

DECLARATION OF COVENANTS FOR COMMON
DRIVE CONSTRUCTION, MAINTENANCE AND REPAIR

THIS DECLARATION, made this 30th day of July, 1997 by
LAMBDIN DEVELOPMENT COMPANY, a Maryland Corporation, hereinafter the
"Declarant".

WHEREAS, Declarant is the owner of Lots 1, 2, and 3 as shown on the plat of
Gale's Manor recorded among the Land Records of Cecil County in Plat Book
PC 665, folio 175; and

WHEREAS, the property has been subdivided in such a manner so as to create
"panhandle lots"; and,

WHEREAS, the zoning and subdivision laws of Cecil County, Maryland, require
Declarant to impose certain restrictions, covenants and conditions on the lots regarding
the use and maintenance of the common drive.

NOW, THEREFORE, Declarant hereby declares that the above described property
shall be held, sold and conveyed subject to the following easements, restrictions,
covenants and conditions which are made for the purpose of protecting the value and
desirability of the property and which shall be binding upon the above described property
and on all purchasers or owners hereafter having any right, title or interest in the property
or any part thereof, and upon their personal representatives, heirs, successors and assigns
and shall inure to the direct benefit of each owner thereof.

CLERK
PER WILLIAM L. BUECKMAN
CECIL COUNTY, MD.

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ARTICLE I

DEFINITIONS

Section 1. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to the Lots including contract sellers, but excluding those having such interest merely as security for performance of an obligation.

Section 2. "Lots" shall mean and refer to Lots 1, 2 and 3, as shown on the Plat.

Section 3. "Declarant" shall mean and refer to Lambdin Development Company, its successors and assigns.

Section 4. "Panhandle" shall mean and refer to the total area of the strip of land extending from the Lots to Penny Lane designated as Ingress/Egress and Drainage & Utility Easement of the Plat.

Section 5. "Plat" shall mean and refer to the final plat of Gale's Manor recorded among the Land Records of Cecil County in Plat Book **PC 665**, folio **175**

Section 6. "Common Drive" shall mean and refer to the blacktop surface to be constructed by the Homebuilder within the Panhandle for the purpose of carrying vehicular traffic to the Lots.

Section 7. "Homebuilder" shall mean and refer to B. Andrews & Company, Inc., its successors and assigns or any other builder who buys the Lots from the Declarant with the intention of building homes on the Lots.

ARTICLE II

EASEMENT

Section 1. The Declarant, intending to provide for the use of the Panhandle for ingress and egress to and from each of the Lots to Penny Lane hereby reserves an

EASEMENT and RIGHT-OF-WAY, for the purpose of ingress and egress and normal driveway purposes, including installation of utility lines, on, over, under and through the Panhandle.

Section 2. The easements reserved herein are for the benefit of the Owner of each of the Lots, their heirs, personal representatives, successors and assigns and shall be appurtenant to each of the Lots. The easements are reserved for use in common by the Owners of each of the Lots, their families, invitees, lessees, agents or contractors.

ARTICLE III

COVENANT FOR MAINTENANCE

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for the Lots hereby covenants and each subsequent 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 the following: (1) any charges made in accordance with the procedures set forth below for maintenance or repair of the Common Drive; (2) any approved annual assessments; (3) any amounts due for damage to the Common Drive in accordance with Section 10 of this Article; and (4) any taxes levied on said common Drive. The approved charges, annual assessments, taxes and Section 10 charges, together with interest charges, costs and reasonable attorney's fees, shall be a charge on the Lot to which the same relates and shall be a continuing lien upon the Lot against which such charge or annual assessment is made. Each such charge or annual 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 charge or annual assessment became due.

Section 2. Purpose of Charges and Assessments. The purpose of any charges or assessments shall be to maintain the Common Drive in good repair and a condition suitable and safe for vehicular traffic. Owners shall be responsible for their percentage share of any charges or assessments according to the following schedule:

Owner of Lot 1	33-1/3 %
Owner of Lot 2	33-1/3 %
Owner of Lot 3	33-1/3 %

Charges or assessments shall be used for the cost of any maintenance, repair or improvement of the Common Drive, including, but not limited to, patching, drainage or snow removal.

Section 3. Meetings. The Owners shall meet once each year on the fourth Saturday in July to determine the need for any maintenance, repair or improvements to the Common Drive. A special meeting may be called by any Owner and such meeting shall be held within thirty (30) days of the date notice of the meeting is given and shall be on a date and time convenient to all the other Owners.

Section 4. Quorum. Presence of a majority of the Owners or their designated representatives shall constitute a quorum at any meeting. A written record shall be made which shall list the place, time, date and attendees at every meeting, the subject matters discussed and the names of those voting for or against any proposal.

Section 5. Voting Rights. Each Lot shall be entitled to one vote on any proposal brought before the meeting. When more than one person holds an interest in any Lot, the vote shall be exercised collectively, but in no event shall more than one vote be cast with respect to any Lot.

Section 6. Approval of Proposals. Any Owner present at the meeting may propose that certain action should be taken to maintain or repair the Common Drive. Any proposal for specific work must be approved by the unanimous approval of the Owners in attendance at the meeting. If the Owners are not able to reach an agreement, a registered professional engineer shall be hired by the Owners to determine what work is required, the engineer's determination shall be final and binding on the Owners. The cost of the engineer shall be divided equally among the Owners. Once approval is given, the Owner making the proposal will obtain at least two estimates for work requested. When the estimates are received, that Owner shall submit copies to the other Owners along with his written recommendation on the estimate he feels most appropriate. If an Owner objects to his recommendation, the objecting Owner shall send notification of his disapproval within fourteen (14) days from receipt of the proposal. If such objection is made, another meeting shall be scheduled for the purpose of determining which estimate is to be accepted. If no notification of disapproval is mailed, the Owner may direct the work to be completed in accordance with the approved proposal and recommended estimates.

Section 7. Payment for Authorized Work. When the authorized work has been completed and an invoice submitted to the Owner making the original proposal, that Owner shall then send copies of the invoice to the other Owners. Each Owner shall be responsible for their percentage share of the total cost of the work performed. Payment shall be made to the Owner making the original proposal within thirty (30) days of receipt of a copy of the invoice. If an annual assessment has been established, the Owner responsible for the assessment account shall make payment from that account. The Owner

making Payment shall receive a receipted invoice marked "paid" or other evidence of payment and mail copies to the other Owners.

Section 8. Work by Owner. If an Owner is willing and capable of performing any maintenance or repair work on the Common Drive, he shall obtain approval at a meeting. Upon submittal of receipts or other documentation, he shall be reimbursed by the other Owners for the cost of the material so used according to the percentage schedule stated in Article III, Section 2.

Section 9. Annual Assessment. The Owners may establish an annual assessment on each Lot to provide for the purposes outlined in Section 2. Any amount so collected shall be kept in a bank account specifically for this purpose. One Owner shall be designated to maintain this account. When the assessments are approved, the Owners shall establish a date at which the assessments shall become due each year thereafter. Annual assessment shall be paid within thirty (30) days of the annual due date so established. The responsible Owner shall make a yearly accounting of principal and interest in the account and payments made therefrom.

Section 10. Damage by Owner. If any damage to the Common Drive is caused by the specific act of any Owner, their family, invitees, lessees, agents or contractors, the cost of repair of the damage shall be the exclusive, personal liability of that Owner. If the Owner liable for the damage refused to pay for the damage, the other Owners may notify him that he or she will have the repair work done and shall be liable for the entire amount of the cost of repair. If the offending Owner does not respond thereto, he or she shall have thirty (30) days to correct the problem at his own expense before the other Owners may proceed as aforesaid.

Section 11. Effect of Nonpayment: Remedies of Other Owners: Any charges for repair or maintenance or any annual assessment not paid within thirty (30) days after the due date or any amounts unpaid under Section 10 shall bear interest from the due date at the rate of twelve percent (12%) per annum. The other Owners may bring any action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. The Owners may not waive or otherwise be relieved of liability for the charges or assessments provided for herein by non-use of the Common Drive or abandonment of his or her Lot.

Section 12. Subordination of the Lien to Mortgages. The lien of any charges or assessments provided for herein shall be subordinate to the lien of any first mortgage. The sale or transfer of any Lot shall not affect the charge or any 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, but not the personal obligation of any Owner for such charges or assessments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments or charges thereafter becoming due or from the lien thereof.

ARTICLE IV

CONSTRUCTION OF COMMON DRIVE

The Homebuilder shall be responsible for the initial construction of the Common Drive which shall be constructed prior to occupancy of the first dwelling on the Lots.

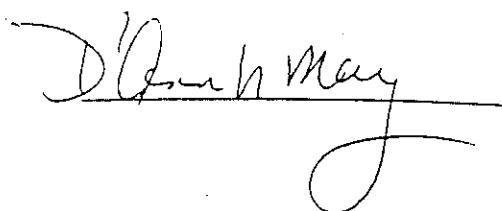
ARTICLE VGENERAL PROVISIONS

Section 1. Enforcement. Any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. The Court shall award reasonable attorneys' fees to the prevailing Owner. Failure by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provision which shall remain in full force and effect.

Section 3. Duration. The easement and covenants of this Declaration shall run with and bind the land for a term of twenty years automatically renewed for successive periods of ten years. Owners, by unanimous consent and with the written approval of Cecil County may agree to discontinue or amend any or all of the above provisions. Any amendment or termination must be recorded among the Land Records of Cecil County in order to be effective.

WITNESS:



LAMBDIN DEVELOPMENT COMPANY

BY:

James Lambdin President

(SEAL)

STATE OF MARYLAND, COUNTY OF HARFORD, TO WIT:

I HEREBY CERTIFY that on this 30th day of July, 1997
before me, the subscriber, a Notary Public of the State of Maryland, in and for the County
aforesaid, personally appeared, James Lambdin, the President of Lambdin Development
Company, a Maryland Corporation, and acknowledged that he executed the foregoing
instrument for the purposes therein contained, by signing in my presence.

AS WITNESS my hand and Notarial Seal

Notary Public

My Commission Expires:



AFTER RECORDING, PLEASE RETURN TO:

Lambdin Development Company
P.O. Box 676
Bel Air, MD 21014-0676
(410) 273-1090

8-25-97

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EXHIBIT A

Description of Property: All that property shown on the Final Plat, Gale's Manor recorded in Plat Book **PC 665** Folio **175**.

