

HIGHLIGHTS OF GOVERNING DOCUMENTS

When purchasing a home within Avenel, you automatically become a member of the Avenel Community Association, Inc.

In addition to other matters of record, the property on which your home has been constructed is subject to a “Declaration of Covenants, Conditions and Restrictions for the Avenel Community Association, hereinafter called “Declaration”, and a “Declaration of Protective Land Use Standards, hereinafter referred to as “Land Use Standards”. The general purpose of the Declaration and the Land Use Standards is to ensure that all improvements within the Avenel Community are constructed of premium materials and are of a design consistent with standards and guidelines determined to be acceptable for the Avenel Community. The Declaration and the Land Use Standards are also intended to ensure that the properties within the Avenel Community are maintained in a first-class manner. These documents are summarized below and printed under the tab entitled “Association Documents”.

Land Use Standards

The Land Use Standards, which are contained as Exhibit “C” to the Declaration and are also separately recorded among the Land records of Montgomery County, established a “Control Committee” whose primary function was to approve the design of all initial construction as well as all subsequent modifications to homes and improvements within the Avenel Community. Since the Avenel Community is primarily built out, the functions of the “Control Committee” are now vested in the Modifications Committee.

Pursuant to the Land Use Standards, no construction upon a lot or modification to improvements within a lot, whether for the purpose of building a new home or to modify an existing residence or landscaping, may commence before the written approval of the Modifications Committee is obtained. It is the lot owner’s responsibility to obtain the necessary approvals from the Modifications Committee and any other necessary County approvals. The Land Use Standards set forth numerous use restrictions which are intended to protect the value of homes within the Avenel Community, as well as to provide for a harmonious environment. The use restrictions are set forth in detail as Exhibit “C” of the Land Use Standards. Examples of some of the use restrictions are as follows:

Lots may be used for residential purposes only and no portion of a lot or the improvements thereon may be used for any business or commercial purpose without the express written consent of the Modifications Committee

Except for service and delivery vehicles, no trucks (over one-half ton capacity) or commercial vehicles are permitted within any part of the Avenel Community, including within lots.

Motorized lawn tractors and mowers, grass trimmers, garden tillers and other motorized lawn and garden equipment may not be operated before 10:00 a.m. and after 5:00 p.m. on Saturdays and all day on Sundays and holidays.

The use or placement of vegetable gardens, lawn furniture, lawn ornaments, temporary window treatments, children's outdoor play equipment and the like are either subject to certain restrictions as to location or screening, or are, in some cases, prohibited.

In general, tennis courts will only be approved by the Modifications Committee if located on lots of one acre or more, and all tennis courts must be screened from dwellings located on adjacent lots.

Only in-ground swimming pools will be approved by the Modifications Committee and such pools generally must be on lots larger than one-half acre, although they may be approved on smaller lots at the discretion of the Modifications Committee.

Section D of the Land Use Standards sets forth additional use restrictions which are for the benefit of the Tournament Players Club at Avenel Golf Facility (hereinafter "TPC"). Examples of some of the use restrictions are as follows:

Unless a membership in the TPC is obtained, no owner, by virtue of ownership of any property within the Avenel Community, shall have any right of access, use or entry to the TPC.

No activities are permitted within 100 feet of the TPC which unreasonably disturb play or the enjoyment of the TPC.

Lots which are contiguous to the TPC are not permitted to have fencing around or abutting the TPC boundary

During PGA Tournaments, construction work and other activities which might disturb play are restricted or prohibited. Additionally, public right-of-ways and access to areas contiguous to the Avenel Community may be restricted during PGA Tournaments.

Pets must be kept off the TPC at all times.

The Land Use Standards were initially valid for a period of ten (10) years and thereafter are renewed for successive five (5) year periods.

Declaration

The Declaration contains many provisions concerning the use and maintenance of the properties within the Avenel Community. The responsibility for enforcing the Declaration rests with the Avenel Community Association, Inc., a Maryland corporation, established in 1985 (hereinafter "the Association").

The Declaration provides that everyone who owns a home or vacant lot within the Avenel Community shall be entitled to utilize the Common Areas which are owned by the Association. These Common Areas include green space, as well as private streets and parking areas with the Avenel Community

The Modifications Committee shall be responsible for approving all modifications, additions, or alterations made on or to the yards and the exterior of dwellings within the Avenel Community. The Modifications Committee has promulgated modification standards and application and review procedures to assist homeowners in seeking approvals

The covenants and restrictions contained in the Declaration are valid for a period of thirty (30) years from the date of the recordation of the Declaration and shall thereafter be automatically extended for successive periods of ten (10) years.

Association Responsibilities

Among the responsibilities of the Association is the obligation to set the amount of the Annual and Special Assessment, collect the approved assessment(s), procure and maintain adequate liability and hazard insurance and perform or cause to be performed the functions and obligations of the Association as provided for in the Articles of Incorporation.

Declaration and Bylaws

The Association is also obligated to maintain and keep in good order: a) the common areas owned by the Association, as well as the right-of-ways and entry strips located within the Avenel Community and b) the yards of all homes, except as specified below for two acre lots, within the Avenel Community including mowing, fertilizing, trimming and otherwise caring for the lawns, trees and shrubs within the yards. Any owner of a lot which is two acres or more who does not wish to have his/her yard maintained by the Association may request that the Association refrain from such maintenance. (Article IV, Section 1, Declarations of Covenants, Conditions and Restrictions at Tab marked "Documents")

General Manager Responsibilities

The General Manager is responsible for preparing the Association's proposed operating and capital budgets; supervising the Association employees; obtaining competitive bids for contract services and purchases over \$5,000; overseeing contractor activities; ensuring efficient daily upkeep and maintenance of Association property; developing, documenting and implementing plans for maintenance of Association property; reporting to the Board of Directors on the status of maintenance, finances, administration and personnel; administering the rules and regulations adopted by the Board of Directors; communicating with Avenel residents pertaining to the Community matters; maintaining an orderly system of records and files on all matters detailed herein; overseeing the surveillance program; maintaining an inventory of all Association owned equipment; coordinating with governmental and quasi-governmental organizations on matters relating to Avenel; organizing all Board of Directors, Homeowners Advisory and Annual Membership meetings.

Residents are requested to address all questions concerning Association management, maintenance of common grounds and lots, enforcement of Association Documents, rules and regulations, operating and reserve budgets, surveillance, signage, trash service and any other non-fiscal related matters to the Association office at (301) 299-5916, 9501 Beman Woods Way, Potomac, Maryland 20854. Your needs and concerns will be addressed promptly.

Financial Manager Responsibilities

The Financial Manager shall perform and be responsible for the following fiscal management duties: collect all assessments and funds due the Association; initiate legal action in the name of the Association to file statements of lien with Board of Directors approval; provide notification to and demand payment of members from whom delinquent assessments are due; deposit in federally insured bank accounts all monies collected for the Association; maintain separate accounts to hold funds to meet future expenditures (reserves); disburse sums on a regular basis to meet approved Association obligations; recommend disposition of excess Association funds according to prudent fiscal management practices; report in writing monthly on income/expenses; fund balances, disbursements, delinquencies and prepaids; maintain a comprehensive system of records, books and accounts to protect the interests of the Association; and assist the Association in the preparation of its annual operating and capital budgets.

Residents are requested to direct all questions pertaining to financial management to **CMI**, 3414 Morningwood Drive, Olney, Maryland 20832; telephone – (301) 924-7355. The Financial Manager or his staff will respond to your needs.

Surveillance Program

The Avenel Community Association provides surveillance coverage to the Community. The surveillance telephone number is (301) 370-5484. Details of the program are contained at Index Tab titled “Surveillance”.

Avenel Web Site

For up-to-date information regarding Avenel, please log on to www.liveatavenel.com. **Avenel residents can access the “Owner’s” portion of the site by clicking on OWNER at the top right hand corner and filling out the requested information to request access.**

Disclaimer

The narrative summary set forth above does not repeat or contain all of the information appearing in the Declaration of Covenants Conditions and Restrictions, the Protective Land Use Standards, and the Architectural Guidelines. Accordingly, in no case should any of the information set forth in this narrative summary be construed to substitute for, alter, modify or abrogate, in whole or in part, any of the terms, conditions or provisions of the Declaration or the Land Use Standards, or any portion of the Avenel Governing Documents.