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DECLARATION OF RESTRICTIONS

OCEAN PINES

SENIOR LIVING VILLAGE - SECTION 16

Return To - Mary K. Fager, F.A.
11032 Nicholas Lane
Bethesda, MD 20811

THIS DECLARATION, made this 8th day of ~~January~~ ^{February} ~~7th~~ in the year two thousand (2000), by BRE/OCEAN PINES L.L.C., a Delaware limited liability company, herein referred to as "Declarant," WITNESSETH:

WHEREAS, as of the date hereof, Declarant is the owner of all the real property set forth and described on that certain series of plats, prepared by Soulé & Associates, P.C., entitled "CATERED LIVING OF OCEAN PINES, PART OF PARCEL 1, SECTION 16" (herein called "the Plats"), which plats are recorded or intended to be recorded among the Land Records of Worcester County, Maryland, and are made a part hereof and incorporated herein by reference; and

WHEREAS, all of the real property described in the Plats comprises in the aggregate a part or section, being PARCEL 1A in SECTION 16, and generally known as SENIOR LIVING VILLAGE - SECTION 16 (herein called "the Section") of the Ocean Pines general subdivision (herein called "the Subdivision"); Declarations of Restrictions imposing restrictions upon other sections of the Subdivision having previously been recorded among the Land Records of Worcester County, Maryland; and

WHEREAS, the Section will be developed as a planned senior community, (herein called the "Planned Senior Community") consisting of five

and thirty-four hundreds (5.34) acres more or less. The Planned Senior Community is intended as a living facility for the elderly which may contain approximately 80 assisted living units and/or independent living units, support facilities of various kinds, parking, private roads and walkways, and open space, all of which uses and the Senior Living facility as a whole are herein collectively called "the Parcels;"

WHEREAS, Declarant is about to sell and convey the Parcels; and, before doing so, it desires to subject them to and impose upon them mutual and beneficial restrictions, covenants, conditions and charges, hereinafter collectively referred to as "Restrictions," under a general plan or scheme of improvement for the benefit and complement of all of the Parcels in the Section and the Subdivision;

WHEREAS, Declarant is the successor in interest to Boise Cascade Home & Land Corporation as the developer of the remaining undeveloped lands in the Subdivision.

NOW, THEREFORE, Declarant hereby declares that all of the Parcels are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved subject to the recitals above and to the following Restrictions, all of which are declared and agreed to be in furtherance of a plan for the Subdivision, and which are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the property described in the Plats and of the Subdivision as a whole. All of the Restrictions shall run with the land and shall be binding upon Declarant and upon all parties having or acquiring any right, title, or interest in and to the real property or any part or parts thereof subject to such Restrictions.

(1) Applicability.

A. These Restrictions shall apply to property to be developed only and are specifically excluded from application to property in the Section and depicted on the Plats as open space, which is intended to be conveyed to Ocean Pines Association, Inc. (the "OPA") in accordance with the provisions of Paragraph 10C hereof.

(2) Term.

A. Subject to the provisions set forth in subparagraph B below, these Restrictions shall affect and run with the land and shall exist and be binding upon all parties and all persons claiming under them until January 1, 2010, after which time the same shall be extended for successive periods of ten (10) years each, unless an instrument approved in writing by the Board of Directors of the OPA and signed by a majority of the voting members of the OPA has been recorded, agreeing to change the covenants in whole or in part.

B. Declarant reserves to itself, its successors and assigns, the right to revoke at any time prior to the sale of any Parcel within the Section all or any of these Restrictions and further to vacate any or all of the streets, parks, recreational facilities and any other amenity shown on the Plats; provided, however, that Declarant will not prevent access to or installation of utilities to lots in any other Section of the Subdivision. These Restrictions may be amended, at any time, with the consent of the Board of Directors of the OPA and all of the owners of Parcels within the Section.

(3) Mutuality of Benefit and Obligation.

The Restrictions and agreements set forth herein are made for the mutual and reciprocal benefit of each and every Parcel in the Section and each and every Parcel and single-family detached numbered residential lot (herein called "Lots") in the Subdivision and are intended to create mutual, equitable servitudes upon each of said Lots and Parcels in favor of each and all of the other Lots and Parcels therein; to create reciprocal rights between the respective owners of all of said Lots and Parcels; to create a privity of contract and estate between the grantees of said Parcels, their heirs, successors and assigns, and shall, as to the owners of each such Lot and Parcel, their heirs, successors or assigns, operate as covenants running with the land for the benefit of each and all other Lots and Parcels in the Subdivision and their respective owners.

(4) Limitations on Use.

A. Parcels shall be used only for those purposes set forth herein, on the Plats, or as provided by federal, state or local laws, rules or

regulations, specifically including, without limitation, the Worcester County Zoning Ordinance and the Worcester County Subdivision Control Act.

B. No Parcel in the Subdivision shall be used or developed as a time-share project as defined in Title 11A of the Real Property Article of the Annotated Code of Maryland as may, from time to time, be amended.

(5) Plans and Specifications to Be Submitted for Approval by Declarant

A. All plans and specifications for all improvements proposed to be erected on or moved upon or to any Parcel, and the proposed location thereof on any Parcel, including clearing, utility work, construction materials, the roofs and exterior color schemes, any later changes or additions after initial approval thereof and any remodeling, reconstruction, alterations, or additions thereto on any Parcel and signage of every nature and description which may at any time be placed on any Parcel, shall be subject to and shall require the approval of Declarant, in writing, before any such work is commenced. All approvals to be granted by Declarant, as provided herein, shall not be unreasonably withheld.

B. Preliminary Plans shall be submitted initially to Declarant for approval prior to being submitted to Worcester County. Two sets of plans shall be submitted with an application form supplied by Declarant. Declarant may approve, approve with conditions, or disapprove the Preliminary Plans prior to submission to Declarant of Final Plans. Declarant shall respond within fourteen days of receipt of the Preliminary Plans. Preliminary Plans shall consist of a preliminary site plan and architectural plans and elevations. The site plan shall depict, at a scale of one inch equals thirty feet, existing trees and contours, proposed clearing lines, any grade changes proposed, proposed utility easements and alignments, buildings, drives, parking, and schematic landscaping and lighting. Architectural drawings at a scale of ¼ inch equals one foot shall depict materials, detailing and color schemes that support the residential character.

C. Final Plans shall be consistent with Preliminary Plans approved by Declarant. Two sets of Final Plans shall be submitted to Declarant with an application form provided by Declarant together with as many sets of plans and specifications as may be required by Declarant for any and all proposed improvements, the erection or alteration of which is desired, and no structures or improvements of any kind shall be erected, altered, placed or maintained upon any Parcel unless and until the final plans, elevations, and specifications therefor have received such written approval as herein provided. Such plans shall include:

(a) Site plans, showing the location on the Parcel of clearing lines, grading, drainage, easements, structures, paving, and any other

improvements or materials proposed to be constructed, altered, placed or maintained.

(b) Architectural plans, showing complete working drawings including floor plans, elevations, materials, color schemes for exterior finishes and any other information deemed necessary by Declarant.

(c) Landscape plans, showing the location on the Parcel of structures, including recreation features, paving, lighting, signage and existing and proposed plantings indicating size, type and bedding lines.

D. A review fee of \$2,000.00 shall accompany the application for approval of preliminary plans for the entire site, to defray Declarant's expenses. No additional fee shall be required by Declarant for resubmission of plans revised in accordance with Declarant's recommendations:

E. Declarant shall have the authority to approve, approve with conditions for revision, or disapprove the Final Plans and shall act within fourteen days from the receipt thereof. One set of the Final Plans with the approval or disapproval endorsed thereon, shall be returned to the person submitting them and one set thereof shall be retained for Declarant's permanent files.

F. Declarant shall have the right to disapprove any Final Plans submitted to it in the event the same are not in accordance with all of the provisions of these Restrictions and of the Design Criteria set forth in Paragraph 6 and with the Preliminary Plans approved by Declarant; if the Final Plans submitted are incomplete; or in the event the Declarant deems the plans, specifications or details, or any part thereof, to be contrary to the interests, welfare or rights of all or any part of the real property subject hereto, or the owners thereof. The decisions of the Declarant shall be final.

G. Declarant, its successors and assigns, shall have the right to assign all or any part of its rights established herein and/or to terminate and relinquish all or any part of its rights established herein by recording among the Land Records of Worcester County, a document evidencing such assignment and/or termination.

H. Neither Declarant nor any architect or agent of Declarant, shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such plans and specifications.

(6) Design Criteria of Declarant

The design criteria to be imposed by Declarant for SENIOR LIVING VILLAGE - SECTION 16 ("Declarant's Design Criteria") shall be as follows:

A. The SENIOR LIVING VILLAGE - SECTION 16 consists of buildings and supporting improvements, all of which are to be of consistent residential character, which provide senior living facilities in a preserved natural setting.

B. Architecture

Building massing, materials, detailing and roof slopes shall create a harmonious and distinctly residential image. Large or long building surfaces shall have wall breaks, gables, or other characteristics that are residential (as opposed to institutional) in character. Building height shall not exceed three stories.

C. Site

(1) The edge condition of the site shall be a 50' buffer of preserved existing vegetation, in which existing contours, understory and overstory plants are to remain undisturbed. Along Ocean Parkway, the buffer shall be interrupted only where vehicular access to the site is shown on plans approved by the Declarant. All public and private utilities shall penetrate the buffer only at vehicular accesses. In addition, areas more than ten feet outside the area of improvements shall be protected from construction activity (including storage) by high-visibility fencing installed before the site is cleared and shall be maintained in place until the landscape punch list is completed. Areas disturbed by construction shall be landscaped with trees and shrubs along drives, parking and buildings.

(2) The landscape plan for the site shall be the work of a landscape architect who has visited the site. It shall convey a distinctly residential character throughout. The plan shall locate protection for areas to be left undisturbed, finish grading and drainage, any recreation features, mail structure and signage, condensers and screening, walks connecting all portions of the site, and tree and shrub plantings.

(3) No clearing is permitted on the site before landscape plans are approved and the owner's landscape architect has certified in writing to the Declarant that required protective fencing has been installed as shown on the plans. Declarant will assess a charge of \$20 per square foot of disturbed terrain or vegetation in protected areas toward restorative plantings in disturbed areas.

(4) Subject to possible stricter setback requirements which may be imposed from time to time by the Worcester County Zoning Ordinance, the following minimum dimensions shall govern front side and rear setbacks for any building that may be constructed or placed on the lot:

(a) For two story buildings:

- (i) Setback from Ocean Parkway: 50'.
- (ii) Setback from other lot lines: 50'.
- (iii) Minimum building separation: 16'.

(b) For three story buildings:

- (i) Setback from Ocean Parkway: 150'.
- (ii) Setback from other lot lines: 50'.

(5) Mailboxes shall be incorporated in designed structures, not as freestanding pedestal installations.

(6) One name sign may be located at each entrance to the site. Signs shall not be internally illuminated, but may be lit with low level lighting from the ground between dusk and 11 p.m. Maximum sign height above grade for principal entrances is five feet; maximum width is eight feet. Installations shall be contained in a landscaped setting.

(7) Electric and telephone above-grade structures shall be screened with plant material. All wiring shall be below grade.

(8) To minimize sky glare, all exterior lighting shall be limited to sufficient light to afford safe access around the site. Fixtures shall direct light down only unless lamps are 60-watt incandescent equivalent or less.

7. General Prohibitions and Requirements.

The following general prohibitions and requirements shall prevail as to the construction or activities conducted on any Parcel in the Section or on any Lot in any other Section of the Subdivision:

A. No outside toilet or individual water well shall be constructed on any Lot or Parcel, unless a well for irrigation or for a ground water heat pump is approved by the Environmental Control Committee of the OPA (the "ECC").

All plumbing fixtures, dishwashers or toilets shall be connected to the sewage system. Storm water shall not be allowed to flow into the sewage system.

B. No temporary house, trailer (other than construction trailers), recreation vehicle, tent, garage, or other outbuilding shall be placed, erected or parked on any Lot or Parcel.

C. Once the construction of improvements is started on any of the living unit buildings in the Planned Senior Community, the improvements must be substantially completed in accordance with the plans and specifications, as approved, within two (2) years from commencement.

D. No residence shall be occupied until the same has been substantially completed in accordance with its plans and specifications and until a certificate of occupancy has been issued by Worcester County.

E. All structures constructed or placed on any Lot or Parcel shall be constructed with a substantial quantity of new material and no used structures shall be relocated or placed on any such Lot or Parcel.

F. No animals or livestock of any description, except the usual household pets, shall be kept on any Lot or Parcel and those shall be kept in accordance with the requirements of the ECC Guidelines.

G. No stripped down, partially wrecked, or junk motor vehicle, or sizable part thereof, shall be permitted to be parked on any street in the Section or Subdivision or on any Lot or Parcel.

H. All tanks for the storage of fuel installed outside any building in the Section shall comply with all applicable state and county laws and regulations and shall be buried below the surface of the ground. Every outdoor receptacle for ashes, trash, rubbish or garbage shall be installed underground, screened or so placed and kept as not to be visible from any street, waterway or golf course within the Section or Subdivision at any time except during refuse collections.

I. No outdoor clothes poles, clotheslines and similar equipment shall be permitted on any Parcel in the Section.

J. All Lots and Parcels, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained in such manner as to prevent their becoming unsightly by reason of unattractive growth on such Lot or Parcel or the accumulation of rubbish or debris thereon. In no event will growth in lawn areas, exclusive of shrubbery and trees, be permitted to exceed six inches in height.

K. No noxious, offensive or illegal activities shall be carried on any Lot or Parcel nor shall anything be done on any Lot or Parcel that shall be or become an unreasonable annoyance or nuisance to the neighborhood.

L. No oil or natural gas drilling, refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot or Parcel and no derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any Lot or Parcel.

M. Any dwelling or outbuilding on any Parcel in the Section or Lot in the Subdivision which may be destroyed in whole or in part by fire, windstorm or for any other cause or act of God must be rebuilt or all debris removed and the Lot or parcel restored to a sightly condition with reasonable promptness; provided, however, that in no event shall such debris remain longer that sixty (60) days, or such longer time as may be required by the insurance adjusters.

N. No trash, ashes, garbage, or other refuse shall be dumped or stored or accumulated on any Lot or Parcel or be thrown into or left on the shoreline of any waterway in the Section or Subdivision; provided, however, that containers for the outside storage of trash, not detrimental to the appearance of the Section, may be permitted with the prior approval of Declarant. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted. Declarant hereby assigns to OPA the exclusive right to operate, or from time to time to grant an exclusive right to operate, or from time to time to grant an exclusive license to a third party to operate a commercial scavenging service within the Section for the purpose of removing garbage, trash and other like household refuse. Such refuse collection and removal service shall be provided not less often than once each week on a day or days designated by OPA. The charge to be made to the property owners for such refuse collection and removal service shall be at a reasonable rate commensurate with the rates charged by commercial scavengers serving other subdivisions of high standards in the area and shall be subject to change from time to time.

O. All residential structures are to be constructed so that the living quarters shall have a minimum elevation of six (6) feet above mean sea level or as the current FEMA flood maps may otherwise require; provided, however, that such requirements are further subject to stricter requirements which may be imposed from time to time by the Worcester County Zoning Ordinance, or by any federal, state or local agencies having jurisdiction in the premises.

P. There shall be no vehicular access to any Lot or Parcel on the perimeter of the Subdivision except from designated roads or waterways within the Section or Subdivision.

8. Variances and Fines.

A. Declarant may allow reasonable variances and adjustments of these Restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the provisions contained herein and/or to encourage excellence in design; provided, however, that such is done in conformity with the intent and purposes hereof and provided also that in every instance such variance or adjustment will not be materially detrimental or injurious to other property or improvements in the neighborhood, the Section or the Subdivision.

B. In the exercise of its power and in the performance of its obligations pursuant to the Declarations of Restrictions of Ocean Pines, the Board of Directors of the OPA may adopt, amend or repeal provisions for fines to be imposed for violations of these Restrictions. Such provisions for fines shall be passed by the Board of Directors at a public meeting, notice of which meeting shall have been published at least once in the Ocean Pines News. The complete provisions for fines, and enforcement of the collection of said fines shall be established in a resolution of the Board of the OPA setting forth all applicable provisions for the imposition and enforcement of such fines.

9. Easements.

A. Declarant reserves for itself, its successors and assigns for purposes incident to its development of the real property subject to these Restrictions, all of the easements and/or rights-of-way either shown on the Plats, created herein or set forth in the deed to any Parcel, including without limitation, the following:

(1) For use and maintenance of drainage courses and unobstructed flow lines of all kinds, those areas designated on the Plats as "Drainage Easements," "Storm Water Easements" or "Storm Water Access Easements." The dimensions of these easements are as specified on the Plats. The Declarant, its successors and assigns and/or the owners of Parcels within such easements shall not cut any trees within the easement area other than trees located within the flowways.

(2) For maintenance and permanent stabilization control of slopes in the slope control areas as set forth in notes regarding slope easements on the Plats.

(3) For access to "Utility Easements" as shown on the Plats and for installation and maintenance of facilities thereon, and further such additional easements for the practical construction, operation and maintenance of any electrical, telephone and television facilities, such easements to be granted upon request of the applicable utility or utilities.

(4) For drainage and maintenance for the preservation of the pond adjoining the Section.

B. Declarant has dedicated, or may dedicate, to Worcester County and/or the appropriate utility company or companies rights-of-way and easement areas for the installation and maintenance of public utilities as noted on the Plats.

C. Declarant reserves for OPA and its designees and subject to the provisions of any assignment or contract, an exclusive easement for the installation and maintenance of radio and television transmission cables within the rights-of-way and easement areas reserved and defined in Paragraph 9B above.

D. On each Parcel in this Section, the rights-of way and easement areas reserved by Declarant or dedicated to public utility purposes shall be maintained continuously by the owner of each Parcel. No structures, plantings or other materials shall be placed or permitted to remain or other activities undertaken which may damage or interfere with the installation of utilities, which may change the direction of flow of drainage channels in the easements, which may obstruct or retard the flow of water through drainage channels in the easements, or which damage or interfere with established slope ratios or create erosion or sliding problems provided, however, that where the existing location of a drainage channel would hinder the orderly development of a Parcel, the drainage channel may be relocated as shown on the Plats by drainage arrows, provided such relocation does not cause an encroachment on any other Parcel in the Section or Subdivision. Improvements constructed by the Parcel owner within such areas shall also be maintained by the respective Parcel owner, except for those for which a public authority or utility company is responsible.

E. For pedestrian access to recreational amenities and open space and for contiguous nature trails and other pedestrian access, as designated by the Parcel owner.

F. Every Lot or Parcel in the Subdivision that lies contiguous to a waterway shall be subject to an inundation or flowage easement to an elevation on the Lot or Parcel equal to the high water line or bulkhead line.

G. The Parcels in the Section shall be burdened by such additional easements as may be shown on the Plats or in the deed to any Parcel.

10. Ownership, Use and Enjoyment of Streets, Parks and Recreational Amenities.

A. Each of the streets in the Subdivision designated on the Plats is a private street, and every park, recreational facility and other amenity within the Section and Subdivision is a private park, facility or amenity and neither Declarant's execution or recording of the Plats nor any other act of Declarant with respect to the Plats is, or is intended to be, or shall be construed, as, a dedication to the public of any of said streets, parks, recreational facilities and amenities other than as reflected therein.

B. The ownership of active and/or passive recreational amenities within the Section and Subdivision, which may include, but shall not be limited to, parks, waterways, dams, water impoundments, access tracts, open space, tennis courts, swimming pools, clubhouses, and adjacent clubhouse grounds and playgrounds shall be in Declarant or its subsidiaries, successors or assigns, and the use and enjoyment thereof shall be on such terms and conditions as Declarant, its subsidiaries, affiliates, successors or assigns, shall from time to time license; provided, however, that any or all of such amenities may be conveyed to the OPA, pursuant to an agreement with the OPA.

C. Declarant hereby covenants, for itself, its successors and assigns, that it will convey to the OPA fee simple title to streets in this Section, as depicted on the plats, which meet County road specifications, upon completion of such streets and approval thereof by the Worcester County Roads Engineer. Such conveyance shall be subject to the easements and restrictions of record; and subject to the express requirement that the OPA will properly maintain all such streets.

D. Declarant further covenants for itself, its successors and assigns, that it will convey to the OPA title to the tract or tracts of land in this Section identified on the Plats as "open space," together with stormwater easements, drainage easements and all other easements shown on the Plats or the deeds to such open space, all as identified on the Plats or deeds. Such conveyance shall be subject to the easements of record; and subject to the express condition that the OPA will properly maintain all such property and easement areas.

11. The OPA.

A. Membership in Ocean Pines Association

(1) Every person who acquires title, legal or equitable, to the Planned Senior Community shall become a member of the Ocean Pines Association ("the OPA"), entitled to one vote for each 1,000 square feet of living space; provided, however, that such membership is not intended to apply to those persons who hold an interest in any such property merely as security for the performance of an obligation to pay money, e.g., mortgages or deeds of trust. However, if such person should realize upon such security and become the real owner of the Planned Senior Community, such person will then be subject to all the requirements and limitations imposed in these Restrictions on the owner of the Planned Senior Community, including those provisions with respect to alienation and the payment of an annual charge.

(2) Residents occupying Assisted Living Units and Skilled Care Facility Living Units in the Planned Senior Community shall be associate members of the OPA.

B. The general purpose of the OPA is to further and promote the community welfare of property owners in the Subdivision.

C. The OPA shall be responsible for insect controls, for the maintenance, repair and upkeep of the streets elsewhere within the Subdivision but not within the Section; the appurtenant drainage and slope easements reserved by Declarant; and shall be responsible for providing fire and police protection for the residents of the Subdivision. The OPA shall also be the means for the promulgation and enforcement of all regulations necessary to the governing of the use and enjoyment of such streets and parks and such other properties within the Subdivision as it may from time to time own. In the event that the OPA at any time fails to properly maintain such streets, parks, or easements, or fails to provide adequate fire and police protection, Declarant, its grantees, successors and assigns, may, in its sole discretion, enter upon and make any and all repairs to any such facility which it deems to be necessary and proper or may adopt measures to provide fire and police protection and may charge the OPA for all such repairs or fire and police protection; provided, however, that Declarant shall under no circumstances be obligated to take any such action.

D. The OPA shall have all the powers that are set out in its Articles of Incorporation and all other powers that belong to it by operation of law, including (but not limited to) the power to levy against every member of the OPA an annual charge within the Section and Subdivision, the amount of said charge to be determined by the Board of Directors of the Association after

consideration of current maintenance needs and future needs of the Association, for the purposes set forth in its Articles of Incorporation; provided, however, that with regard to SENIOR LIVING VILLAGE - SECTION 16, the assessment structure shall be as follows:

(1) For all Independent Living Units: an assessment on each such unit equal to the assessment for single-family non-waterfront detached residential Lots located in other Sections of the Subdivision.

(2) For Assisted Living Units, an assessment on all such units equal to the annual assessment levied by the OPA upon each single-family non-waterfront detached residential Lot located in other Sections of the Subdivision multiplied by the total number of square feet of interior floor space for all such Assisted Living Units and divided by 1,000. No assessments will be imposed on commercial areas, medical and health facilities, community space, hallways and other public areas which primarily benefit any of the residents of SENIOR LIVING VILLAGE - SECTION 16.

(3) No assessments will be imposed upon Skilled Care/Nursing Facility Units.

(4) For commercial development intended primarily for use by members of the general public, the assessment on such commercial space shall be equal to the annual assessment levied by the OPA upon each single-family non-waterfront detached residential Lot in the Subdivision multiplied by the total number of square feet of interior floor space existing from time to time in the commercial site, divided by 1,000.

The above assessment structure constitutes the sum total of all assessments that may be levied by the OPA on the owner of the entire SENIOR LIVING VILLAGE - SECTION 16 property.

In the absence of any written agreement entered into between Declarant and the OPA, either before or after the date hereof, no such charge shall ever be made against, or be payable by, the Declarant, or by Declarant's assigns as developer of the Section, by the OPA itself, or any corporation or corporations that may be created to acquire title to, and operate the water or sewer utilities serving the Section and the Subdivision or any waterway, beach, access tract, marina, golf course, tennis court, swimming pool, clubhouse, clubhouse grounds, campgrounds, or other like recreational facilities within the Subdivision.

(a) Every such charge so made shall be paid to the OPA on or before the first day of May of each year, for the ensuing year. The Board of Directors of the OPA shall fix the amount of the annual charge per Lot and

Parcel in the Subdivision by the first day of April of each year, and written notice of the charge so fixed shall be sent to each member.

(b) If any such charge shall not be paid when due, it shall bear interest from the date of delinquency at the rate set by the Board of Directors of the OPA at an open board meeting held in February of each year. The OPA may publish the name of the delinquent member in a list of delinquent members, or by any other means of publication; and the OPA may file a notice that it is the owner of a lien to secure payment of the unpaid charge plus costs and reasonable attorneys' fees, which lien shall encumber the Lot or Lots or Parcel or Parcels in respect of which the charge shall have been made, and which notice shall be filed in the Office of the Clerk of the Circuit Court of Worcester County, Maryland. Every such lien may be established and enforced in accordance with the provisions of the Maryland Contract Lien Act, as set forth in the Real Property Article of the Maryland Code, or any other law, rule or regulation relating to the establishment and enforcement of the same. In addition to the remedy of lien foreclosure, the OPA shall have the right to sue for such unpaid charges, interest, costs and reasonable attorneys' fees, in any court of competent jurisdiction as for a debt owed by the delinquent member or members to the OPA. Every person who shall become the owner of the title (legal or equitable) to any Lot or Parcel in the Section by any means is hereby notified that, by the act of acquiring such title, such person will be conclusively held to have covenanted to pay the OPA all charges that the OPA shall make pursuant to any paragraph or subparagraph of these Restrictions.

(c) The OPA shall upon demand at any time furnish a certificate in writing signed by an officer of the OPA certifying that the charges on a specified Lot or Parcel have been paid or that certain charges against said Lot or Parcel remain unpaid, as the case may be. A reasonable charge may be made by the Board of Directors of the OPA for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any charges therein stated to have been paid.

E. The fund accumulated as the result of the charges levied by the OPA shall be used exclusively for the purposes of promoting the recreation, health, safety and welfare of the members of the OPA and, in particular, for maintaining insect control, providing police and fire protection and for the improvement and maintenance of the streets, waterways and bulkheads and those areas within the Section and Subdivision designated as parks on the Plats, and other property within the Section and Subdivision such as streets, parks and properties which shall have been conveyed to the OPA.

F. The lien of a mortgage or deed of trust placed upon any Lot or Parcel for the purpose of financing or refinancing the construction of any improvements thereon, recorded in accordance with the laws of the State of

Maryland, shall be superior from the date of recordation to any and all such liens provided for herein.

G. The Board of Directors of the OPA shall have the right to suspend the voting rights (if any) and the right to use of the streets in the Subdivision and the recreational facilities of the OPA of any member (or associate member).

(1) For any period during which any OPA charge (including the charges and the fines, if any, assessed under paragraphs 11D, 12 and 13 of these Restrictions) owed by the member or associate member remains unpaid;

(2) During the period of any continuing violation of the restrictive covenants for the Section and Subdivision, after the existence of the violation shall have been declared by the Board of Directors of the OPA;

H. The OPA has joined in the execution of this Declaration for the purpose of granting and imposing the rights, privileges, duties and obligations of membership in the OPA and to confirm the assessment structure, all as set forth above.

12. Speed Limits and Traffic Regulations.

(A) Speed limits for streets and waterways and the rules governing all traffic regulations not inconsistent with Maryland Law and, the use of parks within the Section and Subdivision owned by the OPA shall be as promulgated from time to time by the Board of Directors of the OPA. Appropriate postings of these speed limits and traffic regulations shall be made. The OPA shall have the power to assess fines for the violation of the speed limits and traffic regulations in accordance with a schedule of fines promulgated by the OPA. Every such fine shall be paid promptly upon its being assessed; if it is not, the OPA may add the amount of the fine to the annual charge made by the OPA, pursuant to subparagraph 12-D of the Restrictions, and the amount of such fine shall be collectible by the same means as are prescribed in said subparagraph for the collection of delinquent annual charges of the OPA or through the use of the sanctions prescribed in subparagraph 12-G of the Restrictions. All speed limits and traffic regulations shall be in conformance with Maryland Law.

13. OPA's Right to Perform Certain Maintenance.

A. In the event an owner of any Lot or Parcel in the Subdivision shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors of the OPA, the OPA shall have the right, through its agents and employees, to enter upon said Lot or Parcel and repair, maintain and restore the Lot or Parcel and the exterior of the buildings and any other improvements erected thereon. Such right shall not be exercised unless two-thirds of such Board of Directors shall have voted in favor of its being exercised. The cost of such exterior maintenance shall be added to and become part of the annual charge to which such Lot or Parcel is subject. The OPA shall not be liable for any damage which may result from any maintenance work performed hereunder, unless such work is performed in a grossly negligent manner. The right reserved hereunder does not create an obligation on the part of the OPA.

14. Remedies.

A. The OPA or any party to whose benefit these Restrictions inure, including the Declarant, its successors and assigns, may proceed at law or in equity to prevent the occurrence, continuation or violation of any of these Restrictions; provided, however, that it is expressly understood that neither Declarant nor the Association shall be liable for damages of any kind to any party for failing to either abide by, enforce, or carry out any of these Restrictions.

B. In the event that the OPA or the Declarant, its successors and assigns, shall be required to retain attorneys, architects, builders and/or other experts (herein called "Experts") to seek to enforce any provision contained in this Declaration, in the ECC Guidelines, or in any rules, regulations, application forms or other documents generally employed by Declarant to enforce against any party the design criteria of Declarant set forth herein (herein called "Declarant's Requirements"), then, in any such event, the OPA or Declarant, as the case may be, shall be entitled to recover from such party, in a court of law, all fees, costs, charges, and expenses of all Experts reasonably incurred by OPA or by Declarant in connection with such enforcement, without the necessity of bringing suit, together with all reasonable legal fees and all other expenses incurred by the OPA or by Declarant in connection with the collection from such party of all fees, costs, charges, and expenses incurred, as described above.

C. In the event that the OPA or the Declarant, its successors and assigns, shall be required to bring any suit or action to enforce any provision herein contained in this Declaration, in the ECC Guidelines or in Declarant's Requirements or to collect any money due to it thereunder or to foreclose a lien, the losing party in such suit or action shall pay all costs and expenses which the

prevailing party shall incur in connection with such suit or action including all fees, costs, charges, and expenses of Experts set forth in Paragraph 14B above, together with such amount as the court may determine to be reasonable as attorneys' fees and expenses of expert witnesses therein, including attorneys' fees incurred in connection with any appeal or decision of the trial court or an appellate court.

D. No delay or failure on the part of an aggrieved party to invoke an available remedy set forth in Paragraph 14A above in respect of a violation of any of these Restrictions shall be held to be a waiver by that party of (or an estoppel of that party to assert) any right available to him upon the recurrence or continuation of said violation or the occurrence of a different violation.

15. Grantee's Acceptance.

A. The grantee of any Parcel subject to the coverage of this Declaration, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent owner of such Parcel, shall accept such deed or contract upon and subject to each and all of these Restrictions and the agreements herein contained, and also the jurisdiction, rights and powers of Declarant and of the Association and by such acceptance shall for himself, his heirs, personal representatives, successors and assigns, covenant, consent and agree to and with Declarant, the Association, and to and with the grantees and subsequent owners of each of the Lots and Parcels within the Subdivision to keep, observe, comply with and perform said Restrictions and agreements.

16. Severability.

A. Every one of the Restrictions is hereby declared to be independent of, and severable from, the rest of the Restrictions and of and from every other one of the Restrictions and of and from every combination of the Restrictions. Therefore, if any of the Restrictions shall be held to be invalid or to be unenforceable or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforceability, or "running" quality of any other one of the Restrictions.

17. Captions.

A. The underlined captions preceding the various paragraphs and subparagraphs of these Restrictions are for convenience of reference only, and none of them shall be used as an aid to the construction of any provision of the Restrictions. Wherever and whenever applicable, the singular form of any word

shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.

IN WITNESS WHEREOF, BRE/Ocean Pines L.L.C., Declarant, has caused this Declaration to be executed on its behalf by its proper officer and Ocean Pines Association, Inc., a non-profit Maryland corporation, has joined in this Declaration for the purposes set forth in Paragraph 11H and has caused this Declaration to be executed on its behalf for such purposes by its proper officer, all as of the day and year first herein written.

ATTEST:

BRE/OCEAN PINES L.L.C.

Diane Dodd

By: Tracy Gargano, V.P.

OCEAN PINES ASSOCIATION, INC.

Styellis C. East

By: Thomas A. Petola

STATE OF Colorado
COUNTY OF Denver

TO WIT:

I HEREBY CERTIFY that on this 8 day of February, 2000, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Tracy J. Gargano, D.P. on behalf of BRE/Ocean Pines L.L.C., a Delaware limited liability corporation, and on behalf of said corporation did acknowledge the foregoing instrument to be the act and deed of said corporation.



My Commission Expires 04/05/2003
My Commission Expires 04/05/2003

Judy K. Lucic
Notary Public

My Commission Expires:
4/5/2003

STATE OF MARYLAND
COUNTY OF WORCESTER

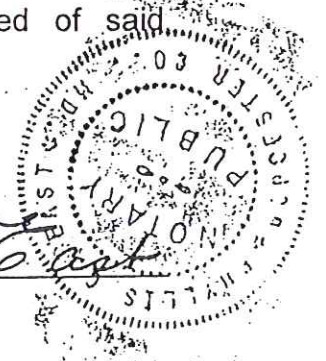
TO WIT:

I HEREBY CERTIFY that on this 2 day of February, 2000, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Thomas A. Cetola President of Ocean Pines Association, Inc. and on behalf of said corporation did acknowledge the foregoing instrument to be the act and deed of said corporation.

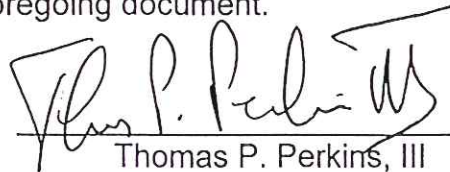
AS WITNESS, my hand and Notarial Seal.

Styellia C. East
Notary Public

My Commission Expires:
8-1-2000



I certify that I am an attorney admitted to the Bar of the Court of Appeals of Maryland and that I prepared the foregoing document.


Thomas P. Perkins, III

AFTER RECORDATION,
PLEASE RETURN TO:

Thomas P. Perkins, III, Esq.
Venable, Baetjer and Howard, LLP
2 Hopkins Plaza
1800 Mercantile Bank & Trust Bldg.
Baltimore, Maryland 21201

Telephone No.: (410) 244-7510

IMP FD SURE \$	2.00
RECORDING FEE	75.00
TOTAL	77.00
Rest # 4002	Rcpt # 58277
SVH 3984	Blk # 1068
Feb 10, 2000	02:39 PM

FEB 10 2000 The foregoing instrument
filed for record and is accordingly recorded
among the land records of Worcester County,
Maryland.


Clerk