(8)

DEED - RANCH CLUB TO DRUM POINT PROJECT

LIBER 300 PAGE 637

THIS DEED, Made this 23rd day of June, 1983, by and between THE CHESAPEAKE RANCH CLUB, INC., a Maryland corporation, party of the first part, and DRUM POINT PROJECT, INC., a Maryland corporation, party of the second part:

WITNESSETH, that in consideration of the sum of THREE HUNDRED AND THIRTY-FIVE THOUSAND and 00/100 ($335,000.00) DOLLARS to be paid for this conveyance, which sum includes $225,000.00 in cash and $100,000.00 in a Deed of Trust, receipt of which is hereby acknowledged, The Chesapeake Ranch Club, Inc. does grant and convey unto Drum Point Project, Inc., its successors and assigns in fee simple, all those pieces or parcels of ground situate, lying and being in "Drum Point Subdivision" in the First Election District, Calvert County, State of Maryland, consisting, in whole or in part, of the same property which the said party of the first part obtained from Drum Point Corporation by Deeds dated August 16,1969 and recorded among the Land Records of Calvert County, Maryland in Liber JLB113, folio643,and more fully described as follows:

RECD FEE 18.00
RCRD TAX 1105.50
STATE TAX 1675.00
DEED 3000637
#6930 C002 R01 T16:3
C006/23/83

ALL right, title and interest which the herein Grantor has in real property in the Drum Point Subdivision, including but not limited to lots and parcels listed and described in Exhibit "A", EXCEPTING therefrom all platted and numbered residential lots not otherwise herein specifically listed on Exhibit "A".

TOGETHER WITH all buildings and improvements thereupon, erected, made, or being; and all and every, the rights, alleys, ways, waters, privileges, appurtenances, and advantages, to the same belonging or in anywise appertaining.

TOGETHER WITH all right, title and interest and power, including power of appointment and right of control, which the Grantor has in all recorded covenants (including the covenants in all individual deeds, the covenants recorded in Liber 116, folios233, 234, 235 and Liber 287, folio 873), deeds and documents relating to all real property within the Subdivision of Drum Point and also relating to covenants and restrictions of Lots #1 and #17 of Section 4C, including but not limited to the right to collect road fees from this date forward and to use them in accordance with the covenants or as modified under the covenants .

TO HAVE AND TO HOLD the said pieces or parcels of ground and premises above described or mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances, and advantages thereto belonging or appertaining unto and to the only proper use and benefit of the said Drum Point Project, Inc., a body corporate, its successors and assigns, in fee simple, subject, however, to conditions and restrictions of record.

AND the said party of the first part covenants that it will warrant specially and generally the property hereby conveyed; that it is seized of the land hereby conveyed; that it has a right to convey said land; that the party of the second part shall quietly enjoy said land; that it has done no act to encumber said land; and that it will execute such further assurances of said land as may be requisite.

I HEREBY CERTIFY that this conveyance is not a sale of all or substantially all of the property or assets of the within Grantor.

WITNESS the signature of the corporate grantor, by its Treasurer, and its corporate seal affixed hereto.

ATTEST:

THE CHESAPEAKE RANCH CLUB, INC.

BY: Timothy Wakeman, Treas.

STATE OF MARYLAND, County of Calvert, to-wit:

I HEREBY CERTIFY, That on this 23rd day of June, 1983, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared TIMOTHY WAKEMAN, Treasurer of The Chesapeake Ranch Club, Inc., known to me to be the person whose name is subscribed to the within instrument and the above named Grantor, and he acknowledged the foregoing Deed to be the act of said Corporation.

AS WITNESS my hand and Notarial Seal.

Notary Public

My Commission Expires: 7-1-86

THIS IS TO CERTIFY THAT THE TAXES ON PROPERTY DESCRIBED WITHIN HAVE BEEN PAID TO AND INCLUDING 19__
JESSIE JO BOWEN
TREASURER

THIS IS TO CERTIFY THAT THE PROPERTY DESCRIBED WITHIN HAS BEEN TRANSFERRED ON THE ASSESSMENT RECORDS OF CALVERT COUNTY, AND THE DESCRIPTION DOES ✓ DOES NOT ___ AGREE WITH THE CURRENT ASSESSMENT ROLLS.
DUDLEY R. McCREADY
Supervisor

Agricultural Transfer Tax in the
Amount of $ N/A
Signature

EXHIBIT "A"

ITEM ONE:

ALL that lot or parcel of land situate, lying and being in the First District of Calvert County, Maryland, and more particularly described as follows:

BEGINNING for the same at coordinate point No. 11 as shown on the plat of "Section 27, Drum Point", dated October, 1963, and recorded among the Plat Records of Calvert County in Liber J.L.B. No. 1, folio 99, said point being located at the end of the North 69 degrees 08 minutes 10 seconds West outline of said section, and thence leaving said beginning point so fixed and running with part of said outline reversely, South 69 degrees 08 minutes 10 seconds East, 265.96 feet to the shoreline of the Chesapeake Bay as located by J. R. McCrone, Jr., Inc., Registered Professional Civil Engineers and Land Surveyors, in December 1975; thence running with said shore line as then located generally with the following six courses and distances; (1) South 23 degrees 42 minutes 50 seconds West, 84.84 feet, (2) South 21 degrees 23 minutes 35 seconds West, 94.66 feet, (3) South 23 degrees 25 minutes 26 seconds West, 175.66 feet, (4) South 28 degrees 54 minutes 41 seconds West, 66.42 feet, (5) South 56 degrees 13 minutes 30 seconds West, 83.46 feet, and (6) South 34 degrees 02 mintues 09 seconds West, 108.26 feet to Drum Point at the junction of the Bay and the Patuxent River; thence with the shore line of said river as located in December 1975, generally with the following four courses and distances; (1) North 65 degrees 54 minutes 56 seconds West, 88.40 feet, (2) North 42 degrees 48 minutes 23 seconds West, 99.00 feet, (3) North 36 degrees 08 minutes 39 seconds West, 412.16 feet, and (4) North 38 degrees 40 minutes 41 seconds West, 241.80 feet to a point in the extension of the South 35 degrees 54 minutes 30 seconds West, 179.89 feet outline of the aforesaid Section 27; thence crossing the beach with said extension and with said outline reversely, North 35 degrees 54 minutes 30 seconds East, 268.02 feet; thence still with the outline of said Section 27, reversely, South 56 degrees 30 minutes 00 seconds East, 323.38 feet; thence crossing the end of an entrance road to the "Surf and Sand Club" as shown on said plat, South 72 degrees 28 minutes 31 seconds East, 175.58 feet to the place of beginning; containing 8.034 acres, more or less, as surveyed by J. R. McCrone, Jr., Inc., Registered Professional Civil Engineers and Land Surveyors in December 1975 and described in June 1976; and BEING a part of the land conveyed by the Drum Point Corporation to Cheaspeake Ranch Club, Inc., by Deed dated August 29, 1969, and recorded among the Land Records of Calvert County in Liber J.L.B. No. 113, folio 643.

ITEM TWO:

ALL that lot or parcel of land situate, lying and being in the First District of Calvert County, Maryland, and more particularly described and designated as Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14 and Lots 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, and 37 as shown on the Plat of Section 27, Drum Point, which said plat is recorded among the Plat Records of Calvert County in Plat Book J.L.B. No. 1, folio 99; and BEING part of the land described in a deed from The Drum Point Corporation to Chesapeake Ranch Club, Inc., dated April 29, 1957, and recorded among the Land Records of Calvert County in Liber J.L.B. No. 11, folio 269.

ITEM THREE:

APPROXIMATELY six (6) acres, with approximately one thousand eight hundred (1,800) feetroad frontage; bounded by Barreda Boulevard, Rousby Hall Road, Block C of Section 4-C on Plat JLB 1, folio 78, and Section 22 on Plat JLB 1, folio 24. (Property located on the northeast corner of Barreda Blvd. and Rousby Hall Road in the Drum Point Subdivision assessed as 4.30 acres.)

CHESAPEAKE RANCH ESTATES, INC.

BY:
Timothy Wakeman, Treas.

EXHIBIT "A" (Continued)

ITEM FOUR:

ALL of Lot Numbered Nine (9), Section E, Section One (1).

ITEM FIVE:

RESERVED area in Block 3B of Section 3, bounded by Barreda Blvd. on the east, by Sachem Drive on the north, Overlook Drive on the south and Lots 1 and 10 on the west.

ITEM SIX:

ALL of the reserved area bounded on the south by Block A of Section 5 on the west by Barreda Blvd. and by Lots 1 and 17 of Section 4C and by Chesapeake Ranch Estates Subidivision.

ITEM SEVEN:

POND area in Section 26 on north side of Anchor Drive.

ITEM EIGHT:

COMMERCIAL non-residential area in Block D, Section 15, CONTAINING 49,371 square feet surrounded by Rousby Hall Road, Barreda Blvd., Bouy Way and Lots 9 and 15.

ITEM NINE:

ALL right, title and interest in and to any land lying in the bed of any street, road or avenue, opened, platted or proposed and all rights-of-ways thereto, located in the Drum Point Subdivision including but not limited to the right the Grantor may have to any roads or parcels of land not constructed in accordance with the Plats but which interest the Grantor may have acquired by adverse possession or otherwise.

ITEM TEN:

ALL unplatted and unsubdivided areas, including all beach areas on Chesapeake Bay, Patuxent River and waterways subject to the interest of others located in the Drum Point Subdivision.

ITEM ELEVEN:

ALL easements or unmarked parcels in the Drum Point Subdivision.

ITEM TWELVE:

ALL access roads or parcels leading to lakes, ponds, waterways, Chesapeake Bay and Patuxent River in the Drum Point Subdivision.

ITEM THIRTEEN:

ALL lakes and waterways, including Drum Point, Vista, Charming and all fingers, extensions thereof, and canals, subject to right of use by others located in the Drum Point Subdivision.

CHESAPEAKE RANCH ESTATES, INC.

BY Timothy Wakeman, Treas.

ORIG. TO R+S

JUL 21 1983

27.00 LIBER 300 FACE 641

DEED OF TRUST

THIS PURCHASE MONEY DEED OF TRUST is made this 23rd day of June 19 83, among the Grantor, DRUM POINT PROJECT, INC. (herein "Borrower"), Harold J. Kahl and Leonard C. Clements (herein "Trustee"), and the Beneficiary, CALVERT BANK AND TRUST COMPANY, a corporation organized and existing under the laws of Maryland, whose address is Prince Frederick, Maryland (herein "Lender").

BORROWER, in consideration of the indebtedness herein recited and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the First Election District of Calvert County, State of Maryland:

SEE ATTACHED EXHIBIT "A"

RECD FEE 27.00
MORGAG 3000341
#49309 C002 R01 T16:3
CA06/23/8

which has the address of (Street) Drum Point, (City) Lusby
(State and Zip Code) Maryland 20657 (herein "Property Address");

The aforesaid property having been purchased in whole or in part with the sums secured hereby.

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property (or the leasehold estate if this Deed of Trust is on a leasehold) are herein referred to as the "Property";

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by Borrower's note dated June 23, 1983 (herein "Note"), in the principal sum of One Hundred Thousand and 00/100 ($100,000.00) Dollars, with interest thereon, providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on December 24, 1986; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust; and the performance of the covenants and agreements of Borrower herein contained; and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances").

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend specially the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Deed of Trust.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Deed of Trust, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Deed of Trust that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Deed of Trust.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

Upon payment in full of all sums secured by this Deed of Trust, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 18 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Deed of Trust.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.

4. Charges; Liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such a manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Deed of Trust; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the line or forfeiture of the Property or any part thereof.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Deed of Trust.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. If under paragraph 18 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust is on a leasehold. If this Deed of Trust is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Deed of Trust, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants of this Deed of Trust as if the rider were a part hereof.

7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Deed of Trust, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under paragraph 2 hereof.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissable under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Deed of Trust such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Deed of Trust immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

10. Borrower Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by any reason of any demand made by the original Borrower and Borrower's successors in interest.

11. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.

12. Remedies Cumulative. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.

13. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

14. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

15. Uniform Deed of Trust; Governing Law; Severability. This form of deed of trust combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Deed of Trust shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Deed of Trust at the time of execution or after recordation hereof.

17. Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Deed of Trust, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Deed of Trust to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Deed of Trust shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Deed of Trust and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

18. Acceleration; Remedies. Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 14 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorney's fees.

If Lender invokes the power of sale, Lender shall mail or cause Trustee to mail written notice of sale to Borrower in the manner prescribed by applicable law. Trustee shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law. Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender, or Lender's designee, may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all costs and expenses of the sale, including, but not limited to, Trustee's fees of 5 % of the gross sale price, reasonable attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.

19. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Deed of Trust, Borrower shall have the right to have any proceedings begun by Lender to enforce this Deed of Trust discontinued at any time prior to the earlier to occur of (i) the fifth day before sale of the Property pursuant to the power of sale contained in this Deed of Trust or (ii) entry of a judgment enforcing this Deed of Trust if: (a) Borrower pays Lender all sums which would be then due under this Deed of Trust, the Note and notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Deed of Trust; (c) Borrower pays all reasonable expenses incurred by Lender and Trustee in enforcing the covenants and agreements of Borrower contained in this Deed of Trust and in enforcing Lender's and Trustee's remedies as provided in paragraph 18 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Deed of Trust, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Borrower, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

20. Assignment of Rents; Appointment of Receiver. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 18 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property, including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to , receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Deed of Trust. The receiver shall be liable to account only for those rents actually received.

21. Future Advances. Upon request of Borrower, Lender, at Lender's option prior to release of this Deed of Trust, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Deed of Trust when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Deed of Trust, not including sums advanced in accordance herewith to protect the security of this Deed of Trust, exceed the original amount of the Note.

22. Release. Upon payment of all sums secured by this Deed of Trust, Lender or Trustee shall release this Deed of Trust without charge to Borrower. Borrower shall pay all costs of recordation, if any.

23. Substitute Trustee. Lender at Lender's option may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by an instrument recorded in the city or county in which this Deed of Trust is recorded. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law.

IN WITNESS WHEREOF, Borrower has executed this Deed of Trust.

DRUM POINT PROJECT, INC.

______________________ (Seal)
—BORROWER

John A. Marshall, Pres.

______________________ (Seal)
—BORROWER

STATE OF MARYLAND, Calvert County ss:

I Hereby Certify, That on this 23rd day of June, 19 83, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Calvert, personally appeared John A. Marshall, Pres. of Drum Point Project, Inc., known to me or satisfactorily proven to be the person(s) whose name(s) is subscribed to the within instrument and acknowledge that . . he . . executed the same for the purposes therein contained.

AS WITNESS: my hand and notarial seal.

My Commission expires: 7-1-86

____
NOTARY PUBLIC

STATE OF MARYLAND, Calvert County ss:

I Hereby Certify, That on this 23rd day of June, 19 83, before me, the subscriber, a Notary Public of the State of Maryland and for the County of Calvert aforesaid, personally appeared Thomas A. Rymer, Esq., the agent of the party secured by the foregoing Deed of Trust, and made oath in due form of law that the consideration recited in said Deed of Trust is true and bona fide as therein set forth and that the actual sum of money advanced at the closing transaction by the secured party was disbursed by the party or parties secured to the Borrower or to the person responsible for the disbursement of funds in the closing transaction or their respective agent at a time no later than the execution and delivery by the Borrower of this Deed of Trust; and also made oath that he is the agent of the party or parties secured and is duly authorized to make this affidavit.

AS WITNESS: my hand and notarial seal.

____
NOTARY PUBLIC

7-1-86

DEED OF TRUST

FROM

DRUM POINT PROJECT, INC.

TO

CALVERT BANK AND TRUST COMPANY

TRUSTEES

Received for Record ______ 19 ___

at ______ o'clock ______ M. Same day recorded

in Liber ______ No. ______ Folio ______

etc., one of the Land Records of

and examined per

Clerk

Cost of Record, $

RECORDING OFFICER: PLEASE RETURN TO

Rymer and Sheridan
P.O. Box 1700
Prince Frederick, Md. 20678
Telephone: 301-535-1070

File No.

Written by

Approved by

Ready for Record

EXHIBIT "A"

ITEM ONE:

ALL that lot or parcel of land situate, lying and being in the First District of Calvert County, Maryland, and more particularly described as follows:

BEGINNING for the same at coordinate point No. 11 as shown on the plat of "Section 27, Drum Point", dated October, 1963, and recorded among the Plat Records of Calvert County in Liber J.L.B. No. 1, folio 99, said point being located at the end of the North 69 degrees 08 minutes 10 seconds West outline of said section, and thence leaving said beginning point so fixed and running with part of said outline reversely, South 69 degrees 08 minutes 10 seconds East, 265.96 feet to the shoreline of the Chesapeake Bay as located by J. R. McCrone, Jr., Inc., Registered Professional Civil Engineers and Land Surveyors, in December 1975; thence running with said shore line as then located generally with the following six courses and distances; (1) South 23 degrees 42 minutes 50 seconds West, 84.84 feet, (2) South 21 degrees 23 minutes 35 seconds West, 94.66 feet, (3) South 23 degrees 25 minutes 26 seconds West, 175.66 feet, (4) South 28 degrees 54 minutes 41 seconds West, 66.42 feet, (5) South 56 degrees 13 minutes 30 seconds West, 83.46 feet, and (6) South 34 degrees 02 mintues 09 seconds West, 108.26 feet to Drum Point at the junction of the Bay and the Patuxent River; thence with the shore line of said river as located in December 1975, generally with the following four courses and distances; (1) North 65 degrees 54 minutes 56 seconds West, 88.40 feet, (2) North 42 degrees 48 minutes 23 seconds West, 99.00 feet, (3) North 36 degrees 08 minutes 39 seconds West, 412.16 feet, and (4) North 38 degrees 40 minutes 41 seconds West, 241.80 feet to a point in the extension of the South 35 degrees 54 minutes 30 seconds West, 179.89 feet outline of the aforesaid Section 27; thence crossing the beach with said extension and with said outline reversely, North 35 degrees 54 minutes 30 seconds East, 268.02 feet; thence still with the outline of said Section 27, reversely, South 56 degrees 30 minutes 00 seconds East, 323.38 feet; thence crossing the end of an entrance road to the "Surf and Sand Club" as shown on said plat, South 72 degrees 28 minutes 31 seconds East, 175.58 feet to the place of beginning; containing 8.034 acres, more or less, as surveyed by J. R. McCrone, Jr., Inc., Registered Professional Civil Engineers and Land Surveyors in December 1975 and described in June 1976; and BEING a part of the land conveyed by the Drum Point Corporation to Cheaspeake Ranch Club, Inc., by Deed dated August 29, 1969, and recorded among the Land Records of Calvert County in Liber J.L.B. No. 113, folio 643.

ITEM TWO:

ALL that lot or parcel of land situate, lying and being in the First District of Calvert County, Maryland, and more particularly described and designated as Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14 and Lots 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, and 37 as shown on the Plat of Section 27, Drum Point, which said plat is recorded among the Plat Records of Calvert County in Plat Book J.L.B. No. 1, folio 99; and BEING part of the land described in a deed from The Drum Point Corporation to Chesapeake Ranch Club, Inc., dated April 29, 1957, and recorded among the Land Records of Calvert County in Liber J.L.B. No. 11, folio 269.

ITEM THREE:

APPROXIMATELY six (6) acres, with approximately one thousand eight hundred (1,800) feetroad frontage; bounded by Barreda Boulevard, Rousby Hall Road, Block C of Section 4-C on Plat JLB 1, folio 78, and Section 22 on Plat JLB 1, folio 24. (Property located on the northeast corner of Barreda Blvd. and Rousby Hall Road in the Drum Point Subdivision assessed as 4.30 acres.)

John C. Maubor

EXHIBIT "A" (Continued)

ITEM FOUR:

ALL of Lot Numbered Nine (9), Section E, Section One (1).

ITEM FIVE:

RESERVED area in Block 3B of Section 3, bounded by Barreda Blvd. on the east, by Sachem Drive on the north, Overlook Drive on the south and Lots 1 and 10 on the west.

ITEM SIX:

ALL of the reserved area bounded on the south by Block A of Section 5 on the west by Barreda Blvd. and by Lots 1 and 17 of Section 4C and by Chesapeake Ranch Estates Subidivision.

ITEM SEVEN:

POND area in Section 26 on north side of Anchor Drive.

ITEM EIGHT:

COMMERCIAL non-residential area in Block D, Section 15, CONTAINING 49,371 square feet surrounded by Rousby Hall Road, Barreda Blvd., Bouy Way and Lots 9 and 15.

ITEM NINE:

ALL right, title and interest in and to any land lying in the bed of any street, road or avenue, opened, platted or proposed and all rights-of-ways thereto, located in the Drum Point Subdivision including but not limited to the right the Grantor may have to any roads or parcels of land not constructed in accordance with the Plats but which interest the Grantor may have acquired by adverse possession or otherwise.

ITEM TEN:

X ALL unplatted and unsubdivided areas, including all beach areas on Chesapeake Bay, Patuxent River and waterways subject to the interest of others located in the Drum Point Subdivision.

ITEM ELEVEN:

ALL easements or unmarked parcels in the Drum Point Subdivision.

ITEM TWELVE:

ALL access roads or parcels leading to lakes, ponds, waterways, Chesapeake Bay and Patuxent River in the Drum Point Subdivision.

ITEM THIRTEEN:

ALL lakes and waterways, including Drum Point, Vista, Charming and all fingers, extensions thereof, and canals, subject to right of use by others located in the Drum Point Subdivision.

TO R+S

JUL 21 1983

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CA06/24/83

AGREEMENT

WHEREAS, property owners of lots in the subdivision of Chesapeake Ranch Club Estates are afforded the privilege of holding membership in the Chesapeake Ranch Club, and

WHEREAS, property owners of lots in the subdivision of Drum Point have had that same privilege, and

WHEREAS, Chesapeake Ranch, Inc. is now selling much of its property in the Drum Point Subdivision, including the Surf and Sand Club and the roads to Drum Point Project, Inc, a Maryland corporation, whose stockholders are lot owners in the Drum Point Subdivision, and

WHEREAS, Chesapeake Ranch Club, Inc., as part of the consideration in selling the property in Drum Point agreed to extend forever to all Drum Point Subdivision lot owners the same privilege which the Chesapeake Ranch Estates owners have of being members of the Chesapeake Ranch Club for as long as they have the privilege on the same terms, costs, fees and conditions.

NOW, THEREFORE, WITNESSETH, That in consideration of the sum of Ten ($10.00) Dollars paid by the Drum Point Project, Inc. to the Chesapeake Ranch Club, Inc., the Chesapeake Ranch Club, Inc. forever gives to and extends to all of the lot owners of the subdivision of Drum Point the same rights and privileges to hold membership, if they desire, in the Chesapeake Ranch Club as lot owners of the Chesapeake Ranch Estates Subdivision have and for as long as they continue to have this privilege and the same terms, fees, costs and conditions shall apply to them as to Chesapeake Ranch Estate lot owners. Parties further understand and agree that each lot holder or holders may, within their sole discrection, decide whether to elect to hold such membership or to continue to hold it.

WITNESS:

(as to both)

June 23, 1983

CHESAPEAKE RANCH ESTATES, INC.

BY: Timothy Wakeman, Treas.

DRUM POINT PROJECT, INC.

BY: John A. Marshall, Pres.

STATE OF MARYLAND, County of Calvert, to-wit:

I HEREBY CERTIFY, That on this 23rd day of June, 1983, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared TIMOTHY WAKEMAN, Treasurer of Chesapeake Ranch Estates, Inc. and JOHN A. MARSHALL, President of Drum Point Project, Inc., and they made oath in due form of law that the matters and facts contained in the foregoing Agreement are true and correct as therein stated, to the best of their knowledge, information and belief and are the acts of the respective Corporations.

AS WITNESS my hand and Notarial Seal.

Donald T. Sealey
Notary Public

ORIG. TO L + S

JUL 21 1983