

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY
**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**
for
PARK OVERLOOK TOWNHOMES

THIS DECLARATION ("the Declaration") made this 2 day of April, 2004, by PDR Paradise, LLC, a Maryland limited liability Company (the "Declarant")

RECITALS

A. The Declarant owns a 24.2436 acre tract of land, more or less, located in the City of Hagerstown, Washington County, Maryland which is more particularly described on subdivision plats titled "Park Overlook Townhomes" consisting of 6 sheets recorded among the Plat Records of Washington County, Maryland in Plat Folios 7593 et seq. (the "Property").

B. The Declarant desires to subject the Property, and the lots located therein (the "Lots"), to the Covenants, Conditions and Restrictions set forth below which are for the purpose of protecting the value and desirability of the Property and the Lots, and are for the purpose of distributing among the Lot Owners the cost of maintaining and operating the Common Areas located within the Property, and any improvements constructed thereon.

C. The Declarant, hereby declares that the Property shall be held, sold and conveyed subject to the Covenants, Conditions and Restrictions set forth below.

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ARTICLE I
DEFINITIONS

- (a) "Association" means the Park Overlook Townhomes Association, Inc.
- (b) "Common Area(s)" means those areas of land, designated on recorded (or to be recorded) subdivision plats of the Property as "OPEN SPACE" including "FOREST CONSERVATION EASEMENT OPEN SPACE" and , intended to be owned by the Association and devoted to the common use and enjoyment of the owners of the Lots.
- (c) "Declarant" means PDR Paradise, LLC, a Maryland Limited Liability Company and any successor or assign thereof to whom it shall convey or otherwise transfer all of the rights, title and interest in the Property then owned by it, and to whom it shall expressly transfer, and assign all of its rights, title and interest under this Declaration, or any amendment or modification thereof.
- (d) "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property upon which it is intended that a dwelling unit be constructed. The term "Lot" shall not include Common Areas or outlots of property dedicated for public use.

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

(e) "Owner" means the person, or legal entity, or the combination thereof, including contract sellers, holding the record fee simple title to a Lot in the Property, as the Lot is now or may from time to time hereafter be created or established. If more than one person, or other legal entity or any combination thereof, holds the record title to any Lot, all of them shall be deemed a single record owner and shall be a single member of the Association by virtue of their ownership of the Lot. The term "Owner" shall not mean any contract purchaser, nor shall it include any mortgagee or other person or legal entity holding an interest in a Lot as security for the performance of an obligation.

(f) "Property" means all of the land shown on the "Plats of Subdivision" more particularly referred to in paragraph A of the Recitals to this Declaration.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION

All of the land described in Article I, paragraph (f) above, (the "Property") shall be transferred, held, sold, conveyed and occupied subject to this Declaration.

ARTICLE III
*MEMBERSHIP AND VOTING RIGHTS IN THE
ASSOCIATION*

SECTION 1

Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from the ownership of the Lot.

SECTION 2

The Association shall have two classes of voting membership:

Class A. Except for the Declarant (which shall initially be a Class B member), the Class A members shall be all of the Owners of the Lots. Each Class A member shall be entitled to one vote per Lot, for each Lot owned by it, in all proceedings in which action shall be taken by members of the Association.

The vote of any Class A member comprised of two or more persons, or other legal entities, or any other combination thereof, shall be cast in the manner provided for in the Articles of Incorporation of the Association, or as the several constituents may determine, but in no event shall all such constituents cast more than one vote per Lot for each Lot owned by them.

Class B. The Class B member shall be the Declarant. The Class B member shall be entitled to three votes per Lot for each Lot owned by it, in all proceedings in which action shall be taken by members of the Association.

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

The Class B membership in the Association shall cease and be converted to Class A membership in the Association on the seventh anniversary of the date of this Declaration or at such earlier time as the total number of votes entitled to be cast by Class A members of the Association equals or exceeds the total number of votes entitled to be cast by the Class B member of the Association.

ARTICLE IV
COMMON AREA**SECTION 1**

The Declarant shall grant and convey to the Association, and the latter shall take and accept from the Declarant, the Common Areas shown on a subdivision plat(s) of the Property which is subject to this Declaration. At the time of the conveyance the Common Area shall be free of any mortgages, judgment liens, or similar liens or encumbrances.

The Association shall hold the Common Area conveyed to it subject to the following:

(a) The reservation, to the Declarant, its successors, and assigns, of the beds, in fee, of all streets, avenues, and public highways shown on the subdivision plat(s) which includes the Common Area so conveyed.

(b) The reservation to the Declarant, its successors, and assigns, of the right to lay, install, construct, and maintain pipes, drains, mains, conduits, lines, and other facilities for water, storm sewer, sanitary sewer, gas, electric, telephone, cable television lines, and other public or quasi-public utilities on, over, under, and across the Common Areas together with the right and privilege of entering upon the Common Area for such purposes and making openings and excavations therein.

(c) The reservation to the Declarant, its successors, and assigns of the right to enter upon any Common Area conveyed to the Association for the purpose of construction or completing the construction of improvements and the landscaping of the Common Area.

(d) The reservation to the Declarant, its successors, and assigns, of the right to continue to use and maintain any storm water management ponds and any sediment control ponds or facilities located on any Common Area conveyed to the Association.

(e) The right of the Declarant, its agents, successors and assigns to the non-exclusive use of any Common Area for display and exhibit purposes and for the parking of sales and construction trailers, which right Declarant hereby reserves; provided, however, that such use shall not be for a period of more than five (5) years after the conveyance of the Common Area to the Association, or the sale of all the Lots which are improved by Dwelling Units within the Properties, whichever is earlier; provided, further, that no such use by Declarant or its agents, successors or assigns shall restrict the Members in their use and enjoyment of the Common Area or facilities thereon.

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CLERK OF CIRCUIT COURT
WASHINGTON COUNTY
SECTION 2

The Common Areas conveyed to the Association shall be deemed property and facilities for the use, benefit, and enjoyment, in common, of each Owner. Except as otherwise permitted by the provisions of this Declaration, no structure or improvement of any kind shall be erected, placed or maintained on any Common Area except: (i) structures or improvements designed exclusively for community use, including, without limiting the generality of the foregoing, shelters, benches, chairs, or other seating facilities, fences and walls, walkways, bicycle paths, roadways, parking, playground equipment, swimming pools, and tennis courts; and (ii) drainage, storm water, and utility systems and structures. The Common Areas may be graded, and trees, shrubs, or other plants may be placed and maintained thereon for the use, comfort, and enjoyment of the Owners, or the establishment, retention, or preservation of the natural growth or topography of the Common Areas, or for aesthetic reasons. No portion of any Common Area may be used exclusively by any Owner for personal gardens, storage facilities, or other private uses without the prior written approval of the Association.

SECTION 3

No noxious or offensive activity shall be carried on upon any Common Area nor shall anything be done thereon which will become an annoyance or nuisance to the neighborhood.

SECTION 4

The Association shall improve, develop, supervise, manage, operate, examine, inspect, care for, repair, replace, restore, and maintain the Common Areas as from time to time improved, together with any items of personal property placed or installed thereon, all at its own cost and expense.

SECTION 5

The right of each Owner to use the Common Areas shall be subject to the terms, conditions, and provisions as set forth in this Declaration and, to any rule or regulation now or hereafter adapted by the Association for the safety, care, maintenance, good order, and cleanliness of the Common Areas. All such terms, conditions, provisions, rules, and regulations shall inure to the benefit of and be enforceable by the Association and the Declarant, or either of them, their respective successors and assigns, against any Owner, or any other person, violating or attempting to violate the same, either by an action at law for damages or a suit in equity to enjoin a breach or violation, or to enforce performance of any term, condition, provision, rule or regulation. The Association and the Declarant shall each have the right, summarily, to abate and remove any breach or violation by any Owner at the cost and expense of the Owner.

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY**ARTICLE V****PROPERTY RIGHTS IN THE COMMON AREAS****SECTION 1**

The Declarant shall hold, and hereafter grant and convey the Lots, subject to the covenants, conditions, and restrictions herein set forth, which are imposed upon the Lots for the benefit of the Declarant, the Association and the Owners, and their respective personal representatives, successors and assigns, to the end and intent that each Owner hold his Lot subject to the following:

Each Owner, in common with all other Owners, shall have the right and privilege to use and enjoy the Common Areas for the purposes for which the same were designed. This right and privilege shall be appurtenant to and pass with the title to the Lot. The right to the use and enjoyment of all Common Areas shall be subject to: (i) the right of the Association to charge reasonable admission and other fees for use of facilities within the Common Areas; and (ii) the right of the Association to suspend the voting rights and rights to use the Common Areas by an Owner (a) for any period in which any assessment against his Lot remains unpaid, or (b) for a period not to exceed sixty (60) days for any infraction of published rules and regulations of the Association.

Notwithstanding anything to the contrary set forth herein, under no circumstances shall the rights of an Owner to ingress and egress to his Lot and access to parking for his vehicle be restricted.

SECTION 2

Any Owner may delegate, in accordance with Bylaws of the Association, his right to the use and enjoyment of the Common Areas, and any facilities thereon, to the members of his family, his tenants, or to contract purchasers who reside on his Lot.

SECTION 3

Each Owner shall fully and faithfully comply with the rules, regulations, and restrictions applicable to use of the Common Areas, as these rules, regulations, and restrictions are from time to time adopted by the Association for the safety, care, maintenance, good order, and cleanliness of the Common Area. Each Owner shall comply with the covenants, agreements, and restrictions imposed by this Declaration on the use and enjoyment of the Common Area.

SECTION 4

The rights, privileges, and easements of the Owners are at all times subject to the right of the Association (i) to dedicate or transfer all or any part of any Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed upon by the Association; provided, however, that no such dedication or transfer shall be effective unless approved by a two-thirds (2/3) vote of each class of members of the Association voting in person or by proxy at a meeting called for such purpose, and the same shall have been consented to by the agency, authority,

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

or utility accepting the dedication or transfer; and, (ii) mortgage all or any part of the Common Area; provided, however, that no such transfer by mortgage shall be effective unless approved by a two-thirds (2/3) vote of each class of members of the Association voting in person or by proxy at a meeting called for such purpose.

ARTICLE VI
COVENANT FOR ASSESSMENT**SECTION 1**

The Declarant, for each Lot owned by it within the Property, hereby covenants, and each Owner, by acceptance of a deed hereafter conveying any such Lot to him, whether or not so expressed in the deed or other conveyance, shall be deemed to have covenanted and agreed to pay the Association (i) annual assessments or charges; and (ii) special assessments or charges for capital improvements, such annual and special assessments and charges to be established and collected as hereinafter provided. The annual and special assessments or charges, together with interest at the rate of twelve percent (12%) per annum accruing from their due date until payment is made, and the costs of collection thereof and reasonable attorney's fees, shall be a charge on, and continuing lien upon each Lot against which an assessment is made. Each assessment or charge, together with interest at the rate of twelve percent (12%) per annum accruing as aforesaid, and costs and reasonable attorney's fees incurred or expended by the Association in the collection thereof, shall also be the personal obligation of the Owner of the Lot. The personal obligation for any delinquent assessment or charge, together with interest, costs, and reasonable attorney's fees, however, shall not pass to the Owner's successors in title, unless expressly assumed by them.

SECTION 2

The assessments and charges levied by the Association shall be used exclusively for promoting the recreation, health, safety, and welfare of the residents of the Property, and in particular for the improvement, operation, and maintenance of the Common Areas, including, but not limited to, the payment of taxes (except to the extent that proportionate shares of such public charges and assessments on the Common Areas may be levied against all Lots on the Property by the tax collecting Authority so that the same are payable directly by the Owners thereof, in the same manner as real property taxes assessed or assessable against the Lots) and insurance thereon.

SECTION 3

Until December 31st of the year in which the first Common Area is conveyed to the Association, the annual assessment shall be \$360.00 per Lot which shall be the maximum annual assessment for that year. Thereafter, the maximum permissible annual assessment may be increased each year by ten percent (10%) of the maximum permissible annual assessment for the previous year without the necessity of a vote of the membership of the Association. The maximum permissible annual assessment may be increased above the ten percent (10%) limitation specified in the preceding sentence only by a

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

vote of two-thirds (2/3) of each class of members of the Association, voting in person or by proxy, at a meeting called for such purpose.

The Board of Directors of the Association may fix the annual assessment against each Lot at any amount not in excess of the maximum permissible annual assessment applicable to that year without the necessity of a vote of the membership of the Association.

Notwithstanding anything elsewhere set forth herein, there shall be no annual assessments or charges made or levied against any Lot owned by the Declarant or the builder to whom Declarant may transfer a lot for the construction of a dwelling unit; it being intended that annual assessments or charges for each Lot shall commence upon the transfer of the Lot to a Class A member.

SECTION 4

In addition to the annual assessments authorized above, the Board of Directors of the Association may levy in any year, a special assessment, applicable for that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of any capital improvement located on any Common Area, including fixtures and personal property related thereto, provided that such assessment shall first be approved by two-thirds (2/3) of the votes of each class of the members of the Association, voting in person or by proxy at a meeting called for such purpose.

SECTION 5

Except as provided in Section 3 of this Article, and in Section 7 of this Article, annual assessments must be fixed at a uniform rate for all Lots.

SECTION 6

Written notice of any meetings of members of the Association called for the purpose of taking any action authorized under Sections 3 or 4 of this Article where a meeting of the members is necessary to take such action, shall be sent to all members not less than fifteen (15) days, nor more than sixty (60) days, in advance of the meeting.

SECTION 7

The annual assessment for each Lot shall commence on the first day of the month following the conveyance of the Lot to a Class A member; and the amount of the assessment for that first year shall be an amount which bears the same relationship to the annual assessment provided for in the first sentence of Section 3 of this Article as the remaining number of months in that year bear to 12. Thereafter the annual assessment for each Lot owned by a Class A member shall be on a calendar year basis and become due and payable on the first day of January of that year. The Board of Directors of the Association may allow the assessments to be paid in monthly installments.

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

The due date under any special assessment under Section 4 shall be fixed in the resolution authorizing the special assessment; however, such due date shall be at least forty-five (45) days after the date of such resolution.

SECTION 8

The Board of Directors of the Association shall fix the date of commencement and the amount of the annual assessment against each Lot for each assessment period at least sixty (60) in advance of the due date for the payment thereof and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

If an annual or special assessment is not paid on the due date, the assessment shall be delinquent, incurring a late charge of fifteen dollars (\$15) and shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or may foreclose the lien against the Lot for such assessment, and there shall be added to the amount of such assessment the reasonable costs of preparing and filing the action, and in the event that judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorneys' fees to be fixed by the Court together with the costs of the action. Each Owner of a Lot shall by accepting title thereto be deemed to have assented to the passage of a decree for the foreclosure of any lien upon his Lot which results from his failure to pay an assessment on the due date thereof.

SECTION 9

The lien of the assessments provided for herein shall be subordinate to any mortgage or deed of trust hereafter placed upon the Lot subject to assessment; provided, however, that the sale or transfer of any Lot pursuant to mortgage or deed of trust foreclosure, or any proceeding in lieu thereof, shall only extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. Such sale or transfer shall not relieve the Lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Lot.

SECTION 10

At the time when a lot improved with a dwelling is first conveyed, the initial purchaser shall pay to the Association a non-refundable contribution to the Association's working capital fund in an amount equal to twice the monthly assessment rate currently being levied against the Lots. This payment shall be in addition to and shall not be credited towards the general assessment due from each Owner. The working capital fund shall be used by the Association to assist in defraying its initial and ongoing operating expenses.

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

ARTICLE VII

REPAIR AND MAINTENANCE OF LOTS

The Owner of each Lot shall keep the Lot, and the buildings and other improvements thereon, in good order and repair, and free of debris. Lawns shall be seeded and mowed, shrubbery trimmed, and painted exterior surfaces repainted, all in a manner and with such frequency as is consistent with good property management. In the event the Owner of a Lot shall fail to maintain the Lot and the buildings and other improvements thereon as provided herein, the Association, after notice to the Owner and with the approval of the Board of Directors, shall have the right to enter upon the Lot to perform such work as is reasonably required to restore the Lot and the buildings and other improvements thereon to a condition of good order and repair. All costs incurred by the Association in connection with the restoration shall be reimbursed to the Association by the Owner of the Lot, upon demand. All unreimbursed costs shall be a lien upon the Lot until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid assessment levied in accordance with Article VI of this Declaration.

ARTICLE VIII

PARTY WALLS, ENCROACHMENTS AND EASEMENTS

SECTION I

Each wall which is built as a part of the original construction of the Dwelling Units and placed on or within six (6) inches of the dividing line of the land between two (2) Dwelling Units or a Dwelling Unit and the Common Area shall constitute a party wall; and, to the extent not inconsistent with the provisions of this Article, the general rules of Maryland Law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Each wall which is built as part of the original construction of a Dwelling Unit in a group of townhouses which constitutes an exterior wall of the unit, and is situated on or within six (6) inches of the property line common to the unit and to the Common Area shall constitute a party wall, and a valid easement over and upon the community property running to the benefit of the Owner of such Unit shall and does hereby exist for such encroachment, so long as it stands. In the event that any one or more of the Dwelling Units in a townhouse community is partially or totally destroyed and is then rebuilt in substantially the same location, and as a result of such rebuilding any portion of the said Dwelling Unit encroaches upon the community property, a valid easement for such encroachment and for the maintenance thereof, so long as it stands, shall be and does exist.

Due to architectural characteristics of certain Dwelling Units within the Association, Declarant hereby declares that all townhouses located therein shall be subject to easements as hereinafter set forth. Each Owner who shares a party wall, or common wall with another Owner of such a unit automatically grants an easement to the Declarant, the Association, the adjoining Owner and their agents, employees or designees for access to the roof area of such Dwelling Unit for the purpose of inspection, maintenance and repair of such roof surfaces and which easement shall permit the Declarant, the

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

Association, the adjacent Owner and their agents, employees and designees access at reasonable hours for such purposes. This provision of easement is for the purpose of mutual protection of the Dwelling Units of adjacent Owners from damage or possible damage to the units resulting from roof leakage from or into adjacent units.

The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use. Any Owner shall have the right to go on the property of any adjoining Owner for the purpose of the reasonable repair and maintenance.

If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Notwithstanding any other provisions of this article, an Owner who by his negligent or willful act causes the party wall that has been used for that purpose to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

The right of any Owner to contribution from any other Owner under these party wall provisions shall be appurtenant to the land and shall pass to such Owner's successors in title.

The Association shall make such rules and regulations concerning party walls as it considers necessary and proper.

In the event of any dispute arising concerning a party wall, or under the provisions of this article, the Owners involved in such dispute shall submit the matter to the Board of Directors of the Association for decision. A ruling by the majority of the Board of Directors regarding any question involved under this article shall be final and conclusive.

SECTION 2

Each bay window, cornice, sill, belt course (or similar ornamental feature), air intake or entrance way or chimney which is a part of the original construction of a Dwelling Unit may project into, over or upon the Common Area to the extent permitted for such projections into required yard areas as defined in the applicable local Zoning Ordinance, as the same may be amended from time to time.

The Declarant, for itself, its successors and assigns, hereby declares that the rake board on the gable end of one unit may overlap the air space above an adjacent unit or adjacent Common Area and in such cases each such unit shall have the benefit of and be burdened with a perpetual easement to the extent that such overhang exists and where applicable, the adjacent Common Area shall be burdened with a perpetual easement to the extent that such overhang exists.

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY
SECTION 3

In order to provide Dwelling Units with underground utility lines, it may be required from time to time that two (2) Dwelling Units be served with a common service entrance line. Owners of Lots with such lines agree to cooperate fully with the utility companies concerned therewith for all maintenance, repair and other measures as may be necessary to provide adequate and proper services to the Owners thereby.

ARTICLE IX
USE RESTRICTIONS

The following shall be restrictions on the use of the Property and the Lots which shall run with and bind the land:

(a) Uses. The Lots shall be used for residential purposes exclusively, except that a "no-impact home-based business" may be maintained in a dwelling, provided that (i) such maintenance and use is in compliance with §11B-111.1 of the Maryland Homeowners Association Act (the "Act") regarding no-impact home-based businesses and applicable zoning laws, ordinances or regulations; (ii) such maintenance and use shall be prohibited in any Common Areas; and, (iii) such maintenance and use does not involve any visitation of the Lot or dwelling unit whatsoever by clients, customers or suppliers or door-to-door solicitation of the residents of the Property. Nothing contained in this Article, or elsewhere in this Declaration shall be construed to prohibit the Declarant from the use of any Lot or dwelling or improvement thereon, for promotional or display purposes, or as "Model Homes," a sales and/or construction office, or the like, or to the extent mentioned in Article IV.

"Family day care homes" may be maintained in a dwelling, by the Owner of the dwelling, only and provided that (i) the Owner as the "day care provider" notifies the Association before opening a family day care home and has registered the use with all applicable state and local agencies; (ii) the use is in compliance with all laws, regulations, including applicable zoning laws, ordinances and regulations and Title 5, Subtitle 5 of the Family Law Article; (iii) the Owner pays a fee to the Association, as established by the Association, for the use of the Common Areas; and (iv) the Owner provides the liability insurance described under §§19-106 and 19-202 of the Insurance Article. In accordance with the Act when the lot owners, other than the developer, have 90% of the votes in the Association, they may prohibit the use of a residence as a family day care home.

(b) Activities. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereupon which may become a nuisance to the neighbors.

(c) Antennae. No rooftop television, amateur radio, citizens band (CB) or other antenna shall be permitted; except that one (1) satellite dish of not more than eighteen (18) inches in diameter will be permitted on any Lot subject to the approval of the Board of Directors of the Association or the Architectural Review Committee.

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

(d) **Parking.** No boats, boat trailers, trailers, recreational vehicles, buses, trucks of a capacity of one (1) ton or more, or unlicensed, junked or inoperative vehicles may be parked on the streets, Common Areas or Lots for more than twenty-four (24) hours, or on a regular basis. The Board of Directors may designate a specific parking area for boats, boat trailers, trailers and recreational vehicles only which shall be adequately screened from nearby residences. The Association shall have the right to establish a fee to be charged to those Lot Owners who utilize said parking area to cover the cost of operating and maintaining same. Notwithstanding anything to contrary set forth herein, the Board may allow the parking of vans over the capacity of one (1) ton if such vans are used for van pool operations as defined in The Transportation Article of the Annotated Code of Maryland, as amended. In allowing the parking of such vans, the Board may restrict its location to a particular area or designated space in the common parking areas or may place other restrictions on the parking of such vehicles, which the Board deems appropriate.

For townhouse units with garages the following additional restrictions shall apply:

Each Lot has two (2) parking spaces; one space inside the garage and one on the driveway or apron in front of the garage. Owners are to use these two parking spaces for the parking of their vehicles and shall not park on the streets and common parking areas which are reserved for visitors parking. No garage shall be converted into living space nor shall it be used for storage to the extent that a vehicle cannot be parked in the garage.

(e) **Temporary Buildings.** No temporary building, trailer, garage or building in the course of construction shall be used, temporarily or permanently, as a residence on any Lot.

(f) **Signs.** No sign of any kind other than those of the Declarant, the builder or their designated agent shall be displayed to the public view on any Lot, except that one (1) sign of not more than four (4) square feet advertising that Lot for sale or rent will be permitted.

(g) **Sheds.** Storage sheds may be erected only if the roofing and siding materials used match that of the existing house or unit.

(h) **Animals.** No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that one (1) dog and/or one (1) cat, and other household pets may be kept if maintained in accordance with the duly adopted Rules and Regulations of the Association; and, provided, further, that they are not kept, bred or maintained for any commercial purpose.

(i) **Trash.** No lumber, materials, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any Lot except building materials during the course of construction, maintenance or repair of any approved structure by the Declarant. Lot Owners may store materials for construction, repair or maintenance provided such storage is approved by the Architectural Control Committee. Trash, garbage or other waste shall not be kept except in sanitary containers and such shall

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

not be permitted to remain in public view except on days of trash collection. All containers or other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. If a central trash collection area is designated by the Association, then these areas will be under the control of the Association and all members will abide by the current regulations regarding the use of these trash enclosures.

(j) Sales Operations. The Declarant, builder or its designated agent may employ whatever means are appropriate in its sole discretion to sell its lots and homes (including the use of the Common Areas and the use of "model" homes) and may continue its sales operations in the same manner until all its lots and homes in the subdivision are sold.

(k) Utility Easements. Easements over the Properties for the installation and maintenance of lines and facilities for electric, telephone, cable television, water, gas, drainage, sanitary sewer and the like are hereby reserved by Declarant, together with the right to grant and transfer the same during such time that Declarant is the owner of the Property. Declarant also reserves the right to enter into the Common Area for the purpose of completing the improvements thereon, and on the Lots for the further purpose of carrying out any obligations which it may have or assume with respect to the curing of any defects in workmanship or materials in the Property or the improvements thereon.

(l) Clothes Lines. No clothing or any other household fabric shall be hung in the open on any Lot unless hung from a device which is removed from view when not actually in use.

ARTICLE X
ARCHITECTURAL REVIEW COMMITTEE

From and after the completion of construction and first sale and settlement of a Dwelling Unit within the Property by the Declarant, its successors or assigns, no building, fence, wall or other structure shall be commenced, erected or maintained within the Property nor shall any exterior addition to or change or alteration therein be made until the plan and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to the harmony of external design and location thereof in relation to surrounding structures and topography by the Board of Directors of the Association or by the Architectural Review Committee composed of three (3) or more persons appointed by the Board. In the event said Board, or its designated Committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. The Association shall have the right to charge a reasonable fee for reviewing each application in an amount not to exceed \$25.00. Approval of such plans and specifications by the Board or by its appointed Architectural Review Committee shall not be deemed a certification of structural adequacy nor an assumption of any responsibility on the part of the Board for any damages or claims arising out of the implementation of such plans by any Owner. Provided further that nothing herein contained shall apply to any buildings, fences, walls, or other structures commenced, erected, maintained or to be erected upon land within the Property as long as title to such land is held by the Declarant, its successors or assigns.

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

ARTICLE XI
GENERAL PROVISIONS

SECTION 1

The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restriction, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

SECTION 2

Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions which shall remain in full force and effect.

SECTION 3

The covenants and restrictions of this Declaration shall run with and bind the Property for a term of forty (40) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless, prior to the expiration of the then current term, a written instrument shall be executed by the then owners of seventy-five percent (75%) of the Lots stating that this Declaration shall expire at the end of the then current term. This Declaration may be amended by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots. Any amendment must be recorded among the Land Records of the jurisdiction referred to in the Recitals to this Declaration.

SECTION 4


Anything set forth in Section 3 of this Article to the contrary notwithstanding, the Declarant shall have the absolute unilateral right, power, and authority to modify, revise, amend, or change any of the terms or provisions of this Declaration, all as from time to time amended or supplemented.

IN WITNESS WHEREOF, the undersigned being the Declarant herein has hereunto caused the execution of these presence on the day and year first above written.

ATTEST:

PRIMUS LAND, INC., Managing Member of
PDR Paradise, LLC




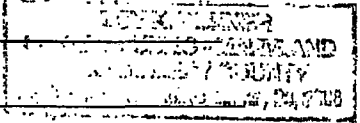
By:  (SEAL)
Maher N. Kalajian, President

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

STATE OF MARYLAND, COUNTY OF Washington, TO WIT:

I HEREBY CERTIFY, that on this 2nd day of April, 2004, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared **Maheer N. Kilajian**, who acknowledged himself to be the President of Primus Land, Inc., a Maryland corporation and the Managing Member of PDR Paradise, LLC, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the within instrument for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and Notarial Seal.


Notary Public
My Commission Expires: 

CONSENT OF BENEFICIARY AND TRUSTEES

The undersigned Trustees, Trustees pursuant to a Deed of Trust dated 19 March 2003 and recorded in Liber 1960, folio 663, among the Land Records of Washington County, Maryland, made by PDR Paradise, LLC, Grantor therein, and Bank of America, N.A., Beneficiary, do hereby consent to the terms of this Declaration of Covenants, Conditions and Restrictions for the Park Overlook Townhomes and subordinate the aforesaid Deed of Trust to the legal operation of and effect of this Declaration.

ATTEST: BANK OF AMERICA N.A., Beneficiary

Elaine M. Selman By: Beth A. Nalyvaiko (SEAL)
Name: Beth A. Nalyvaiko
Title: Vice President

Elaine M. Selman Karen H. Morgan (SEAL)
Karen H. Morgan, Trustee

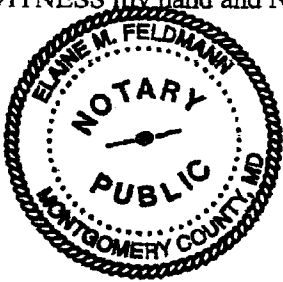
Elaine M. Selman Marc J. Blumenstein (SEAL)
Marc J. Blumenstein, Trustee

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY

STATE OF MARYLAND, COUNTY OF Montgomery, TO WIT:

I HEREBY CERTIFY that on this 26th day of April, 2004, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Beth A. Galyvayko, who acknowledged himself/herself to be the Vice President of Bank of America, N.A., known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he/she executed the foregoing for the purposes therein contained as the duly authorized Trustee of said Bank of America, N.A.

WITNESS my hand and Notarial Seal.

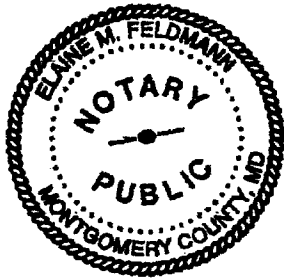


Elaine M. Feldmann
Notary Public
My Commission Expires: April 11, 2006

STATE OF MARYLAND, COUNTY OF Montgomery, TO WIT:

I HEREBY CERTIFY that on this 26th day of April, 2004, before me, the Subscriber, personally appeared Karen H. Morgan, Trustee, who acknowledged that she executed the foregoing instrument for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

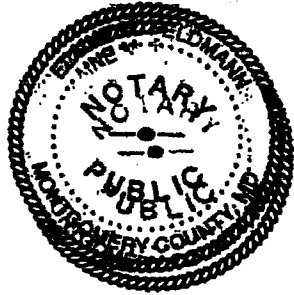


Elaine M. Feldmann
Notary Public
My Commission Expires: April 11, 2006

CLERK OF CIRCUIT COURT
WASHINGTON COUNTY
STATE OF MARYLAND, COUNTY OF Montgomery, TO WIT:

I HEREBY CERTIFY that on this 26th day of April, 2004, before me, the
Subscriber, personally appeared Marc J. Blumenstein, Trustee, who acknowledged that he executed the
foregoing instrument for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.



Elaine M. Alderman
Notary Public
My Commission Expires: April 11, 2006

CERTIFICATION

I hereby certify that I am an attorney duly admitted to practice before the Court of Appeals of Maryland
and that this Declaration was prepared under my supervision.

[Signature]
Harry T. deMoll

w:\pdr\paradise, llc\covenants conditions & restrictions.wpd

After recording, please return to:

Harry T. deMoll
129 West Patrick Street, # 3
Frederick, MD 21701