

**FIRST AMENDMENT TO DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS ROSE HILL HOMEOWNERS ASSOCIATION, INC.**

THIS FIRST AMENDMENT OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, made this 4 day of December, 1999, by Beazer Homes Corp, a Tennessee Corporation (hereinafter referred to as "Declarant"):

**RECITALS**

A. Great Falls Road, L.L.C., a Maryland Limited Liability Company, made, executed and caused to be recorded a "Declaration of Covenants, Conditions and Restrictions Rose Hill Homeowners Association, Inc." (hereinafter called the "Declaration") dated the 22<sup>nd</sup> day of April, 1999, and recorded among the Land Records of Montgomery County, Maryland in Liber 17054, Folio 017.

B. Great Falls Road, L.L.C., executed and caused to be recorded an "Assignment of Declarants' Rights" dated April 22, 1999, and recorded among the Land Records of Montgomery County, Maryland in Liber 17054, Folio 080, assigning all of its rights, title, reservations, easements, interest, exemptions, privileges and power as Declarant under the Declaration with respect to all of the property that is subject to the Declaration to Declarant.

C. Pursuant to Section 10.8 of the Declaration, 100% of the Owners consented to this First Amendment as evidenced by their signatures affixed hereto.

D. Pursuant to Section 10.11 of the Declaration the City of Rockville has consented to this First Amendment as evidenced by its signature affixed hereto.

NOW, THEREFORE, Declarant hereby states and declares as follows:

1. Section 3.3.1 is amended by deleting said Section in its entirety and inserting in lieu thereof the following:

"3.3.1. Until January 1<sup>st</sup> of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Eight Hundred Dollars (\$800.00) per Lot; provided, however, that any Lot owned by Declarant, Rose Hill Lot Option, LLC and/or John Laing Homes at Rose Hill, LLC, f/k/a Penrose-CL Associates, LLC (hereinafter collectively "Developer/Owners") shall not be subject to annual assessments and/or any special assessments applicable to Lots not owned by a Developer/Owner. Notwithstanding the foregoing, the Developer/Owners shall pay full annual and special assessments for Lots owned by any Developer/Owner upon which a dwelling unit has been completed and is occupied by a party other than a Developer/Owner."

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2. Section 3.3.2 is amended by deleting said Section in its entirety and inserting in lieu thereof the following:

"3.3.2. Notwithstanding any provision contained in this Declaration to the contrary, the Developer/Owners hereby covenant and agree for the benefit of the Class A Members to pay any and all expenses incurred by the Association during the "Deficit Period" (as such term is hereinafter defined) in furtherance of the Association's purposes to the extent that the annual and specific assessments levied during the Deficit Period are insufficient to pay such expenses, provided, however, that at such time as any Developer/Owner has paid what would equal one hundred percent (100%) of the annual and special assessments for its Lots had any Developer/Owner not been exempted from the payment of assessments during any annual period, then any Developer/Owner shall only be obligated to pay any further assessments during that annual period in an amount equal to what would have become due for its Lots had they not been owned by a Developer/Owner. Each Developer/Owner is responsible for and shall pay that percentage of any Deficit equal to the percentage of Lots owned by each Developer/Owner in relation to the total number of Lots in the Association. As used herein, the term "Deficit Period" shall mean that period of time commencing on the date of recordation of this Declaration and ending on the earlier of (i) the date on which the Class B membership lapses and becomes a nullity in accordance with the provisions of this Declaration; or (ii) the date upon which any Developer/Owner, in writing and recorded among the Land Records of Montgomery County, Maryland, declares that it (from the date specified in such recorded writing) waives its right not to pay any assessments on Lots owned by any Developer/Owner in accordance with this Section 3.1. Any Developer/Owner may make such declaration with respect to less than all of the Lots owned by any Developer/Owner, or to be brought within the jurisdiction of the Association, in which event the Deficit Period shall terminate only with respect to those Lots specifically described. Any deficit required hereunder to be paid by any Developer/Owner shall be payable and collectible in the same manner as any other assessments required to be paid to the Association."

3. Section 3.6 of the Declaration is hereby amended by deleting therefrom the following last three (3) words "Section 3.1.1 hereof." and, by inserting in lieu thereof the following:

"Section 3.3.1 hereof."

4. Section 6.1 is amended in deleting said Section in its entirety and inserting in lieu thereof the following:

"6.1 Use Restrictions. The following shall be restrictions on the use of the Property and such restrictions shall run with and bind the land:

6.1.1 Activities. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may become a nuisance to the public.

6.1.2 Animals. The maintenance, keeping, boarding or raising of animals, livestock, poultry or reptiles of any kind regardless of number, is prohibited on any Lot, except that the keeping of guide animals and orderly domestic pets (e.g., dogs, cats or caged birds) without the approval of the Board is permitted subject to the Rules and Regulations adopted by the Board; **provided, however**, that such pets are not kept or maintained for commercial purposes or for breeding; and provided, further, that any such pet causing or creating a nuisance or unreasonable disturbance or noise may be permanently removed from the Property upon ten (10) days written notice from the Board. Any Owner who keeps or maintains any pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Association, each Owner and the Declarant harmless from any loss, claim or liability of any kind or character or whatever arising by reason of keeping or maintaining such pet within the Property. All pets which may leave the Lot shall be inoculated as required by law.

6.1.3 Barbeque Equipment. Barbeque equipment, grills, gas grills, and portable patio fireplaces shall be stored out of public view when not in use. Any permanent barbeque grill or outdoor fireplace shall meet all applicable safety codes and be integrated with the design of the patio, deck or landscape and screened from public view. No permanent barbeque grill or outdoor fireplace shall be constructed without written approval of the ACC.

6.1.4. Boats, Automobiles and Other Vehicles. Except in connection with temporary construction activities, no boats or cradles, trailers, campers, mobile homes, recreational vehicles over one (1) ton gross vehicle weight, or unlicensed, abandoned, inoperable, or junked vehicles may be parked in streets, driveways, yards, or parking areas for more than twenty-four (24) hours, nor shall extraordinary repair or maintenance of automobiles or other vehicles be performed in said areas. The Association may designate, but is not required to so designate, a specific area for such parking and/or repairs.

6.1.5 Clothes Lines. No clothing or any other household laundry shall be hung in the open to dry on any Lot unless hung from a device that is removed from view when not actually in use. Permanent clothes lines are prohibited.

6.1.6 Fences. Except for any fence installed by the Declarant or by the Association, no fence shall be installed except with the written approval of the ACC. Moreover, construction of any fence in the Landscape Buffer Easement area shall not cause the removal of any healthy tree in excess of two (2) inch caliper DBH.

6.1.7 Flagpoles. Flagpoles are not permitted on residential lots. Up to two (2) flags at a time may be displayed on flag staffs attached to a residence. Proper flag etiquette must be observed.

6.1.8 Hazardous Materials. No hazardous material (except those that are ordinarily found and/or used in dwellings for acceptable purposes) shall be used or stored on any Lot. This shall include the following: (1) any "hazardous waste" as defined by the Resource Conservation

and Recovery Act of 1976, as amended from time to time, and regulations promulgated thereunder; (2) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated hereunder; (3) any substance the presence of which on the Property is prohibited by any Federal, State, County or local law or ordinance regulating toxic or hazardous wastes or substances; (4) any toxic or hazardous substances or materials, whether products or wastes, including, without limitation, asbestos or PCB's; and (5) "oil, petroleum products and their by-products", as defined by any Federal, State, County or local law, ordinance, regulation or requirement applicable to the Lot, or any portion thereof, as amended from time to time (e.g., Maryland Natural Resources Code Ann. Section 8-1411[a][3], as amended). (All of the foregoing collectively are referred to herein as "Hazardous Materials.")

6.1.9 Lot Maintenance. Each Lot (including the yard and the improvements contained thereon) must be regularly maintained and repaired, and kept in a neat, clean and sanitary condition. All grass, and shrubbery on any Lot must be regularly cut or trimmed. All grass, except where otherwise prohibited by governmental regulation, shall be maintained at a maximum height of four (4) inches and shall be as weed free as good environmental practice shall permit. No boxes, bottles, cans, leaves, bedding, building materials, garbage, trash, tires, appliances or other unsightly debris may be left outside on the Lot. Except for lawn furniture used on a Lot and firewood for the personal use of an Owner (either of which must be stored in the rear of a Lot), nothing may be stored outside or on a patio.

6.1.10 Mailboxes and Newspaper Tubes. Mailbox design, structure, supports and locations shall be uniform in accordance with design criteria designed by the Board.

6.1.11 Mining. No Lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth except with the prior written approval of the Board.

6.1.12 Pipes. No water pipe, gas pipe, sewer pipe or drainage pipe shall be installed or maintained on any Lot above the surface of the ground, except garden hoses.

6.1.13 Planting. No planting (other than flowers and small bushes that do not and will not exceed three (3) feet in height) or digging may take place anywhere within or upon any Lot or elsewhere on the Property without the express written authorization of the ACC. [NOTE: The Property contains underground electrical, sewer, water and other utility lines].

6.1.14 Play Equipment. All play equipment shall be screened from public view and is permitted in rear of Lots only.

6.1.15 Private Swimming Pool. No above ground private swimming pools of any type shall be permitted. No in ground swimming pools, hot tubs, spas or jacuzzis of any type shall be permitted without prior approval of the ACC.

6.1.16 Radio Antenna. No radio antenna shall be erected, unless allowed by law.

6.1.17 Signs. No sign of any kind, other than those of the Declarant, or its designated agent, or which shall have the specific approval of the Declarant during the period of construction and sales of the residential units being constructed upon the Property, shall be displayed in public view on any Lot except that one sign of not more than four (4) square feet advertising the Lot for sale or rent will be permitted.

6.1.18 Single Family Dwelling Use. None of the Lots shall be used for any purpose other than for a one family, non-commercial and non-industrial, residential Dwelling use except as provided for hereinafter in Section 6.8 and except that any part of any Dwelling may, with the prior written approval of the Board and the ACC, which approval may be withheld at the sole and subjective discretion of the Board and the ACC, be used for non-residential purposes (including but not limited to accounting, dentistry, law, medicine and the like) provided such use complies with all laws, rules, regulations, and/or ordinances and provided further that such activity does not involve the regular employment, with or without salary, of more than one (1) other person who is not a resident family member, and provided further that such activity does not involve offensive, disagreeable or noxious sounds, noises, odors or smells, or any unusual congestion of clients, patients, patrons or customers outside the residential improvements, detrimental to the peaceful use and quiet enjoyment of the other residential properties in its vicinity.

6.1.19 Storage Buildings/Sheds and Accessory Structures. Gazebos, pergolas, trellises, sheds, decks and green houses are permitted in rear of lots only and shall be complimentary to the design of the dwelling. No metal outside storage buildings or Sheds shall be permitted. Gazebos, pergolas, trellises, sheds, decks and green houses shall not be permitted unless approved in writing by the ACC and then subject to the condition that if said structure is used for storage it is used only by the resident of such Lot, and used only for storage of household and lawn maintenance items.

6.1.20 Storage Tanks. No storage tanks of any kind shall be placed or maintained within or upon any Lot except at such locations and in such manner as approved by the ACC.

6.1.21 Subdivision. No Lot shall be split, divided, or subdivided for sale, resale, gift, transfer or otherwise.

6.1.22 Transmission Facilities. No facilities, including poles and wires, for the transmission of electricity, telephone messages and the like shall be placed or maintained above the surface of the ground on any Lot, and no external or outside antennas of any kind shall be maintained, unless allowed by law.

6.1.23 Trash. (i) Except in connection with temporary construction activities, no lumber, metals, bulk materials, garbage, refuse or trash shall be kept, stored or allowed to

accumulate on any Lot (other than in an approved structure); (ii) No Lot shall be used or maintained as a dumping ground for any material; (iii) Trash, garbage or other waste shall not be kept on any Lot except in sanitary containers. All equipment and containers for the storage or disposal of such material shall be kept in a good, clean and sanitary condition; (iv) During construction of any improvements on the Property, the Owner shall keep any construction site free of unsightly accumulations of rubbish and scrap materials, and construction materials, trailers, shacks and the like employed in connection with such construction shall be kept in a neat and orderly manner; (v) If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, containers may be placed in the open on any day that a pickup is to be made, at such place on the Lot so as to provide access to Persons making such pickup. At all other times, such containers shall be stored in such a manner so that they cannot be seen from adjacent and surrounding Property; (vi) Trash, garbage or other waste shall not be kept on any Lot except in sanitary containers and such shall not be visible from the streets. All containers or other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. If a central trash collection area is designated, the Association may regulate the use of such trash enclosures; and (vii) The ACC, in its discretion, may adopt and promulgate reasonable rules and regulations relating to the size, shape, color and type of containers permitted and the manner of storage of the same on the Property.

6.1.24 Trees. No trees or bushes of any kind shall be removed from any Lot, Public Right-of-Way, or Tree Save Area without the express written authorization of the ACC and of the Rockville City Forester or other entity of the City responsible for the approval of the removal of trees or other plantings. All trees on Lots, or the Public Rights-of-Way adjacent to any Lot, shall be properly maintained by the Owner of said Lot.

6.1.25 Truck Parking. Except in connection with temporary construction activities, no trucks of a capacity of one ton or more, or commercial vehicles or trucks that have racks or advertisement, or buses, shall be regularly parked on the Property.

6.1.26 T.V. Outside television antennas and satellite dishes are permitted only as provided by law, and the specific placement of any such device requires prior authorization by the ACC.

6.1.27 Utilities. All electric service, telephone service, cable T.V., and other utilities on the Property shall be supplied by underground service and no poles shall be permitted without written authorization of the ACC. Transformers and other facilities installed by the utility companies may be above ground, if necessary.

5. Section 7.6 is amended by deleting said Section in its entirety and inserting in lieu thereof the following:

"Section 7.6 - Conservation Easement. The removal or pruning of healthy trees on the property is prohibited. Further, there shall be several 'Tree Safe Areas' in which no

cutting or pruning of trees shall take place without the written permission of the Rockville City Forestry."

6. All terms used herein shall have the meanings specified in the Declaration.

7. Except as herein and heretofore amended, the Declaration shall be and remain in accordance with its original terms.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal the day and year first above written.

ATTEST:

BEAZER HOMES CORP., A Tennessee Corporation

Racene Niche

Brooks R. Palmer (SEAL)  
Attorney-In-Fact

Liber 16578 Folio 098

STATE OF MARYLAND, COUNTY OF Anne Arundel

On this 4th day of November, 1999, before me, a Notary Public in and for the State and County aforesaid, personally appeared Brooks R. Palmer known to me (or satisfactorily proven) to be the person whose name is subscribed as attorney-in-fact for Beazer Homes Corp., a Tennessee corporation (the "Corporation") and acknowledged that he executed the same as the act of his principal for the purposes therein contained and certified that this conveyance is not part of a transaction in which there is a sale, lease, exchange, or other transfer of all or substantially all of the property and assets of the Corporation.

WITNESS my hand and Notarial Seal.

Julia Lee Miller  
Notary Public

JULIA LEE MILLER  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires April 13, 2003

My Commission Expires: \_\_\_\_\_

**CONSENTS**  
**OWNERS**

Penrose-CL Associates, L.L.C., a Delaware Limited Liability Corporation, Rose Hill Lot Option, L.L.C., a Maryland Limited Liability Company, and Rose Hill Homeowners Association, Inc., A Maryland Corporation, as Owners of all of the Lots subject to the Declaration hereby consent to the terms and conditions of this First Amendment to the Declaration and consent to the recordation of this First Amendment to the Declaration in the Land Records of Montgomery County, Maryland.

ROSE HILL LOT OPTION, L.L.C., A Maryland Limited Liability Company

BY: HEARTHSTONE, A California Corporation  
Manager  
Member

BY: [Signature] (SEAL)  
Name: TRACY T. CARVER  
Title: Senior Vice President - General Counsel

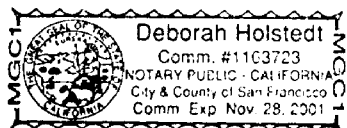
STATE OF CALIFORNIA, COUNTY OF San Francisco:

I HEREBY CERTIFY That on this 6<sup>th</sup> day of October, 1999, before me, a Notary Public in and for the State and County aforesaid, personally appeared TRACY T. CARVER, who acknowledged himself to be the Senior Vice President of Hearthstone, a California Corporation Manager (the "Corporation") and that he/she, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself/herself as such officer and certified that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the Corporation.

WITNESS my hand and Notarial Seal.

[Signature]  
Notary Public

My Commission Expires: 11/28/01



JOHN LAING HOMES, L.L.C.,  
A Delaware Limited Liability Company f/k/a  
PENROSE-CL ASSOCIATES, L.L.C.,  
A Delaware Limited Liability Company  
Member

BY: WL HOMES, L.L.C., A Delaware Limited  
Liability Company d.b.a. John Laing Homes -  
Washington Division  
Member

BY: Steven M. Baldwin (SEAL)  
Steven M. Baldwin  
Authorized Person/Division  
President

STATE OF Virginia, COUNTY OF Fairfax :

I HEREBY CERTIFY That on this 29<sup>th</sup> day of September, 1999, before me, a  
Notary Public in and for the State and County aforesaid, personally appeared Steven M. Baldwin,  
who acknowledged himself to be the authorized person of WL HOMES, L.L.C., a Delaware  
Limited Liability Company (the "L.L.C.") and that he, as such person, being authorized so to do,  
executed the foregoing instrument for the purposes therein contained by signing the name of the  
L.L.C. by himself as such person and certified that this conveyance is not part of a transaction in  
which there is a sale, lease, exchange or other transfer of all or substantially all of the property  
and assets of the L.L.C.

WITNESS my hand and Notarial Seal.

Steven M. Baldwin  
Notary Public

My Commission Expires: 10/31/02

ROSE HILL HOME OWNERS  
ASSOCIATION, INC., A Maryland  
Corporation

BY: *Brooks R. Palmer* (SEAL)  
*Brooks R. Palmer, President*

STATE OF Maryland, COUNTY OF Howard :

I HEREBY CERTIFY That on this 7 day of October, 1999, before me, a Notary Public in and for the State and County aforesaid, personally appeared Brooks R. Palmer, who acknowledged himself to be the President of Rose Hill Home Owners Association, Inc., a Maryland Corporation (the "Corporation") and that he/she, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself/herself as such officer and certified that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of the Corporation.

WITNESS my hand and Notarial Seal.

*Laurene Nickle*  
Notary Public

LAURENE NICKLE  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires May 1, 2003

My Commission Expires: \_\_\_\_\_

CITY OF ROCKVILLE

THE MAYOR AND COUNCIL OF ROCKVILLE  
a Municipal Corporation of the State of Maryland

By: W. Mark Pentz (SEAL)  
W. Mark Pentz, City Manager

COUNTY OF: Montgomery

STATE OF: MD

I HEREBY CERTIFY that on this 2nd day of November, 1999,  
before me, the undersigned, a Notary Public in the jurisdiction aforesaid, personally appeared  
W. Mark Pentz, known to me or satisfactorily proven to be the person  
whose name is subscribed to the within instrument and who acknowledged herself to be the  
City Manager of Rockville, Maryland, a municipal corporation of the State  
of Maryland, and that in such capacity, and being so authorized to do, executed the foregoing  
Deed on behalf of the Mayor and Council of Rockville, Maryland for the purposes therein  
contained.

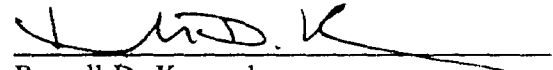
IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Janet G. McLeod  
Notary Public Janet G. McLeod

My Commission Expires: 10-01-02

ATTORNEY'S CERTIFICATION

This instrument has been prepared by or under the supervision of the undersigned Maryland attorney or by one of the parties named in this instrument.

  
Russell D. Karpook

Post Recording Return To:

Russell D. Karpook  
FRANCOMANO & KARPOOK, P.A.  
20 S. Charles Street, 8th Floor  
Baltimore, Maryland 21201

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