

Buyers:

Lot:

Subdivision: Courts of Woodside

**ADDENDUM TO AGREEMENT OF SALE
HOMEOWNERS ASSOCIATION DISCLOSURE STATEMENT**

WOODSIDE COMMUNITY ASSOCIATION, INC.

THIS ADDENDUM (the “**Addendum**”), is made a part of the Agreement of Sale dated _____, 200 __, (the “**Agreement**”), by and between the Seller, **NOYES 3, LLC**, a Maryland limited liability company (“**Seller**”, “**We**”, “**Us**”, and “**Our**”), and the Buyers identified below (“**Buyer**”, “**purchaser**”, “**You**”, “**Your**” and “**Yours**”).

Seller and Buyer agree that the following provisions are a part of the Agreement:

DISCLOSURE AND TRANSMITTAL OF DOCUMENTS
PURSUANT TO MARYLAND HOMEOWNERS ASSOCIATION ACT FOR
WOODSIDE COMMUNITY ASSOCIATION, INC.

Date of Disclosures: _____, 200__

Attached Exhibits

- Exhibit “A” Articles of Incorporation
 - Exhibit “B” Declaration
 - Exhibit “C” Bylaws and Rules
 - Exhibit “D” Association Budget
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Every purchaser of a residence within the Courts of Woodside Subdivision automatically becomes a member of the Woodside Community Association, Inc. (hereinafter the “Association”). All members of the Association are subject to the restrictions, rights and obligations contained within the Declaration of Covenants, Conditions and Restrictions for the Association recorded, or to be recorded, among the Land Records of Montgomery County, Maryland (hereinafter referred to as the “Declaration”) including, but not limited to, the obligation to pay Assessments to the Association. The disclosure information set forth below is being provided in accordance with the Maryland Homeowners Association Act (the “Act”). The property which is, or may hereafter be, annexed within the jurisdiction of the Association shall hereinafter be referred to as the “Properties” or as the “Development”. Certain other capitalized terms used herein, unless otherwise defined herein, have the meanings specified in the Declaration, a copy of which is attached as Exhibit “B” hereto.

Section 1

Vendor/Declarant: Noyes 3, LLC,
a Maryland limited liability company

Principal Address: 7735 Old Georgetown Road
Suite 700
Bethesda, Maryland 20814

Telephone Number: (240) 333-2000

Corporate Officers: James C. Myers
George T. Myers
Stephen A. Mulholland

As of the date of this document, the address of the corporate officers is the same as the address of the Vendor/Declarant..

As of the date of this document the name and address of the Vendor/Declarant and the names and addresses of the corporate officers are as set forth above, however, the Vendor/Declarant reserves the right to change such names and addresses at its sole discretion from time to time.

Section 2

- I. The name of the Association is, or will be, Woodside Community Association, Inc.
- II. The Association is, or will be, incorporated in the State of Maryland.
- III. The resident agent of the Association is, or will be:

The Corporation Trust Incorporated
300 East Lombard Street
Suite 1400
Baltimore, Maryland 21202

Section 3

- I. The Development is located in the Thirteenth (13th) Election District of Montgomery County, Maryland. The Vendor/Declarant presently contemplates that the Development may contain a

maximum of twenty-six (26) Lots and may contain up to approximately 2.68 acres, however, the Vendor/Declarant reserves the right to annex such property within the Development in stages or phases and to annex more or less than the anticipated maximum number of Lots and/or acreage within the Development. It is anticipated that the Development may contain a total of twenty-six (26) single-family dwelling units; provided, however, that the Vendor/Declarant reserves the right to amend the Development Plan for the Properties, to modify or alter the size, number, type and location of the dwelling units to be constructed thereon, and to take any other action as it deems necessary or desirable in conjunction with the development of the Properties. Without limiting the generality of the foregoing, the Vendor/Declarant reserves the right to resubdivide all or a portion of the Properties, to convey all or a portion of the Properties, to convey all or a portion of the Common Area, to modify the size and location of the Common Area, and to construct improvements on the Common Area. The Vendor/Declarant also reserves the right to modify the price of dwelling units in response to market conditions. Purchasers may pay different prices for similar dwelling units. Any property not annexed within the jurisdiction of the Association may be sold, transferred, conveyed or otherwise developed by the Vendor/Declarant, or its successors and assigns.

II. The Vendor/Declarant does not own any property contiguous to the Development which is, or may be, dedicated to public use, other than the public streets indicated on the subdivision plats for the Properties recorded, or to be recorded, among the Land Records of Montgomery County, Maryland.

Section 4

The Association is not within or part of another development or homeowners association.

Section 5

The Vendor/Declarant has reserved the right to annex property comprising approximately 2.68 acres of land in the Thirteenth (13th) Election District of Montgomery County, Maryland, as more particularly described in the Declaration. The Vendor/Declarant has also reserved the right to annex any real property shown on the Development Plan, any real property contiguous to or in the vicinity of the real property shown on the Development Plan, and any real property contiguous to or in the vicinity of the real property described in the Declaration. The Vendor/Declarant presently anticipates including approximately twenty-six (26) Lots in the Development. The Vendor/Declarant's right to annex, including any time limits on such annexation, is fully set forth in Article 2 of the Declaration. The Vendor/Declarant reserves the right to annex all or any portion of the foregoing property within the Development in stages or phases, to annex more or less than the anticipated maximum number of Lots and/or acreage within the Development and to include more or less than the foregoing number of Lots in any section of the Development. Any part of such property not annexed may be sold, transferred, conveyed or otherwise developed by the Vendor/Declarant. In the event that such sale, transfer, conveyance and/or development occurs, one or more separate homeowners associations may be developed within the property not annexed within the Association.

Section 6

I. A copy of the Articles of Incorporation, as filed, or to be filed, with the Maryland State Department of Assessments and Taxation, is attached hereto as Exhibit "A". A copy of the Declaration as recorded, or to be recorded, among the Land Records of Montgomery County, Maryland is attached hereto as Exhibit "B". All Owners are, or will be, subject to the restrictions and obligations contained within the Declaration.

II. Any or all of the Lots and/or dwelling units may be subject to other covenants, restrictions, easements and other matters of record, which may be enforced against any Owner and such Owner's tenant. Among such other recorded covenants, restrictions, easements and other matters of record are certain conservation, public utility, public improvement and/or other easements and rights of way as are shown on the plats of subdivision for the Properties recorded, or to be recorded, among the Land Records of Montgomery County, Maryland and/or as may otherwise be recorded among such Land Records. Purchasers are encouraged to review the foregoing covenants, restrictions, easements and other matters of record as they may include provisions restricting the use of Lots and/or dwelling units. For example, the public utility easements described above could restrict certain Owners from constructing a fence or other structure within the easement area. Other recorded covenants, restrictions, easements and other matters of record, if any, should be available for review in the Land Records of Montgomery County, Maryland.

III. Purchasers are advised that Article 7, Section 7.4 of the Declaration reserves the right of the Declarant (and following the Declarant, the Board of Directors of the Association) to establish supplemental rules concerning parking and traffic control within all or any portion of the Property, including, without limitation, rules providing for the involuntary removal of any vehicle violating the provisions of the Declaration and/or such rules, and rules assigning and reassigning "Reserved Parking Spaces" (as defined in Section 7.4) for the exclusive use of one or more specifically designated Owners. In addition, Section 7.4 specifically provides that the Owners of the following Lots shall at all times be entitled to one (1) Reserved Parking Space, subject to the right of the Declarant (and following the Declarant, the Board of Directors of the Association) to assign and reassign different Reserved Parking Spaces to such Owners: Lots 22 through 25, inclusive, and Lots 59 through 62, inclusive. Pursuant to Section 7.4 of the Declaration, the Declarant has adopted a rule assigning certain parking spaces to the foregoing Lots. A copy of this rule is attached hereto as part of Exhibit "C".

IV. Purchasers are advised that the Washington Suburban Sanitary Commission ("WSSC") has an existing right-of-way within the Development to construct, maintain, operate and inspect certain water and sewer pipes. The Declarant, with approval from WSSC, has, or will, construct certain sidewalks, driveways, private streets, retaining walls and related improvements within the WSSC right-of-way. In consideration of WSSC's approval, the Declarant has, or intends to, enter into an Agreement and Release with WSSC that will hold WSSC harmless from any damages caused to certain portions of the Development (as shown on an exhibit attached to the Agreement and Release) that are located within WSSC's right-of-way and resulting from the repair, maintenance, reconstruction or operation of WSSC water and sewer pipes. Upon the completion of the improvements to the Development, the Association will be responsible for all terms, covenants and liabilities set forth in the Agreement of Release. The Agreement of Release has, or will be recorded in the Land Records of Montgomery County, Maryland

Section 7

A copy of the Bylaws, and Rules, of the Association are attached hereto as Exhibit "C". The Bylaws, and Rules, are, or will be, enforceable against any Owner and such Owner's tenants.

Section 8

I. Pursuant to Article 1, Section 1.4 of the Declaration, "Common Area" is generally defined as "all real property owned, leased or maintained by the Association (including the improvements thereto) for the common use and enjoyment of the Owners." The location of the Common Area is, or will be, graphically shown on the plats of subdivision for the Properties recorded, or to be recorded, among the Land Records of Montgomery County, Maryland.

II. It is anticipated that the Common Area will include, if constructed, seating areas, storm water management facilities and open space. The Association will generally be responsible for the maintenance and repair of the Common Area and any improvements situated thereon as well as any property which it is obligated or elects to maintain pursuant to any cross-easement agreement or the requirements of any governmental agency, any storm water management facilities designed to benefit or serve the Property, rights-of-way, entry strips and entrance features or improvements and other property appurtenant to the Development. Section 9.3 of the Declaration provides that the Association may elect to maintain and keep in good order the Lawn and Garden Areas within the Lots. Section 9.4 also authorizes the Association to assume additional maintenance responsibilities upon all or any portion of the Property. For a more complete statement of the Association's maintenance responsibilities, see the Declaration attached as Exhibit "B" hereto.

III. Availability of the Common Area improvements planned to be included within the Association, as well as the timing of their construction, is dependent upon a number of factors, including, without limitation, the development and construction schedule of all dwelling units planned to be included within the jurisdiction of the Association. If construction of such dwelling units is delayed, then it is possible that the construction of any Common Area improvements not then completed may also be delayed or canceled. Similarly, if fewer dwelling units than originally planned are actually constructed, then some of the Common Area improvements may not be constructed as presently planned. The Vendor/Declarant makes no representation or warranty whatsoever, whether express or implied, regarding the construction or availability of any of the Common Area improvements planned to be included within the jurisdiction of or maintained by the Association, nor has the Vendor/Declarant authorized any other party to make any such representation or warranty.

Section 9

I. A copy of the estimated proposed annual operating budget for the current fiscal year of the Association and a copy of the current projected budget for the Association, as fully expanded, are attached hereto as Exhibit "D". The budgets are, of course, estimates and the Vendor/Declarant cannot warrant or in any manner represent that sufficient funds have been budgeted to cover all common expenses that may be incurred. Because actual expenditures may differ from estimated expenditures, due to future expenses of the Association being other than anticipated and other variable factors, such estimates are not intended or considered as guarantees of any kind whatsoever.

II. Proposed reserves are shown on the attached budget. Please note that pursuant to Article 5, Section 5.11, of the Declaration, the amount of reserves to be kept shall be determined by the Board of Directors of the Association.

Section 10

I. The current anticipated mandatory Assessment to be paid by Owners of Lots within the Development for the maintenance of the Common Area, the operation of the Association and for other purposes related to the Association is set forth in the budget attached hereto as Exhibit "D". Purchasers are advised that, based on actual expenses, including reserves, incurred by the Association, future Assessments may be greater or lesser than this amount. Pursuant to Article 5, Section 5.3, of the Declaration the Assessments may be increased by the Board of Directors of the Association. Pursuant to Article 5, Section 5.8 of the Declaration, the due dates for Assessments shall be established by the Board of Directors. The Assessments shall be used for those purposes contained within Article 5, Section 5.2 of the Declaration including, but not limited to, maintenance of the Common Area, and the operation of the Association.

II. The Vendor/Declarant's exemption from Assessments is set forth in Article 5, Section 5.7 of the Declaration. The Vendor/Declarant shall not at any time be subject to any Assessments.

Section 11

The Development is located within the Woodside Historic District, a potential historic resource listed in the "Locational Atlas and Index of Historic Sites in Montgomery County, Maryland," and subject to Section 24A-10 of the Historic Preservation Ordinance as set forth in the Montgomery County Code. An Owner may not substantially alter the exterior features of any improvements without review by the Historic Preservation Commission under the Historic Area Work Permit provisions of Section 24A-7, except as provided in Section 24A-10 of the Historic Preservation Ordinance. Purchasers are encouraged to contact the Historic Preservation Office for more information regarding any specific guidelines or restrictions at 1109 Spring Street, Suite 801, Silver Spring, Maryland 20910, phone number 301.563.3400.

Information regarding the zoning and other land use requirements affecting the Development may be obtained by reviewing the Zoning Ordinance for Montgomery County, Maryland and other materials regarding land use requirements affecting the Development at the offices of the Maryland-National Capital Park and Planning Commission. The Vendor/Declarant reserves the right to seek zoning changes, amendments and modifications to the Development Plan for the Properties.

Section 12

All mandatory homeowners association fees or Assessments and other permitted charges imposed upon Lot owners by the Association will be subject to collection in accordance with Article 5 of the Declaration and the provisions of the Maryland Contract Lien Act, Section 14-201, *et seq.*, Real

Property Article, Annotated Code of Maryland (1996), as amended. Pursuant to Article 5 of the Declaration, please note the following:

1. Pursuant to Section 5.8, the Annual Assessments will generally commence as to all Lots subject to the Declaration simultaneously with the conveyance of the first Lot to a Class A Member. The first Annual Assessment will be adjusted according to the number of months remaining in the calendar year. The purchaser or grantee of any Lot will be responsible for Assessments on his or her Lot beginning on the date of settlement or conveyance to such party.
2. Pursuant to Section 5.8 the due dates for Assessments shall be established by the Board of Directors.
3. The procedure for increasing or decreasing such fees, Assessments or charges is set forth in Section 5.3.
4. Delinquent fees, Assessments and charges will be collected in accordance with Article 5.
5. Pursuant to Section 5.1, unpaid fees, Assessments and charges, together with interest, costs, late fees and reasonable attorneys' fees, shall be the personal obligation of the Owner of a Lot.
6. Interest shall be charged on any unpaid Assessment at a rate determined by the Board of Directors up to the maximum rate of interest permitted by law, as set forth in Section 5.9.
7. Pursuant to Sections 5.1 and 5.9 of the Declaration, unpaid Assessments may be collected by the imposition of a lien on a Lot in accordance with the Maryland Contract Lien Act.
8. Lot owners may be assessed interest, attorneys' fees, late fees, court costs and administrative costs for the collection of unpaid Assessments as set forth in Section 5.9. In addition, the entire balance of the unpaid Assessments for the remainder of the year may be accelerated and declared due.

Section 13

In addition to the purchaser's obligation to pay a pro rata share of any fees, Assessments or charges of the Association at settlement, pursuant to Article 5, Section 5.3 of the Declaration, the Vendor/Declarant may elect to collect a sum equal to three (3) months of regular Assessments from each purchaser of a Lot upon the earlier of settlement or occupancy of a completed dwelling. Such sum represents the contribution to the working capital fund for the initial operation of the Association and may be utilized as the Vendor/Declarant shall determine at its sole discretion.

Section 14

Certain special rights or exemptions reserved by or for the benefit of the Vendor/Declarant are contained within the Declaration, including, but not limited to:

1. Pursuant to Section 7.1, the right to conduct construction, marketing, sales and/or leasing activities within the Development including, but not limited to, the right to use any Lot or dwelling, or improvement therein, for promotional or display purposes, or as “model homes”, a sales and/or construction office, or for any other lawful purpose.
2. Pursuant to Section 5.7, the right to be exempt from Assessments for Lots owned by the Vendor/Declarant.
3. Pursuant to Article 6 and Sections 7.2 and 7.6, the right to be exempt from the use restrictions and architectural controls contained in the Declaration during the construction and development of the Properties.
4. Pursuant to Article 2, the right to annex additional property within the jurisdiction of the Association, and the right to deannex property from within the jurisdiction of the Association.
5. Pursuant to Section 8.1(a), the right to grant easements to all public authorities and utilities over any part of the Common Area.
6. Pursuant to Section 8.1(c), a blanket easement upon, across and under the Property for vehicular and pedestrian ingress and egress, curb cuts, slope, or grading easements, as well as for the installation, replacement, repair and maintenance of all utilities, and the right to connect to and use any such utilities which may exist or be located upon the Property from time to time, the right to grant easements, both temporary and permanent, to all public authorities and utility companies over any part of the Property, and the right to unilaterally execute and record such additional easements and agreements as may be necessary in order to give effect to the foregoing easements and other rights, which additional easements and other agreements need not be consented to or joined in by any party having an interest in the Property.
7. Pursuant to Section 8.1(f), the right during the period of construction and sale in the Development to maintain such facilities and perform such operations as the Vendor/Declarant may determine to be reasonably required, convenient or incidental to the construction and sale of residences, including, without limitation, a business office, sales/leasing office, storage area, construction yards, signs, displays and model units.
8. Pursuant to Section 8.1(g), the right to enter the Common Area for the purpose of carrying out any obligations concerning the curing of defects in workmanship or materials in the Property or the improvements thereon. There is further reserved unto the Vendor/Declarant and its agent(s) a non-exclusive easement over, across and through all of the Common Area for the purpose of access, the storage of building supplies and materials and equipment and, without any limitation, for any and all purposes reasonably related to the completion of the development, construction or rehabilitation and repair of the Property.

9. Pursuant to Section 8.1(h), for ten (10) years from the date of conveyance of the first Lot in the Development, the right to correct drainage of surface water in the Development. Such right includes the ability to cut any trees, bushes or shrubbery, make gradings of the soil, or take any other action reasonably necessary, following which the Vendor/Declarant shall restore the affected property to its original condition as near as practicable.

10. The right to vote as specified in Section 4.2 of the Declaration with respect to each Class B membership held by the Vendor/Declarant (one (1) vote for each such Class B membership).

11. Pursuant to Section 13.14, the right to execute on behalf of all contract purchasers, Owners, Eligible Mortgage Holders, mortgagees, and other lienholders or parties claiming a legal or equitable interest in any Lot or Common Area, any such agreements, documents, amendments or supplements to the Declaration, the Articles of Incorporation and Bylaws of the Association which may be required by FNMA, FHA, VA, FHLMC, GNMA or by any governmental or quasi-governmental agency having regulatory jurisdiction over the Association, any public or private utility company designated by the Declarant, any institutional lender or title insurance company designated by the Declarant, or as may be required to comply with the Fair Housing Amendments Act of 1988, as amended, to comply with the Act, or to comply with any other applicable laws or regulations.

For a more complete statement of the rights and exemptions reserved by or for the benefit of the Vendor/Declarant, see the Declaration and Bylaws attached as Exhibit "B" and Exhibit "C" hereto respectively.

The foregoing information is being provided in accordance with the Act. The information set forth herein is based upon current development plans and information currently available and is subject to change and modification from time to time. Purchasers are advised that modifications, changes and supplements to the foregoing information are probable and should be expected.

The foregoing narrative sections of this Addendum do not repeat or contain all of the information appearing in the documents and other materials reproduced as exhibits hereto. In many cases, these sections contain abstracts or summaries of information from the exhibits. Accordingly, in no case should any of the information set forth in the narrative sections of this Addendum be construed to substitute for, alter, modify or abrogate, in whole or in part, any of the terms, conditions or provisions of any of the documents and other materials reproduced as exhibits to this Addendum. In the event of any conflict between the narrative sections of this Addendum and any of the documents and other materials reproduced as exhibits to this Addendum, the documents and other materials reproduced as exhibits to this Addendum, as applicable, shall control.

BY EXECUTION HEREOF, THE BUYER HEREBY ACKNOWLEDGES RECEIPT OF THE FOREGOING DISCLOSURES AND COPIES OF ALL DOCUMENTS DESCRIBED AS ATTACHMENTS HERETO.

THIS ADDENDUM, including all exhibits, hereby is incorporated into the Agreement as if fully set forth therein. In the event of a conflict between the terms of the Agreement and this Addendum,

the terms of this Addendum shall control. All other terms and conditions of the Agreement shall remain in full force and effect.

[SIGNATURE PAGE FOLLOWS]

Prepared by:

Sales Representative

Date

BUYER(S):

Buyer's Signature

Date

Buyer's Signature

Date

SELLER:

NOYES 3, LLC

Title

Date

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Exhibit "A"

(Articles of Incorporation)

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Exhibit "B"

(Declaration)

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Exhibit "C"

(Bylaws and Rules)

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Exhibit "D"

(Budget)