

Rules and Regulations

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MISSION STATEMENT: *The Chestnut Hill Condominium Association Board is an elected body of volunteers whose purpose is to build a strong community by managing assets, ensuring compliance with covenants and by-laws, and preserving property values of owners.*

GOALS/RESPONSIBILITIES:

1. Managing assets:

- Quarterly review of association bills and receipts
- Monthly review of bank statements
- Supervise the selection and approval of contracts for service providers
- Create and maintain an annual budget, determine monthly condo fees
- Establish and secure reserve funds
- Select an auditor, attorney, insurance agent, management company, and other professionals for the association

2. Ensure compliance with covenants/by-laws:

- Arbitrate disputes
- Hold hearings/ authorize legal action against owners who don't comply
- Schedule monthly meetings to hear homeowners' comments, dispatch old business, consider new business
- Hold annual elections

3. Preserve property values of owners:

- Monitor management company's performance and provide feedback
- Facilitate issues of building maintenance, grounds management, upkeep and repair of common property areas
- Authorize common area improvements
- Provide adequate coverage for insurance through the condominium's master policy

The following information may be helpful to our community members, and is accurate as of the date of publication of this handbook:

The Board of Directors meets the third Monday of every month at 7:00 p.m. in the clubhouse (with the typical exception of the months of August and December). Attendance at Board Meetings is open to all community members and a specific time at each meeting is dedicated for comments from the community. Occasionally, the board will meet in closed session, typically only to discuss personnel matters and current or pending litigation.

Maintenance requests and complaints should be submitted to the management company, not to a member of the Board of Directors.

Property Management: Residential Realty Group

3600 Crondall Lane, Suite 103
Owings Mills, MD 21117

Property Manager: Nancy Allen

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Architectural Rules & Regulations

Architectural Standards Committee

The Association By-Laws specify that Unit Owners may not make any alterations to the exterior of their Unit or to the General or Limited Common elements without the review and written approval of the Board of Directors (Article XI, Section I). The By-Laws further empower the Board to establish an Architectural Standards Committee to assist in the review of Unit Owner requests and in establishing standards for the community. Standards that have been established appear below.

It is required that any Unit Owner considering any installation, modification, replacement, or any other alteration of any type, submit a request for approval in writing to the Association's management company. Unit Owners will be required to remove items that were installed if they fail to secure approval and their alterations fail to meet Chestnut Hill's Architectural Standards. This requirement applies to but is not limited to the following items:

Terraces and Balconies. Unit owners will keep balconies and patios neat, tidy, and clear at all times and will not store, hang, or drape rugs, towels, laundry, wash or other household items on the railings or other portions of said balconies or patios. Owners will only use balcony or patio furniture and will not store or keep other miscellaneous items on balconies or patios. Owners shall not sweep dirt, rubbish, trash, or other items from the balconies which would in any way annoy unit owners below. (1985)

Patio/Balcony Lights. Strict adherence to the By-Laws Article II, Section I must be maintained, which states that all proposals must be submitted in writing and in full detail for Board approval prior to installation.

- A. Temporary: Light which is plugged in to provide light for a short period of time. No approval required.
 - 1. No size limit
 - 2. No color limit
 - 3. Limited to 24 hour period
 - 4. Exception only for seasonal decorating lights such as Christmas Lights (November 15-January 15)
 - 5. Suggested care to be taken to prevent fire and electrocution due to wet conditions.
- B. Permanent
 - 1. Installation of these units should be done by a qualified installer in accordance with Baltimore County Codes.
 - 2. No so-called "temporary-permanent" type installation will be allowed (lights which are fixed to the wall but plugged into supply power).
 - 3. Brightness limited to 3 (three) 60 watt bulbs total for each patio.
 - 4. Color of bulbs will be limited to white, clear, and yellow bug bulbs.
 - 5. Size:
 - a) Wall installation: 8" width, 20" length, 9 ½" height
 - b) Ceiling installations: 8" width, 10" length, 5" height (hanging fixtures not allowed)
 - 6. Location:
 - a) Wall 5 (five) feet from floor, 1 (one) foot from sides of glass doors.
 - b) Ceiling – centered both ways. Not recommended for terrace and first floor patios.

7. Strict adherence to the By-laws Article II, Section I will be maintained, which stated all proposals to be submitted in writing and in full detail for Board approval prior to installation. (1985)

Bird Feeder/Squirrels. Bird feeders are not permitted on patios, balconies, common or limited common elements as they tend to attract bugs and rodents. Feeding of squirrels is also prohibited for the same reasons. (2010)

Plants. Only plants that are alive and in good condition and that by virtue of their number, size, and weight do not exceed safe loading requirements of the balcony structure are permitted. (1985)

Firewood. Firewood may be stored, not to exceed 1/3 cord of wood and stacked in a metal rack so as not to fall or tumble over the balcony or present an unsafe condition or unattractive appearance. Unit owners are liable for any damage or personal injury which may result from the storage and/or handling of wood. (1985)

Window Coverings. There will not be a color restriction. All windows must have suitable coverings. Such coverings are defined as curtains, draperies, shades, or blinds. (1985)

Exterior Shades. Exterior shades are not permitted. (2008)

Wind Chimes. Wind chimes may be of any material with a maximum of 1 (one) set per balcony or patio. (1995)

Air Conditioners. A 2 (two) inch perimeter on all 4 (four) sides of the existing brick may be created to accommodate replacement units. (1995)

Doorbells. Doorbells may be installed after recommendations of the Architectural Standards Committee and approval by the Board. The doorbell is to be placed on the door, no more than 5" centered beneath the door knocker and be no longer than 2" by 2 1/2", extending 3/8" beyond the door. The door plate is to be shiny brass.

Unit owners may instead install a wireless doorbell with multi-security codes (minimum of 12 security codes). Exterior push buttons for such doorbells are to be installed using the double stick tape provided with the unit on the exterior frame of the door at a height of 55 inches. If, after testing the push button on the frame, it is determined that such placement is causing interference, the push button may be mounted on the brick using the same double stick tape at the same height of 55 inches. It is the responsibility of new users of these types of doorbells to configure their security code so as to not interfere with similar doorbells previously installed by their neighbors. Installation of this type of doorbell will not require the removal of any previously installed doorbell at that Unit. (2000)

Flowers. Flowers, not to exceed 18" in height may be planted not to exceed 12" from the patio walls, if so recommended by the Architectural Committee and approved by the Board. (1990)

Landscaping. In an effort to maintain uniformity throughout the community, landscaping edging used on terrace levels must have written approval by the Board of Directors. Under no circumstances will any type of fencing be allowed on the property. If you already have some type of edging, you will be required to maintain it in an appropriate manner. If you have special needs which would necessitate a wider or higher bed than previously approved, plans must be submitted in writing prior to any planting to insure that proposed changes would be an asset to the community. (1995)

Pet Protectors. Wire installation on middle and upper level balconies must be mill-finished wire, with a maximum height of three feet from the base of the balcony floor to the top of the

railing. The wire must run the full length and width of the balcony railing. The wire ties used to affix the protector to the existing railing must be the same silver color. (1995)

Recreational Activities. Bicycle riding, skating, skate boarding, Frisbee, ball playing, and the like are not permitted on common elements. **Parents are responsible for supervising their children at all times.** Toys, camping equipment, strollers, bicycles, etc. may not be left in common areas such as hallways, storage rooms, sidewalks or parking spaces. **Only bicycles** may be stored on balconies or patios in a neat, upright, and orderly manner.

Bedroom Window and Sliding Glass Door Replacement.

All bedroom window replacements must be:

- Approved in writing by the Board of Directors prior to purchase and installation.
- Dark brown color on the outside
- Two equal size sliding panels that fill the opening with no fillers.
- Either vinyl (PVC) or aluminum
- No changes may be made to the existing opening.
- Windows must have an appropriate screen.
- All windows in the unit must be replaced at one time.

All sliding glass doors must be:

- Approved in writing by the Board of Directors prior to purchase and installation.
- Dark brown color on the outside
- Two or three equal size panels with no fillers on the sides.
- Either Vinyl (PVC) or aluminum.
- Door must have a screen the size of one of the openings.
- If the door is 3 panels, only one panel may be open. It does not matter which one.
- No changes may be made to the existing opening.

Outdoor Grilling. Pursuant to Section F-102 Rules and Regulations of the Baltimore County Fire Prevention Code, the following regulation is promulgated for the public safety and general welfare of the citizens of Baltimore County, Maryland:

The use and storage of any open flame type cooking device or appliance is strictly forbidden on any balcony or patio or within fifteen (15) feet of any commercial or multifamily residential building.

This regulation is a clarification of existing law, Section F-307.4 of the Baltimore County Fire Prevention Code (Law No. 14-89). It specifically is intended to include any propane, charcoal grills, boilers, hibachis, and similar open flame devices.

It has been determined that the storage of flammable liquids and gases to produce open flame for cooking is an unacceptable risk to the safety of multifamily and commercial residents. It also poses a serious and fatal threat to firefighters and rescue workers while working at the scene of an emergency in these buildings.

Only Electric grills are permitted on balconies and patios. (1993)

Fireplace Maintenance. In order to protect Chestnut Hill from potential hazards, please adhere to the following maintenance policy established by the Board of Directors in 1986 concerning chimneys.

1. At least once annually, no later than October 15, all unit owners having a fireplace shall furnish to the management company, a copy of a paid bill from a recognized chimney sweep company stating that their chimney has been professionally cleaned **regardless of whether the fireplace has been used or not during the previous year.**
2. If the fireplace is used regularly, the chimney should be inspected and/or cleaned as required every sixty (60) days during the heating season. A copy of the paid bill for this work must also be sent to the management company. (1986)

Electrical Maintenance. Should you experience flickering lights or other unusual electrical conditions in your Unit, please contact your electrician. Very often these conditions are caused by loose connections at your breaker panel or switches and receptacles throughout your Unit. Please note that aluminum wiring has been used throughout Chestnut Hill and your electrician, therefore, needs to follow the practices and procedures established for such wiring. Additionally, should it become necessary to replace receptacles or switches or other electrical devices, the type designed especially for aluminum wiring must be used. Since the repairs of aluminum wiring require specialized knowledge and specialized parts and equipment, these types of repairs are not for "Do-It-Yourselfers." (1995)

Satellite Dishes and Antennas. FCC ruling for condominiums limits the installation to balconies and terraces. In the case of satellite TV, many units will not get reception because their balcony/terrace faces the wrong direction. There are also a lot of trees that interfere with signals. Written Board approval is still needed for how the dish/antenna will be installed. No satellite dish or antenna may be installed in or on any General Common Elements including roofs, exterior walls and outside windowsills. Unit owners may not make any holes in or through any wall, roof, balcony railing or glass. No part of the antenna or dish may extend beyond the Unit Owner's balcony railing or the end of the Unit's terrace.

The rules currently in effect prohibit restrictions that impair the installation, maintenance, or use of small antennas used to receive video programming. These antennas include DBS satellite dishes that are less than one meter (39") in diameter, TV antennas and antennas used to receive MMDS (multichannel multipoint distribution—or wireless cable).

In the case of a condominium, all property is considered to be common area except for the air space of the units and those portions designated as limited common elements (in which the unit owner enjoys the exclusive right of use and possessions such as a patio or balcony).

In other words, condominiums may restrict satellite dishes except only dishes that are installed within the boundaries of a unit or in the owner's limited common elements.

Even if the FCC rules do apply to the association, reasonable restrictions are allowed. Declaration restrictions and rules and regulations dealing with architectural control concerns or placement of antennas are still permitted if they are reasonable (that is, they do not unreasonably delay or prevent installation or use, or unreasonably increase the cost of an antenna). The association has the burden of proof to demonstrate that any restrictions are reasonable under the FCC rules.

In accordance with Article X, Section 3(k) of the By-Laws of Chestnut Hill Condominium, a Unit owner may install for his or her personal use an individual satellite dish or traditional stick-type antenna by agreeing to follow the terms and conditions set forth below.

1. Unit owner assumes all risks of the installation of a satellite dish or antenna, including all risks of improper installation, and agrees to indemnify the Council of Unit Owners, the Board of Directors, the Management Agent, and all others who may be claimed to be

liable, and hold them harmless of and from any and all liabilities whatsoever arising, directly or indirectly, from Unit Owner's installation, usage, or removal of a satellite dish or antenna.

2. Unit Owner will strictly abide by the rules set forth in this addendum and any further rules, policies, procedures or regulations which may be prescribed by the Board of Directors at any time concerning satellite dishes or antennas.
3. Unit Owner will obtain insurance with comprehensive personal liability coverage with a combined single limit of at least five hundred thousand dollars (\$500,000) with no exclusion for property damage or bodily injury caused by electronic equipment such as satellite dishes or antennas.
4. A satellite dish may not exceed one meter in diameter. It (or a traditional stick-type antenna) may be installed only on a Unit's balcony, balcony railing or terrace, provided that the installation must be entirely within the Unit or a Limited Common Element binding thereon. No satellite dish or antenna may be installed in or on any General Common Elements including roofs, exterior walls and outside windowsills. Unit Owners may not make any holes in or through any wall, roof, balcony railing or glass. No part of the antenna or dish may extend beyond the Unit Owner's balcony railing or the end of the Unit's terrace.
5. Unit Owner will not splice or connect the antenna or dish to any existing wiring. (1999)

Pet Rules and Regulations

1. Effective March 1, 1983, only one (1) pet will be permitted to be housed in any condominium unit. Unit owners having more than one pet prior to the effective date shall be exempt. However, should one of these pets become deceased or permanently removed from the unit, replacing these animals will be prohibited should it bring the total to more than the one pet limit per unit.
2. Only domesticated (for a home or dwelling) pets will be allowed in this condominium complex. Exotic pets such as snakes, reptiles, zoo specimens (i.e. monkeys), wild animals or farm animals will be prohibited.
3. No breeding of pets will be allowed on these premises.
4. Guest pets are permitted. Owners are responsible to insure that "guests" adhere to the rules and regulations.
5. The size requirement for pets at maturity as of this effective date, March 1, 1983, is as follows: Weight not to exceed 25 pounds.
6. When walking your pet, a collar or harness and a leash must be worn by each pet.
7. Owner/handler must have complete control of animal when walking the pet in any common areas (sidewalk, mulched areas, trees, parking lots, etc.)
8. All pets on common grounds must be licensed in accordance with County Laws.
9. Pets are not permitted to use any common grounds to relieve themselves other than those designated. Designated areas are as follows (see map attached):
 - The grounds at the corner of Mardan Drive and Chestnut Hill Lane
 - The grounds on the north side of Candytuft Road to the top of the hillside below the playground area.
 - No closer than ten (10) feet from the end of the building at 203 Cork Lane, bound by the parking lot on two (2) sides and by the property line on the fourth side (rear of the building).

10. Pets are not permitted to use the sidewalks, mulched areas, or parking lots to relieve themselves.
11. The pet owner/ handler is responsible and liable for any damage caused by their pet in any of the common areas of the complex.
12. The owner/handler of every animal shall be responsible for the removal of waste deposited by his/her animal in an area of the complex. This will be strongly enforced in order to maintain the cleanliness and beauty of our community.
13. If a pet should relieve itself on a balcony, the resident must clean it up as soon as possible and never sweep it from the balcony so that it may fall onto another balcony, patio, or the ground.
14. It is the pet owner's responsibility to control his animal's behavior should it be considered a public nuisance. Examples include excessive barking or chasing and or attacking persons or other animals.
15. Pets are not to be left alone or unattended in any unit in excess of 10 hours. You should consider boarding arrangements or have someone tend your animal should you plan to be away any longer than this period of time.
16. Pets are not to be left on balconies or patios between the hours of 10 p.m. and 8 a.m. unattended. During other hours they are not to be left alone on a patio or balcony at any time exceeding one (1) hour.
17. Improper feeding, cruelty, unsanitary conditions and neglect are intolerable. If you are unable to keep or maintain your pet, contact Animal Control.
18. The Board of Directors reserves the right to contact the proper county agency for violations of Baltimore County ordinances.
19. The Board of Directors reserves the right to seek any legal action deemed necessary for constant and/or continued violations of these rules and regulations.
20. Feeding or storage of pet foods outside the unit is prohibited. (1983)

Parking Rules & Regulations

The following rules shall be applicable to all unit owners, renters, and guests in the Chestnut Hill Condominium:

1. No junk vehicle or other vehicle on which current registration plates are not displayed, no trailer, commercial vehicle (in accordance with Section 431, Parking of Commercial Vehicles on Residential Property, Bill #70, 1988), camper, camp truck, motor home, trailer, boat, or the like shall be kept upon any of the common elements, nor shall any repair or extraordinary maintenance of automobiles or other vehicles be carried out on any of the common elements. No vehicle which cannot operate on its own power shall remain on the common elements for more than forty-eight (48) hours.
2. Any truck over three-quarters of a ton will be considered a commercial vehicle and will not be permitted to be parked on Chestnut Hill property. Additionally, any vehicle displaying advertising, ladders, debris or apparatus will not be permitted on Chestnut Hill property, with the exception of maintenance vehicles performing repairs to condominium units or common areas, which vehicles are not to be left overnight.
3. Parking on Chestnut Hill property is limited to no more than two vehicles per condominium unit. Any vehicles in excess of two per unit must be parked elsewhere on County streets.
4. It is prohibited for any motorized vehicles, i.e. motorcycles, all-terrain vehicles, etc. to be permitted at any time upon the common area grass. Anyone violating this rule may be subject to a fine in addition to the cost of replacing damaged common area grass. The

only motorized vehicles allowed on common area grass are for the sole purpose of lawn and landscape maintenance.

5. Vehicles must be parked within the confines of the painted parking space lines.
6. Vehicles may not be parked in any way which blocks the removal of dumpsters or blocks access to the dumpster area.
7. Vehicles may not be parked in "No Parking" areas or established Fire Lanes (designated by yellow or white diagonal lines).
8. Double parking is not permitted on Chestnut Hill property (one vehicle per space only).
9. Numbered parking spaces are reserved for the exclusive use of the unit to which the space is assigned. Un-numbered spaces are for use on a first come, first served basis. It shall be the responsibility of every owner and renter to advise their guests not to park in numbered parking spaces not assigned to their unit. (1990)

Pool Rules and Regulations

The Pool Pass Policy is subject to change annually and current policies will be included in the annual pool mailing. The Pool Pass Policy allows each unit to have a **maximum of five (5)** people, including unit residents and guests, using the pool/pool area at one time.

POOL USE RULES

1. The lifeguard must be on duty and the pool officially open before any user is allowed in the pool. The lifeguard is responsible for the strict enforcement of the rules listed below and has authorization to remove a member or guest from using the pool or pool area. If a member or guest is removed from the pool or pool area, a written statement will be filed with the management within 24 hours.
2. All persons using the pool do so at their own risk, and save harmless the management and/or association from any and all liabilities or action of any nature, growing out of the use of the swimming pool or swimming pool area.
3. All swimmers shall **immediately** exit the pool at the request of the lifeguard.
4. The pool may be closed at any time due to mechanical breakdown, operation difficulties, or inclement weather. The decision to close the pool will be at the sole discretion of the pool management company.
5. Residents and guests must sign-in upon entering the pool facility.
6. A resident must accompany their guest at all times and will be held responsible for the actions of their guest. If the resident leaves the pool area, the guest must also leave the pool area.
7. Children under the age of 12 must be accompanied by an adult 18 years of age or older. If the child is in the pool, the child's guardian must be in the **immediate** vicinity of the child.
8. For every two (2) children (members and/or guests) under the age of 15, there must be one (1) adult member present. The only exception to this rule is if a member has more than two (2) children of their own. In that case, the member may not have any other members or guests under the age of 15 under their supervision, unless there is another adult member or guest present.
9. Any person having an infectious disease, sore or inflamed eyes, open sores, or nasal or ear discharge **is not permitted** in the pool.
10. Infants and children wearing diapers or who are not toilet-trained **are not permitted** in the main pool at any time.

11. Running, pushing, wrestling, ball playing, using abusive or profane language, or causing undue disturbance in or about the pool area will not be tolerated. Spouting of water and similar unhygienic acts are not permitted at any time.
12. Glass containers are not permitted in the pool area. All beverages or food brought into the pool area must be in paper or plastic containers and all trash must be disposed of in a trash container.
13. **ABSOLUTELY NO INTOXICANTS** may be brought into the pool area.
14. Smoking is not permitted in the pool area.
15. Individuals may be barred from the pool or pool area at the discretion of the lifeguard in charge for violation of said rules or for any other reason which in the lifeguard's judgment constitutes a hazard to the other pool users or to the management.
16. Any person who has been removed from the pool or pool area two (2) times will be barred from pool use for the remainder of the season.
17. No pets are allowed in the pool area at any time.
18. Bicycles, motorbikes, and skateboards are not permitted in the pool area at any time.
19. Only proper type bathing suits are permitted in the pool. Cut-offs are not permitted in the pool.
20. The cost of any property damage caused by a unit owner, their tenant, or their guest will be charged to the unit owner.
21. Management will not be responsible for the loss or damage to any personal property belonging to unit owners, tenants, or their guest while using the pool facilities.
22. All personal injuries, however slight, occurring in the pool area, must be reported to the lifeguard on duty.

Signing and submitting your pool application indicates that you agree to abide by the rules listed above in order to use the pool facilities. **POOL PRIVILEGES ARE ONLY AVAILABLE WHEN ALL OWNER FEES ARE CURRENT AND A TENANT'S CURRENT SIGNED LEASE IS ON FILE WITH THE MANAGEMENT COMPANY. UNRESOLVED VIOLATIONS OF THE RULES AND REGULATIONS WILL ALSO RESULT IN LOSS OF POOL PRIVILEGES.** (revised April 2011)

Clubhouse Rules & Regulations

The Clubhouse (adjacent to the pool) is available for rental by Chestnut Hill Unit Owners and provides a convenient location for private parties and functions. Reservations are on a first come, first served basis, with a reservation only being considered once the rental fee and security deposit have been received. As of the date of publication of this handbook, rental fees were \$50 per function with a \$250 security deposit, subject to the following rules and regulations. Contact a member of the Board of Directors or Residential Realty for information on how to reserve the clubhouse.

1. Reserved use of the Clubhouse is for the privilege of Unit Owners.
2. The Clubhouse shall be used in accordance with the rules and regulations as posted therein and any infraction may result in the Unit Owner being denied further use of the Clubhouse (subject to the review of the Board of Directors) and may be required to forfeit their monetary deposits or both.
3. Clubhouse occupancy is limited to 25 persons at one time. These limits shall be strictly enforced, mainly due to both safety and fire regulations of the County.

4. Owners shall make reservations (in writing) for use of the Clubhouse no less than two weeks (14 days) in advance of the requested date.
5. The security deposit will be accepted in the name of the owner only. No second party checks can be honored and only checks will be accepted. Checks are made payable to the Chestnut Hill Condominium Association.
6. Subject to an inspection by the Condominium Board, security deposits and a itemized list of any deductions can be expected to be returned in approximately ten (10) working days. Cost of repairs for any damage will be deducted from the deposit and the owner will be billed for any amount in excess of the deposit.
7. There is to be no congregation of people outside the Clubhouse.
8. Furniture and furnishings aren't to be removed from the Clubhouse.
9. The Clubhouse is not to be reserved or used in conjunction with the swimming pool.
10. Any food or beverage brought into the clubhouse must be removed by the owner and is the full responsibility of that owner.
11. No use of charcoal grills or any outdoor cooking is permitted.
12. It is the responsibility of the Unit Owner reserving the Clubhouse to keep and leave it clean and presentable.
13. The Unit Owner reserving the Clubhouse shall be responsible for any damage caused to the Clubhouse or its contents by the said owner or any of the owner's family, guests, or occupants. The owner shall pay for any such damages.
14. Each owner using the clubhouse shall exercise reasonable care so as not to disturb owners or occupants of the community.
15. Available hours shall be noon to midnight with a maximum use of 6 hours.
16. Keys are to be returned the following day.
17. No food or beverages may be consumed outside of the Clubhouse.
18. Clubhouse and restrooms are the only areas to be used.
19. The resident shall be responsible for the conduct of his/her guests, and shall not permit anything to be done in or about the premises which shall interfere with the privacy of other residents within the development and shall not obstruct or interfere with the rights of other residents or their units.
20. Damages shall include the cost of cleaning the premises if same is not done by the resident.
21. The resident is responsible for policing and cleaning the Clubhouse area. All trash and refuse must be removed from the premises by the resident after use; the area must be returned to the Management in a clean and sanitary condition.
22. Minors using the Clubhouse Area must be under the direct supervision of an adult at all times.
23. No animals are allowed in the Clubhouse Area at any time.
24. It is understood that the use of the premises will be under the direct supervision of the resident at all times.
25. The premises may not be used for commercial purposes of any kind whatsoever. (1986)

Use Restrictions

The Condominium Association By-Laws, Article X lists specific prohibited uses for condominiums and Common Elements in our Community. Please refer to it for the specific language on use restrictions. We have included a *summarized and paraphrased listing* below for your convenience. Please note, however, that should disputes arise, the language in the By-laws shall take precedence.

General

1. Units are to be used for residential purposes only.
2. The Board has the authority to restrict the number of occupants per unit.
3. The Board has the right to regulate parking.

Prohibited Uses and Nuisances:

1. Unit owners may not create an annoyance to the neighborhood or other Unit Owners.
2. Unit owners may not obstruct or store items on the Common Elements except as specified in the By-Laws, Rules and Regulations.
3. Unit owners may not do anything in their unit or in the Common Elements which increases the rate of insurance or causes the Association's insurance to be cancelled.
4. Unit owners may not do anything in their unit or the Common Elements which is a violation of the law.
5. Unit owners may not dispose of waste in the Common Elements.
6. Unit owners may not make any structural alterations to their unit or the Common Elements except as provided by the Architectural rules.
7. Unit owners may not raise animals in their Unit or the Common Elements.
8. Unit owners are permitted to have one dog or cat or bird as provided they are not kept for breeding or other commercial purposes and that they do not create an annoyance (please refer to pet rules and regulations).
9. Pets must be kept in the owner's Unit or on the Limited Common Elements and must be kept on a leash when walked in the General Common Elements.
10. Unit Owners are responsible for cleaning up the excrement left by their pets.
11. Signs may not be posted in the units or in the Common Elements.
12. No inoperable or junk vehicles are permitted on the Common Elements; no vehicle without a valid registration/license tag is permitted on the Common Elements.
13. The following may not be kept on the Common Elements: boats, boat trailers, recreational vehicles, motorcycles, trailers, trucks, campers, house trailers, etc.
14. No automotive repairs or extensive automotive maintenance is permitted on the Common Elements.
15. Unit owners may not use the Common Elements for commercial purposes.
16. Unit owners may not burn trash or allow it to accumulate in their unit or the Common Elements.
17. Unit owners may not erect any type of temporary structure on the Common Elements except with Board approval.
18. Unit owners may not erect television antennas on the Common Elements without the approval of the Board.
19. Unit owners must keep their balconies neat and clean (refer to Architectural rules for more specifics).
20. Unit owners may not hang items over the railings of their balconies.
21. Laundry may not be hung out to dry on a balcony or terrace.
22. No loud noises are permitted from 9:00 at night until 9:00 in the morning.
23. Outdoor cooking is only permitted in areas specified by the Board (refer to Architectural rules for more specifics).
24. The Board has the authority to establish and modify rules and regulations. Rules and Regulations are binding on Unit owners.
25. The Board has the authority to levy fines against Unit owners for violations of these rules. (1981).

Reporting Nuisance Problems

In the case that there are problems between unit owners regarding violations, please follow the steps listed below.

1. Keep a log of dates, times, and specifics (loud music, banging, yelling, etc.).
2. Notify the Management Company and/or the police when necessary.
3. The Board requires written documentation for all of the above. (1990)

Rules Related To Rental Units

The condominium Association By-Laws, Article X lists numerous specific requirements of owners who decide to rent their units. Please refer to it for the specific language on such requirements. We have included a summarized and paraphrased listing below for your convenience. Please note, however, that should disputes arise, the language in the By-Laws shall take precedence.

1. Any leases must be provided to the Management Company and such lease must include provisions requiring the tenant to observe all rules and regulations of the Board and all restrictions and conditions imposed by the Declaration, By-Laws, Rules and Regulations.
2. Baltimore County requires a unit inspection for each new rental agreement or lease.
3. The Unit Owner is required to provide the tenant with a copy of all rules and regulations as well as the Declaration and By-Laws of the Association.
4. If the Unit owner fails to provide the above mentioned documents, the Board may do so and then bill the Unit owner for the cost.
5. Failure to follow the above requirements is considered a violation of the By-Laws and is enforceable.
6. The Unit Owner is responsible for any violations of rules, regulations, or By-Laws by their tenants.

Fine Procedures / Resolution of Disputes

In addition to other powers granted to the Council of Unit Owners and the Board of Directors, the Board of Directors shall have the power to enforce the Declaration, By-Laws and Rules and Regulations of the Condominium in accordance with the following procedures:

- I. Abatement Notice.** Upon information that a unit owner or occupant is in violation of any provisions of the Declaration, By-Laws, or Rules and Regulations of the Condominium, the Board of Directors, or its designated representative, shall have the power to notify such unit owner or occupant that such violation must cease (the "Abatement Notice"). The Abatement Notice shall be written and shall be hand delivered or mailed, certified mail-return receipt requested, to the unit owner and/or occupant. The Abatement shall contain:
 1. A written demand to cease and desist from the alleged violation;
 2. The nature of the alleged violation;
 3. The action required to abate the alleged violation; and
 4. If the alleged violation is of a continuing nature, a time period of not less than ten (10) days (the "Abatement period"), from the date of the notice during which the violation may be abated without further sanction or, if the alleged violation is not of a continuing nature, a statement that any further alleged violation of the same

rule (or regulation or provision of the Declaration or By-Laws) may result in the imposition of a sanction after notice and hearing.

- II. **Hearing Notice.** If the alleged violation continues past the Abatement period in the case of an alleged continuing violation, or if the same rule (or regulation or provision of the Declaration or By-Laws) is subsequently violated, the Board of Directors, or its designated agent, shall have the power to notify the alleged violator that it intends to hold a hearing in session on such violation and that such hearing may result in sanctions being imposed against the alleged violator. The notice provided for in this Section (the "Hearing Notice") shall be hand-delivered or mailed, certified mail-return receipt requested, to the unit owner and/or occupant. The Hearing Notice shall contain:
1. The nature of the alleged violation;
 2. The time and place of the hearing, which time may not be less than 10 days from the giving of the notice;
 3. An invitation to attend the hearing and produce any statement, evidence, and witnesses on his or her behalf; and
 4. The proposed sanction to be imposed.
- III. **Hearing.** The Board of Directors shall have the power to hold a hearing in executive session (the "Hearing") on the date designated in the Hearing Notice. The Hearing shall be held by the Board of Directors in executive session and shall afford the alleged violator reasonable opportunity to be heard; the alleged violator shall have the right to present evidence and present and cross-examine witnesses. The Hearing shall be conducted in an orderly fashion and shall not be governed by technical rules of evidence. Prior to the effectiveness of any sanction imposed pursuant to this procedure, proof of the Abatement Notice and the Hearing Notice shall be placed in the minutes of the meeting. This proof shall be deemed adequate if a copy of the Notices, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered or mailed such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.
- IV. **Notification of Decision.** After hearing evidence presented at the Hearing, the Board of Directors shall, at the end of such Hearing, or within a reasonable time thereafter, notify the alleged violator of its decision. Such decision shall be entered into the minutes and shall specify the violations, if any, found by the Board of Directors and the sanction, if any, imposed. The decision of the Board of Directors, pursuant to this procedure, shall be final and binding.
- V. **Sanctions.** If the Board of Directors finds, by a preponderance of evidence presented at the hearing, that a unit owner or occupant has violated any provisions of the Declaration, By-Laws, or Rules and Regulations of the Condominium, the Board of Directors shall have the power to impose the following sanctions, cumulatively or alternatively:
- (a) A fine of fifty dollars (\$50.00) for each violation;
 - (b) Suspension of the violators voting privileges in accordance with Article IV, Section 6; and
 - (c) Such other reasonable sanction as the Board may determine, including a fine in excess of that amount set forth in (a) above.
- In the case of a violation which is of a continuing nature, a separate violation shall be deemed to exist for every day such violation shall continue past the period set forth in the Abatement Notice.

Any fine or assessment levied by the Board of Directors pursuant to this procedure, shall be deemed an "assessment" within the terms of the Declaration and By-Laws of the Condominium and shall be due and payable within ten (10) days after the date of the Board of Directors' decision. Any such assessment, if not paid within the ten (10) day period aforesaid, shall accrue interest, constitute a lien against such owner's unit and be subject to foreclosure thereof, all as more fully provided in Article IX of the By-Laws. (1988)

II. Collection Policy.

- a. Delinquent accounts will be sent to the attorney after 32 days. (2011)
- b. If a condo owner, who leases his or her unit, isn't paying his or her condo fees, the association has the right to require the renter to send the monthly rent payment to the management company until such time that the account is current. (2011)
- c. If a condo owner has a delinquent account, the following sanctions will be applied until such time as the account is current:
 - No voting privileges
 - No pool privileges
 - No reserved parking space
 - New lock placed on the storage unit
 - Warning that the delinquency may impact their credit score if judgment is placed.

Declaration (selected sections)

The following sections from the Declaration of the Chestnut Hill Condominium Association are provided for your convenience:

Paragraph 5. Units

(C) Each Unit shall consist of:

- (1) A three dimensional area generally described by planes as follows, the location of these planes is specifically designated on the Condominium Plats aforesaid:
 - (a) Bottom. The bottom of the Unit is a horizontal plane through the top of the sub-floor and extending in every direction to the points where it closes with vertical planes forming the perimeter of the Unit;
 - (b) Top. The top of each Unit is a horizontal plane through the bottom or underside of the hidden or unexposed side of the sheetrock above, excluding from sub space all structural elements including but not limited to trusses, hanger bars, girders, and ceiling and floor support grid systems, if any;
 - (c) Perimeter. The perimeter of the Unit is circumscribed by vertical planes which are formed by the stud interior face of the sheetrock forming the walls of the unit and are more particularly shown on the Condominium Plats.
- (2) Any air space lying upward from the bottom of the Unit, inward from the lateral boundaries of the Unit and below the top of that Unit.
- (3) Improvements which shall include, but not limited to:
 - (a) Interior partitions, doors and windows, pipes, conduits, ducts, switches, vents, wiring, fixtures, or other facilities for the provision

- of heat, ventilations, air conditioning, plumbing, electrical power, lighting, telephone service (to the extent the ownership is not retained by the company supplying such service), or television reception, and all plumbing, electrical, and mechanical equipment within the Unit designated for use by that Unit only;
- (4) The utilities contained within the unit and in the limited common elements appurtenant to that unit, and the air space above (but extending only up to the plane forming the top of the Unit), as they appear on the aforementioned Plats, even though the same may be within the General or Limited Common Elements as defined herein; and
- (5) All improvements contained within the aforesaid three dimensional space.

Paragraph 7. Description of Common Elements

- (A) All areas and facilities which are not part of a unit compromise the Common Elements, as graphically shown on the Plats aforesaid, including, but not limited to: the swimming pool, bathhouse, all streets, curbs, sidewalks, main and front entrance walks, every foundation wall, exterior wall, portion of the party wall, roof, column, girder, beam, support, stairway, floor, partition, entrance and exit, front steps, interior stairways and entrance halls, recreational areas, parking areas, lawn areas, trees, shrubbery, conduits, sewers, water mains, storm drains and other lines, exterior lighting, mailbox clusters and all other devices rationally of common use and necessary to the upkeep, use and safety of the buildings, any chute, flue duct, wire, conduit, or any other fixture lying partially within and partially outside a unit, or any portion thereof serving only that unit, or any portion thereof serving more than one (1) unit, and all other parts of the Regime and all apparatus and installations existing in the building or for common use or necessary or convenient to the existence, maintenance or safety of the Regime.
- (B) The General Common Elements also include all yards except the Limited Common Element herein after described.
- (C) The General Common Element shall be exclusively owned in common by all of the Unit Owners. The common element shall remain undivided and no Unit Owner shall bring any action for partition or division of the whole or any part thereof except as otherwise provided by the 'Act" and in that event all mortgages must, in writing, consent.
- (D) The cost of maintaining, repairing, and replacing the Common Elements, both Limited and General, shall be borne by the Council of Unit Owners as an item of the Common Expense except as hereinafter provided.
- (E) As defined in the "Act," this Regime has the following Limited Common Elements:
 - (1) The balconies of first and second floor Units;
 - (2) The terraces as shown on the Plats aforesaid shall be Limited Common Elements for the Owners of terrace Units. The use of the terrace shall be restricted to the Unit Owner of the Unit binding thereon;
 - (3) The storage area as shown on the Plats shows lockers that are specifically limited to the use of the Unit Owners whose Unit number is shown on the Plat for said locker, and said Unit Owners shall have the right to place a lock on said lockers to restrict its use to whom he shall give keys or the combination to said lock.

- (4) The fireplace flue stacks in second floor units with fireplaces.

Paragraph 12. Units Subject to Declaration, By-Laws, and Rules and Regulations

All present and future owners, tenants, and occupants of Units shall be subject to, and shall comply with, the provisions of the "Act", of this Declaration and By-Laws, and any Amendments thereto, and the Rules and Regulations as provided for in the By-Laws, as they may be amended from time to time. The acceptance of a deed, or conveyance, or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an agreement that the provisions of this Declaration and By-Laws and any Amendments and any Amendments thereto, and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Owner, tenant, or occupant; and all of such provisions shall be deemed and taken to be 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, conveyance or lease thereof.

Paragraph 13. Membership in Council of Unit Owners.

Each owner of a Unit shall automatically, upon becoming the Owner of a Unit or Units, be a member of the Council of Unit Owners of this Condominium Regime, (hereinafter referred to as the "Council") and shall remain a member of said Council until such time as this ownership ceases for any reason, at which time his membership in said Council shall automatically cease. Each Unit shall have one (1) vote at meetings of the Council and said one (1) vote is appurtenant to each Unit.

Paragraph 15. Exterior Modifications.

Unit Owners may not make exterior changes to their Units without first obtaining written consent of the Board.

Paragraph 16. Maintenance and Repair.

- (A) The following items of maintenance shall be performed by the Unit Owners and such maintenance shall not be an item of Common Expense subject to the lien for assessments created herein:
- (1) The repair, replacement, and maintenance of all glazing in Units including windows and sliding glass doors,
 - (2) The washing of all exterior windows and glass door, and
 - (3) The repair, replacement, and maintenance of all fireplace flue stacks.

Maryland Condominium Act

The Maryland Condominium Act is the state law most directly related to the operations of condominiums, although other federal, state, and local laws and regulations also apply. Unit Owners are encouraged to refer to the full copy of the Act for any legal reference. As of the date of publication of this handbook, the Maryland Condominium Act is available at the following web address: <http://www.sos.state.md.us/sos/condos/html/condoindex.html>)

By-Laws

By-Laws

While the Board of Directors encourages all unit owners to read and understand the By-Laws in their entirety, there are several sections which are of particular importance and relevance to individuals. For your convenience, these sections are listed below. It is strongly recommended that you read and comprehend these sections as their requirements are binding and failure to follow them may result in the imposition of a fine.

Article VIII. Duties of Unit Owners

Section 3. Duty to Maintain

Section 4. Right of Entry

Section 5. Easements for Utilities and Related Purposes

Section 6. Limitation of Liability

Article IX. Condominium Fees/Assessments

Section 1. Annual Condominium fees/Assessments

Section 4. Non-Payment of Assessment

Section 6. Acceleration of Installments

Section 7. Enforcement

Article XII. Hearing Procedures for Rules and Regulations Changes

Section 1. Statement of Purpose

Section 2. Rules and Regulations

Section 3. Hearing and Comment

Section 4. Right of Appeal

Section 5. Appeal to the Courts

Section 6. Effect of Rules and Regulations

Article XVI. Amendments to By-Laws

Sections 1. Amendments

Note: The By-Laws for Chestnut Hill Condominium Association have not been reviewed and updated in any significant manner since the creation of the Condominium. For this reason, the reader may notice several sections referring to “the developer” and entities that are no longer relevant to the current operation of the Association. Please do not let these sections cause any confusion. While it would be helpful to eliminate these sections, clauses and phrases which are no longer relevant, making any change to the By-Laws requires the affirmative vote of 66 2/3 % of the Unit Owners, a rather difficult task.

Article I Name and Location

Section 1. Name and Location. The name of the Condominium is Chestnut Hill Condominium. The principal office and mailing address of the Unit Owners is 103 Fitz Court, Apartment 103, Reisterstown, Maryland 21136.

Article II Definitions

Section 1. Declaration. "Declaration" as used herein means that certain Declaration made the _____ day of _____, 1981 by Maplevue Associates, a Maryland partnership pursuant to Sections 11-101, et seq., of the Real Property Article of the Annotated Code of Maryland, 1974 edition, as amended, by which certain described property including land, was submitted to a Condominium Regime (hereinafter called the "Regime") and which Declaration is recorded among the Land Records of Baltimore county, Maryland, immediately prior hereto and to which these By-Laws are appended.

Section 2. Other Definitions. Unless it is plainly evident from the context that a different meaning is intended all other terms used herein shall have the same meaning as they are defined to have in the Declaration or in Sections 11-101, et seq., of the Real Property Article of the Annotated Code of Maryland, 1974 Edition, as amended, the Horizontal Property Act (hereinafter the "Act").

Article III Ownership

Section 1. Owners. Every person, group of persons, corporations, trust or other legal entity, or any combination thereof, which owns a Condominium Unit within this Regime as the same is constituted from time to time, shall be a member of the Council of Unit Owners (hereinafter called the "Council"); provided, however, that any person, group of persons, corporation, trust or other legal entity, or any combination thereof, which holds such interest solely as security for the performance of an obligation shall not be deemed an owner.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium Regime. The terms "Condominium Regime" or "Regime" as used herein shall include the land, as well as the improvements thereon. In construing these By-Laws, and the government of the Regime pursuant thereto, the provisions of the Corporations and Associations Article of the Annotated Code of Maryland, 1975 Edition, as amended, pertaining to the government of nonstick corporations, shall be considered as governing to the extent not inconsistent with the provisions of the "Act", the Declaration and these By-Laws; the Council being considered the Corporation and the Owners being considered its members. This Council shall be unincorporated as provided in the "Act".

Article IV Meeting of Council of Unit Owners

Section 1. Place of Meeting. Meetings of the Council shall be held at the principal office or place of business of the Regime or at such other suitable place convenient to the Council as may be designated by the Board of Directors.

Section 2. Annual Meetings. The Organizational or First Meeting of the Council of this Regime shall be held within sixty (60) days after the date on which fifty-one percent (51%) of the units in all phases have been conveyed to purchasers for value. Thereafter, annual meetings of the Council shall be held on the first Tuesday in November of each succeeding year. At such meeting there shall be elected by ballot of the Unit Owners, a Board of Directors in accordance with the requirements of Section 5 of Article V of these By—Laws. The Council may also transact such other business of the Regime as may properly come before it. In any event, the Organizational and First Meeting shall take place no later than November 1, 1983.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Council as directed by resolution of the Board of Directors or upon petition signed by

Unit Owners representing at least fifty percent (50%) of the total votes of the Regime, as then construed, having been presented to the Secretary. The notice of any special meeting shall state the time and place and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. *Notice of Meetings.* It shall be the duty of the Secretary or his agent to mail by first class a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at his address as it appears on the Ownership Book of the Regime on the date of the Notice, or if no such address appears, at his last known address, at least fifteen (15) but not more than forty-five (45) days prior to such meeting. Service may also be accomplished by the delivery of any such notice to the Unit Owner at his Condominium Unit or last known address. Notice by either method shall be considered as notice served. Attendance by a Unit Owner at any meeting of the Council shall be a waiver of notice by him of the time, place, and purpose thereof.

Section 5. *Quorum.* The presence, either in person or by proxy, of Owners representing at least twenty-five percent (25%) of the total votes of the Regime, as then constituted, shall be requisite for and constitute a quorum for the transaction of business at all meetings of the Council. If the number of votes at a meeting drops below the quorum and the question of a lack of a quorum is raised, no business may thereafter be transacted.

Section 6. *Voting.* At every meeting of the Council, each of the Unit Owners shall have the right to cast one vote for each Unit which he owns on each question. The votes established in Paragraph 11 of the Declaration shall be applicable to voting rights. The vote of the Unit Owners present and voting representing fifty-one percent (51%) of the votes at that meeting, unless the question is one upon which, by express provision of the "Act", the Declaration or these By-Laws, a different vote is required, in which case such express provision shall govern and control. No Unit Owner shall be eligible to vote at any annual or special meeting of the Council, or be elected to an office or to the Board of Directors against whom the Council has recorded a Statement of Condominium lien on his Unit and the amount necessary to release the lien has not been paid at the time of the meeting.

Section 7. *Proxies.* A Unit Owner may appoint any other Unit Owner, the Developer (as defined in the Declaration), Mortgagee, Attorney or Lessee, as his proxy. Any proxy must be in writing and must be filed with the Secretary before the appointed time of each meeting. The proxy is effective only for a maximum period of 180 days following its issuance, unless granted to a Lessee. It may be revoked sooner by a written notice of revocation filed with the Secretary and shall be revoked by the death of the Unit Owner.

Article V Directors

Section 1. *Number and Qualification.* The Affairs of the Regime shall be governed by the Board of Directors (hereinafter call the "Board") composed of not less than three (3) nor more than seven (7) persons, a majority of whom, after the Organizational and First Meeting of the Council shall be Unit Owners.

Section 2. *Initial Directors.* The initial Directors shall be selected by the Developer and need not be Unit Owners. The names of the Directors who shall act as such from the date upon which the Declaration is recorded among the Land Records of Baltimore County,

Maryland until the Organizational and First Meeting of the Council or until such time as their successors are duly chosen and qualified as follows: Thelma Peters-Conor, Lyle Blumberg and Charles R. Phillips. These Directors shall serve until the Organizational and First Meeting of the Council, at which time the Unit Owners shall elect a Board, all as prescribed herein. Initial Directors may be removed and their successors appointed by the Developer, its successors and assigns, or any Trustees, under Deeds of Trust, in possession.

Section 3. Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Regime and may do all such acts and things as are not, by law or by these By-Laws, directed to be exercised and done by the Council. The powers and duties of the Board shall include but not be limited to the following:

- a) To provide for the care, upkeep and surveillance of the Regime, as it is constituted from time to time and its General and Limited Common Elements, and services and maintenance of the Unit exteriors in a manner consistent with law and the provisions of these By-Laws and the Declaration.
- b) To establish and provide for the collection of assessments and fines, if levied, from the Unit Owners and for the assessment and/or enforcement of liens therefore in a manner consistent with law and the provisions of these By-Laws and the Declaration;
- c) Designation, hiring and/or dismissal of the personnel necessary for the good working order of the Regime and for the proper care of the General and Limited Common Elements and to provide services for the Regime in a manner consistent with all applicable State, County, and local law, the Declaration and these By-Laws; and
- d) To promulgate and enforce such rules and regulations, and such restrictions or requirements, as may be deemed proper respecting the use, occupancy and maintenance of the Regime and the use and maintenance of the General and Limited Common Elements, as they are designated, to prevent unreasonable interference with the use and occupancy of the Regime and of the General and Limited Common Elements by the Unit Owners, all of which shall be consistent with all applicable State, County, and local law, The Declaration and these By-Laws.

Section 4. Management Agent. The Board of Directors shall employ for the Regime a professional Management Agent at a rate of compensation established by the Board to perform such duties and services as the Board shall authorize, including but not necessarily limited to, the duties set out in subsections (a) through (d) of Section 3 of this Article. The Council shall not undertake "self-management" or otherwise fail to employ a professional management agent. Any professional management company so employed must have and maintain, at the cost of the Council, fidelity bond coverage not less than the total of the reserves of the Regime plus two (2) months condominium assessments.

Section 5. Elections and Terms of Office. The terms of the Directors named herein shall expire when their successors have been elected at the Organizational and First Meeting of the Council and are duly qualified. At the First Meeting of the Council the term of office of the Director receiving the greatest number of votes shall be fixed for three (3) years and the Director receiving the second greatest number of votes shall be fixed at two (2) years. The term of office of the other Director shall be fixed at one (1) year. At the expiration of the initial term of office of each respective Director, his successors shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first meeting.

Section 6. *Vacancies.* Vacancies on the Board caused by any reason other than the removal of a Director by a vote of the Council shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director for the remainder of the unexpired term of the resigning or retiring Director, or until a successor is elected by the Council at the next annual meeting.

Section 7. *Removal of Director.* At a regular or special meeting duly called, any Director may be removed with or without cause by the affirmative vote of the majority of the entire Council and a successor may then and there be elected to fill the vacancy thus created. Any Director who has an unreleased Statement of Lien recorded against him shall be automatically terminated and the remaining Directors shall appoint his successor as provided in Section 6 of this Article.

Section 8. *Compensation.* Except for those Directors named as such in Section 2 of this Article, and any of their successors elected prior to the Organizational and First Meeting of the Council, no remuneration shall be paid to any Director who is also a Unit Owner for services performed by him for the Regime in any other capacity unless a resolution authorizing such remuneration shall have been adopted by the Board before the services are undertaken.

Section 9. *Organizational Meeting.* The First Meeting of a newly elected Board shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which the Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

Section 10. *Regular Meetings.* Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

Section 11. *Special Meetings.* Special meetings of the Board may be called by the President on three (3) days notice to each Director, given personally or by mail, telephone or telegraph. Which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

Section 12. *Waiver of Notice.* Before, or at, any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time, place and purpose thereof. If all the directors are present at any meeting of the Board no notice shall be required and any business may be transacted at such meeting.

Section 13. *Quorum.* At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If at any meeting of the Board, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such meeting, following an adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 14. *Action Without Meeting.* Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting if all of the Directors shall individually or collectively consent in writing to such action, Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 15. *Fidelity Bonds.* The Board may require that all officers and employees of the Council handling or responsible for Council or trust funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Council.

Article VI Officers

Section 1. *Designation.* The officers of the Board shall also be officers of the Council. The principal officers of the Council shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be members of and elected by the Board. Officers elected by the initial Directors need not be unit owners. After the Organizational and First Meeting of the Council, the Board may elect officers who need not be Unit Owners except that the President must always be a Unit owner. The Directors may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgment may be necessary. The offices of secretary and treasurer may be filled by the same person.

Section 2. *Election of Officers.* The officers of the Council shall be elected annually by the Board at the Organizational Meeting of each new Board and shall hold office until their successors are duly elected and installed.

Section 3. *Removal of Officers.* Upon an affirmative vote of a majority of the members of the Board any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purposes.

Section 4. *President.* The President shall be the chief executive officer of the Council and a member of the Board. He shall preside at all meetings of the Council and the Board. He shall have all of the general powers and duties which are usually vested in the office of President of a corporation including but not limited to the power to appoint committees from among the Unit Owners, or other persons whom he feels are qualified, from time to time as he may in his discretion decide is appropriate, to assist in the conduct of the affairs of the Council.

Section 5. *Vice President.* The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board.

Section 6. *Secretary.* The Secretary shall keep the minutes of all meetings of the Board and the Council, he shall have charge of the "Ownership" and such other books and papers as the Board may direct; and he shall, in general, perform all the duties incidental to the office of Secretary including counting the votes at meetings of the Council. In the Secretary's absence, the President shall designate some other person to count such votes. The Board may obtain professional stenographic or secretarial assistance for the Secretary.

Section 7. *Treasurer.* The Treasurer shall have responsibility for Council funds and securities, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Council. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the Council in such depositories as may from time to time be designated by the Board. The Board may delegate any of the responsibilities to a professional manager as provided in Article VIII.

Section 8. *Compensation.* The Board shall have the power to fix the compensation for all officers of the Council who are not Unit Owners; and shall have the power to fix the

compensation for all officers of the Council who are Unit Owners only with the approval of the Council.

Article VII Liability and Indemnification of Officers and Directors

Section 1. *Liability and Indemnification of Officers and Directors.* The Council shall indemnify every officer and director of the Council against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding, including the settlement of any such suit or proceeding if approved by the then Board to which he may be made a party by reason of being or having been, an officer or director of the Council, whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors of the Council shall be liable to the Council and the Unit Owners for any negligence, including their own individual willful misconduct or bad faith, but shall not be liable for mistakes of judgment or otherwise if made in good faith. The officers and directors of the Council shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Council except to the extent that such officers or directors may also be Unit Owners, and the Council shall indemnify and forever hold each such officer free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Council, or former officer or director of the Council may be entitled.

Section 2. Common or Interested Directors.

- a) The Directors shall exercise their powers and duties in good faith and with a view to the interest of the Council.
- b) For so long as the Developer elects one or more directors to the Board, no contract or other transaction between the Council and one or more of its Directors, or between the Council and any corporation, firm or associations, including the /Developer, in which one or more of the Directors are directors or officers, or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board, or any committee thereof, which authorizes or approves the contract or other transaction, or because his or their votes are counted for such purpose, if any other conditions specified in any of the following subparagraphs exist:
 - (1) The fact of the common directorate, office, or interest is disclosed or known to the Board, or a majority thereof, or noted in the Minutes, and the Board authorizes, approves or ratifies such contract or other transaction in good faith by a vote sufficient for the purpose: or
 - (2) The fact of the common directorate, office or interest is disclosed or known to the Unit Owners, or a majority thereof, and they approve or ratify the contract or other transaction in good faith by a vote sufficient for the purpose; or
 - (3) The contract or other transaction is commercially reasonable to the Council at the time it is authorized, ratified, approved, or executed.
- c) For so long as the Developer elects one or more directors to the Board, common or interested Directors may be counted in determining the presence of a quorum of any meeting of the Board, or committee thereof, which authorizes, approves or ratifies any contract or other transaction, and may vote thereat to authorize any contract or other transactions with like force and effect as if he were not such director or officer of such other corporation or not so interested.

Article VIII Management

Section 1. *Management and Common Expenses.* The Board shall manage, operate and maintain the Regime and, for the benefit of the Units and the Unit owners thereof, shall enforce the provisions hereof and may put out of the Common Expenses, herein elsewhere provided for, the following, which itemization shall not as a limitation on the Board:

- a) The cost of providing water, sewer, garbage and trash collection, electrical (including street lighting) gas, common television antenna service and other necessary utility services for the Common Elements and, to the extent that the same are not separately metered or billed to each unit, for the units.
- b) The cost of fire and extended liability insurance on the Common Elements and the cost of such other insurance as the Board or the Council may effect.
- c) The cost of the service of a person or firm to manage the Regime to the extent deemed advisable by the Council, together with the services of such other personnel as the Board or the Council shall consider necessary for the operation of the Regime.
- d) The cost of providing such legal and accounting services as may be considered necessary to the operation of the Regime.
- e) The cost of painting, maintaining, replacing, repairing, and landscaping the General and Limited Common Elements, including such furnishings and equipment for the General and Limited Common Elements as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same; provided, however, that nothing herein contained shall require the Council to paint, repair, or otherwise maintain the interior of any structure or any fixtures or equipment located therein.
- f) The cost of any and all other materials, supplies, labor, services, maintenance, repairs, taxes, assessments or the like which the Council is required to secure, to pay for by law, or otherwise, or which in the discretion of the Board shall be necessary or proper for the operation of the General and Limited Common Elements; provided, however, that if any of the aforementioned are provided or paid for the benefit of a particular Unit or Units, the cost thereof shall be specially assessed to the Unit Owner or Owners thereof in the manner provided in Section I(g) of this Article.
- g) The cost of the maintenance or repair of any Unit in the event such maintenance or repair is reasonably necessary in the discretion of the Board to protect the General and Limited Common Elements or to preserve the appearance or value of the Regime or is otherwise in the interest of the general welfare of all Unit Owners; provided, however, that no such maintenance or repair shall be undertaken without a resolution by the Board and not without reasonable written notice to the Unit Owner of the Unit proposed to be maintained or repaired; and provided further, that the cost thereof shall be assessed against the Unit on which such maintenance or repair is performed and, when so assessed, a statement for the amount thereof shall be rendered promptly to the Owner of said Unit at which time the assessment shall become due and payable and a continuing lien and obligation of said Unit Owner in all respects as provided in Article IX of these By-Laws.
- h) Any amount necessary to discharge any lien or encumbrance levied against the Regime or any portion thereof, which may, in the opinion of the Board, constitute a lien against any of the General or limited Common Elements rather than the interest of the Unit Owner of any individual Unit.

- i) The cost of maintaining the swimming pool, bathhouse, club house and storage facilities, if any.

Section 2. *Management Agent.* The Board shall delegate such of its duties, powers or functions to the Management Agent, as the Board shall authorize, provided that such delegation may be terminated by either party without cause or payment of a termination fee on a maximum of thirty (30) days written notice and any such contract shall have a maximum term of one (1) year.

Section 3. *Duty to Maintain.* Except for maintenance requirements herein imposed upon the Council, if any, the Unit Owner of each Unit shall, at his own expense, maintain the interior of his Unit and any and all equipment, appliances, or fixtures situated within the Unit and its other appurtenances in good order, condition, and repair, in a clean and sanitary condition, and shall do all redecorating, painting and the like which may at any time be necessary to maintain the good appearance of his Unit and such appurtenances. In addition to the foregoing, all Unit Owners shall, at their own expense maintain, repair and replace any plumbing fixtures, heating and air conditioning equipment, lighting fixtures, refrigerators, freezers, dishwashers, disposals, trash compactors, ranges, and/or other equipment that may be in, or appurtenant to such Unit.

Section 4. *Right of Entry.* Each Unit Owner shall and does hereby grant right of entry to any person authorized by the Board in case of any emergency originating in, or threatening his Unit, whether the Unit Owner is present at the time or not.

Section 5. *Easements for Utilities and Related Purposes.* The Council through its Board is authorized and empowered to grant, and shall from time to time grant, such licenses, easements and/or rights of way for sewer lines, water lines, electrical cables, telephone cables, gas lines, storm drains, TV antennas, underground conduits and/or such other purposes related to the provision of public utilities to the Regime, or for any other purpose as may be considered necessary and appropriate by the Board for the orderly maintenance, preservation and enjoyment of the General and Limited Common Elements or for the preservation of the health, safety, convenience and/or welfare of the Unit Owners and the Developer.

Section 6. *Limitation of Liability.* The Council shall not be liable for any failure of water supply or other services to be obtained by the Council or paid for out of the Common Expenses, or for injury or damage to persons or property caused by the elements or by any Unit owner or any person, or resulting from electricity, water, snow, or ice which may leak or flow from any portion of the general or limited Common Elements of from any pipe, drain, conduit, appliance, or equipment. The Council 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 General or Limited Common Elements. No diminution or abatement of Common Expenses Assessments as herein elsewhere provided shall be claimed or allowed for casualty to a unit, person or property that may occur as a result of causes named in this section, or for inconvenience or discomfort arising from the making of repairs or improvements to the General or Limited Common elements, separately contracted maintenance to a Unit, or from any action taken by the Council to comply with any law, ordinance, or with the order or directive of any municipal or other governmental authority.

Article IX Condominium Fees/Assessments

Section 1. Annual Condominium Fees/Assessments

- a) From and after the recordation of the Declaration and these By-Laws each Unit Owner shall pay to the /Council, monthly, in advance, a sum equal to one-twelfth (1/12) of the Unit owner's proportionate share of the sum required by the Council pursuant to the

Percentage Interests in "Common Expenses and Common Profits as set forth in the Declaration, established by the preparation of a budget and approval of same by the Board or an annual operating budget at least thirty (30) days prior to the commencement of the fiscal year (hereinafter called "Assessments"), to meet its annual expenses, including but in no way limited to the following:

- 1) The cost of all operating expenses of the Regime as the same may be constituted from time to time, and services furnished by it;
 - 2) The cost of necessary management and administration, including fees paid to the Management Agent;
 - 3) The amount of all taxes and assessments levied against the Council or upon any property which it is otherwise required to pay, if any;
 - 4) The cost of public liability, fire and extended coverage insurance on the Regime and the cost of such other insurance as the Council or the Board may effect;
 - 5) The cost of furnishing water, electricity, heat, gas, garbage and trash collection and/or utilities, to the extent furnished by the Council;
 - 6) The cost of funding all reserves established by the Council, including when appropriate, a general operating reserve and/or reserve for replacements;
 - 7) The estimated cost of repairs, maintenance and replacements of the Regime including General and Limited Common Elements, to be made by the Council; and
 - 8) The cost of all operating expenses, repairs, maintenance and replacements for the swimming pool, bathhouse, storage building, if any, walkways, and storage lockers;
 - 9) All costs associated with maintaining employees of the Council.
- b) In additions, each Unit Owner shall pay to the Council, monthly, the amount of any fine levied against him pursuant to any rules and regulations for fining promulgated by the Board in accordance with the procedures in these By-Laws and such fine shall be a lien in the same manner as if it were a Common Expense.
- c) The Board shall determine the amount of the assessment annually, but may do so at more frequent intervals should circumstances so require.
- d) The Board shall make reasonable efforts to fix the amount of the annual assessment against each Unit Owner for each assessment period, and shall, at that time, prepare a roster of the Council and assessments applicable thereto which shall be kept in the office of the Council or in the possession of the Secretary or Management Agent and shall be open to inspection by any Unit Owner upon reasonable notice to the Council or the Secretary. Written notice of the assessment shall thereupon be sent to each Unit Owner. The omission of the Board, before the expiration of any assessment period, shall not be deemed a waiver or modification in any respect of the provisions of this Article, or a release of any Unit Owner from the obligation to pay the assessment, or any installment thereof, for that or any subsequent assessment period, but the assessments by a waiver of the use of enjoyment of any of the Common Elements, or by abandonment of any Unit belonging to him.

Section 2. *Special Assessments.* In addition to the regular assessment authorized by this Article, the Council may levy in any assessment year a special assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the Regime, as then constituted, including the necessary fixtures and personal property related thereto, or for such other purpose as the Board may consider appropriate, provided that any such assessment shall have the assent of the owners representing fifty-one percent (51%) of

the total votes of the Regime. A meeting of the Unit Owners shall be duly called for this purpose, written notice of which shall be sent to all owners at least fifteen (15) days, but not more than forty-five (45) days, in advance of such meeting, which notice shall set forth the purpose of the meeting. The Developer shall not be required to pay any such special assessment levied against Units which it owns subsequent to the declaration of the Regime.

Section 3. Reserve for Replacements. The Council shall establish and maintain a reserve fund for replacements by the allocation and payment monthly to such reserve fund of an amount to be designated from time to time by the Board and which shall not be less than ten percent (10%) of the annual operating budget, or as required by the preparation of a replacement reserve budget which shall be revised and updated at least every three (3) years. Gifts or contributions from any source may be used to reduce the requirement herein stated to fund the reserves. Such fund shall be conclusively deemed to be a Common Expense. Such funds shall be deposited in a special account with a lending institution the accounts of which are insured by an agency of the United States of America, Maryland Savings Share Insurance Corporation, or may, in the discretion of the Board, be invested as they deem advisable and prudent. The reserve for the repairs or replacements may be expended only for the purpose of effecting the replacement of the Common elements and equipment of the Regime and for operating contingencies of a non-recurring nature. The amounts required to be allocated to the reserve for replacements may be reduced, by appropriate resolution of the Board upon the accumulation in such reserve fund of a sum equal to twenty percent (20%) of the full replacement value of the Regime as full replacement value is annually determined by the Board for fire insurance purposes. The proportionate interest of any Unit owner in any reserve for replacements shall be considered an appurtenance of his Unit and shall not be separately withdrawn, assigned, transferred or otherwise separated from the Unit to which it appertains, and shall be deemed to be transferred with such Unit.

Section 4. Non-Payment of Assessment.

- a) A Unit owner shall be liable for all assessments, or installments thereof, and fines or other charges coming due while he is the owner of a Unit. In a voluntary grant the grantee shall be jointly and severally liable with the grantor for all unpaid assessments, fines or other charges against the grantor for his share of the Common Elements up to the time of the voluntary grant for which a Statement of Condominium Lien is recorded, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee for such assessments.
- b) All assessments, fines, or other charges, until paid, together with interest at the maximum rate permitted on them, actual costs of collection, reasonable attorney's fees or attorney's fees of twenty-five percent (25%), whichever is greater, and late charges, at the maximum rate permitted in the "Act", constitute a lien on the Units on which they are assessed. If a statement of lien is recorded within two (2) years after the date the assessment, fine, or other charge becomes due, the lien shall be effective against a Unit from and after the time a Statement of condominium Lien is recorded among the Land Records of Baltimore County, stating the description of the Unit, the name of the record Owner, the amount of time due and the period for which the assessment was due, The Statement of Condominium Lien shall be signed and verified by an officer or agent of the Council and then recorded. On full payment of the assessment and/or fine for which the lien is claimed the Unit Owner shall be entitled to a recordable satisfaction of the lien.
- c) Any assessment, fine, or other charge, or installment thereof, not paid when due shall bear interest, from the date when due until paid, at the maximum permissible legal rate.
- d) The Council shall, upon demand, notify the holder of the first mortgage on any Unit for which any assessment levied pursuant to these By-Laws becomes delinquent for a period

in excess of thirty (30) days, and in any other case, where the Unit Owner is in default with respect to the performance of any other obligation hereunder for a period in excess of thirty (30) days

Section 5. *Assessment Certificates.* The Council shall, upon demand, furnish to any Unit Owner liable for any assessment, fine, or other charge levied pursuant to these By-Laws (or to any other party legitimately interested in the same), a certificate in writing signed by an officer of the Council or its agent, setting for the status of said assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of the payment of any such assessment therein stated to have been paid. A charge not to exceed twenty-five dollars (\$25.00) may be levied in advance by the Council for each certificate so delivered.

Section 6. *Acceleration of Installments.* Upon default in the payment of any one or more monthly installments of any assessment, fine, or other charge levied pursuant to these By-Laws, the entire balance of said assessment and/or fine may be accelerated at the option of the Board, and be declared due and payable in full.

Section 7. *Enforcement.* The lien for unpaid assessment, fines, or other charges may be enforced and foreclosed by the Council or any other person specified in the By-Laws, in the same manner, and subject to the same requirements, as the foreclosure of mortgages or deed of trusts on real property in the State of Maryland. Suit for any deficiency following foreclosure may be maintained in the same proceeding and suit to recover a money judgment for unpaid assessments may be maintained without waiving the lien securing the same. No action may be brought to foreclose the lien unless brought within three (3) years following the recordation of the Statement of Condominium Lien. No action may be brought to foreclose the lien except after ten (10) days' written notice to Unit Owner given by Registered Mail, return receipt requested, to the address of the Unit Owner shown on the books of the Council of Unit Owners.

Section 8. *Subordination and Mortgage Protection.*

- a) Notwithstanding any other provisions hereof to the contrary, the lien of any assessment levied pursuant to these By-Laws upon any Unit in the Regime shall be subordinated to and shall in no way affect the rights of the holder of any indebtedness secured by any recorded first mortgage, meaning a Mortgage with priority over other mortgages, made in good faith and for value received, provided, however, that such subordination shall apply only to assessments which have become due and payable prior to the sale or transfer of such Unit pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the purchaser at such sale of the Unit from liability for any assessment thereafter becoming due, nor from the lien of any such subsequent assessment, which lien, if claimed, shall have the same effect, and be enforced in the same manner as provided herein.
- b) No amendment to this Section shall affect the rights of the holder of any such mortgage, or the indebtedness secured thereby, recorded prior to recordation of such amendment, unless the holder thereof, or of the indebtedness secured thereby, shall join in the execution of such amendment.
- c) The Board may, in its sole and absolute discretion, extend the provisions of this Section to the holders of a mortgage, or the indebtedness secured thereby, not otherwise entitled thereto.

Section 9. *Definition.* As used herein the term "Mortgage" shall include deed of trust and the term "Holder" or "Mortgagee" shall include the party secured by any deed of trust, any beneficiary thereof and the Trustees named therein, their successors and assigns.

Section 10. *Foreclosure of Assessment Lien.* Foreclosure of the assessment lien shall not take place until after the mortgagee of that Unit is notified pursuant to Section 4(d) of this Article and the said mortgagee is given fifteen (15) days to obtain compliance by the Unit Owner with the assessment requirements herein before stated.

Article X Use Restrictions

Section 1. *Residential Use.* All Units shall be used for residential purposes exclusively except for such temporary non-residential uses as may be permitted from time-to-time by the Board and by State and Local Laws. Nothing in these By-Laws shall be construed to prohibit the Developer from either using Units which Developer owns or leases from others for promotional or display purposes as “Models” or from leasing any Unit or Units which Developer owns. Subject however to the following:

- a) A real estate sales and/or construction office may be erected, maintained and operated on any part of the Regime and/or in any building or structure now or hereafter permitted to be erected thereon during the period of original development, construction and sale, and no longer, provided, however, that such offices are used and operated in connection with the original development of the land, or, the construction of the original improvements on the land, or the sale of Condominium Units originally erected on the land. At such time as the last Unit is conveyed to a purchaser for value, the real estate sales and/or construction office or offices shall be removed from the Regime.
- b) If any Unit owner shall lease his unit for residential purposes, such lease shall first be submitted to the Board for its approval. The Board shall approve or disapprove of any lease solely on the basis of whether such lease contains covenants obligating the Unit Owner’s tenant to observe all rules and regulations of the Board and all restrictions and conditions imposed by the Declaration, By-Laws, Rules and Regulations in force at the time of signing of said lease. If the Unit Owner fails to provide these documents, the Board may do so, billing the reasonable cost of same to the Unit Owner. The Board shall have no right to disapprove a lease except as above provided. If the Unit Owner fails to comply with this sub-paragraph, such failure to comply shall be a violation of these By-Laws and enforceable at law or equity by the Board. The Board may adopt a “form” lease for the use of Unit Owners.

Section 2. *Occupancy, etc.* The right to use or occupy any Unit within the Regime, reside therein permanently or otherwise, and the right to sell, lease or otherwise transfer or convey any Unit shall be subject to such uniform objective standards relating to financial responsibility and/or character as may now or hereafter be set forth in the Rules and Regulations adopted by the Board. No such restriction shall be based upon age, race, religion, family composition, sex or place of national origin. However, the Board shall have the right to limit the number of persons occupying any unit. The provisions of this subsection shall not apply to transfers made solely for the purpose of securing the performance of an obligation, transfers involving a foreclosure sale or other judicial sale or any transfer to a Mortgagee in lieu of foreclosure.

Section 3. *Prohibited Uses and Nuisances.*

- a) No noxious or offensive trade or activity shall be carried on within the Regime or within any Unit situate thereon, nor shall anything be done therein or thereon which may be or become an annoyance to the neighborhood or other Unit Owners.
- b) There shall be no obstruction of any General or Limited Common Elements, except as herein provided. Nothing shall be stored upon General or Limited Common Elements,

- except as herein provided, without the approval of the Board. Vehicular parking upon General Common Elements shall be regulated by the Board.
- c) Nothing shall be done or maintained in any Unit, or upon any general or Limited Common Elements, which will increase the rate of insurance on any Unit or General or Limited Common Elements, or result in the cancellation thereof, without the prior written approval of the Board. Nothing shall be done or maintained in any Unit or upon General or Limited Common Elements which would be a violation of any law. No waste shall be committed upon any General or Limited Common Elements.
 - d) No structural alteration, construction, addition or removal of any Unit or General or Limited Common Elements shall be commenced or conducted except in strict accordance with the provisions of these By-laws, State and Local Laws.
 - e) The maintenance, keeping, boarding and/or raising of animals, livestock, or poultry of any kind, regardless of number, shall be an is hereby prohibited within any Unit, and upon any common Elements; except that this shall not prohibit the keeping of one dog, one cat and/or caged birds as domestic pets, provided they are not kept, bred or maintained for commercial purposes, and provided further that the keeping of such dogs, cats and/or caged birds will not constitute such type of noxious or offensive activity as covered in Section 3(a) of this Article. All dogs must be kept inside their respective Owner's Unit or upon the Unit's Limited common Elements and may be walked on the General Common Elements only on a leash in designated pet walk areas. Pet excrement removal shall be the responsibility of the pet owner.
 - f) Except for such signs as may be posted by the Developer for promotional purposes and signs of directional nature, no signs of any character shall be erected, posted or displayed upon, in or from or about any Unit or the General or Limited Common Elements.
 - g) Except as herein elsewhere provided; no inoperable junk vehicle or other vehicle, on which current registration plates are not displayed; boat, boat trailer, recreational vehicle, motorcycle, trailer, truck, camper, camp truck, house trailer, of the like shall be kept upon any common Elements, nor shall the repair or extraordinary maintenance of automobiles or other vehicles, be carried out thereon.
 - h) No part of the General or Limited Common elements shall be used for commercial activities of any character. This subsection shall not apply to the use of Units or Common elements by the Developer for display, promotional or sales purposes.
 - i) No burning of any trash, and no unreasonable or unsightly accumulation or storage of litter, new or used building materials, or trash of any other kind shall be permitted within any Unit or upon any General or Limited Common Elements. Trash and garbage containers shall not be permitted to remain in public view, except within locations designated by the Board. This subsection shall not apply to the Developer during the period of construction of the Regime. The method of trash collection shall be subject to approval by Baltimore County.
 - j) No structure of a temporary character, trailer, tent, shack, barn or other out-building shall be maintained upon any of the General or Limited Common elements at any time except as permitted by written rule of the Board. Outdoor clothes dryers or clothes lines shall not be maintained upon the Common Elements at any time.
 - k) No outside television or radio aerial or antenna, or other aerial or antenna, for reception or transmission, shall be maintained upon any Unit or upon any General or Limited Common Elements without the prior written consent of the Board.
 - l) Balconies and terraces shall be maintained in a neat, safe and orderly manner; and no items or material shall be hung over any railing or on the outer side of any balcony without the written approval of the Board. No laundry shall be placed on any balcony or terrace.

- m) Between 11:00 PM and 9:00 AM, there shall be no loud or unusual noises; musical instruments, radios, televisions, record players, phonographs, Hi-Fi sets, and amplifiers shall be used in such a manner as not to disturb other Unit Owners.
- n) Outdoor cooking is strictly prohibited on any of the Common Elements except as to such areas as shall be designated by the Board. Outdoor cooking is prohibited on balconies and terraces.
- o) There shall be no violation of any rules and regulations whether for the use of the General or Limited Common Elements or for the governance of the Regime which may from time be adopted by the Board and promulgated among the Unit Owners by said Board in writing; and the Board is hereby, and elsewhere in these By-Laws, authorized to adopt such rules and regulations.
- p) The Board shall have the power to levy fines against Unit Owners for violation of these By-Laws or the rules and regulations promulgated by the Board hereunder,. Said power to levy fines is specifically subject to Article XII hereof.

Article XI Architectural Standards

Section 1. *Architectural Standards Committee.* Except for the original construction of the Units situate within the property by the Developer and any improvements to any Unit or to the General or Limited Common Elements accomplished concurrently with said original construction, and except for purposes of proper maintenance and repair, or as otherwise in these By-Laws provided, it shall be prohibited to install, erect, attach, apply, paste, hinge, screw, nail, build, alter, remove or construct any lighting, screens, awnings, balcony or terrace covers, decorations, fences, aerials, antennas, radio or television broadcasting or receiving devices, slabs, sidewalks, balconies, terraces, platforms, walls, or to make any change or otherwise alter, including any alteration in color, in any manner whatsoever, to the exterior of any Unit or upon any of the General or Limited Common Elements within the property unit the complete plans and specifications, showing the location, nature, shape, height, material, color, type of construction and/or other proposed form of change, including without limitation, any other information specified by the Board (or its designated Committee), shall have been submitted to, and approved in writing by the Board, upon recommendation or by an "Architectural Standards Committee" designated by such Board. The Board shall have the sole right of approval and refusal for any such requested architectural change. Recommendations of the "Architectural Standards Committee" shall not be binding upon the Board.

Article XII Hearing Procedures

Section 1. *Statement of Purpose.* It is the declared intention of the Council that rules and regulations shall be adopted freely by the Board, and without the requirement of a 66 2/3% or greater vote of the Council as a requisite to their adoption. All rules and regulations are intended to be adopted as supplements to, and not in lieu of, legally required provisions of these By-Laws. Should any adopted rules or regulations contradict any provisions of these By-Laws, as amended, said provisions of these By-Laws shall take precedence.

Section 2. *Rules and Regulations.* All rules and regulations proposed by the Board or by any committee appointed by the Board to act on its behalf shall be dated as of the date of the meeting at which they were considered, and shall be communicated to the Council in writing. Such Rules

and Regulations shall be put forward before the Council for consideration and review by the process of Hearing and Comment.

Section 3. *Hearing and Comment.*

- a) Any notices of hearings so required shall include the date, time, location, and agenda of the hearings, and shall be communicated by the Board to the Council by published form, or by any reasonable manner, no later than fourteen (14) days after the above regularly scheduled meeting of the Board of Directors.
- b) A quorum of the Board shall be in attendance at all public hearings; if a quorum is not present, a new hearing shall be scheduled within seven (7) days.
- c) A member of the Board shall preside over any hearings so convened and shall limit discussion within the parameters of the published agenda. Any unit owners may appear and speak at these hearings or by written statement.
- d) The Board shall reconvene on a date no later than its next regularly scheduled meeting following a public hearing for the purpose of considering the relevant issues. Upon majority vote, the Board may modify, adopt or annul the previously proposed rules and regulations. Any modifications, adoptions or annulments of rules and regulations, by this process, shall require a republication by the Board, but shall not again be subject to the Hearing and Comment process. The effective date of any rules and regulations adopted through this process shall be seven (7) days after republication is accomplished.

Section 4. *Right of Appeal.* There shall be no right of appeal to the Board of any of its decisions regarding rules and regulations.

Section 5. *Appeal to the Courts.* Any Unit Owner, upon proper grounds and jurisdiction, may appeal any rules and regulations adopted by the Board to the Courts of the State of Maryland.

Section 6. *Effect of Rules and Regulations.* Any rules and regulations, when adopted in accordance with the above procedures, shall have the same effect as if they were incorporated in these By-Laws by direct reference., Said rules and regulations, upon proper adoptions under the above procedures, shall be enforced in the same manner as all other provisions of the By-Laws.

Article XIII Insurance

Section 1. *Insurance.*

- a) The Board acting on behalf of the Council shall obtain and maintain to the extent reasonably available the following insurance, as a Condominium Master Insurance Policy which shall be an item of Common Expense:
 - 1) Property insurance on the Common elements and units, exclusive of improvements and betterments installed in units by Unit Owners, insuring against all risks of direct physical loss commonly insured against or, in the case of a conversion condominium, against fire and extended coverage perils. The total amount of insurance after application of any deductibles shall be one hundred percent (100%) of the replacement cost of the insured property, exclusive of land, excavations, foundations, and other items normally excluded from property policies; and
 - 2) Comprehensive general liability insurance, including medical payments insurance, in an amount determined by the Board of Directors but not less than one million dollars (\$1,000,000.00), covering all occurrences commonly insured

- against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Elements.
- b) If the insurance described in subsection (a) is not maintained, the Council shall promptly cause notice of that fact to hand delivered or sent prepaid by United States mail to all Unit Owners. The Council in any event may carry any other insurance it deems appropriate to protect the Council of Unit Owners or the Unit Owners.
 - c) Insurance policies carried pursuant to subsection (a) shall provide that:
 - 1) Each Unit Owner is an insured person under the policy with respect to liability arising out of his/her ownership of an undivided interest in the Common Elements or membership in the Council;
 - 2) The insurer waives its right to subrogation under the policy against any Unit Owner or members of his/her household;
 - 3) An act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the Council of Unit Owners, does not void the policy and is not a condition to recovery under the policy; and
 - 4) If, at the time of a loss under the policy, there is other insurance in the name of the Unit Owner covering the same property covered by the policy, the policy is primary insurance not contributing with the other insurance.
 - d) Any loss covered by the property policy under subsection (a)(1) shall be adjusted with the Council, but the insurance proceeds for that loss shall be payable to any insurance Trustee designated for that purpose, or otherwise to the Council, and not to any Mortgagee. The insurance Trustee of the Council shall hold any insurance proceed in trust for Unit Owners and lien holders as their interest may appear. Subject to the provisions of Article XIV, Section 1, the proceed shall be disbursed first for the repair or restoration of the damaged Common Elements and units, and Unit Owners and lien holders are not entitled to receive payment of any portion of the proceed unless there is a surplus of proceed after the Common Elements and units have been completely repaired or restored, or the Condominium is terminated.
 - e) An insurance policy issued to the Council does not prevent a Unit Owner from obtaining insurance for his own benefit.
 - f) An insurer that has issued an insurance policy under this section shall issue certificates or memoranda of insurance to the Council and, upon request, to any Unit Owner, Mortgagee, or beneficiary under Deed of Trust. The insurance may not be cancelled until thirty (30) days after the notice of the proposed cancellation has been mailed to the Council of Unit Owners, each Unit Owner and each Mortgagee to whom certificates of insurance have been issued.
 - g) It is recommended by the Board that each Unit Owner should obtain his own insurance policy on his Unit in the HO-6 form with an "improvements and betterments," "alterations and additions" or similar endorsement. Notice is hereby given by the Developer that the condominium master policy referred to in Section 1 of this article does not insure any additions, alterations, improvements, betterments, or modifications to this Unit as originally constructed by the Developer.

Article XIV

Casualty Damages

Section 1. *Use of Insurance Proceeds.*

- a) Any portion of the Condominium damaged or destroyed shall be repaired or replaced promptly by the Council of Unit Owners unless:

- 1) The Condominium is terminated;
 - 2) Repair or replacement would be illegal under any State or local health or safety statute or ordinance; or
 - 3) Eighty percent (80%) of the Unit Owners, including every owner of a unit or assigned Limited Common Element which will not be rebuilt, vote not to rebuild.
- b) The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense.
- c) If the entire Condominium is not repaired or replaced:
- 1) The insurance proceed attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium
 - 2) The insurance proceed attributable to units and Limited Common elements which are not rebuilt shall be distributed to the owners of those units and the owners of the units to which those Limited Common elements were assigned; and
 - 3) The remainder of the proceeds shall be distributed to all the Unit Owners in proportion to their Common Element interest.
- d) If the Unit Owners vote not to rebuild any unit, that unit's entire Common Element interest, votes in the Council of Unit Owners, and Common Expense liability are automatically reallocated upon the vote as if the unit had been condemned and the provisions of the Declaration shall govern, and the Council promptly shall prepare, execute, and record an amendment to the Declaration reflecting the reallocations. Notwithstanding the provisions of this subsection, the "Act" governs the distribution of insurance proceeds if the Condominium is terminated.

Article XV

Fiscal Management

Section 1. *Fiscal Year.* The fiscal year of the Council shall begin on the first day of January every year and end on the 31st day of December except that the first year of the Council shall begin on the date of the recording of the Declaration. The commencement date of the fiscal year herein established shall be subject to change by the Board in its discretion.

Section 2. *Books and Accounts.* Books and accounts of the Council shall be kept under the direction of the Treasurer in accordance with good accounting practices. The same shall include books with detailed account, in chronological order, of the receipts and expenditures affecting the Regime and its administration and shall specify the maintenance and repair expenses of the General and Limited Common elements and services and any other expenses incurred. That amount of any assessment required for payment on any capital expenditures of the Council shall be credited upon the books of the Council to the "Paid-in-Surplus" account as a capital contribution by the Unit Owners.

Section 3. *Auditing.* At the close of each fiscal year, the books and records of the Regime shall be audited by an independent Certified Public Accountant, his report shall be prepared, and shall be certified, in accordance with generally accepted standards, Based upon such audit or report, the Council shall furnish the Unit Owners with an annual financial statement, including the income and disbursements of the Council.

Section 4. *Inspection of Books.* The books and accounts of the Council and vouchers accrediting the entries made thereupon, shall be available for examination by the Unit Owners and/or their duly authorized agents, attorneys and mortgagees, during normal business hours and for purposes reasonable related to their interests as Unit Owners.

Article XVI Amendment

Section 1. *Amendments.* These By-Laws may be amended by the affirmative vote of Unit Owner representing 66 2/3% of the total votes of the Regime at any meeting of the Council duly called for such purposes in accordance with the provisions of the "Act." Amendments may be proposed by the Board or by a petition signed by Unit Owners representing at least twenty percent (20%) of the total votes of the Regime. A description of the proposed amendment shall accompany a notice of the regular or special meeting at which such proposed amendment is to be voted upon, and said notice shall also be given to the holders of all first mortgages in the Regime. Any amendment adopted by the Council shall be effective only upon recordation among the land records of Baltimore County. The recorded amendment shall set out the Sections of these By-Laws being amended and the applicable provisions of the "Act." The provisions of this Article are subject to the rights of the Developer as set out in paragraph 20 of the Declaration.

Article XVII Notice To Council

Section 1. *Ownership-Book.* The Secretary of the Council or the management agent, if so designated, shall maintain a current roster of names and addresses of each Unit Owner to which notice of meetings of the Council shall be sent and each Unit Owner shall furnish the Council with this information. No Unit Owner may vote at meetings of the Council until this information and that required in Section 2 of this Article is furnished.

Section 2. *Mortgages.* A Unit Owner who mortgages his Unit shall notify the Secretary of the Council or its agent of the name and address of his mortgagee and the Council shall maintain such information in a book entitled Mortgages of Units.

Article XVIII Mortgagees

Section 1. *Change in Percentage Interest in Common Elements.* The consent of all mortgagees, obtained in advance in writing, is mandatory if the Council should adopt any change in the pro-rata interest of the Unit Owners in the Common Elements of the Regime.

Section 2. *Right to Inspect Books.* All mortgagees, upon request, shall have the right to inspect the books of the Regime, obtain financial statements, and review budgets of the Regime.

Section 3. *Notice of Meetings.* All mortgagees, upon request, shall have the right to notification of and attendance at all general and special meetings of the Council and shall be permitted to express any views at such meetings as they may wish to convey to the Council.

Section 4. *Rental by Mortgagee.* All mortgagees shall have the right, notwithstanding any provision herein to the contrary, to rent any Units which such mortgagee or mortgagees may own through foreclosure sale or voluntary sale, free from any restriction herein against leasing.

Section 5. *Notice of Loss or Taking.* The Board shall notify mortgagees and Federal National Mortgage Association and/or Federal Home Loan Mortgage Corporation in writing if any loss or taking of the Common Elements exceeds \$10,000 or if damage to a unit exceeds \$1,000.

Article XIX

Compliance – Interpretation – Miscellaneous

Section 1. *Compliance.* These By-Laws are set forth in compliance with the requirements of the “Act” and all applicable State, County and local laws and ordinances notwithstanding anything in these By-Laws to the contrary, whether expressed or implied.

Section 2. *Conflict.* These By-Laws are subordinate and subject to all provisions of the Declaration and to the provisions of the “Act.” All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as in the Declaration or the “Act.” In the event of any conflict between these By-Laws and the Declaration, the provision of the Declaration shall control; in the event of any conflict between the By-Laws and the applicable Sections of the “Act,” the provisions of the “Act” control.

Section 3. *Resident Agent.* Philip E. Ratcliffe, 1892 West Northern parkway, Baltimore, Maryland 21215, a resident of Maryland is designated as the person authorized to accept service of process in any action relating to the Regime or to the General or Limited Common Elements, as authorized under the “Act.” The Board may, at its discretion, substitute another Resident Agent for the purpose of accepting such service of process as set forth above, provided that proper notification of such change be promptly filed with the Maryland Department of Assessments and Taxation.

Section 4. *Severability.* In the event any provision or provisions of these By-Laws shall be determined to be invalid, void, or unenforceable, such determination shall not render invalid, void, or unenforceable any other provisions hereof which can be given effect.

Section 5. *Waiver.* No restriction, condition obligation, or provisions of these By-Laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce them.

Section 6. *Captions and Table of Contents.* The captions and table of contents contained in these By-Laws are for convenience and ease of use only, and are not part of these By-Laws and are not intended in any way to limit or enlarge the terms and provision of these By-Laws.

Section 7. *Gender, etc.* Whenever in these By-Laws the context so required, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

Witness, the hand and seal of Maplevue Associates, this _____ day of _____, 1981.