

# **BY-LAWS OF THE BLAKESLEE HOMEOWNERS ASSOCIATION, INC.**

## **ARTICLE I**

### **NAME AND NATURE**

*Section 1.* The name of the corporation is Blakeslee Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 5000 Thayer Center, Oakland, Garrett County, Maryland 21550, but meetings of Members and Directors may be held at such places within the State of Maryland, as may be designated by the Board of Directors.

*Section 2.* These Bylaws are intended to govern the administration of the Association, a non-profit corporation organized under Title 5, Subtitle 2 of the Corporations and Associations Article of the Annotated Code of Maryland (the "Corporation Law") and the Maryland Homeowners Association Act set forth in Title 11B of the Real Property Article of the Annotated Code of Maryland (the "Act"), and the management, administration, utilization and maintenance by the Association of the property described in the Declaration (the "Declaration") for Blakeslee Subdivision ("Subdivision") hereinafter described.

## **ARTICLE II**

### **DEFINITIONS**

*Section 1.* The terms "Association", "Common Area", "Lots ", and "Property" as used in these Bylaws shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions relating to the Subdivision dated August 17, 1987, and recorded among the Land Records of Garrett County (the "Land Records") in Liber 499, Folio 41 as amended by the First Amended and Restated Declaration dated, and recorded among the Land Records in Liber 4588 Page 390,

*Section 2.* "Association Property" as used herein, shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners.

*Section 3.* "Declaration" as used herein, shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions, and amendments, applicable to the Properties and recorded among the Land Records of Garrett County, Maryland.

*Section 4.* "Properties" as used herein, shall mean and refer to that certain real property as designated in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

*Section 5.* "Member", as used herein, means those persons or entities entitled to membership in the Association as provided in the Declaration.

*Section 6.* "Owner", as used herein, shall mean and refer to the record owner, whether one (1) or more persons or entities, of the fee simple title to any Lot in the Subdivision, but excluding

those having such interest merely as security for the performance of any debt obligation. As provided in the Articles of Incorporation of the Association ("Articles"), the Members of the Association shall be all Owners and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be Members; however, for purposes of a quorum such persons shall be treated as a single Member. The votes for such Lot shall be exercised as such persons determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

### **ARTICLE III**

#### **MEETING OF MEMBERS**

*Section 1. Annual Meetings.* The Association shall hold an annual meeting of its members to elect directors from among its membership and to transact any other business within its powers, either on the Saturday before Memorial Day, at a time and place, within the State of Maryland selected by the Board of Directors of the Association, or at such other time on such other day as shall be set by the Board of Directors. Except as the Articles or statute provides otherwise, any business may be considered at an annual meeting without the purpose of the meeting having been specified in the notice. Failure to hold an annual meeting does not invalidate the Corporation's existence or affect any otherwise valid corporation acts.

*Section 2. Special Meetings.* Special meetings of the Members may be called at any time by the President or by a majority of the Board of Directors, or by the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Membership of the Association; a call by the Board of Directors or Members may be by a vote at a meeting or in writing (addressed to the Secretary of the Association) with or without a meeting. For special meetings, the standard 30 to 60-day notice requirement will be waived, and a seven (7) day notice will be required instead.

*Section 3. Notice of Meetings.* Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than thirty (30) nor more than sixty (60) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting. Notice is given to a Member when it is personally delivered to him, left at his residence, or mailed to him at his address as it appears on the records of the Corporation. Notwithstanding the foregoing provisions, each person who is entitled to notice waives notice if he, before or after the meeting, signs a waiver of the notice which is filed with the records of members' meetings, or is present at the meeting in person or by proxy. Any meeting of members, annual or special, may adjourn from time to time to reconvene at the same or some other place, and no notice need be given of any such adjourned meeting other than by announcement. All annual and special meetings will be open to all members via Zoom or similar electronic access mode.

*Section 4. Electronic Notice/Voting.* For purposes of these Bylaws, any reference contained herein to "notice" or "voting" shall be construed so as to include/permit such

notice/voting by electronic transmission as may be permitted by any provisions of the Act, including, but not limited to, Sections 11B-113.1 and 113.2 of the Act.

*Section 5. Quorum.* The presence at the meeting of Members or proxies entitled to cast a majority of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified

*Section 6. Proxies.* At all meetings of Members, each Member may vote in person or by proxy and is entitled to one (1) vote on each matter submitted to a vote at a meeting of Members. All proxies shall be in writing, signed by the member or by his duly authorized attorney-in-fact, and filed with the Secretary. Unless a proxy provides otherwise, it is not valid more than eleven (11) months after its date. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of the Member's Lot.

*Section 7. Conduct of Voting.* At all meetings of Members, unless the voting is conducted by inspectors, the proxies and ballots shall be received, and all questions touching the qualifications of voters and validity of proxies and the acceptance or rejection of votes shall be decided, by the President of the Association.

*Section 8. Informal Action by Members.* Any action required or permitted to be taken at a meeting of members may be taken without a meeting if there is filed with the records of members meetings an unanimous written consent which sets forth the action and is signed by each Member entitled to vote on the matter.

## **ARTICLE IV**

### **BOARD OF DIRECTORS SELECTION: TERM OF OFFICE**

*Section 1. Number.* The affairs of this Association shall be managed by a Board no less than three (3) nor more than five (5) Directors, who are required to be Members of the Association. All powers of the Association may be exercised by or under authority of the Board of Directors.

*Section 2. Term of Office.* The terms of office of the Directors of the Association named in the Articles shall be for the period until the first annual meeting of the Members at which their successors are elected. The terms of each Director shall be for three (3) years or until his/her successor is elected, whichever shall be the longer period. Each Director shall be elected at the annual meeting.

*Section 3. Removal.* Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or

removal, pursuant to these Bylaws, of a Director, his/her successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of his/her predecessor.

*Section 4. Compensation.* No Director shall receive compensation for any service he/she may render to the Association. However, any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

*Section 5. Action Taken without a Meeting.* The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

## **ARTICLE V**

### **NOMINATION AND ELECTION OF DIRECTORS**

*Section 1. Nomination.* Nomination of Directors for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two (2) or more other members. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting of the Members, to serve until the close of the annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may be made from among Members only. Members who are nominated must be Members in good standing.

*Section 2. Election.* Election to the Board of Directors shall be by written ballot. At the election the Member or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Bylaws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## **ARTICLE VI**

### **MEETINGS OF DIRECTORS**

*Section 1. Regular Meetings.* Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

*Section 2. Special Meetings.* Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days' notice to each Director.

*Section 3. Notice of Meeting.* Except as provided in Section 1, the Secretary shall give notice to each director of each annual, regular, and special meeting of the Board of Directors. The

Notice shall state the time and place of the meeting. Notice is given to a Director when it is delivered personally to him, left at this residence, or sent by telegraph, electronic mail, or telephone at least 24 hours before the time of the meeting or, in the alternative by mail to his address as it shall appear on the records of the corporation, at least 72 hours before the time of the meeting. Unless the Bylaws or a resolution of the Board of Directors provides otherwise, the notice need not state the business to be transacted at or the purpose of the meeting. No notice of any meeting of the Board of Directors need be given to any Director who attends, or to any Director who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives such notice. Any meeting of the Board of Directors may adjourn from time to time to reconvene at the same or some other place, and no notice need be given of any such adjourned meeting other than by announcement. All regular and special meetings of the Board will be open to all members via Zoom or similar access mode.

*Section 4. Quorum.* A majority of the number of Directors shall constitute a quorum for the transaction of business except as otherwise provided in the Declaration or these Bylaws. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. In the absence of a quorum, the Directors present by majority vote and without notice other than by announcement may adjourn the meeting from time to time until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting, if a unanimous written consent which sets forth the action is signed by each member of the Board and filed with the minutes of proceedings of the Board.

*Section 5. Meeting by Conference Telephone.* Members of the Board of Directors may participate in a meeting by means of a conference telephone or similar communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at a meeting.

## **ARTICLE VII**

### **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

*Section 1. Powers.* The Board of Directors shall have the power to:

(a) Adopt and publish rules and regulations and architectural design guidelines governing the use of the Lots and Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) Suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association.

(c) Exercise for the Association all powers, duties and authority vested in or delegated to

this Association and not reserved to the Members by other provisions of these Bylaws, the Articles, or the Declaration; and

(d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

(e) Employ a manager, independent contractors, or other employees or contractors as they deem necessary, and to prescribe their duties. The Board of Directors shall have the right to appoint any such manager, independent contractor or other employee or contractor retained by them to act in an advisory role to the Board of Directors.

*Section 2. Duties.* It shall be the duty of the Board of Directors to:

(a) Keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Membership of the Association;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided in the Declaration to:

(1) Fix the amount of the annual assessment against each Lot not later than thirty (30) days in advance of each annual assessment period;

(2) Fix the amount of any special assessment against each Lot not later than forty-five (45) days in advance of each such special assessment;

(3) Determine how any assessment is to be paid (e.g. monthly, quarterly or annually);

(4) Send written notice of each annual assessment to every Lot Owner subject thereto not later than thirty (30) days in advance of its due date, and of each special assessment, at least forty-five (45) days in advance of its due date and set forth in each such notice how any such assessment is to be paid; and

(5) Foreclose the lien against a Lot if the Owner thereof has not paid any assessment thereon within such time as the Board of Directors may determine, and/or bring an action at law against the Lot Owner personally obligated to pay the same, which action shall include recovery from the Lot Owner of the costs relating to the action, including attorney's fees (which action may be brought pursuant to the Maryland Contract Lien Act (the "Lien Act") set forth in Subtitle 2 of Title 14 of the Real Property Article of the Annotated Code of Maryland or any other applicable provision of Maryland law;

(d) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate

setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates. If the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate;

(e) Procure and maintain adequate liability and hazard insurance on Property owned by the Association;

(f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) Cause the Common Areas to be maintained;

(h) Enter into an agreement with first mortgagees of Lots in the Properties to provide that such first mortgagees, jointly or singly, may pay taxes or other charges which are in default and which may or have become a charge against the Common Area of the Association, and such mortgagees may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such property, and such first mortgagees, upon making such payments, shall be owed immediate reimbursement therefor from the Association.

(i) Take and do any act that may be appropriate regarding the adoption of rules and regulations and/or architectural design guidelines relating to the use, improvement, maintenance, preservation, operation, repair and architectural control of improvements to be constructed on Lots, Common Areas and Open Space in the Development; and

(j) Deposit and maintain current certain information/documents in the "Depository", as that term is defined by Section 11B-101 of the Act.

(k) Impose fines to enforce the Covenants, these Bylaws, and any restrictions, regulations or requirements adopted by the Board of Directors, as well as to bring an action at law or equity to enforce the terms and obligations of the Covenants, Bylaws, and any restrictions, regulations, or requirements adopted by the Board of Directors.

(l) Promote clarity, fairness, and transparency in the management of community rules and enforcement. As such the Board shall clearly outline the rules and regulations that homeowners must follow and ensure that rules and fines are applied consistently to all homeowners. In addition the board is responsible to annually publish a list of enforced rules and fines.

*Section 3. Conflict of Interest.* Board members and Committee members must avoid participating in any decision where their interests, family, friendship or social factors, could compromise the members judgement, decision or action as a Board or Committee member. In such situations the Board or Committee member must recuse themselves from participating.

## ARTICLE VIII

### OFFICERS AND THEIR DUTIES

*Section 1. Enumeration of Offices.* The officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

*Section 2. Election of Officers.* The election of officers shall take place at each regular meeting of the Board of Directors that shall follow each annual meeting of the Members.

*Section 3. Term.* The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or otherwise disqualified to serve. However, no member on the Board can be elected as President for more than three successive one year terms.

*Section 4. Special Appointments.* The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

*Section 5. Resignation and Removal.* Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

*Section 6. Vacancies.* A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he/she replaces.

*Section 7. Multiple Offices.* The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

*Section 8. Duties.* The duties of the officers are as follows:

#### **President**

(a) The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out and maintained as provided in **Article VII, Section 2(a)** above. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments.

#### **Vice-President**

(b) The Vice-President shall act in the place and stead of the President in the event of his



absence, inability, or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-President shall likewise have authority to sign all leases, mortgages, deeds, and other written instruments.

### **Secretary**

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

### **Treasurer**

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

The depository of the Association shall be such a bank or banks as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such parties as are authorized by the Board, provided that a management agreement may include among its provisions authority for the manager to sign checks on behalf of the Association for payment of the obligations of the Association, if the proper fidelity bond is furnished to the Association.

## **ARTICLE IX**

### **INDEMNIFICATION OF OFFICERS AND DIRECTORS**

The Association shall provide any indemnification required or permitted by the laws of Maryland and shall indemnify Directors, officers, agents, employees and representatives as provided as follows:

(a) The Association shall indemnify any Director or Officer of the Association who were or are a party or are threatened to be made a party to any threatened, pending, or completed action, suit, or proceedings, whether civil, criminal, administrative, or investigative (other than an action by or right of the Association) by reason of the fact that they are or were such Directors or Officers or employees or agents of the Association, or are or were serving at the request of the Association as a Director, Officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by them in connection with such action, suit or proceeding if they acted in good faith and in a manner which they had reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful. The

termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the persons did not act in good faith, and in a manner which they reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that their conduct was unlawful.

(b) The Association shall indemnify any Director or Officer of the Association who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he/she is or was such a Director or Officer or employee or agent of the Association, or is or was serving at the request of the Association as a Director, Officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees) actually and reasonably incurred by them in connection with the defense or settlement of such action or suit if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the Association, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of their duty to the Association unless and only to the extent that the court in which such action or suit was brought, or any other court having jurisdiction in the premises, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which such court shall deem proper.

(c) To the extent that a Director or Officer of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraph (a) or (b) of this Article IX, or in defense of any claim, issue, or matter therein, that person shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by them in connection therewith, without the necessity for the determination as to the standard of conduct as provided in paragraph (d) of this Article.

(d) Any indemnification under paragraph (a) or (b) of this Article (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director or Officer is proper in the circumstances because they have met the applicable standard of conduct set forth in paragraphs (a) or (b) of this Article. Such determination shall be made (i) by the Board of Directors of the Association by a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or proceeding, or (ii) if such a quorum is not obtainable, or even if obtainable, such a quorum of disinterested Directors so directs, by independent legal counsel (who may be regular counsel for the Association) in a written opinion; and any determination so made shall be conclusive.

(e) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit, or proceeding, as authorized in the particular case, upon receipt of an undertaking by or on behalf of the Director or Officer to repay such amount unless it shall ultimately be determined that they are entitled to be indemnified by the Association as authorized in this Article.

(f) Agents and employees of the Association who are Directors or Officers of the Association may be indemnified under the same standards and procedures set forth above, in the discretion of the Board of Directors of the Association.

(g) Any indemnification pursuant to this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled and shall continue as to a person who has ceased to be a Director or Officer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

(h) In addition, the Board shall be authorized at all times to procure and maintain directors and officer's insurance coverage to cover the Association's Directors, officers, agents, employees and representatives.

## **ARTICLE X**

### **COMMITTEES**

The Association shall appoint an Architectural Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose, such as a Rental Committee, Building and Grounds Committee, and Finance Committee. Committee members can be composed of Board members or owners. Any rules adopted by a committee or decision by a committee is subject to appeal to the full board. Each committee may fix rules of procedure for its business. A majority of the members of a committee shall constitute quorum for the transaction of business and the act of a majority of those present at a meeting at which a quorum is present shall be the act of the committee. The members of a committee present at any meeting, whether or not they constitute a quorum, may appoint a Director to act in place of an absent member. Any action required or permitted to be taken at a meeting of a committee may be taken without a meeting, if an unanimous written consent which sets forth the action is signed by each member of the committee and filed with the minutes of the committee. The members of a committee may conduct any meeting thereof by conference telephone in accordance with the provisions of Article VI, Section 5.

## **ARTICLE XI**

### **BOOKS AND RECORDS**

The Association shall keep correct and complete books and records of its accounts and transactions and minutes of the proceedings of its Members, its Board of Directors, and of any Committee. The books and records of a Corporation may be in written form or in any other form which can be converted within a reasonable time into written form for visual inspection. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and first mortgagees holding first mortgages on any Lot. The Declaration, the Articles and the Bylaws of the Association shall be available for inspection by any Member and first mortgagee in the Depository and at the principal office of the Association,

where copies may be purchased at reasonable cost.

## **ARTICLE XII**

### **ASSESSMENTS**

Each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lot against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and be subject to a late fee of Fifteen Dollars (\$15.00) or one-tenth (1/10) of the assessment, whichever is greater, and the Association may bring an action at law against the owner personally obligated to pay the same and/or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Association Property or abandonment of their Lot.

The Association may establish and enforce the lien for any assessment, annual, special or additional established pursuant to the Maryland Contract Lien Act. The lien is imposed upon the Lot against which such assessment is made. The lien may be established and enforced for damages, costs of collection, late charges permitted by law, and attorney's fees provided for in the Declaration or awarded by a court for breach of any of the covenants of the Declaration.

## **ARTICLE XIII**

### **RIGHTS OF MORTGAGEES**

*Section 1. Unpaid Assessments.* The Association, may, upon request and for a reasonable charge, report to a mortgagee of any Lot any unpaid assessment due from the Owner of the Lot or any default by the mortgagor of the Lot in the performance of the mortgagor's obligations as a Lot Owner hereunder which is not cured within thirty (30) days. In the event a first mortgagee requests a notice of default, and pays the charge therefor, if no notice of default is given within thirty (30) days after receipt of the request, the Association shall thereafter be estopped to claim any default that occurred prior to the receipt of the Request as respects the said first mortgage, or any purchaser therefrom upon foreclosure or other exercise of lien rights under the mortgage.

*Section 2. Approval Required.* In addition to the other provisions of the Declaration, and these By-Laws, and the applicable laws of the State of Maryland, unless at least seventy-five percent (75%) of the first mortgagees (based upon one (1) vote for each mortgage) of individual Lots within the Properties, have given their prior written approval, the Association shall not be entitled to:

- (a) By act or omission, seek to abandon, partition, subdivide, encumber, sell, or

transfer real estate or improvements thereon which are owned, directly or indirectly, by the Association, for the benefit of the Lots, i.e., the Association Property. The granting of easements for public utilities or for other purposes consistent with the intended use of the Association Property shall not be deemed a transfer within the meaning of this clause.

(b) Change the method of determining the obligations, assessments, dues, or other charges, which may be levied against a Lot Owner.

(c) By act or omission change, wave, or abandon any scheme or regulations or enforcement hereof pertaining to the architectural design or the exterior appearance of any Lot, the exterior maintenance of Lots, the maintenance of party walls or common fences or driveways, or the upkeep of lawns and plantings in the Properties.

(d) Fail to maintain fire and extended coverage on insurable Association Common Area property on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost).

(e) Use hazard insurance proceeds for losses to any Association Property for other than the repair, replacement or reconstruction of such improvements.

#### **ARTICLE XIV**

#### **ENFORCEMENT**

The Association shall have the power, at its sole option, to enforce the terms of this instrument or any rule or regulation or architectural design guideline promulgated pursuant to the Declaration, by any or all of the following: by sending notice to the offending party to cause certain things to be done or undone; by taking any other action before any court, summary or otherwise, as may be provided by law; or by complaint to the duly constituted authorities.

#### **ARTICLE XV**

#### **CORPORATE SEAL**

The Association may have a seal in circular form having within its circumference the words: "Blakeslee Homeowners Association, Inc., Maryland 1987", or in lieu thereof the word "SEAL" may be placed adjacent to the signature of an authorized officer of the Association. In the case of any conflict between the Articles, these Bylaws, the Declaration and any law, including, but not limited to, the Act, the law shall be deemed controlling.

#### **ARTICLE XVI**

#### **AMENDMENTS**

*Section 1.* These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

