

DECLARATION OF RESTRICTIONS AND COVENANTS

THIS DECLARATION, Made this 14th day of April 1982, by QUENTIN V. FREY, JR. and JAMES G. GROSS, hereinafter referred to as the “Developers”.

W I T N E S S E T H:

WHEREAS, the Developers are owners of certain property in Election District No. 14, Garrett County, Maryland, containing 40.432 acres, more or less, as is more particularly described in a deed from Harold H. Lott and Claire D. Lott, dated the 1st day of March, 1982, and recorded or to be recorded immediately prior hereto among the Land Records of Garrett County, Maryland, and

WHEREAS, the plat of said land was prepared and recorded at Plat Book 2 , folio 167, the Plat Records of Garrett County, Maryland, said plat being designated as the plat of the Deerfield Subdivision, Sections I and II, and

WHEREAS, the Developers desire to create on the property a residential community with common facilities for the benefit of the community, and

WHEREAS, the Developers to provide for the preservation of the values and amenities of the community; and to this end desire to subject the property to the covenants, restrictions, conditions, easements, charges and liens hereinafter set forth, each of which is for the benefit of the property and each owner thereof, and

WHEREAS, the Developers have deemed it desirable to create an agency which should be delegated and assigned the power of maintaining and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created and to this end, have incorporated or will incorporate under the laws of the State of Maryland, the corporation, the Deerfield Property Owners Association, Inc.

NOW THEREFORE, the Developers declare that all of the property described above shall be held, transferred, sold, conveyed, and occupied subject to the following covenants, restrictions, conditions, easements, charges and liens which shall run with the land and be binding on all parties having any right, title or interest in the above-described property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof, subject, only however, to the lien of that mortgage between the Developers and Harold H. Lott and Claire P. Lott as the same may affect said covenants.

ARTICLE I

DEFINITIONS

Section 1. The following words when used in this Declaration shall have the following meanings, unless a contrary intention is evident from the context:

A. “Association” shall refer to the Deerfield Property Owners Association, Inc., its successors and assigns.

B. "Subdivision" shall mean and refer to all that property hereinbefore described and subject to this Declaration.

C. "Lot" shall mean and refer to any plot of land shown as such on the recorded subdivision plat of the Subdivision and intended for residential use.

D. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee title to any lot, including contract sellers.

E. "Common Area" shall mean and refer to all that part of the subdivision which is not included in a lot.

F. "Community Facilities" shall mean and refer to any property or interests therein outside the Subdivision held by the Association and devoted to the common use and enjoyment of the Owners.

G. "Developer" shall mean and refer to Quentin V. Frey, Jr and James G. Gross, their heirs, personal representatives and assigns.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership Every Owner shall be a member of the Association. When the Owner consists of more than one (1) person, all such persons shall be members. Membership shall be appurtenant to and may not be separated from ownership of a Lot.

Section 2. Voting Rights The Association shall have two (2) classes of voting membership:

Class A Class A members shall be all Owners except the Developers and shall be entitled to one (1) vote for each Lot owned. When the Owner consists of more than one (1) person, the vote 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 shall be the Developers and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership exceeds the total votes outstanding in the Class B membership.

ARTICLE III

PROPERTY RIGHTS IN THE COMMON AREA

Section 1. Owners Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, and such easement shall be appurtenant to and shall pass with the title to each Lot.

Section 2. Title to the Common Area. The Developers may retain legal title to the Common Area and roads until such the have developed and completed the improvements thereon, and until such time as, in the opinion of the Developers, the Association is able to maintain the same; but, notwithstanding any provision herein, the Developers hereby covenant that they shall convey the Common Area to the Association, free and clear of all liens or other monetary encumbrances, at or before the sale of the last lot owned by the developers, herein shall be deemed to constitute a dedication to public use of any part of

the Common Area; nor shall the deed to any Lot hereafter delivered by the Developers be deemed to convey fee title to any part of the Common Area, unless such conveyance is expressly stated in the deed.

Section 3. Extent of Owner's Easements. The rights and easements of enjoyment in and to the Common Area created hereby shall be subject to the following:

A. The right of the Association to suspend the rights and easements of any Owner for any period during which any assessment remains unpaid, and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;

B. The right of the Developers or the Association to borrow money for the purpose of improving the Common Area and in aid thereof to mortgage the Common Area;

C. The right of the Association to dedicate or transfer all or any part of the Common area to any public agency, authority, or utilities;

D. The right of the Developers or of the Association to grant reasonable rights-of-way within the Common Area to neighboring properties; and to grant easements for the installation and maintenance of utilities and drainage facilities within the Common Area;

E. The right of the Developers to improve and other wise work upon the Common Area, and to change the grade and location of roads and create slopes within the Common Area, provided that the rights of the Owners are not materially impaired; and

F. Other covenants, restrictions, easements and conditions contained herein.

Section 4. Delegation of Use. Any Owner may delegate his right and easement of enjoyment in and to the Common Area to the members of his family, his tenants, or contract purchasers using his Lot, and subject to the published rules and regulations of the Association, may extend his right and easement to invitees, servants, agents, and employees.

ARTICLE IV

COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. The Developers, for each lot owned within the Subdivision, hereby covenant and each owner of any lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association;

A. Annual assessments or charges, and

B. Special assessments for capital improvements. Such assessments to be established and collected as hereinafter provided. These assessments together with interests, costs and reasonable attorney's fees shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interests, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who is 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 and the Association receives written notice of the change of obligation acknowledged by any said successor.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to maintain the Common Areas.

Section 3. Uniform Pate of Assessment; Fiscal Year. The annual assessment must be fixed at a uniform rate for all lots. The annual assessment shall be for the fiscal year beginning on the first day of July of each year.

Section 4. Special Assessments. In addition to the annual assessment 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 or Community Facilities including fixtures and personal property related thereto, provided that any such assessment shall have the vote or written assent of 51% of each class of members.

Section 5. Determination of Annual Assessment. The annual assessment shall be determined by the Board of Directors at an amount calculated to reflect the actual costs of the operation of the Association giving consideration to the prior year's budget, current costs, and the future needs of the Association. From and after July 1st of the year immediately following the conveyance of the first lot to an owner, the annual assessment may be increased each year not more than 5% above the assessment for the previous year by the Board of Directors of the Association without a vote of the membership. However, after such time the annual assessment may be increased above 5% only by the vote or written assent of 51% of each class of members.

Section 6. Any action establishing a special assessment or an assessment in excess of 105% of the previous year's assessment shall be taken at a meeting called for that purpose. Written notice of such meeting shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. If the proposed action is favored by a majority of the votes cast at such meeting, but such vote is less than the requisite 51% of each class of members, members who were not present in person or by proxy may give their assent in writing, provided the same is obtained by the appropriate officers of the Association not later than thirty (30) days from the date of such meeting.

Section 7. Commencement, Notice, and Due Dates. The Board of Directors of the Association shall determine when the annual assessments shall commence. The annual assessments shall become due and payable on the first day of August of each year. The Board of Directors of the Association shall fix the amount of the annual assessment at least thirty (30) days in advance of the due date, and shall send written notice thereof to every owner. The Association shall upon demand at any time furnish to any owner a certificate in writing, signed by an officer of the Association, setting forth whether the assessments on a specified lot have been paid.

Section 8. Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate to be set by the Board of Directors. The Association may bring an action of law against the owner personally obligated to pay the assessments, or foreclose the lien against the property, and added to the amount of the assessment shall be the costs of preparing and filing the complaint, and in the event a judgment is obtained, such judgment shall include interest and a reasonable attorney's fee together with the costs of the action.

Section 9. Subordination of the lien. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust securing an obligation; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer pursuant to foreclosure or any proceeding in lieu of foreclosure. Such sale or transfer shall not relieve any lot from liability for any assessments thereafter becoming due, nor from the lien of any assessment.

ARTICLE V

ARCHITECTURAL CONTROL

Section 1. Review and Approval. No building, fence, wall or other structure shall be commenced, erected, or maintained upon any lot, nor shall any exterior addition to or change or alteration therein, including a change of exterior color, be made until plans and specifications showing the nature, kind, shape, height, materials, exterior color and location of the same shall have been submitted to and approved in writing by the Board of Directors of the Association, or by an Architectural Committee composed of three or more representatives appointed by the Board of Directors. Approval may be granted or refused, as a whole or in part, by the Board or Committee, which shall take into consideration the harmony of the proposed structure's appearance and location in relation to surrounding structures and topography, its effect on the outlook from neighboring lots, and other esthetic criteria. Any approval will become void unless construction is commenced within six (6) months of the date of the approval. In the event the Board or Committee fails to act within sixty (60) days after 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. Landscaping. In connection with the approval of plans and specifications, the Board or Committee may establish minimum standards of landscaping and planting of trees and shrubs appropriate to the particular structure, lot, and topography under consideration.

ARTICLE VI

PROHIBITED USES AND ACTIVITIES

Section 1. Residential Use Only. No lot shall be used except for residential purposes. No dwelling may be occupied for an extended period of time by an unreasonably large number of persons. No trade or business shall be carried on upon any lot.

Section 2. Nuisances. No noxious or offensive activity shall be carried on upon any lot, or in the Common Areas, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No public sale of alcoholic beverages may be made on any lot.

Section 3. Temporary Structures. No structure of a temporary character, trailer, mobile home, camper, recreational vehicle, basement, tent, shack, garage, or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently. Any structure commenced as provided herein shall be completed within

nine (9) months of the date it is commenced, unless the time for completion is extended by the Association.

Section 4. Oil and Mining Operations. No oil or gas drilling, quarrying or mining operations of any kind shall be permitted on or in any lot, nor shall any structure or equipment be permitted on any lot for such purposes.

Section 5. Signs. Owner shall have the right to install a sign of not more than two square feet showing the name of the owner or occupant and the name or number of the premises. All signs shall be compatible with the environment and under no circumstances shall projecting signs, neon or brightly lighted or self-lighted signs, be permitted on any lot.

Section 6. Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot, except that dogs, cats, or other household pets may be kept, provided they are not kept, bred or maintained for any commercial purpose, and further provided that they are kept not more than three (3) household pets per lot.

Section 7. Garbage and Refuse Disposal. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other refuse shall not be kept except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

Section 8. Water and Sewage. No individual water supply system shall be installed on any lot unless such system is located, constructed and equipped in accordance with the requirements, standards, and recommendations of the health authorities of Garrett County and/or the State of Maryland. No outhouses or other outside toilets shall be used on any lot, and no individual sewage disposal system shall be installed unless such system is designed, located, and constructed in accordance with the requirements, standards, and recommendations of the health authorities of Garrett County and/or the State of Maryland.

Section 9. Hunting. No hunting or other discharge of firearms or similar weapons shall be permitted within the Subdivision.

Section 10. Vehicles and Trailers. The keeping of campers, recreational vehicles, or similar vehicles, or mobile homes, or other trailers, or boats, whether or not on trailers, or trucks in excess of one ton capacity may be kept on any lot within a closed garage or similar structure, and may, with the written permission of the Association, be kept in the open on any lot on which a main structure has been completed, provided they are kept to the rear of the main dwelling and at least thirty-five (35') feet from the property line. The Association may issue permission for such time period and upon such conditions as it determines are for the common benefit of the owner and may include as a condition a time limit on said permission. No inoperative vehicle shall be kept for more than forty-eight (48) hours on any lot except within a garage. No repairs shall be made on any vehicle within the Subdivision except within a garage. No motorcycle, motorbike, trailbike, snowmobile, or similar motorized vehicle shall be operated at speeds in excess of five miles per hour within the Subdivision.

Section 11. Maintenance. No lot or any improvements thereon shall be allowed to fall into disrepair. All lots and improvements shall be maintained in good repair so as to

present a neat, clean, and attractive appearance from the Common Area and neighboring lots.

Section 12. The Board of Directors of the Association shall be empowered to interpret the provisions of this Article VI and publish rules and regulations governing their implementation.

ARTICLE VII

RESTRICTIONS ON CONVEYANCE OF LOTS

Section 1. No Partial Conveyance. No owner of any lot shall sell, lease, or in any manner transfer any portion condemnation or voluntary deeding for public purposes, or unless the Association shall give its written permission thereto.

ARTICLE VIII

ENFORCEMENT

Section 1. Legal Action. The Association, or any owner, shall have the right to enforce any covenant, restriction, condition easement, charge, and lien now or hereafter imposed by the provisions of this Declaration. Enforcement shall be by any proceeding at law or in equity against any person or persons, either to restrain violation, which shall be the remedy of preference, or to recover damages, and against the land to foreclose any lien; and failure of the Association or any owner to enforce any provision herein shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Direct Action. In the event the owner of any lot shall fail to comply with the provisions contained herein, the Association, after approval by two thirds vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon the lot and take such action as is necessary to bring the lot into compliance. The cost of such action shall be added to and become part of the assessment to which the lot is subject. The Association and its agents and employees shall not be subject to any criminal or civil liability for such action.

ARTICLE IX

GENERAL PROVISIONS

Section 1. Construction of this Declaration. To the fullest extent possible, the provisions of this Declaration shall be liberally construed to extend to accomplish by this Declaration.

Section 2. Duration and Amendment. The covenants, restrictions, conditions, easements, charges and liens 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 they shall be automatically extended for successive terms of ten (10) years unless abrogated by an instrument signed by owners representing two-thirds of the lots and recorded prior to the end of such a ten-year term. This Declaration may be amended during the first twenty year term by a recorded instrument signed by owners representing ninety (90%) per cent of the lots, and thereafter by a recorded instrument signed by owners representing two-thirds of the lots.

Section 3. Severability. Invalidation of any one of the provisions of this Declaration by judgment or court order shall not affect any other provisions which shall remain in full force and effect.

IN WITNESS WHEREOF, the Developers, declarants of this Declaration, Quentin V. Frey, Jr. and James G. Gross, have caused this Declaration to be signed in their name the day and year first above written.

Quentin V. Frey, Jr.

James G. Gross

STATE OF MARYLAND, COUNTY OF GARRETT, to-wit:

On this 14th day of April, 1982, before me, the undersigned officer, personally appeared Quentin V. Frey, Jr., known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the for the purposes therein contained.

On this 14th day of April, 1982, before me, the undersigned officer, personally appeared James G. Gross, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the for the purposes therein contained.