

HOA LEGAL DOCUMENTS

STEVENSON MEWS TOWNHOUSE ASSOCIATION, INC.

PARLIAMENT COURT

BALTIMORE COUNTY, MD

21212

Board of Directors, as of October 17, 2022:

President, Kelly Gill
kchesser22@gmail.com

Vice President, Jill Heptinstall
porter523@verizon.net

Treasurer, Vi Norris
vjnmail@comcast.net

Secretary, Anne Jamison
aajamison@comcast.net

Judi Smith, contact with Vince Snarski
judismithis@comcast.net

**STEVENS ON MEWS TOWNHOUSE ASSOCIATION, INC.
RULES, COMMON COURTESIES, AND TRADITION**

We are fortunate to live in a special community where residents appreciate a safe, well kept, and friendly environment. This reminder is a summary of some of the important rules, common courtesies, and a tradition for STMA, Inc.

RULES as stipulated in our First Amended Declaration, dated the 8th day of July, 1977:

All exterior changes to a house must be submitted to the Board of Directors for approval prior to the change, even a cosmetic change such as color. In the event of a structural change, such as the (re)building of a deck, the plans showing the dimensions and materials must also be submitted to the Board for approval.

Trees measuring in excess of six (6) inches in diameter can not be removed without approval from the Board of Directors.

There shall be no more than two (2) pets per household, and pets are not permitted on the Common Areas unless carried or leashed.

No junk or commercial vehicle, trailer, truck, camper, house trailer, boat or other machines of that nature shall be kept on this property.

Window coverings such as curtains and blinds visible from the street should be lined in white.

COURTESIES:

All front and back yards should be maintained in a neat and orderly fashion.

Front porch lights should be lit during hours of darkness. Lights in the back are also encouraged.

Parking by you, your guests, and contractors should be in your numbered spaces. Overflow parking should be along the curb bordering the Rodgers Choice property.

Trash, protected in rigid containers and recycling materials protected in appropriate containers, should not be put at the curb before 6:00 the night before pick-up. Containers should be reclaimed and stored properly in a timely fashion.

Heavy-duty trash bags, including the reinforced ones, should not be put at the curb until the morning of pick-up.

Yard waste should be properly bundled or put in leaf-and-lawn bags, and placed at the curb after 6:00 the night before pick-up.

Pet droppings should be collected immediately for proper disposal by the person walking the pet.

Any signage or displays of a political nature are strongly discouraged.

TRADITION:

The placement of a single white candle in each front window during the December holiday season is a community tradition.

Holiday decorations should be removed in a timely fashion.

STEVENSON MEWS TOWNHOUSE ASSOCIATION, INC.

BYLAWS

ARTICLE I

THE ASSOCIATION

Section 1 Name and Location: The name of the corporation is Stevenson Mews Townhouse Association, Inc., hereafter referred to as the "Association," located in Parliament Court, Baltimore County, Maryland 21212.

Section 2 Members: Members of the Association are the stated homeowners and shall have voice and vote in meetings of the Association, limited to one vote for each household.

ARTICLE II

MEETINGS OF THE MEMBERS

Section 1 Annual Meetings: Regular annual meetings shall be held during the month of May at such time and place designated by the Board of Directors.

Section 2 Special Meetings: Special meetings may be called at any time by the President, or by the Board of Directors, or upon written request of one-fourth of the households.

Section 3 Notice of Meetings: At least 15 days notice of each meeting of the members shall be given by e-mail or personal delivery by the Secretary or by any other person(s) authorized to call the meeting. Such notice shall specify time and place of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4 Quorum: A quorum for Association meetings shall consist of a majority plus one of households represented either in person or by signed proxies. If a quorum is not present members present shall have power to adjourn the meeting from time to time until a quorum shall be present.

Section 5 Proxies: At all meetings, each member may vote in person or by proxy. All proxies shall be in writing and be delivered to the Secretary.

ARTICLE III

BOARD OF DIRECTORS

Section 1 Number: Association affairs shall be managed by a Board of Directors consisting of not less than six, nor more than nine members of the Association.

Section 2 Term of Office: Term of office of each Director shall be two years with eligibility for re-election. Terms shall be staggered with at least one half of the Board standing for election each year.

Section 3 Removal: Any Director may be removed for cause by majority vote of the members of the Association. In the event of removal of a Director by death, incapacity, or resignation, a successor shall be chosen by the Board of Directors to fill the remainder of the unexpired term.

Section 4 Compensation: No Director shall receive compensation for any service rendered to the Association. There may be reimbursement for actual expenses incurred in performance of duties or services.

Section 5 Action Taken Without a Meeting: A majority of the Directors shall have the right to take action by telephone, or written vote, unless there is written objection from any Director. Such action shall have the same effect as though taken at a regular or special meeting of the Board of Directors.

ARTICLE IV

NOMINATION AND ELECTION OF DIRECTORS

Section 1 Nomination: Nomination for election to the Board of Directors shall be made by a Nomination Committee. Nominations may also be made from the floor at the annual meeting with the consent of the proposed nominee. The Nomination Committee shall consist of a Chairperson, who shall be a Board member, and two, or more, members of the Association. The Nominating Committee shall be appointed by the Board at least 45 days prior to each annual

meeting and shall serve until the close of the annual meeting. The Committee shall not be limited in the number of nominations except there shall not be less than the number of vacancies to be filled. Nominees shall be voting members of the Association.

Section 2 Election: Election to the Board of Directors shall be by secret written ballot. Candidates receiving the largest number of votes shall be elected. In the election, members, or their proxies are eligible to vote with no more than one vote per residence.

ARTICLE V

MEETINGS OF DIRECTORS

Section 1 Regular Meetings: Regular meetings of the Board of Directors shall be held quarterly at such time and place determined by the Board.

Section 2 Special Meetings: Special meetings of the Board shall be held at the call of the President of the Board, or at the request of any two Directors, after not less than three days notice to each Director.

Section 3 Quorum: A majority of the Directors present at a meeting shall constitute a quorum for transaction of business. Decisions made by a majority of Directors present at a duly held meeting with a quorum present shall be regarded as valid.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) adopt and publish rules and regulations governing the use of the common areas and any related facilities and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend any member's voting rights during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be

suspended after notice and hearing for a period not to exceed 60 days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties, and authority vested in or delegated to this Association, but not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three consecutive regular meetings of the Board of Directors and;

(e) employ a manager, and independent contractor, or such other employees as they deem necessary and to prescribe their duties.

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

(a) keep a complete record of its meetings and corporate affairs to be presented to all members by e-mail or printed form. At Board discretion personal and privacy concerns of Association members shall be respected in published Minutes of Board actions;

(b) supervise all officers, agents, and employees of the Association, and to see that their duties are properly performed.

(c) as more fully provided in the Declaration, to fix the amount of the quarterly assessment against each Lot and to send written notice of each assessment to every Owner subject thereto; and to institute legal proceedings for serious failure to meet obligations.

(d) insure maintenance of the common areas.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 1 Enumeration of Offices: The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The officers shall be members of the Association.

Section 2 Election of Officers: Election of officers shall take place at a special meeting of the Board of Directors within two weeks after the annual meeting of the Association.

Section 3 Term: Officers of the Association shall be elected annually by the Board. Officers shall be eligible for re-election.

Section 4 Resignation and Removal: Any officer may be removed from office for cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt or at any later time specified therein.

Section 5 Vacancies: A vacancy in any office shall be filled by the Board and the officer appointed shall serve until the next annual meeting of the Association.

Section 6 Duties: Duties of the officers are as follows:

President

The President shall preside at all meetings of the Board and Association; shall see that actions of the Board are carried out; and shall sign any written instruments on behalf of the Association.

Vice President

The Vice President shall act in place of the President in the event of his/her absence or inability to serve, and shall carry out any other duties as may be assigned by the Board. The Vice President may sign any written instrument on behalf of the Association as authorized by the Board.

Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together

with their addresses, home telephone numbers, and other authorized means of contact; and shall perform such other duties as required by the Board.

Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse funds as directed by the Board of Directors. He/she shall keep proper books of the accounts, and shall be responsible for preparation of the annual budget and regular statements of income and expenses for all Board and Association meetings. The Treasurer shall distribute a copy of the proposed annual budget to each member prior to the annual meeting. All checks and other financial instruments of the Association shall be signed by the Treasurer and co-signed by any other Board member designated by the Board.

ARTICLE VIII

COMMITTEES

The Association shall appoint a Nomination Committee, as provided in these Bylaws. In addition, the Board of Directors may appoint other committees as deemed necessary and appropriate in carrying out its purpose.

ARTICLE IX

BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any member.

ARTICLE X

ASSESSMENTS

Each member is obligated to pay to the Association quarterly dues and special assessments authorized by the Board of the Association. Any assessment not paid when due

shall be delinquent. An assessment not paid within sixty days after the due date may be subject to legal proceedings by the Association against the obligated Owner(s). Any interest, costs, and reasonable attorney's fees may be added to the amount of such assessment. No Owner may waive or otherwise escape liability for assessments by nonuse of common areas or abandonment of his/her Lot.

ARTICLE XI
MISCELLANEOUS

The fiscal year of the Association shall be the calendar year of every year.

ARTICLE XII
ADOPTION OF BYLAWS

These Bylaws, when approved at a regular meeting of the Association, shall be dated, signed, and sealed by the President and the Secretary of the Association, and shall supersede any previous issues of Bylaws.

PRESIDENT:

[Handwritten Signature]
Signature

John A. Hill
Printed Name

SECRETARY

[Handwritten Signature]
Signature

CARL H GREENAWALD
Printed Name

DATE: May 20, 2014

ARTICLES OF INCORPORATION

OF

STEVENSON MEWS TOWNHOUSE ASSOCIATION, INC.

THIS IS TO CERTIFY, that I, the undersigned, J. ALLAN THOMPSON, JR. whose post office address is 1317 Glendale Road, Baltimore, Maryland 21239, being over eighteen (18) years of age, do, under and by virtue of the Public General Laws of the State of Maryland authorizing the formation of corporations, hereby form a non-profit corporation as hereinafter described.

ARTICLE I

The name of the corporation (hereinafter called the "Association") is STEVENSON MEWS TOWNHOUSE ASSOCIATION, INC.

ARTICLE II

The post office address of the principal office of the Association is 1317 Glendale Road, Baltimore, Maryland 21239. The resident agent of the Association is J. Allan Thompson, Jr. and his post office address is 1317 Glendale Road, Baltimore, Maryland 21239. The resident agent designated is a citizen of the State of Maryland and actually resides therein.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific primary purposes for which it is formed are: to provide for the maintenance, operation and administration of the Common Area located within that certain real property (hereinafter called the "property") described in and subject to the Declaration, as hereinafter described; to provide for the preservation of the values and amenities of the Property; to provide architectural control for the residential units within the Property; and to promote the health, safety and welfare of the residents within the Property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for these purposes.

In furtherance of said purposes, this Association shall have power to:

(a) exercise all the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration dated December 2, 1976, and recorded among the Land Records of Baltimore County at Liber E.H.K., Jr. No. 5702, folio 645, as said Declaration may from time to time be supplemented or amended (said Declaration, as so supplemented or amended, being herein called the "Declaration");

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money (but only with the assent by vote or written consent of two-thirds (2/3) of each class of members), mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all of or any part of the Common Area to any public agency or authority, or any utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer, has been recorded among the Land Records of Baltimore County. Any such instrument shall be approved by Baltimore County, Maryland, prior to such recordation.

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and common area, provided that any merger, consolidation or such annexation shall have the assent by vote of two-thirds (2/3) of each class of members or by the written consent of all of the members; and

(g) have and exercise any and all powers, rights and privileges which a non-profit corporation organized under the Public General Laws of the State of Maryland by law may now or hereafter have or exercise.

ARTICLE IV

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE V

VOTING RIGHTS

The Association shall have (2) classes of voting membership:

Class A. Class A members shall be all owners of the Lots, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant, and shall be entitled to four (4) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) on January 1, 1980; or

(c) upon surrender of such Class B membership by the then holders thereof for cancellation on the books of the Association.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

<u>J. Allan Thompson, Jr.</u>	<u>1317 Glendale Road</u> <u>Baltimore, Maryland 21239</u>
<u>Lillian M. Thompson</u>	<u>1317 Glendale Road</u> <u>Baltimore, Maryland 21239</u>
<u>Stephen Allan Thompson</u>	<u>1317 Glendale Road</u> <u>Baltimore, Maryland 21239</u>

At the first annual meeting, the members shall elect one (1) Director for a term of one (1) year, one (1) Director for a term of two (2) years and one (1) Director for a term of three (3) years; and at each annual meeting thereafter the members shall elect one (1) Director for a term of three (3) years. If the number of Directors is changed by amendment to the Bylaws, the Directors in such event shall be elected in the manner specified in such amendment (which may or may not include staggered terms).

ARTICLE VII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members as herein set forth. Upon dissolution of the Association, its assets, both real and personal, shall be dedicated to an appropriate governmental body or agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes as nearly

as practicable the same as those to which they were required to be devoted by the Association. No such disposition of the Association's assets shall be effective to divest or diminish any right or title of any member vested in him under the Declaration and deeds applicable to the Property unless made in accordance with the provisions of such Declaration and deeds.

ARTICLE VIII

STOCK

The Association is not authorized to issue capital stock.

ARTICLE IX

DURATION

The Association shall exist perpetually.

ARTICLE X

CONFLICT WITH DECLARATION

In the case of any conflict between these Articles of Incorporation and the Declaration, the Declaration shall control.

ARTICLE XI

AMENDMENTS

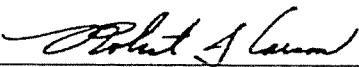
These Articles may be amended pursuant to law and with the assent of seventy-five percent (75%) of the entire membership.

ARTICLE XII

DEFINITIONS

As used in these Articles of Incorporation, the words "Common Area", "Lot" and "Declarant" shall have the respective meanings as defined in the Declaration.

IN WITNESS WHEREOF, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this 2nd day of December, 1976.




_____ J. Allan Thompson, Jr.

5

THIS AMENDED DECLARATION, made this 17th day of July, 1977, by J. ALLAN THOMPSON, JR. and LILLIAN M. THOMPSON, his wife, hereinafter collectively referred to as "Declarant," and CATHERINE B. DOEHLER, Trustee, hereinafter referred to as the "Trustee."

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property in the Ninth Election District of Baltimore County, Maryland, which is more particularly described in Exhibit A attached to this Declaration and made a part hereof, and shown on a plat recorded among the Land Records of Baltimore County, Maryland, in Plat Book E.H.K., Jr. No. 40, folio 137;

NOW, THEREFORE, Declarant hereby declares that all of the property described above shall be held, sold, and conveyed subject to the easements, restrictions, covenants, and conditions established by this Amended Declaration, the same to run with the land and to bind and to inure to the benefit of all parties having any right, title, or interest in the Property (or any other land burdened or benefitted by this Amended Declaration) or any part thereof, their heirs, personal representatives, successors, and assigns.

ARTICLE I

DEFINITIONS

Section 1. "Declarant" shall collectively mean, and refer to J. Allan Thompson, Jr. and Lillian M. Thompson, his wife, and such persons or entities to whom they may assign their rights and duties hereunder, in whole or in part.

Section 2. "Association" shall mean and refer to Stevenson Mews Townhouse Association, Inc., a non-profit corporation without capital stock formed under the Public General Laws of the State of Maryland, its successors and assigns.

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Property, including

contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4. "Property" shall mean and refer to that certain real property described in Exhibit A hereto, and such additions thereto as may hereafter be annexed pursuant to Section 4 of Article X hereof.

Section 5. "Common Area" shall mean and refer to all real property (including the improvements thereto) and all interests therein (including, without limitation, leasehold interests, easements, and any other interests in real property) owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described in Exhibit B attached hereto and made a part hereof.

Section 6. "Lot" shall mean and refer to any plot of land, with the exception of the Common Area, shown upon any recorded subdivision plat of the Property upon which there has been or will be constructed a single-family townhouse residence. It is the intention of Declarant to have a number assigned to each Lot of the Property and to have such number shown on the subdivision plat relating to such Lot.

Section 7. "Utility" or "utilities" shall mean and refer to water, sanitary sewer, natural gas, electricity, telephone service, storm drainage, solid waste collection, street cleaning, snow removal, lawn and shrubbery care, fire and police protection, and any other utility or other service now or hereafter furnished to the Property by any unit of local government, by any utility company, or by the Association.

Section 8. "Dwelling" shall mean and refer to any single-family townhouse residence now or hereafter constructed on the Property.

ARTICLE II

COMMON AREA

Section 1. Conveyance of the Common Area. Prior to the

conveyance of the first Lot, Declarant shall convey to the Association by special warranty deed the Common Area described in Exhibit B hereof. Such conveyance shall be made free and clear of all liens and encumbrances, except (i) current real property taxes, which taxes shall be prorated to the date of transfer, and (ii) utility easements and any other easements, restrictions, covenants, and conditions then of record, including those set forth in this Declaration.

Section 2. Maintenance of Private Drives, Private Utilities, etc. The Association shall at its expense maintain, repair, and replace within the Common Area all private drives, parking areas, sidewalks, and utility structures or facilities that are not owned by or have not been dedicated to a unit of government or a utility company.

Section 3. Utility Easements Granted to Units of Government, or Utility Companies, or the Association, Providing Utilities. There is hereby granted to any unit of government, or any utility company, or the Association, providing any utilities to the Property, a right and easement of ingress and egress to all facilities or structures housing or used in connection with such utilities (and, in the case of lawn and shrubbery care, to such lawns and shrubbery) together with a right to view (including the reading of any meters), construct, maintain, repair, and replace such facilities or structures (and such lawns and shrubbery). To the extent practicable, said easement(s) shall be exercised within the boundaries of the utility easement areas shown on the subdivision plat(s) of the Property. However, to the extent necessary, said easement(s) may be exercised by use of any other areas on the Property; provided, however, that said easement(s) shall not be exercised within any area of a Lot on, over, or under which a residence has been located. Any damage to the Property resulting from the exercise of the aforesaid easement(s) shall be repaired by the party causing the same.

Section 4. Easements Reserved by Declarant. Declarant hereby reserves the following easements, which shall benefit any

additions to the Property which may hereafter be annexed pursuant to Section 4 of Article X hereof:

(a) A right and easement for ingress and egress over the beds of any private drives and any sidewalks contiguous thereto. However, Declarant shall not transport construction equipment on or over the beds of any such private drives after January 1, 1980 (but this shall not affect any right or easement granted to the Association or any Owner to use such beds).

(b) A right and easement to tap into or onto and to use any utilities, and any facilities or structures housing or used in connection therewith, lying or being within the Common Area; provided, however, that Declarant shall at its expense repair any damage caused thereby within the Common Area, and that Declarant shall pay for the cost of any such utilities used by Declarant.

(c) In the event that the Association shall fail to do so after written request mailed by Declarant to the Association at its principal office, Declarant shall have the right and easement at its expense to construct, maintain, repair, and replace any private drives and any sidewalks contiguous thereto, and any of the aforesaid utilities or utility facilities or structures, together with a right and easement of ingress and egress to the same within the Common Area. Moreover, Declarant shall at its expense repair any damage to the beds of any private drives caused by any construction equipment using the same in connection with the development and/or construction of any of the aforesaid additions to the Property.

ARTICLE III

OWNERS' RIGHTS IN COMMON AREA

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a non-exclusive right and easement of enjoyment in and

to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency or authority, or any utility, for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument evidencing agreement to such dedication or transfer signed by two-thirds (2/3) of each class of members and approved by Baltimore County, Maryland, a body politic and corporate (hereinafter called "Baltimore County"), has been recorded among the Land Records of Baltimore County; and

(b) the right of the Association, acting by and through its Board of Directors, to grant licenses, rights of way, and/or easements for access or for the construction, reconstruction, maintenance, and/or repair of any utility lines or appurtenances, whether public or private, to any public agency or authority, or any utility, or Declarant; provided, however, that no such licenses, rights-of-way, and/or easements shall be unreasonably and permanently inconsistent with the rights of the members to the use and enjoyment of the Common Area; and

(c) the right of the Association to establish uniform rules and regulations pertaining to the use of the Common Area, provided, that in no event shall the Association levy any admission or other similar fee for the use of any streets, roadways or parking areas which are situate upon the Property.

Section 2. Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Area to members of his family, his tenants, or contract purchasers who reside on the Lot owned by him.

Section 3. Encroachment Easements. There shall be reciprocal appurtenant easements of encroachment as between each Lot and each portion of the Common Area adjacent thereto due to

the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon to a distance of not more than one (1) foot, as measured from any point on the common boundary between any Lot and the adjacent portion of the Common Area along a line perpendicular to such boundary at such point, provided, however, that in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, tenant, or the Association.

Section 4. Rights Reserved to Declarant. Notwithstanding anything to the contrary herein provided, Declarant shall have the right to utilize any Lot owned by it and reasonable portions of the Common Area for such purposes and in such manner as Declarant may reasonably require with respect to the promotion and sale of its proposed developments upon the Property, including but not limited to the right to display and exhibit the Common Area and to establish and maintain general administrative and sales offices, parking areas for its employees, agents, representatives and prospective customers, and advertising signs or other materials. The rights herein reserved shall terminate on January 1, 1980, or at the end of a three (3) year period commencing from the date of recording of the then most recent Declaration of Annexation, as provided in Section 4 of Article X, whichever is later.

ARTICLE IV

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the residences upon the Property and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owner(s) thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any Owner(s) to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, the matter shall be submitted to the Board of Directors, who shall decide the dispute and whose decision shall be final and conclusive on all parties.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any one Lot.

Class B. The Class B member(s) shall be Declarant and shall be entitled to four (4) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) on January 1, 1980, or
- (c) upon the surrender of said Class B membership by the then holder or holders thereof for cancellation on the books of the Association.

From the date of the first to occur of the above described events, unless and until the Class B membership is reinstated, Declarant shall be entitled, as in the case of other Owners, to only one vote for each Lot owned by it. Nothing contained hereto shall preclude Declarant from annexing additional property pursuant to the provisions of Section 4 of Article X for the purpose of maintaining or reinstating the Class B membership, and all property so added shall be included in the determination of the existence and voting rights of the Class B membership. The Class B membership shall be reinstated by the addition of such property.

ARTICLE VI

COVENANTS FOR MAINTENANCE AND OTHER ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation

of Assessments. Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(1) annual assessments or charges, (2) special assessments for capital improvements, and (3) utility assessments; all such assessments to be established and collected as hereinafter provided.

The annual, special, and utility assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot(s) against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. Notwithstanding any other provision of this Declaration, Declarant shall only be required to pay, with respect to any unoccupied Lot owned by it, an amount equal to twenty-five percent (25%) of the annual assessment and any special assessment which the Association has levied for such Lot. (Declarant shall pay the full amount of such assessments with respect to any occupied Lot owned by Declarant. Moreover, Declarant shall always pay the full amount of any utility assessments with respect to Lots owned by it, irrespective of whether said Lots are occupied or not.)

Section 2. Purpose of Assessments. The assessments

levied by the Association shall be used exclusively to promote the health, safety, welfare, and recreation of the residents of the Property; for the improvement and maintenance of the Common Area (and of the Lots, and the exterior of the houses and the fences

situated upon the Property, under the circumstances described in Article IX); and for the cost of the utilities described in Section 8 of this Article.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Two Hundred Forty Dollars (\$240.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum annual assessment for the previous year, exclusive of any increase resulting from increased real estate taxes, utility charges, and insurance premiums payable by the Association, without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be levied and collected on a monthly, quarterly, or semi-annual basis, at the discretion of the Board of Directors.

Section 7. Date of Commencement of Annual Assessments:
Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period (but this shall not be required in the case of the first annual assessment). Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. If the Board of Directors should for any reason fail to timely fix the annual assessment for any year, the assessment (and the due dates) for that year shall automatically be the same as for the preceding year, unless thereafter decreased by the Board of Directors. The Association shall, upon demand, and for a

reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Utility Assessments. At the date of execution of this Declaration, Declarant had been advised by officials of Baltimore County and of Baltimore City (which furnishes water by contract to that part of Baltimore County in which the Property lies) that one total bill would be periodically rendered for water and sanitary sewage service to the twenty-two (22) residences located in the real property described in Exhibit A. The Board of Directors of the Association may, to the extent such water and sewer bills (or any other utility bills to be rendered to the Association) are not included within the annual assessment, periodically assess each Owner for his portion of such bills. Such assessments may be (i) at a uniform rate for all Lots or (ii) be based upon a reasonable formula intended to reflect the actual cost of such utilities furnished to each particular Lot. The Association shall establish a separate bank account for all receipts and disbursements in connection with said utility assessments.

Section 9. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment or installment thereof not paid within thirty (30) days after the due date therefor shall bear interest from the due date at the rate of six percent (6%) per annum. The Association may bring an action at law against any Owner personally obligated to pay the same, or foreclose the lien against any Lot involved. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Notice of Lien. No action shall be brought to foreclose said assessment lien or to proceed under the power of sale herein provided less than thirty (30) days after the date a

notice of claim of lien is deposited in the United States mail, certified or registered, postage prepaid, to the Owner of said Lot, and a copy thereof is recorded by the Association in the office of the Clerk of the Circuit Court for Baltimore County; such notice of claim must contain a good and sufficient legal description of any such Lot, the name and last known address of the record Owner or reputed Owner thereof, the amount claimed (which may at the Association's option include interest on the unpaid assessment at the legal rate, plus reasonable attorney's fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the Association.

Section 11. Foreclosure Sale. Any such sale provided for above is to be conducted in accordance with the provisions of the laws of the State of Maryland, applicable to the exercise of powers of sale in mortgages and deed of trust, or in any other manner permitted by law. The Association, through its duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same.

Section 12. Curing of Default. Upon the timely curing of any default for which a notice of claim of lien was filed by the Association, the officers of the Association are hereby authorized to execute an appropriate release of such notice, upon payment by the defaulting Owner of a fee, to be determined by the Association, but not to exceed Thirty Dollars (\$30.00), to cover the costs of preparing such release.

Section 13. Cumulative Remedies. The assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution of all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgement for unpaid assessments, as above provided.

Section 14. Subordination of Lien to Mortgages. The

lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or deed of trust or the Lot involved. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

ARTICLE VII

DUTIES AND POWERS OF THE ASSOCIATION

In addition to the duties and powers enumerated in its Articles of Incorporation and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall:

(a) Own, maintain, improve, construct, reconstruct (in the event of deterioration or destruction), repair, replace, and manage all of the Common Area, and all facilities, improvements and landscaping thereon, and all property acquired by the Association, and pay all the costs thereof;

(b) Pay all real and personal property taxes and other charges assessed against the Common Area;

(c) Have the authority to obtain, for the benefit of the Property and the Common Area, all utility service;

(d) Grant easements where necessary for utilities in the Common Area to serve the Common Area and the Lots;

(e) Maintain such policy or policies of insurance on the Common Area as the Board of Directors of the Association deems necessary or desirable in furthering the purposes of and protecting the interests of the Association and its members;

(f) Have the authority to employ a manager or other

persons, and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association;

(h) Enforce applicable provisions of this Declaration and the Bylaws of the Association and establish and enforce uniform rules and regulations pertaining (i) to the use of the Common Area and (ii) to any utilities now or hereafter furnished to the Property.

ARTICLE VIII

ARCHITECTURAL AND ENVIRONMENTAL CONTROL

Section 1. Architectural and Environmental Control

Committee. No building, fence, wall, or other structure shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration (including any change of color) thereto be made until the plans and specifications showing the nature, kind, shape, height, color, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an Architectural and Environmental Control Committee composed of three (3) or more persons appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such exterior addition, change, or alteration within sixty (60) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

Section 2. Rules and Regulations. The Board of Directors or the Architectural and Environmental Control Committee may from time to time adopt and promulgate reasonable rules and regulations regarding the form and content of plans and specifications to be submitted for approval and may publish and/or establish reasonable criteria relative to architectural styles or details, colors, set-

backs, materials, curtains (or draperies, blinds, shades, or any other window coverings or inserts) visible from the exterior of a dwelling, or other matters relative to architectural control and the protection of the environment. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this Article or any other provision or requirement of this Declaration. The decisions of the Architectural and Environmental Control Committee shall be final except that any member who is aggrieved by any action or forbearance from action by the Committee (or by any policy, standards, or guidelines established by the Committee) may appeal to the Board of Directors and, upon the request of such member, shall be entitled to a hearing before said Board.

Section 3. Prohibited Uses and Nuisances. Except for the activities of the Declarant during original construction and/or development or as may be necessary in connection with reasonable and necessary repairs or maintenance to any dwelling or upon the Common Area:

(a) no noxious or offensive trade or activity shall be carried on upon any Lot or within any dwelling thereon, nor shall anything be done therein or thereon, which may be or become an annoyance or nuisance to the neighborhood or other members. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell or other sound device, except such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any dwelling or upon the exterior of any other improvements;

(b) the maintenance, keeping, boarding and/or raising of animals, livestock, or poultry of any kind, regardless of number, shall be and is hereby prohibited on any lot or within any dwelling, except that this shall not prohibit the keeping of dogs, cats, and/or caged birds as domestic pets provided they are not kept, bred, or maintained for commercial purposes. There shall be no more than two (2) such domestic pets per dwelling. Pets shall be attended at all times and shall be registered,

licensed, and innoculated as may from time to time be required by law. Pets shall not be permitted upon the Common Area unless accompanied by an adult and unless they are carried or leashed;

(c) no burning of any trash and no accumulation or storage of litter, lumber, scrap metals, refuse, bulk materials, waste, new, or used building materials, or trash of any other kind, shall be permitted on any Lot;

(d) except as otherwise provided in this Declaration, no junk vehicle, commercial vehicle, trailer, truck, camper, camp truck, house trailer, boat, or other machinery or equipment of any kind or character (except for such equipment and/or machinery as may be reasonable, customary, and usual in connection with the use and maintenance of any dwelling and except for such equipment and/or machinery as the Association may require in connection with the maintenance and operation of the Common Area) shall be kept upon the Property nor (except for bona fide emergencies) shall the repair or extra-ordinary maintenance of automobiles or other vehicles be carried out thereon;

(e) trash and garbage containers shall not be permitted to remain in public view except on days of trash collection. No incinerator shall be kept or maintained upon any Lot. Garbage, trash, and other refuse shall be placed in covered containers and handled in accordance with Baltimore County requirements;

(f) no Lot shall be divided or subdivided and no portion of any Lot (other than the entire Lot) shall be transferred or conveyed for any purpose. No portion of any dwelling (other than the entire dwelling) shall be leased. The provisions of this subsection shall not apply to Declarant and, further, the provisions hereof shall not be construed to prohibit the granting of any license, easement, or right-of-way to any public agency or authority, any utility, Declarant, or any other person for any purpose;

(g) except for hoses and the like which are reasonably necessary in connection with normal lawn maintenance,

no water pipe, sewer pipe, gas pipe, drainage pipe, telephone line, electrical line, or cable, television cable, or similar transmission line, or the like shall be installed or maintained on any Lot above the surface of the ground;

(h) no Lot shall be used for the purpose of boring, mining, quarrying, exploring for, or removing oil or other hydrocarbons, minerals, gravel, or earth;

(i) no sound hardwood trees measuring in excess of six (6) inches in diameter two (2) feet above the ground shall be removed from any Lot without written approval of the Association acting through the Board of Directors or the Architectural and Environmental Control Committee. The Board of Directors or the Architectural and Environmental Control Committee may from time to time adopt and promulgate reasonable additional rules and regulations regarding the preservation of trees and other natural resources and wildlife;

(j) no structure of a temporary character, and no trailer, tent, shack, barn, pen, kennel, run, stable, outdoor clothes dryer, playhouse, shed, or other similar building shall be erected, used, or maintained on any Lot at any time;

(k) except for entrance signs, directional signs, signs for traffic control or safety, community "theme areas," and such promotional sign or signs as may be maintained by Declarant or the Association, no signs or advertising devices of any character shall be erected, posted, or displayed upon, in, or about any Lot or dwelling, provided, however, that one temporary real estate sign not exceeding six (6) square feet in area, may be erected upon any Lot or attached to any dwelling placed upon the market for sale or rent. Any such temporary real estate sign shall be removed promptly following the sale or rental of such dwelling;

(l) no structure, planting, or material shall be placed or permitted to remain upon any Lot which may damage or interfere with any easement for the installation or maintenance of

utilities or which may unreasonably change, obstruct, or retard the direction or flow of any drainage channels;

(m) no outside aerial, antenna, or similar device shall be maintained upon any Lot or dwelling unless the same shall be permitted under rules and regulations adopted and promulgated pursuant to Section 2 of this Article. In no event, however, shall any outside aerial, antenna, or similar device be permitted in connection with any broadcasting equipment.

Section 4. Residential Use. All dwellings shall be used for private residential purposes exclusively, except that a professional office may be maintained in a dwelling, provided that such maintenance and use is limited to a person who actually resides in the dwelling and who maintains his or her principal professional office at another location. As used in this Section the term "professional office" shall mean rooms used for office purposes by a member of any recognized profession, including doctors, lawyers, architects, and the like, but excluding medical and dental clinics. Nothing contained in this Article, or elsewhere in this Declaration, shall be construed to prohibit Declarant from the use of any Lot or dwelling for promotional, display, or marketing purposes as "model homes" or the like.

ARTICLE IX

EXTERIOR MAINTENANCE

Section 1. In Event of Owner's Failure to Maintain.

In the event an Owner of any Lot in the Property shall fail to maintain the Lot and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to maintain, repair, and restore the Lot and the exterior of the buildings and any other improvements erected

thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject and shall immediately be due from the Owner to the Association.

Section 2. Maintenance of Fence. Notwithstanding any other provisions in this Declaration, the Association shall annually, at its expense, stain the fence placed at the rear of each Lot so as to maintain a common color for all such fences on the Property. The Association is hereby granted an easement across the back yard of each Lot for such purpose.

ARTICLE X

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all easements, restrictions, covenants, conditions, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any of the same shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one or more of the provisions of this Declaration by judgment or court order shall in no wise affect any other provisions, which shall remain in full force and effect.

Section 3. Amendment. The provisions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Owners, which instrument or instruments shall be recorded among the Land

Records of Baltimore County. Any amendment must be approved by Baltimore County prior to such recordation. No amendment may alter or affect any rights granted hereunder to Declarant, any unit of government, any utility company, or any other third party who is not an Owner, without the prior written consent of such party.

Section 4. Annexation. Additional contiguous property and Common Area may be annexed to the Property upon the execution by Declarant of a Declaration of Annexation and the recordation thereof among the Land Records of Baltimore County, provided that any such Declaration of Annexation executed after January 1, 1980 shall require the consent of two-thirds (2/3) of each class of members. Any such Declaration of Annexation must be approved prior to recordation by Baltimore County.

Section 5. Recreational Facilities. No recreational facilities shall be constructed by Declarant on any part of the Common Area without the consent of two-thirds (2/3) of each class of members.

Section 6. Notices. Any notice required to be sent to any member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last address of such member or Owner appearing on the records of the Association at the time of such mailing.

Section 7. Gender and Number. Wherever the context of this Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural, and words in the plural shall include the singular.

Section 8. Caption and Headings. The captions and headings throughout this Declaration are for convenience and reference only; and the words thereof shall in no respect be held

or deemed to define, limit, describe, explain, modify, amplify, or add to the interpretation, construction, or meaning of any provision of or the scope or intent of this Declaration, or in any way to affect this Declaration.

ARTICLE XI

EFFECT OF AMENDED DECLARATION AND OF AMENDED PLAT

This Amended Declaration, which has heretofore been approved in writing by Baltimore County, Maryland, entirely supersedes a previous Declaration dated October 14, 1976, and recorded among the Land Records of Baltimore County in Liber E.H.K., Jr. No. 5702, folio 645, and the "Amended Plat of Stevenson Mews" recorded among the Plat Records of said County in Plat Book E.H.K., Jr. No. 40, folio 137 (which Plat is referred to in Exhibit B hereto), entirely supersedes a previous Plat recorded among said Plat Records in Liber E.H.K., Jr. No. 40, folio 119.

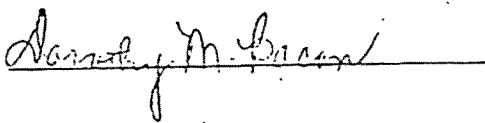
ARTICLE XII

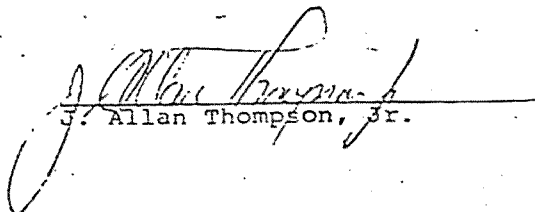
JOINDER OF THE TRUSTEE

The Trustee is the surviving Trustee under a deed of trust dated November 29, 1976, recorded among the Land Records of Baltimore County in Liber E.H.K., Jr. No. 5703, folio 6. The Trustee joins in the execution of this Declaration for the purpose of consenting to the terms thereof and for the purpose of subjecting her interest in the real property described in Exhibit A hereto to the operation and effect of this Declaration.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the date first above written.

WITNESS:




_____ (SEAL)
J. Allan Thompson, Jr.

Donald M. Bacon

Lillian M. Thompson (SEAL)
Lillian M. Thompson, his wife

"Declarant"

Catherine B. Doehler

Catherine B. Doehler (SEAL)
Catherine B. Doehler, Trustee

"Trustee"

STATE OF MARYLAND:

City of Baltimore: ss:

I HEREBY CERTIFY that on this 8th day of July, 1977, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared J. Allan Thompson, Jr. and Lillian M. Thompson, his wife, who acknowledged under oath that they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

Donald M. Bacon
Notary Public

My Commission expires: July 1, 1978

STATE OF MARYLAND:

CITY OF BALTIMORE: ss:


I HEREBY CERTIFY that on this 9th day of July, 1977, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Catherine B. Doehler, and acknowledged under oath that she executed the foregoing Amended Declaration in such capacity, and who signed and sealed the same in such capacity.

AS WITNESS my hand and Notarial Seal.

Catherine B. Doehler
Notary Public

My Commission expires: July 1, 1978

Approved by Baltimore County


Theodore G. Venetoulis
County Executive 7/18/77

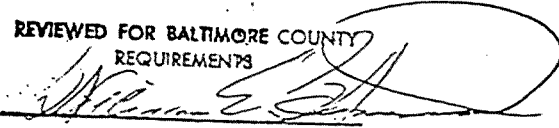
REVIEWED FOR BALTIMORE COUNTY
REQUIREMENTS

ASSISTANT COUNTY SOLICITOR 7/15/77

EXHIBIT A

BEGINNING for the same at a concrete monument heretofore planted in the ground at the end of the 3rd line of the whole tract of land of which the parcel now being described is a part and which said whole tract of land is described in a Deed dated July 17th, 1952 and recorded among the Land Records of Baltimore County in Liber #2143 folio 476 from McCormick & Co., Inc., to Robert B. Holden, et al; and running thence from said place of beginning, binding on the 4th, 5th, 6th and part of the 7th lines of said whole tract of land, the four following courses and distances, viz: - South 21°08'30" East, with all bearings referred to the True Meridian, 247.66'; South 53°50'40" West 255.42'; North 36°09'20" West 49.67' and South 53°50'40" West 168.99' to intersect the Northeast side of Bellona Avenue as now laid out; thence binding on the said Northeast side of said Bellona Avenue and running Northwesterly, by a curve to the left, having a radius of 359.80' a distance of 75.14'; thence still binding on the said Northeast side of said Bellona Avenue and running North 44°14'10" West 81.70' to intersect the said 3rd line of said whole tract of land; thence leaving the said Northeast side of said Bellona Avenue and binding on part of said 3rd line, North 50°00'50" East 505.59' more or less, to the place of beginning.

CONTAINING 2.153 acres of land, more or less.

DESCRIPTION OF COMMON AREA INITIALLY TO
BE OWNED BY THE ASSOCIATION

The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

1. To Be Owned In Fee Simple: All that parcel of ground shown on "Amended Plat of Stevenson Mews," said plat (the "Plat") having been recorded among the Plat Records of Baltimore County in Liber E.H.K.Jr. No. 40, folio 137, saving and excepting the twenty-two (22) numbered Lots shown on the Plat as Lots Nos. 1 through 22, inclusive. Said parcel shall be held subject to all existing easements, restrictions, conditions, and covenants of record, including those shown on the Plat and those established by the Declaration (the "Declaration") to which this Exhibit B is attached.

2. Easements:

a. The following easements shall be granted to the Association, to the Owners of the Lots, and to any other parties to be benefitted by such easements under the provisions of the Declaration:

(1) An easement for ingress and egress, and for parking, on and over the beds of all private drives shown on the Plat.

(2) An easement for ingress and egress on and over all sidewalks shown on the Plat.

(3) All drainage and utility easements, and any other easements, shown on the Plat.

b. Any other easements benefitting the Association, any Lot owners, or any other parties, described in the Declaration.

Notwithstanding any other provisions in this Exhibit B, or on the Plat or in the Declaration, Declarant reserves the right and power, without the necessity of the Association joining in the deed of dedication, to dedicate to public use (i) fee simple title

to the beds of all private drives shown on the Plat and (ii) title to any utilities, or utility structures or facilities (including, without limitation, those for water or sanitary sewage), together with appurtenant easement(s) for ingress and egress thereto and for the right to view (including the reading of any meters), construct, maintain, repair, and replace the same. (However, nothing contained in this Exhibit B or in the Declaration shall impose any duty upon Declarant to dedicate any of the foregoing areas to public use.)

STEVENSON MEWS TOWNHOUSE ASSOCIATION, INC.

RULES AND REGULATIONS

July 12, 1977

1. All curtains adjacent to any window shall be lined with suitable white material and shall appear white from the exterior of the dwelling.

SECOND AMENDED DECLARATION

This Amended Declaration made this 16th day of July, 2009, by the undersigned Owners, hereinafter collectively referred to as "Declarant."

WHEREAS, heretofore an Amended Declaration was executed July 8, 1977 by J. Allan Thompson, Jr. and Lillian M. Thompson, his wife, as Declarant and Catherine B. Doehler, Trustee, recorded among the Land Records of Baltimore County, Maryland, in Liber 5781, folio 633;

WHEREAS, Declarant was the owner of certain real property in the Ninth Election District of Baltimore County, Maryland, which is more particularly described in Exhibit A attached to this Declaration and made a part hereof, and shown on a plot recorded among the Land Records of Baltimore County, Maryland, in Plat Book E.H.K., Jr. No. 40, folio 137; and

WHEREAS, the undersigned Owners who represent at least seventy-five percent (75%) of the Owners of improved lots in the before said subdivision, more particularly described as Stevenson Mews desire to amend the Declaration in the manner and to the extent, more particularly described herein. Furthermore, the undersigned Owners having fully-executed this Amended Declaration as advised and recommended to them by the Board of Directors of Stevenson Mews, pursuant to the authority of Article X, Section 3, do hereby amend the aforesaid Amended Declaration as follows:

Article III

Owners' Rights in Common Area

Section 2, Delegation of Use, is stricken in its entirety and the following is substituted therefore in its entirety:

Section 2. Delegation of Use. The Owners may delegate his/her/its rights of enjoyment

to the Common Area to members of his/her family, or contract purchasers who reside on the lot owned by him or her.

Section 3, Encroachment Easements, shall be stricken in its entirety and the substitute therefore in its entirety, the following:

Section 3. Encroachment Easements. There shall be reciprocal appurtenant easements of encroachment as between each Lot and each portion of the Common Area adjacent thereto due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon to a distance of not more than one (1) foot, as measured from any point on the Common Area along a line perpendicular to such boundary at such point; provided, however, that in no event shall an easements for encroachment exist if such encroachment occurred due to willful conduct on the part of the Owner, or the Association.

Article VIII

Architectural and Environmental Control

Section 3. Prohibited Uses and Nuisances. Subsection (f) shall be stricken in its entirety and the following shall be substituted in its entirety therefore:

(f) no Lot shall be divided or subdivided and no portion of any Lot (other than the entire Lot) shall be transferred or conveyed for any purpose. No dwelling or portion of any dwelling other than the entire dwelling shall be leased unless by a written lease for a minimum of one year with no subletting permitted. Any such written lease aforesaid shall restrict the number of cars to be parked to the numbered spaces assigned to the Lessor's property. All owners, as defined herein, or their agents, agree that in addition to the aforementioned limitations, they will include in any lease a provision which says "Lessees acknowledge they have been notified that

all Baltimore County or State laws including but not limited to noise standards, trash removal, animal control, and trespassing as well as Baltimore County rooming and boarding house laws shall be enforced and any breach of the aforesaid laws shall constitute a breach of this Lease giving Lessor the right to terminate the Lease." All owners, as defined herein, or their agents, agree that the limitations concerning leases shall be incorporated in any written lease entered into following approval of the Second Amended Declaration. The provisions hereof shall not be construed to prohibit the granting of any license, easement, or right-of-way to any public agency or authority, any utility, Declarant, for any purpose.

Subsection (k) shall be stricken in its entirety and the following shall be substituted in its entirety therefore:

(k) except for entrance signs, directional signs, signs for traffic control or safety, community "theme areas," and such promotional sign or signs as may be maintained by Declarant or the Association, no signs or advertising devices of any character shall be erected, posted, or displayed upon, in, or about any Lot or dwelling, provided, however, that one temporary real estate sign not exceeding six (6) square feet in area, may be erected upon any Lot or attached to any dwelling placed upon the market for sale only to advertise an open house by a realtor or owner; and shall be removed following completion of each scheduled open house by the realtor or owner. Any such temporary real estate sign shall be removed promptly following the sale of such dwelling.

Section 4, Residential Use, shall be stricken in its entirety and the following substituted therefore in its entirety:

Section 4. Residential Use. All dwellings shall be used for private residential purposes exclusively, except that a professional office may be maintained in a dwelling, provided that such

maintenance and use is limited to a person who actually resides in the dwelling and who maintains his or her principal professional office at another location. As used in this Section, the term "professional office" shall mean rooms used for office purposes by a member of any recognized profession, including doctors, lawyers, architects, and the like, but excluding medical and dental clinics.

Article XII, Joinder of the Trustee, shall be stricken in its entirety and the following shall be substituted for Article XII in its entirety therefore:

Article XII

Joinder of the Trustee

All remaining provisions of the aforesaid Amended Declaration executed July 8, 1977 and recorded among the Land Records of Baltimore County in Liber 5781, folio 633, not previously mentioned herein or substituted therefore or restated in their entirety herein and shall remain in full force and effect, as if fully stated herein.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals on the date next to each of their names.

WITNESS:

DATE:

[Handwritten signature]

6/29/2009

Patricia A. Lewis (SEAL)
Patricia A. Lewis

Printed Name
15 Parliament Court
Street Address

[Handwritten signature] 6/29/09

Roger H. Mackubin (SEAL)
June D. Mackubin

Printed Name
19 Parliament Ct.
Street Address

Gillian M. Hertzinstall 6/29/09 JUDITH C SMITH (SEAL)
Printed Name
33 Parliament Ct
Street Address

Gillian M. Hertzinstall 6/29/09 MARIS STELLA Mueller (SEAL)
Printed Name
43 Parliament Ct.
Street Address

Gillian M. Hertzinstall 6/29/09 MADELINE S. Whitaker (SEAL)
Printed Name
55 Parliament Ct.
Street Address

Gillian M. Hertzinstall 6/29/09 Gene A. Jamison (SEAL)
Printed Name
17 Parliament Court
Street Address

Gillian M. Hertzinstall 6/29/09 Ann Ashby Thompson (SEAL)
Printed Name
31 Parliament Court
Street Address
FKA Ann Ashby DeLashmutt

Gillian M. Hertzinstall 6/29/09 MARGARET G. GREENAWALD (SEAL)
Printed Name
39 Parliament Ct
Street Address
CARD H. GREENAWALD

Gillian M. Hertzinstall 6/29/09 GAMMAL LIBERTY (SEAL)
Printed Name
37 Parliament Ct.
Street Address

Patricia C. Lewis 6/29/2009 GILLIAN M. HERTINSTALL (SEAL)
Printed Name
27 Parliament Court
Street Address

William M. Hepburn 6/27/09

Ruth Dudley Beard (SEAL)
RUTH DUDLEY BEARD
Printed Name
25 Parliament Court
Street Address

Patricia Lewis 7/2/2009

John William Billett (SEAL)
JOHN WILLIAM BILLETT
Printed Name
21 PARLIAMENT COURT
Street Address

Patricia Lewis 7/2/2009

Lavinia H. Rasmussen (SEAL)
OLIVIA H. RASMUSSEN
Printed Name
3 Parliament Ct.
Street Address

William M. Hepburn 7/2/09
Carol K. Curtis 7-2-09

Carol K. Curtis (SEAL)
CAROL K. CURTIS
Printed Name
5 Parliament Ct.
Street Address

Patricia A. Lewis 7/2/2009

M. Teresa Swift (SEAL)
M. Teresa Swift
Printed Name
9 Parliament Ct.
Street Address

William M. Hepburn 7/2/09

Clover P. Roulette (SEAL)
Clover P. Roulette
Printed Name
11 Parliament Court
Street Address

William M. Hepburn 7/2/09

Virginia A. Stracy (SEAL)
Virginia A. Stracy
Printed Name
41 Parliament Court
Street Address

William M. Hepburn 7/5/09

Patricia S. Billett (SEAL)
PATRICIA S. BILLETT
Printed Name
21 PARLIAMENT COURT
Street Address

[Handwritten signature]

7/10/09

Francis R. Bell (SEAL)
FRANCIS R. BELL
Printed Name
7 PARLIAMENT COURT
Street Address

Printed Name

Street Address

Printed Name

Street Address

STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this *10th* day of *July*, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared *Francis R. Bell*, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: *My Commission Expires 2/1/10* _____ Notary Public

[Signature]
Notary Public

My Commission Expires: May 2013

STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 29th day of June 2009, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Judith C Smith, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

[Signature]
Notary Public

My Commission Expires: May 2013

STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 29 day of Jun 2009, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Maristella Mueller, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

[Signature]
Notary Public

My Commission Expires: May 2013

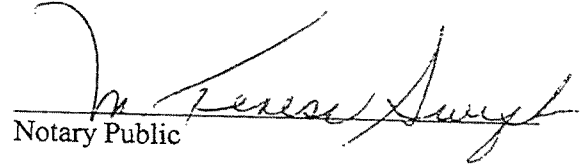
STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 29th day of June, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared MADLINE S. WHITAKER, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.


Notary Public

My Commission Expires: May 2013

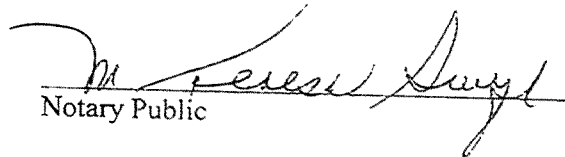
STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 29 day of June, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Anna L. Jamison, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.


Notary Public

My Commission Expires: May 2013

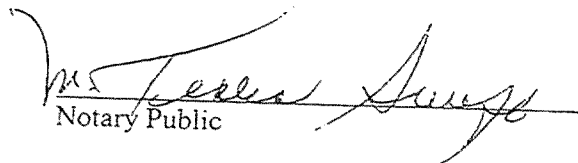
STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 29 day of June, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared AKA Ann Ashby Delashaw Thompson, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.


Notary Public

My Commission Expires: May 2013

STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 29th day of June, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Carl A. Greenwell / Margaret B. Greenwald, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

[Signature]
Notary Public

My Commission Expires: May 2013

STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 29 day of June, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Samuel Liber, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

[Signature]
Notary Public

My Commission Expires: May 2013

STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 29th day of June, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Gillian M Heptinsall, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

M. Terese Augst
Notary Public

My Commission Expires: May 13

STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 19th day of June, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Ruth Dudley David, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

M. Terese Augst
Notary Public

My Commission Expires: May 2013

STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 20th day of July, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared John Wilkes Burtz, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

M. Terese Augst
Notary Public

My Commission Expires: 5/2013

STATE OF MARYLAND :

SS:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 2nd day of July, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Olivia H. Kasmussen, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

M. Teresa Swift
Notary Public

My Commission Expires: 3/2013

STATE OF MARYLAND :

SS:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 2nd day of July, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Carol K. Curtis, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

M. Teresa Swift
Notary Public

My Commission Expires: May 2013

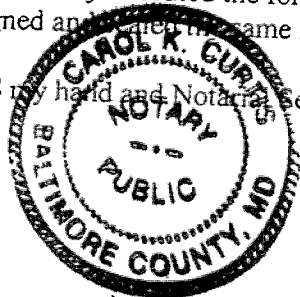
STATE OF MARYLAND :

SS:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 2nd day of July, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared M. Teresa Swift, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.



Carol K. Curtis
Notary Public 5-17-12

My Commission Expires: 5-17-12

STATE OF MARYLAND :

SS:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 2nd day of July, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Clover P. Roulette, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

W. Teresa Smith
Notary Public

My Commission Expires: May 2013

STATE OF MARYLAND :

SS:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 1st day of July, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Virginia A. Stacey, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

W. Teresa Smith
Notary Public

My Commission Expires: May 2013

STATE OF MARYLAND :

SS:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 5th day of July, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Patricia L. Billett, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

W. Teresa Smith
Notary Public

My Commission Expires: 5/2013

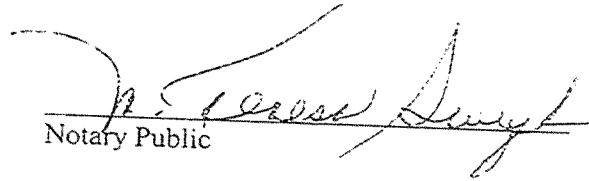
STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this 5th day of July, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Philip Bourwell Boulette, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.


Notary Public

My Commission Expires: May 2013

STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this _____ day of _____, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared _____, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

Notary Public

My Commission Expires: _____

STATE OF MARYLAND :

ss:

COUNTY OF BALTIMORE:

I HEREBY CERTIFY that on this _____ day of _____, 2009, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared _____, satisfactorily identified themselves and acknowledged under oath they executed the foregoing Amended Declaration for the purposes therein contained and who signed and sealed the same in my presence.

AS WITNESS my hand and Notarial Seal.

Notary Public

My Commission Expires: _____

This Second Amended Declaration was prepared by or under the supervision of the undersigned, an attorney admitted before the Court of Appeals of Maryland.



MICHAEL P. TANCZYN, Attorney-at-Law
606 Baltimore Avenue
Suite 106
Towson, Maryland 21204
410-296-8823

After recording , please return to:

MICHAEL P. TANCZYN, Esquire
606 Baltimore Avenue
Suite 106
Towson, Maryland 21204
410-296-8823

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE

Enrolled - Revised

House Bill 107

(Delegate Holmes, *et al.*)

Environment and Transportation

Judicial Proceedings

**Cooperative Housing Corporations, Condominiums, and Homeowners
Associations - Reserve Studies - Statewide**

This bill requires an updated study every five years of the reserves needed for future major repairs and replacement of the common elements of a cooperative housing corporation or condominium, or the common areas of a homeowners association (HOA). The bill repeals statutory provisions that limit applicability to required reserve studies and related provisions only to these types of communities in Montgomery and Prince George's counties. The bill specifies that the reserve study requirements are applicable only to *residential* condominiums.

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances.

Local Effect: The bill does not materially affect local operations or finances.

Small Business Effect: Minimal.

Analysis

Bill Summary/Current Law: The bill generally extends statutory provisions (as shown below) that currently require reserve studies in Montgomery and Prince George's counties only to be applicable statewide. However, the bill specifies that provisions regarding condominiums are only applicable to *residential* condominiums. Existing statutory provisions specify the time by which initial and ongoing reserve studies must be conducted in Montgomery and Prince George's counties (these dates are unchanged by the bill).

“Reserve study” means a study of the reserves required for future major repairs and replacement of the common elements of a cooperative or condominium, or the common areas of an HOA, that:

- identifies each structural, mechanical, electrical, and plumbing component of the common elements or common areas and any other components that are the responsibility of the cooperative, condominium, or HOA to repair and replace;
- states the normal useful life (for cooperatives and condominiums) and the estimated remaining useful life of each identified component;
- states the estimated cost of repair or replacement of each identified component; and
- states the estimated annual reserve amount necessary to accomplish any identified future repair or replacement.

Cooperatives, Condominiums, and Homeowners Associations Established on or After the Applicable Statutory Requirement/Effective Date of the Bill

If a cooperative or condominium is established on or after October 1, 2022 (or October 1, 2020, in Prince George’s County or October 1, 2021, in Montgomery County), the governing body of the cooperative or condominium must have an independent reserve study completed at least 30 days prior to the first meeting of (1) the cooperative at which members other than the owner have a majority of votes in the cooperative or (2) the council of unit owners of a condominium to elect a board of directors, as specified. For HOAs established on or after the dates specified above, the governing body must have the study conducted at least 30 days, but no more than 90 days, prior to the first meeting of the HOA to elect a governing body, as specified.

Within five years after this first required reserve study, and at least every five years thereafter, the governing body of a cooperative, condominium, or HOA must have an *updated* reserve study completed.

Cooperatives, Condominiums, and Homeowners Associations Established Before the Applicable Statutory Requirement/Effective Date of the Bill

If a cooperative, condominium, or HOA is established before October 1, 2022 (or October 1, 2020, in Prince George’s County or October 1, 2021, in Montgomery County), the governing body of the cooperative, condominium, or HOA must have an updated reserve study conducted by October 1, 2023 (or by October 1, 2022, in Montgomery County or by October 1, 2021, in Prince George’s County), unless the cooperative, condominium, or HOA had a reserve study conducted within the past five years, as specified. Within five years after this first required (or most recent) reserve study, and at least every

five years thereafter, the governing body of a cooperative, condominium, or HOA must have an *updated* reserve study completed.

The bill and current law provisions do not apply to an HOA that issues bonds to meet capital expenditures and are only applicable to an HOA that has responsibility under its declaration for maintaining and repairing common areas. In addition, the bill specifies that the provisions regarding reserve studies only apply to HOAs for which initial purchase and installation costs for all components identified under existing statutory provisions total at least \$10,000.

Other Provisions Related to Reserve Funding Now Applicable Statewide

The governing body of a cooperative housing corporation, condominium, or HOA must provide funds to the reserve in accordance with the most recent reserve study, must review the reserve study annually, and has the authority to increase an assessment levied to cover the reserve funding amount required – despite any provision of the articles of incorporation, declaration, bylaws, or proprietary lease, as applicable, restricting assessment increases or capping the assessment that may be levied in a fiscal year. The bill requires the governing body of a cooperative, condominium, or HOA, if the most recent reserve study was an initial reserve study, to attain the annual reserve funding level recommended by the reserve study within three fiscal years following the fiscal year in which the initial reserve study was completed.

For newly established condominiums and HOAs, the condominium developer or HOA declarant must deliver to the condominium or HOA reserves equal to at least the reserve funding amount recommended in the initial reserve study. This must be done within 30 days after (1) the meeting held to elect a board of directors for the council of unit owners or (2) the meeting held to elect a governing body of the HOA.

To the extent that a reserve study conducted for a cooperative indicates a need to budget for reserves, the budget must meet specified requirements, including the inclusion of a statement of the amount of reserves recommended in the study and the amount of current cash for replacement reserves.

Additional Requirements of the Reserve Study

Under current law, each reserve study must be prepared by an individual who:

- has prepared at least 30 reserve studies for the applicable type of community within the prior three calendar years;
- holds a bachelor's degree in construction management, architecture, or engineering, or has equivalent experience and education;

- holds a current license from the State Board of Architects or the State Board for Professional Engineers; or
- is currently designated as a reserve specialist by the Community Association Institute or a professional reserve analyst by the Association of Professional Reserve Analysts.

The bill repeals the requirement that an individual hold a bachelor's degree and instead requires that the person, in addition to the other requirements above, must have participated in the preparation of at least 30 reserve studies within the prior three calendar years while employed by a firm that prepares reserve studies.

Each reserve study must:

- be available for inspection and copying by any unit owner or lot owner;
- be reviewed by the governing body of the cooperative, condominium, or HOA in connection with preparing the annual budget; and
- be summarized for submission with the annual proposed budget to the unit owners or lot owners.

For more information on cooperatives, condominiums, and HOAs (commonly known as common ownership communities), see the **Appendix – Common Ownership Communities**.

Additional Information

Prior Introductions: HB 313 of 2021, a similar bill, passed the House as amended and received a hearing in the Senate Judicial Proceedings Committee, but no further action was taken. HB 58 of 2020, a similar bill, received a hearing in the House Environment and Transportation Committee, but no further action was taken. Its cross file, SB 386, received a hearing in the Senate Judicial Proceedings Committee, but no further action was taken. HB 900 of 2019, another similar bill, received a hearing in the House Environment and Transportation Committee but was subsequently withdrawn.

Designated Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division); Judiciary (Administrative Office of the Courts); Department of Legislative Services

Fiscal Note History: First Reader - January 11, 2022
km/jkb Third Reader - March 28, 2022
Revised - Amendment(s) - March 28, 2022
Enrolled - May 5, 2022
Revised - Amendment(s) - May 5, 2022

Analysis by: Donovan A. Ham

Direct Inquiries to:
(410) 946-5510
(301) 970-5510



JUNE 2022 - COMMUNITY ASSOCIATIONS NEWSLETTER – MD LEGISLATIVE UPDATE



June 1, 2022

Community Associations Newsletter

MARYLAND LEGISLATIVE UPDATE

Nicole A. Williams, Esq.

*This legislative session was certainly a hybrid to say the least. Both chambers met in person. The Senate held their committee and voting hearings in person while most of the House was virtual via Zoom. Everything was livestreamed via YouTube so you can go back any watch the hearing for any of the bills if you like. Sine Die (the last day of session) had a familiar feel of celebration and jubilee. The following bills passed the Maryland General Assembly in the 2022 session and are on Governor Hogan's desk for signature. The laws **will become effective (unless otherwise indicated) on October 1, 2022**. Please contact us if you have any questions.*

RESERVE STUDIES

This legislation, while introduced in previous years received renewed attention in light of the tragedy that occurred June 2021 in Surfside, Florida. This legislation had the support of the Maryland Legislative Action Committee (MD-LAC) of the Community Associations Institute (CAI). The language of the bill will seem familiar to those in Montgomery County and Prince George's County since it mirrors legislation passed for those two jurisdictions in previous years.

This new law amends the Cooperative Act, the Condominium Act and the Homeowners Association Act to require that all associations in the State of Maryland obtain professional reserve studies and fund their reserves to the amount recommended in the reserve study.



The reserve study must be prepared by a person who has prepared at least 30 reserve studies within the last three years; participated in the preparation of at least 30 reserve studies within the last three years at a firm that prepares reserve studies; someone who holds a license from the State Board of Architects or the State Board for Professional Engineers; or is currently designated as a reserve specialist by CAI or the Association of Professional Reserve Analysts which is slightly different from the version enacted previously for Montgomery County and Prince George's County.

If an existing association had a reserve study done on or after October 1, 2018, then it is required to have an updated reserve study done within 5 years after the date of the previous reserve study. If the association has not had a reserve study done on or after October 1, 2018, then it must obtain a reserve study by October 1, 2023, and all subsequent reserve studies for all associations must be updated at least every 5 years afterwards.

The law states that an association "*shall provide funds to the reserve in accordance with the most recent reserve study and shall review the reserve study annually for accuracy.*" Further, that the association "*has the authority to increase an assessment...to cover the reserve funding amount...*" notwithstanding any caps or assessment restrictions in the governing documents.

Additionally, the new law states that if the most recent reserve study was an initial reserve study, the association has three years following the fiscal year in which the reserve study was completed to attain the annual reserve funding level recommended in the initial reserve study.

Therefore, the expense of a reserve study should be planned and budgeted for 2023 (or within 5 years of the last study) and the funding mandate will have to be considered as well.

RESERVED PARKING SPACES FOR PLUG-IN ELECTRIC CHARGING SPACES

As more and more people purchase electric vehicles, we will see more and more around their use in the years to come. This most recent legislation clarifies that someone cannot park or stop their car in a parking space that is design for the use of a plug-in electric drive vehicle unless the vehicle is a plug-in electric vehicle that is plugged into the charging equipment. Any publicly accessible plug-in electric drive vehicle charging space must be designated by a sign that states the day or time restrictions and the maximum fine that may be incurred for violation which is civil penalty of up to \$100.

DISCLOSURE REQUIREMENTS TO UNIT OWNERS

[Q](#) [Close](#)