

DECLARATION OF DEFERRED WATER CHARGES

THIS DECLARATION OF DEFERRED WATER CHARGES ("Declaration") is made this 19th day of August, 2003 by D. R. HORTON, INC., a Delaware Corporation, hereinafter collectively "DECLARANT", for the benefit of CEDAR RIDGE, FFB, LLC, a Maryland limited liability company, hereinafter referred to as "FFB".

WITNESSETH:

WHEREAS, DECLARANT is the owner of the following Lots:

Lots 1 thru 3 and 26 thru 28, and Storm Water Management Parcel A, in the subdivision known as "CEDAR RIDGE" as per plat recorded among the Land Records of Montgomery County, Maryland at Plat 22235.

Lots 4 thru 7 and 14 thru 18 and 23 thru 25, in the subdivision known as "CEDAR RIDGE" as per plat recorded among the Land Records of Montgomery County, Maryland at Plat 22236.

Lot 8 thru 13, 19 thru 22 and Storm Water Management Parcel B in the subdivision known as "CEDAR RIDGE" as per plat recorded among the Land Records of Montgomery County, Maryland at Plat 22237.

RECORDING FEE 20.00
IMP FD SURE 20.00
TOTAL 40.00
Rcpt # 90188
Blk # 0820
AUG 20, 2003 11:50 am

located in the twelfth (12th) Election District of Montgomery County, Maryland, as more particularly described on the Subdivision Plats attached hereto and made part hereof as Exhibits "A", "B" and "C" (the "Property"), such lots being hereinafter referred to individually as a "Lot" and collectively as the "Lots". The terms "Lot" and "Lots" all include only those portions of the Property upon which planned or actual improvements are primarily intended for use and occupancy as residential dwelling units and shall not include common areas or property dedicated for public use; and

WHEREAS, FFB intends to provide the Lots with access to and service from water pipes and transmission lines in the streets and/or in the public rights-of-way and public utility easements surrounding the Lots, including, without limitation, house connections (all of such pipes, transmission lines, connections and appurtenances being hereinafter collectively referred to as the "Water Facilities"); and

MONTGOMERY COUNTY, MD
APPROVED BY YMC
AUG 20 2003

\$ n/a RECORDATION TAX PAID
\$ n/a TRANSFER TAX PAID

2003 AUG 20 AM 11:53

FILED
MONTGOMERY COUNTY
CIRCUIT COURT

20
20
BT

WHEREAS, any portions of the Water Facilities (after construction thereof) which are located within a Lot, and not located in public rights-of-way and public utility easements shall be maintained by the Washington Suburban Sanitary Commission ("WSSC"). DECLARANT and FFB shall have no responsibility for maintaining, repairing or replacing the Water Facilities. The term "Owner" as used herein shall mean and refer to the record owner, whether one (1) or more persons or entities, of a fee simple interest in any Lot which is a part of the Property, including contract sellers, but excluding those having such interest solely as security for the performance of an obligation; and

WHEREAS, the water service supplied to and used by each Lot is to be furnished by WSSC, and billed for by WSSC to Owner of such Lot from time to time, which billings are separate and apart from the "Water Charges" (as defined below) established by the Declaration; and

WHEREAS, by the recordation of the Declaration, FFB desires to establish certain charges upon the Lots, to be paid to FFB, its successors and assigns, whereby the costs related to the construction and installation of the Water Facilities serving the Lots is to be paid by the Owners of the Lots, excluding DECLARANT and any "Builder" (as defined below), in twenty-three (23) equal installments over a period of twenty-two (22) years, except, if applicable, for the proration of the first and last installments as provided below, provided that FFB shall have the right to collect "Water Charges" in advance and to collect "Water Charges" in monthly, quarterly, bi-annual, or annual installments, as provided herein. Each such installment, whether or not prorated, is hereinafter referred to individually as a "Water Charge" and collectively as the "Water Charges". The term "Builder" as used herein shall mean and refer to any person or entity that acquires one (1) or more Lots from DECLARANT their successors and assigns for the purpose of constructing residential dwelling units on such Lots for sale to others.

NOW, THEREFORE, DECLARANT hereby declares that all of the Lots now or hereafter included within the Property shall be held, conveyed, hypothecated, encumbered, sold, leased, rented, occupied and used subject to the covenants, conditions, restrictions, obligations and charges set forth in this Declaration, which are for the purpose of reimbursing FFB for the costs of constructing the Water Facilities serving the Lots, and which shall run with such Lots and be binding on all parties having any right, title

or interest in all or any portion of such Lots, their respective heirs, personal representatives, successors, transferees and assigns, and which shall inure to the benefit of FFB and its respective successors, transferees and assigns:

1. INCORPORATION OF RECITALS. The recitals set forth above are hereby incorporated in and made a material part of this Declaration.

2. ESTABLISHMENT OF LIEN AND PERSONAL OBLIGATION .
Each

Owner of any Lot, other than DECLARANT or any Builder, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, shall be deemed to covenant and agree to pay to FFB all Water Charges, interest, costs, late fees and attorneys' fees due and unpaid as of the date such Owner accepts title to such Lot, and shall also be deemed to covenant and agree to pay to FFB all future Water Charges established hereby for as long as such Owner shall be a record owner of a fee simple interest in such Lot. The Water Charges, together with interest, costs, late fees and attorneys' fees, shall be a charge on the Lot (including all improvements thereon), and shall be a continuing lien upon the Lot against which each such Water Charge is made, provided the requirements of the Maryland Contract Lien Act, if applicable, have been fulfilled. Each such Water Charge, together with interest, costs, late fees and attorneys' fees, shall also be the personal obligation of the Owner of the Lot at the time when the Water Charge fell due. FFB may bring an action at law against any Lot Owner personally obligated to pay the Water Charges, or foreclose on the lien against the Lot or Lots then belonging to said Owner in a manner now or hereafter provided for the foreclosure of mortgages, deeds of trust or other liens on real property in the State of Maryland containing a power of sale or consent to a decree, and subject to the same requirements, both substantive and procedural, or as may otherwise from time to time be provided by law, in either of which events interest, costs, late fees and attorneys's fees equal to twenty percent (20%) of the sum claimed shall be added to the amount of the Water Charges due. A certificate in writing, signed by a representative of FFB, shall be given promptly after receipt by FFB of a written request for such certificate from any Owner of a Lot liable for the Water Charges, setting forth the amount of any accrued and unpaid Water Charges, interest, costs, late fees and attorneys' fees with respect to the Lot, and such certificate shall be

binding on FFB as of the date of issuance. A charge not to exceed Fifty Dollars (\$50.00) may be collected by FFB in advance for each such certificate so issued.

3. **COMMENCEMENT DATE** . The Water Charges described herein shall commence with respect to each Lot upon transfer from DECLARANT or any Builder to any other Owner, other than DECLARANT or another Builder (the "Commencement Date"). The Water Charges for each of the Lots shall terminate (except as to any unpaid Water Charges, interest, costs, late fees and attorneys' fees) with respect to each Lot on the date which is twenty-two (22) years after the Commencement Date for each lot, unless sooner paid in full as hereinafter provided. The Water Charges shall be paid annually in advance by each Lot Owner (other than DECLARANT or any Builder) to FFB in twenty-three (23) equal installments of Seven Hundred Seventy Seven and 27/100 Dollars (\$777.27) per year, which shall be due and payable for the Lots on July 1 of each year subsequent to the years after the Commencement Date and the last installment shall be due on the date which is twenty-two (22) years after the Commencement Date. Notwithstanding the foregoing, FFB, in its sole and absolute discretion, may allow or can require (i) any Owner to pay the annual Water Charges in monthly, quarterly or bi-annual installments as determined by FFB, (ii) Owner's mortgagee to escrow and pay to FFB the Water Charges, or (iii) any homeowners association which is established to collect the Water Charges from the Owner and any Owner subject to this Declaration and pay the same to FFB. Any Water Charges not paid within fifteen (15) days after the due date shall bear interest from the due date until paid at the rate determined by FFB not to exceed the maximum rate permitted by law (or such lesser sum as the Department of Veterans Affairs (the "VA") or the Federal Housing Administration (the "FHA") may specify if any Lot subject to this Declaration is then encumbered by a deed of trust or mortgage which is guaranteed by the VA or insured by the FHA). FFB may elect to collect a reasonable late fee, not to exceed Twenty-Five Dollars (\$25.00), for any Water Charges which are fifteen (15) or more days delinquent. No Owner may waive or otherwise escape liability for Water Charges provided for herein by non-use of the Water Facilities or abandonment of a Lot.

4. **HOMEOWNERS ASSOCIATION**. Upon request by FFB, any homeowners association established upon the Property shall be obligated to collect the Water Charges due from all Lot Owners of such homeowners association; provided, however,

that the homeowners association shall not be obligated to pay any Water Charges on behalf of an individual Lot Owner.

5. **SUBORDINATION OF LIEN TO MORTGAGES** . The lien for Water Charges, interest, costs, late fees and attorneys' fees provided for herein shall be subordinate to the lien of any "First Mortgage" (as defined below) on any Lot. The sale or transfer of any Lot shall not affect any lien imposed against such Lot pursuant to this Declaration. However, the sale or transfer of any Lot pursuant to a mortgage or deed of trust foreclosure or any proceeding in lieu thereof, shall extinguish the lien (but not the personal obligation) as to Water Charges, interest, costs, late fees and attorneys' fees which became due prior to such foreclosure or proceeding in lieu thereof, to the extent provided by applicable law. The purchaser of a Lot shall be jointly and severally liable with the selling Lot Owner for all unpaid Water Charges, interest, costs, late fees and attorneys' fees against the Lot, without prejudice to the purchaser's right to recover from the selling Lot Owner amounts paid by the purchaser therefor; provided, however, that no purchaser from an Owner, other than DECLARANT or any Builder, shall be liable for, nor shall any Lot be conveyed subject to a lien for, any accrued and unpaid Water Charges, interest, costs, late fees, or attorneys' fees greater than the amount stated in any written certificate provided by FFB in accordance with Paragraph 2 of this Declaration. No sale or transfer shall relieve any Lot or Owner from liability for any Water Charges, interest, costs, late fees and attorneys' fees thereafter becoming due or from the lien thereof. No amendment to this Declaration shall affect the rights of the holder of any First Mortgage on any Lot (or the indebtedness secured thereby) recorded prior to recordation of such amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment. The term "First Mortgage" as used herein shall mean a mortgage with priority over all other mortgages pursuant to applicable law. The term "mortgage" as used herein shall include deeds of trust.

6. **BILLING STATEMENT** . All Water Charges, interest, costs, late fees and attorneys' fees payable in accordance with this Declaration shall be payable to FFB, its successors and assigns, in accordance with such billing statements as may be issued by FFB, or its designee. Failure to receive a bill for the Water Charges shall not relieve a Lot Owner of such Owner's liability to pay any water charges, interest,

costs, late fees, or attorneys' fees due hereunder.

7. **PREPAYMENT**. Any Lot Owner may prepay at any time the Water Charges attributable to such Owner's Lot by paying the amount as computed from time to time by FFB, on or before the next due date for that Lot; provided, however, that such Lot Owner is not then in default under this Declaration, and is then current in the payment of all then due installments, and any interest, costs, late fees and attorneys' fees. In return for such prepayment and payment of all outstanding interest, costs, late fees and attorney's fees, the Lot Owner shall receive a full release hereunder, in recordable form, from FFB certifying that all payments hereunder have been so prepaid. No Owner, or former Owner, shall be entitled to reimbursement from DECLARANT or FFB of any prepaid Water Charges.

8. **ASSIGNMENT; TRANSFER**. All or any portion of the rights, reservations, easements, interests, exemptions, privileges, or powers of FFB hereunder may be assigned and transferred (exclusively or non-exclusively) by FFB to any other individual or entity, without notice to the Lot Owners. FFB shall have the right to transfer, assign, pledge, or in any other fashion encumber its or their right to any or all of the Water Charges, interest, costs, late fees and attorneys' fees due hereunder.

9. **WITHDRAWAL**. DECLARANT may withdraw any Lot from the operation and effect of this Declaration for a period of fifteen (15) years from the date of recordation of this Declaration, provided that (i) DECLARANT is the Owner of such Lot at the time of withdrawal, or (ii) if DECLARANT is not the Owner of such Lot, DECLARANT withdraws such Lot with the written consent of the Owner thereof. Such withdrawn Lot shall no longer be subject to the covenants, conditions, restrictions, obligations and charges of this Declaration except for (i) any rights, reservations, exemptions, powers, or privileges reserved to DECLARANT pursuant to this Declaration which affect the withdrawn Lot, and (ii) any other rights, reservations, exemptions, powers, or privileges which are expressly reserved to DECLARANT in the instrument effectuating such withdrawal. Such withdrawal shall be made by recording a Supplementary Declaration among the Land Records, withdrawing the effect of the covenants, conditions, restrictions, obligations and charges of this Declaration from the withdrawn Lot.

10. **WAIVER**. No restrictions, condition, obligation or

provision of this Declaration shall be deemed to have been abrogated or waived by reason of any failure of failures to enforce the same.

11. **SEVERABILITY**. The terms and provisions of this Declaration are severable and in the event that any term or provision of this Declaration is invalid or unenforceable for any reason, the remaining terms and provisions hereof shall remain in full force and effect.

12. **RUN WITH THE LAND**. All provisions of this Declaration, including the benefits and burdens, shall touch, concern and run with the land; shall be binding upon the Owners and their respective heirs, personal representatives, successors, transferees and assigns; and shall inure to the benefit of DECLARANT and FFB and their respective successors, transferees and assigns.

13. **CAPTIONS AND GENDER**. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male or female shall include all genders and the singular shall include the plural.

14. **ENFORCEMENT AND RECORDATION**. This Declaration shall be construed and enforced in accordance with the laws of the State of Maryland, and shall be effective upon recordation among the Land Records.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 19th day of August, 2003.

ATTEST

DECLARANT:

D.R. HORTON, INC.
A Delaware Corporation

Tara D. Paul BY: Michael W. Longley
STATE OF MARYLAND

COUNTY OF MONTGOMERY SS:

I HEREBY CERTIFY that on this 19th day of August 2003, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared Michael W. Kingsley, and that they executed the foregoing instrument for the purposes therein contained.

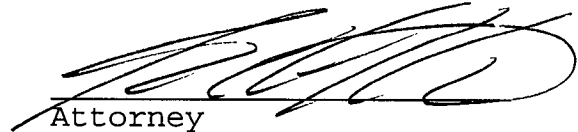
IN WITNESS WHEREOF, I hereunto set my hand and official seal

 Jennifer A. Dore
Notary Public

My Commission Expires: 6-07-06

ATTORNEY'S CERTIFICATION

I HEREBY CERTIFY that the foregoing instrument was prepared by or under the supervision of the undersigned, an attorney duly licensed to practice before the Court of Appeals of Maryland.


Attorney

<u>TAX ID NUMBER</u>	<u>ADDRESS</u>	<u>LOT</u>
12-03379376	Poplar Creek Court, Damascus, MD	<u>28</u>
12-03379560	Poplar Creek Court, Damascus, MD	<u>19</u>
12-03379571	Poplar Creek Court, Damascus, MD	<u>20</u>
12-03379582	Poplar Creek Court, Damascus, MD	<u>21</u>
12-03379593	9400 Poplar Creek Court, Damascus, MD	<u>22</u>
12-03379478	9407 Poplar Creek Court, Damascus, MD	<u>23</u>
12-03379467	9408 Poplar Creek Court, Damascus, MD	<u>18</u>
12-03379480	9409 Poplar Creek Court, Damascus, MD	<u>24</u>
12-03379456	9410 Poplar Creek Court, Damascus, MD	<u>17</u>
12-03379491	9411 Poplar Creek Court, Damascus, MD	<u>25</u>
12-03379354	9413 Poplar Creek Court, Damascus, MD	<u>26</u>
12-03379365	9415 Poplar Creek Court, Damascus, MD	<u>27</u>
12-03379503	Johnson Farm Drive, Damascus, MD	<u>8</u>
12-03379514	Johnson Farm Drive, Damascus, MD	<u>9</u>

<u>TAX ID NUMBER</u>	<u>ADDRESS</u>	<u>LOT</u>
12-03379525	Johnson Farm Drive, Damascus, MD	10
12-03379536	Johnson Farm Drive, Damascus, MD	11
12-03379547	Johnson Farm Drive, Damascus, MD	12
12-03379558	Johnson Farm Drive, Damascus, MD	13
12-03379445	Johnson Farm Drive, Damascus, MD	16
12-03379412	25012 Johnson Farm Drive, Damascus, MD	7
12-03379401	25014 Johnson Farm Drive, Damascus, MD	6
12-03379423	25015 Johnson Farm Drive, Damascus, MD	14
12-03379398	25016 Johnson Farm Drive, Damascus, MD	5
12-03379434	25017 Johnson Farm Drive, Damascus, MD	15
12-03379387	25018 Johnson Farm Drive, Damascus, MD	4
12-03379343	25020 Johnson Farm Drive, Damascus, MD	3
12-03379332	25022 Johnson Farm Drive, Damascus, MD	2
12-03379321	25024 Johnson Farm Drive, Damascus, MD	1

Return To:

Law Offices of
DEBELIUS, CLIFFORD, DEBELIUS,
CRAWFORD & BONIFANT, CHTD.
 320 East Diamond Avenue
 Gaithersburg, Maryland 20877-3016

State of Maryland Land Instrument Intake Sheet
 Baltimore City County: Montgomery

Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office Only.

(Type or Print in Black Ink Only—All Copies Must Be Legible)

Space Reserved for Circuit Court Clerk Recording Validation

1	Type(s) of Instruments	<input type="checkbox"/> Check Box if addendum Intake Form is Attached.			
		<input type="checkbox"/> Deed	<input type="checkbox"/> Mortgage	<input type="checkbox"/> Other	<input type="checkbox"/> Other
2	Conveyance Type Check Box	<input type="checkbox"/> Deed of Trust	<input type="checkbox"/> Lease	<input checked="" type="checkbox"/> Declaration	<input type="checkbox"/> Not an Arms-Length Sale [9]
		<input type="checkbox"/> Improved Sale Arms-Length [1]	<input type="checkbox"/> Unimproved Sale Arms-Length [2]	<input type="checkbox"/> Multiple Accounts Arms-Length [3]	
3	Tax Exemptions (if Applicable)	Recordation			
		State Transfer			
		County Transfer			
Cite or Explain Authority					

4	Consideration and Tax Calculations	Consideration Amount		Finance Office Use Only	
				Transfer and Recordation Tax Consideration	
		Purchase Price/Consideration	\$	Transfer Tax Consideration	\$
		Any New Mortgage	\$	X () % =	\$
		Balance of Existing Mortgage	\$	Less Exemption Amount -	\$
		Other:	\$	Total Transfer Tax =	\$
		Other:	\$	Recordation Tax Consideration	\$
		Full Cash Value	\$	X () per \$500 =	\$
		TOTAL DUE	\$		

5	Fees	Amount of Fees		Doc. 1	Doc. 2	Agent:	
		Recording Charge	\$	20.00	\$		
		Surcharge	\$	20.00	\$		Tax Bill:
		State Recordation Tax	\$		\$		
		State Transfer Tax	\$		\$		C.B. Credit:
		County Transfer Tax	\$		\$		
		Other	\$		\$		Ag. Tax/Other:
		Other	\$		\$		

6	Description of Property	District	Property Tax ID No. (1)	Grantor Liber/Folio	Map	Parcel No.	Var. LOG	
		Subdivision Name		Lot (3a)	Block (3b)	Sect/AR (3c)	Plat Ref.	SqFt/Acreage (4)
		<u>Cedar Ridge</u>						
		Location/Address of Property Being Conveyed (2)						
		Other Property Identifiers (if applicable)					Water Meter Account No.	
		Residential <input checked="" type="checkbox"/> or Non-Residential <input type="checkbox"/> Fee Simple <input checked="" type="checkbox"/> or Ground Rent <input type="checkbox"/> Amount: _____ Partial Conveyance? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Description/Amt. of SqFt/Acreage Transferred: _____						

7	Transferred From	Doc. 1 - Grantor(s) Name(s)	Doc. 2 - Grantor(s) Name(s)
		Doc. 1 - Owner(s) of Record, if Different from Grantor(s)	Doc. 2 - Owner(s) of Record, if Different from Grantor(s)

8	Transferred To	Doc. 1 - Grantee(s) Name(s)	Doc. 2 - Grantee(s) Name(s)
		New Owner's (Grantee) Mailing Address	

9	Other Names to Be Indexed	Doc. 1 - Additional Names to be Indexed (Optional)	Doc. 2 - Additional Names to be Indexed (Optional)

10	Contact/Mail Information	Instrument Submitted By or Contact Person		<input type="checkbox"/> Return to Contact Person
		Name: <u>James R. Clifford</u>		<input type="checkbox"/> Hold for Pickup
		Firm: <u>320 E. Diamond Ave</u>		<input type="checkbox"/> Return Address Provided
		Address: <u>Jaynersburg MD</u>	Phone: <u>(301) 840 2232</u>	

11	IMPORTANT: BOTH THE ORIGINAL DEED AND A PHOTOCOPY MUST ACCOMPANY EACH TRANSFER	Assessment Information	Yes <input type="checkbox"/> No <input type="checkbox"/> Will the property being conveyed be the grantee's principal residence?
			Yes <input type="checkbox"/> No <input type="checkbox"/> Does transfer include personal property? If yes, identify: _____
			Yes <input type="checkbox"/> No <input type="checkbox"/> Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).

Assessment Use Only - Do Not Write Below This Line							
<input type="checkbox"/> Terminal Verification	<input type="checkbox"/> Agricultural Verification	<input type="checkbox"/> Whole	<input type="checkbox"/> Part	<input type="checkbox"/> Tran. Process Verification			
Transfer Number:	Date Received:	Deed Reference:		Assigned Property No.:			
Year	20	20	Geo.	Map	Sub	Block	
Land			Zoning	Grid	Plat	Lot	
Buildings			Use	Parcel	Section	Occ. Cd.	
Total			Town Cd.	Ex. St.	Ex. Cd.		
REMARKS:							

Space Reserved for County Validation

Distribution: White - Clerk's Office
 Canary - SDAT
 Pink - Office of Finance
 Goldenrod - Preparer
 AOC-CC-300 (6/95)