

LIBER 1269 PAGE 0361

IMP FD SURCHG	20.00
RECORDING FEE	20.00
TOTAL	40.00
REF CASH	RCPT # 39511
DWN 0963	DK # 1539
NOV 28, 2006	09:58 PM

THE HOMESTEAD HOMEOWNERS ASSOCIATION
COVENANTS AND RESTRICTIONS

This Declaration made this 20th day of November 20 06, by JC Holdings LLC., herein called the "Developer".

- 1.0 **Submission of Property:** By this Declaration the developer submits the property described herein to the provisions of Title 11B of the Real Property Article of the annotated Code of the State of Maryland, the Maryland Homeowners Association Act, to be held, sold and conveyed subject to the following easements, covenants, conditions, restrictions, by-laws and plats, which are for the purpose of protecting the value and desirability, and enhancing the attractiveness of the project, and which shall run with the land and shall be binding upon and inure to the benefit of all parties having any right, title or interest in The Project or any part thereof, their heirs, personal representatives, successors and assigns, and the Association.
- 2.0 **Name:** The development shall be known as The Homestead, herein called the "Project".
- 3.0 **Description of Project:**
 - A. **Land--** The property subject to this Declaration is real property owned by the developer, located in Deer Park, Maryland, reference to which plan is hereby made for a more particular description of said property; and being a part of the property described in the Land Records of Garrett County, Maryland, from Michelle and Scott Callis to JC Holdings, LLC, including any improvements thereon and all rights and appurtenances there to belonging or in anywise there to appertaining.
 - B. **Plat--** The property is depicted on a subdivision plan for the The Homestead property, Deer Park, Maryland. Recorded at DKM 3, Page 282, on the plat records of Garrett County, Maryland.
 - C. **By-Laws--** The Homestead By-Laws are set forth following the declaration and are incorporated by reference. The administration of the project is governed by the By-Laws.
 - D. **Members--** There are 8 members of the Association, one representing each lot.
 - E. **Common Areas--** Common areas include the entire "Project", roadways and entrance area, except the numbered lots, and 50' developer ROW at the NW side of "Project", and 30' easement serving M79 P17 Bartlett property, as shown on the plat.
 - F. **Partition--** All common areas and all lots shall remain undivided, except by the developer. No owner of any lot or other person shall bring any action for partition or division of any common area or lot and the right to bring such action of partition in lieu of sale is hereby expressly waived by all members.
 - G. **Ownership--** The developer shall convey the common areas to the Association after the sale of six (6) lots in The Project.
- 4.0 **Voting Rights:** Each of the eight (8) lots is allowed one vote, regardless of how many individuals own each lot.
- 5.0 **Amendment and Termination:** Except as otherwise herein provided, this declaration may be amended or terminated only with the written consent of 75% of the members of the Association. Any such AMENDMENT that could be considered to have an adverse effect upon the holder of a mortgage against any lot shall also be approved by 75% of such mortgages prior to ratification. Any such AMENDMENT or termination shall be effective only upon recordation among the depository contained in the Land Records of Garrett County, Maryland.

6.0 Road Maintenance:

All common development roads, and easement to M79 P17 Bartlett property will be maintained by the association under the terms of assessments.

7.0 Assessments:

A. Initial Assessment:

On lots 1 through 8, an initial assessment of Two Hundred Dollars (\$200.00) for each Lot shall be collected at the time of the conveyance of the Lot to an Owner from the Grantor.

B. Regular Assessments:

Each member shall pay to the Association an annual sum, hereinafter called the "assessment", equal to the member's proportionate share of the sum required by the Association, as estimated by its Board of Directors, to meet its annual expenses, including, but not limited to the following:

- i. The cost of all operating expenses of the Association, including common areas and services furnished including charges by the Association for facilities and services furnished by it; and
- ii. The cost of necessary management and administration, including fees paid to any manager; and
- iii. The amount of all taxes and assessments levied against the Association or any which it is otherwise required to pay; and
- iv. The cost of property and extended liability insurance on the project and the cost of such other insurance as the Association may effect; and
- v. The cost of funding all reserves established by the Association including, when appropriate, a general operating reserve and/or a reserve for replacement; and
- vi. The estimated cost of repairs, maintenance, and replacements of the "Project" to be made by the Association, to include regular upkeep of the roads and other amenities.
- vii. There shall be no fee or assessment due or payable in association with M79 P17 Richard P. III and Vanessa Bartlett property.
- viii. There shall be no fee or assessment due or payable in association with 50' developer ROW located at NW side of "Project".

The Board of Directors shall determine the amount of the assessment annually at an open meeting, and shall submit a copy of the annual proposed budget to the members at least 30 days before its adoption at a regularly scheduled open meeting of the Board of Directors.

Failure by the Board of Directors, before the expiration of any assessment period, to fix the assessment hereunder for that or the next period, shall not be deemed a waiver or modification in any respect of the provisions of this article, or a release of any member from the obligation to pay the assessment, or any installment thereof, for that or any subsequent assessment period. In this situation, the previous assessment shall be used until a new assessment is determined.

C. Allocation of Assessments:

- i. The cost of all improvements proposed by the developer shall be paid for by the developer, including, but not limited to, roads, parking areas, and landscaping.
- ii. Costs benefiting all members shall be assessed equally against all members, providing assessments are approved in advance by members as provided herein.

D. Special Assessments:

In addition to the regular assessments authorized by this section, the Association may levy in any assessment year a special assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the "Project", or for such other purposes as the Board of Directors may consider appropriate, provided that any such assessment shall have the consent of 51% of the members. A meeting of the members shall be duly called for this purpose, written notice of which shall be sent to all members at least 15 days, but not more than 30 days, in advance of such meeting. If such meeting is called and a majority is not present, such assent may thereafter be obtained in writing from the members without an additional meeting.

E. Common Profits:

All common profits shall be disbursed to the members, be credited to their assessments for common purposes in proportion to their respective interests, or be used for any other purpose as the Association decides.

F. Reserve or Replacements:

The Association may establish and maintain a reserve fund for replacements by the allocation and payment yearly to such reserve fund of an amount to be designated from time to time by the Board of Directors.

G. Nonpayment of Assessments:

Any assessment levied pursuant to this Declaration, or any portion thereof, which is not paid on the date when due shall be delinquent and shall, together with interest thereon and the cost of collection thereof as hereinafter provided, if recorded, become a continuing lien upon the lot or lots belonging to the member against whom such assessment is levied and shall bind such lot or lots in the hands of the owner, his heirs, devisees, personal representatives and assigns, all in accordance with the provisions of the Maryland Contract Lien Act. The personal obligation of the member to pay such assessment shall, however, remain his personal obligation for the statutory period and a suit to recover a money judgment for nonpayment of any assessment levied pursuant to those foreclosing or waiving the lien herein and by the aforesaid statute created to secure the same.

Any assessment or portion levied pursuant to the Declaration which is not paid within 15 days after it is due, may be subject to a late charge of \$15.00 or 10% of the total amount of any delinquent assessment, or installment thereof, whichever is greater, and may bear interest at a rate not to exceed two percent per month from the due date (24% per annum), at the option of the Association. The Association may bring a civil action against the member personally obligated to pay the same, or foreclose the lien against the lot or lots then belonging to said member, after notice as provided in the Maryland Contract Lien Act; in either of which events, interest, late charges, costs and reasonable attorney's fees at the option of the Association, may be added to the amount of each assessment. The Association shall notify the holder of the first mortgage of any lot for which any assessment levied pursuant to these by-laws becomes delinquent for a period in excess of 60 days and in any other case where the owner of such lot is in default with respect to the performance of any other obligation hereunder for a period in excess of 60 days.

H. Voluntary Sale:

In a voluntary grant, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor for his share of the common expenses up to the time of voluntary grant for which a statement of the lien is recorded, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee of such assessments.

8.0 Common Area Restrictions & Rules:

Overview:

All common areas and right of ways controlled by The Homestead Homeowners Association will be bound by the rules and regulations cited below. The Homestead Homeowners Association Board of Directors will have the responsibility of enforcing the rules and regulations and make immediate decisions.

1. No noxious or offensive trade or activity shall be carried on upon the common areas nor shall anything be done upon the property which may be or become a violation of any health, fire, police or other governmental law, rule or regulation, or a nuisance or annoyance to the members or neighborhood.
2. No noise disturbing to the members shall be made upon the common areas and nothing shall be done or permitted to be done in or about the common areas that interferes with, obstructs or violates the rights, reasonable comforts, or convenience of the members.
3. Members shall place no signs, structures or improvements upon the common areas.
4. Developer reserves the right and usage of common areas to erect/place "for sale" related signage until such time as all lots are sold.
5. Motor vehicles shall be parked only in designated areas. No vehicles shall be stored on common areas.
6. All trash shall be kept in proper receptacles.
7. Pets shall be kept under their owner's control at all times and shall not be permitted to be a nuisance.
8. The Association and Board of Directors may promulgate such additional reasonable rules as are necessary from time to time.
9. M79 P17 property owner(s) are to receive notice and abide by "The Homestead" common area rules and restrictions. In exchange, M79 P17 property owners are entitled to the same utilization of association common area as association members

9.0 Subdivision Restrictions & Rules:

- A. No noxious or offensive or activity shall be carried on within the Project nor shall nor anything be done which may be or become a violation of any health, fire, police or other governmental law, rule or regulation or a nuisance or annoyance to the members of the neighborhood. Any violation of any law, order, rule or regulation, or requirement of any governmental authority or the Board of Directors shall be remedied by and at the sole cost and expense of the member (s) whose lots (s) is/are the subject of such violation.
- B. No noise, disturbing to the members, shall be made within the "Project", and nothing shall be done or permitted to be done that interferes with, obstructs or violates the rights, reasonable comforts or convenience of the lot owners.
- C. The land shall be used for residential purposes only. No commercial use of any type shall be permitted. Residential home rental and cottage businesses are permitted.
- D. Exterior of primary dwelling construction projects must be completed within 12 months and total project completed within 18 months of on-site lot clearing and home site preparation. All other projects including landscaping, fencing, out buildings, or any alterations or addition to the property or lot must be completed within 12 months of on-site initiation.
- E. All dwellings shall have a minimum 3/12 roof pitch.

- F. All association members are responsible and liable for pertinent permits and inspection acquisition, postings and displays as may be related to any activity performed upon association member lot(s). No unauthorized or illegal construction or performances of any type are permitted within or upon any lot.
- G. Every residential dwelling constructed on a lot shall contain a minimum of 800 square feet on the first floor of fully enclosed floor area devoted to living purposes (exclusive of other outbuildings) and a total area devoted to living purposes of at least 800 square feet. No dwelling shall exceed 3 stories in height. Mobile homes or "double-wides" are not allowed. Modular houses meeting all association building requirements are permitted.
- H. Lot 4-8 are prohibited from tree clearing or cutting of trees in excess of 6" diameter as measured at a point 3' above ground, except as may be needed for home site. Tree clearing is not to exceed 50' on the rear and sides of dwelling or related attached structures as well, and 100' on front side. However down or dead trees may be cut as dieing trees threaten potential damage to dwellings and improvements.
- I. Lot owners may build most types of fences; however privacy fences are prohibited.
- J. No portion of any building, except decks and steps without roof covering, shall be located less than 30 feet from the front property line, less than 20 feet from the rear property line, and less than 15 feet from the side property lines. All buildings must be located as noted on the developer site plan.
- K. The maintenance, upkeep, breeding, boarding, and/or raising of animals, for commercial purposes, shall be and is herby prohibited. This shall not prohibit the keeping of domestic household pets providing the keeping of such pets does not become a nuisance to other members.
- L. No trailers or any other additional buildings are permitted, except that a detached garage and a storage shed are permitted for each residence. Storage sheds may not contain more than 200 square feet. All such detached building(s), shall have a minimum of 3/12 pitch roof. and be of the same architectural design, and be covered with either well maintained and appropriately finished metal, vinyl, wood, or cement board type siding.
- M. No garage, outbuilding, or shed may be located anymore than 100' from the primary dwelling unless minimum 100' into woods at tree line.
- N. No primary or bold colors may be utilized on the exterior of any dwelling or building on area exceeding 42 sq. feet or as a primary trim color. Such colors include but are not limited to (pink, "hot" colors, brights of any sort, all black without any contrasting color or any bold shades of primary colors.
- O. No one shall live in tents, shacks, garages, sheds, trailers, RV's, foundations, or temporary or unfinished structures. The exteriors of all buildings must be completed within one year from the date construction commences and shall be of material intended for exterior use.
- P. No unlicensed, unregistered or junk vehicles, and no trucks rated one ton or more are permitted, unless stored in an enclosed garage.
- Q. Each owner shall keep his lot and improvements thereon in a state of good maintenance, order and repair. No lumber, metals, or bulk materials shall be stored where it is visible to other members except during the construction of the residence or during other approved construction phases. No garbage, refuse, or trash shall be kept, stored, or allowed to accumulate on any lot.

- R. No signs, billboards, or advertising structures of any kind shall be placed or erected on any lot except for real estate "For Sale" signs, which may not exceed 2' x 2' in size. This does not apply to a temporary or permanent entrance sign.
- S. Any remodeling, reconstruction, alterations, or additions must abide by the guidelines as set forth in this document.
- T. Every fuel storage tank shall be buried below the surface of the ground or screened by fencing or shrubbery.
- U. All outdoor clothes poles, clotheslines, and similar equipment shall be so placed or screened so as not to be visible from any street or common recreation area.
- V. No more than one single-family dwelling house shall be erected upon any one lot.
- W. No lot may be subdivided except by the developer.
- X. No part of any lot, other than 3 and 4 for the sole purpose of M79 P17 owner(s) access, shall be used for a roadway as access to any property lying outside the sub-division.
- Y. Nothing shall be done on any lot that interferes with the natural drainage of surface water to the injury of other property.
- Z. The main dwelling must be constructed before the erection of any secondary building.
- AA. Carports are permitted providing they do not exceed 24' wide and must be directly associated with the primary dwelling and or garage and cover a portion of the associated parking area and include gravel, concrete or pavement type parking surface.
- BB. Only two (2) recreational vehicles per lot may be stored outside of any shed or garage. Only recreational vehicles owned by the owners of lots within the subdivision or their tenants may be stored within the "Project". Outside stored vehicles must be placed upon prepared gravel, concrete, or pavement type parking surface and must be within 10' of approved structure.

10.0 Easements:

- A. All land within the "Project" is subject to a declaration and easement for private storm water management facilities as recorded or to be recorded among said land records.
- B. Developer shall retain a right of way of twenty feet (20') along all lot interior boundaries to allow for the installation of and service and maintenance of roadways and utilities.
- C. Developer Easements – there is hereby reserved to the developer and his agents a nonexclusive easement over all of the common areas of the "Project" for purposes of access, and for any and all purposes reasonably related to marketing, construction, rehabilitation, management, repair, sale and completion of the "Project" and shall include, without limitation, the maintenance of models and offices and the erection and maintenance of directional and promotional signs.

11.0 Definitions:


- A. **Association** – The Homestead Homeowners Association as set forth in this declaration and in the By-Laws.
- B. **Declaration** – This instrument as recorded among the Land Records of Garrett County, Maryland.
- C. **Developer** – JC Holdings LLC.

- D. **Members** -- The owners of lots in "The Homestead".
- E. **Mortgages** -- The holder of a mortgage or deed of trust secured by any land within the subdivision or secured by all or part of the "Project".
- F. **Project** -- "The Homestead", including the lots, common areas, and all improvements there to.

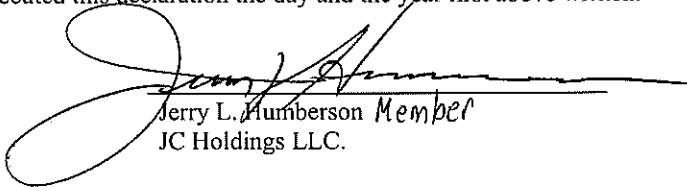
G. **Miscellaneous:**

- I. **Construction and Enforcement** -- The provisions hereof shall be liberally construed to facilitate the purpose of creating a uniform plan for the creation and operation of a subdivision. Enforcement of this declaration and of the by-laws attached hereto shall be by any civil proceeding against any person or persons violating or attempting to violate any covenant or restriction, either to restrain or enjoin such violation or to recover damages, or forbearance by the Association to enforce any lien; and the failure or forbearance by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.
- II. **Severability** -- Invalidation of any one of these covenants or restrictions by judgment, decree or order shall in no way effect any other provisions hereof, each of which shall remain in full force and effect.

IN WITNESS WHEREOF, the developer has executed this declaration the day and the year first above written.



 Melvin E. Smith Jr. Member
 JC Holdings LLC.



 Jerry L. Humberson Member
 JC Holdings LLC.

State of Maryland
Garrett County:

On this 27th day of November 20 06, before me, the undersigned, personally appeared Melvin E. Smith Jr. and Jerry L. Humberson, who have satisfactorily proven to me to be the persons whose name is subscribed to the within instrument, and acknowledged the foregoing declaration to be their act.



 Notary

My Commission Expires:
12-2-06