy of such notice to each Mortgagee of such Unit whose name and address had theretofore been furnished to the Board of Directors. Further, the Board of Directors shall send such Mortgagee written notice of any default by a Unit Owner which has not been cured within thirty (30) days after the delivery to such Unit Owner of the first notice of default.

Section 4. Notice of Damage, Etc.. The Board of Directors promptly shall notify the affected Mortgagee on any Unit of any damage to such Unit when such damage exceeds One Thousand Dollars (\$1,000.00), or of any damage to the Common Elements when such damage exceeds Ten Thousand Dollars (\$10,000.00), and of any condemnation or similar proceedings which may affect the Mortgagee.

Section 5. Notice of Change in Managing Agent. The Board of Directors shall give notice to all Mortgagees prior to or simultaneously with any change in the Managing Agent.

Section 6. Notice of Amendments. The Board of Directors shall give notice to all Mortgagees of any amendment to these Bylaws.

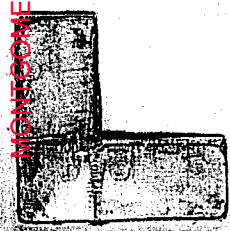
Section 7. Representation at Council Meetings. All Mortgagees or their representatives shall be entitled to attend meetings of the Council of Unit Owners and shall have the right to speak thereat.

ARTICLE VIII

Compliance and Default

Section 1. Relief. All Unit Owners shall be governed by and shall comply with all of the provisions of the Condominium Act, the Declaration, these Bylaws and the Rules and Regulations, as the same from time to time may be amended. Subject to the notice and hearing provisions of Section 11-113 of the Condominium Act, a default by a Unit Owner shall entitle the Council of Unit Owners, acting through its Board of Directors or through the Managing Agent, or, if appropriate, an aggrieved Unit Owner, to the following relief:

- (a) Legal Proceedings. An action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of assessments, any other relief provided for in these Bylaws, or any combination thereof, and any other relief available at law or in equity may be sought.





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of the Condominium Act or the Declaration. A modification or amendment once adopted and recorded as provided for herein shall then constitute part of the official Bylaws of the Condominium, and all Unit Owners shall be bound to abide by such modification or amendment.

Section 2. Notices. Except as otherwise may be provided in these Bylaws, all notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified United States mail first class, or postage prepaid, or otherwise as the Condominium Act may require or permit, (i) if to a Unit Owner, at the address that the Unit Owner shall designate in writing and file with the Council of Unit Owners, or if no such address is designated, at the address of the Unit of such Unit Owner or (ii) if the Council of Unit Owners, the Board of Directors or the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person, each such person who so designates an address in writing to the Council of Unit Owners shall be entitled to receive all notices hereunder.

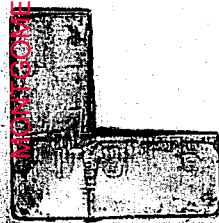
Section 3. Invalidity. The invalidity of any portion of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 4. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision hereof.

Section 5. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, and vice versa whenever the context so requires.

Section 6. Non-Interference With the Developer. Anything herein to the contrary notwithstanding and subject to any limitations imposed by the Condominium Act, and except as required to comply with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, or any other governmental or quasi-governmental agency insuring or involved in the making or purchasing or guaranteeing of Mortgages on any Unit, so long as the Developer has a right to expand the Condominium, no Bylaw amendment or Rule and Regulation shall be adopted that could, if adopted, unreasonably interfere with the sale, lease or other disposition of Unit(s) or that could abridge, modify, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to the Developer under the Declaration or these Bylaws or which would impose any discriminatory charge or fee against the Developer.

IN WITNESS WHEREOF, the Developer has caused these Bylaws to be





MEMPHIS COUNTY CIRCUIT COURT (Land Records) HMS 6583, p. 0108, MSA_CE63_6541. Date available 06/22/2009.

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duly executed on the ___ day of November, 1984.

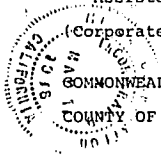
THE ANDEN GROUP, a California
general partnership

Attest:

By: MIDEN CORPORATION, a
general partner

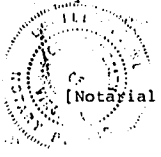
By: *Ronald Testa*
Ronald Testa,
Assistant Secretary

By: *James P. Joyce*
James P. Joyce,
Vice President



(Corporate Seal)
COMMONWEALTH OF VIRGINIA)
COUNTY OF FAIRFAX) ss.:

I, *Lucille L. Shear*, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that James P. Joyce and Ronald Testa, as Vice President and Assistant Secretary, respectively, of Miden Corporation, a general partner of The Anden Group, being by me first duly sworn, did depose and say that they, as such officers, are parties to the foregoing and annexed Bylaws and that the facts set forth in said Bylaws are true and correct; and they acknowledged to me that they, as such officers, executed the said Bylaws as the free act and deed on behalf of The Anden Group.



[Notarial Seal]

Lucille L. Shear
Notary Public

My Commission Expires: *April 6, 1987*



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SADDLE RIDGE, A CONDOMINIUM
The Town Homes of Rock Creek

EXHIBIT C TO DECLARATION

<u>UNIT & UNIT TYPE</u>	<u>SQUARE FOOTAGE</u>	<u>PERCENTAGE INTEREST*</u>
Unit numbered 3-18 Unit Type A	1532	1532/12,196
Unit numbered 3-17 Unit Type A-2	1521	1521/12,196
Unit numbered 3-16 Unit Type A-2	1526	1526/12,196
Unit numbered 3-15 Unit Type A	1531	1531/12,196
Unit numbered 3-14 Unit Type A	1526	1526/12,196
Unit numbered 3-13 Unit Type A	1523	1523/12,196
Unit numbered 3-12 Unit Type A-2	1523	1523/12,196
Unit numbered 3-11 Unit Type A-2	<u>1514</u>	<u>1514/12,196</u>
TOTAL UNITS - 8	12,196	12,196/12,196

*Percentage Interests are expressed as fractions, the numerator of which is the approximate square footage of the Unit and the denominator of which is the approximate square footage of all Units in the Condominium. In the event the Condominium is expanded, numerators for each Unit will remain the same but the denominator will increase. All Units are in Montgomery County, Maryland.