

Bylaws

BYLAWS
OF
OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
Name and Location

The name of the corporation is OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 4416 Skymist Terrace, Olney, Montgomery County, Maryland 20832, but meetings of members and directors may be held at such places within the State of Maryland as may be designated by the Board of Directors.

ARTICLE II
Definitions

Section 1. "Association" shall mean and refer to OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION, INC., a non-stock, non-profit Maryland corporation, its successors and assigns.

Section 2. "Declaration" shall mean and refer to the Declaration of Covenants and Restrictions applicable to the Property, dated December 7, 1982, and recorded among the Land Records for Montgomery County, Maryland in Liber 5972, Folio 809, and re-recorded in Liber 6175, Folio 277, including amendments and supplements thereto. This shall specifically exclude the Declaration dated December 19, 1980 and recorded at Liber 5642, Folio 23, and re-recorded at Liber 5758, Folio 211, which shall be of no further force and effect.

Section 3. "Property" shall mean and refer to that certain real property described in the Declaration of Covenants and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Areas" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property (with the exception of the Common Areas).

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 8. "Mortgagee" shall mean the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. "Mortgage", as used herein, shall include deed of trust. "First Mortgage", as used herein, shall mean a mortgage with priority over other mortgages. As used in these Bylaws, the term "mortgagee" shall mean any mortgagee and shall not be limited to institutional mortgagees. As used in these Bylaws, the term "institutional mortgagee" or "institutional holder" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC"), all corporations and any agency or department of the United States Government or of any state or municipal government. As used in these Bylaws, the term "holder" or "mortgagee" shall include the parties secured by any deed of trust or any beneficiary thereof.

ARTICLE III Meeting of Members

Section 1. Annual Meetings. Each regular annual meeting of the members shall be held in January on a date selected by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by delivering, by First Class mail, a copy of such notice, not less than ten (10) days, but not more than ninety (90) days, before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. All meetings of the members shall be held at places and times reasonably convenient to the greatest numbers of members.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of the membership shall constitute a quorum for any action. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Voting. At every meeting of the members, each Member shall have the right to cast two (2) votes on each question for each Lot which he owns. The vote of the members representing a majority of the total of the votes cast,

in person or by proxy, shall be necessary to decide any question brought before such meeting, unless the question is one upon which, by the express provision of law or of the Articles of Incorporation, or of the Declaration, or of these Bylaws, a different vote is required, in which case such express provision shall govern and control. The votes for each lot shall be cast in a manner that shall be determined amongst the respective homeowners themselves. In the event of an unresolved dispute among the homeowners about how the votes of a lot are to be cast, the presiding officer of the meeting, shall exclude said votes. In the event any membership is owned by a corporation, then the vote for any such membership shall be cast by a person designated in a certificate signed by the President and any Vice President of such corporation and attested by the Secretary or an Assistant Secretary of such corporation and filed with the Secretary of the Association, prior to or during the meeting. The vote for any membership which is owned by a trust or partnership may be exercised by any trustee or partner thereof, as the case may be, and, unless any objection or protest by any other such trustee or partner is noted at such meeting, the presiding officer of such meeting shall have no duty to inquire as to the authority of the person casting such vote or votes. No member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, who is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association.

Section 6. Proxies. At all meetings of members, each member who is eligible to vote may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall automatically cease upon relinquishing by the member of the title to his Lot. All proxies shall be revoked upon adjournment of the meeting. Any written proxy which conforms with the applicable laws of Maryland and which includes the date, Lot identification, member signatures, and name of the designated proxy shall be satisfactory and approved as to form by the Board. Any limitations on the use of the proxy may also be stated.

Section 7. Rights of Mortgagees. Any mortgagee of any Lot who desires notice of the annual and special meetings of the members shall notify the Secretary to that effect by Registered Mail - Return Receipt Requested. Any such notice shall contain the name and post office address of such mortgagee and the name of the person to whom notice of the annual and special meetings of the members should be addressed. The Secretary of the Association shall maintain a roster of all mortgagees from whom such notices are received, and it shall be the duty of the Secretary to mail or otherwise cause the delivery of a notice of each annual or special meeting of the members to each such mortgagee in the same manner, and subject to the same requirements and limitations as are otherwise provided in this Article for notice to the members. Any such institutional mortgagee shall be entitled to designate a representative to attend any annual or special meeting of the members, and such representative may participate in the discussion at any such meeting and may, upon his request made to the Board of Directors in advance of the meeting, address the members present at any such meeting. Such representative shall be entitled to copies of the minutes of all meetings of the members upon request made in writing to the Secretary.

Section 8. Open Meetings.

(a) All meetings of the Association shall be open to all owners or occupants of units of the Association, their guests, and any representative of the news media, except that such meetings may be held in closed session for the following purposes:

(i) Discussion of the employment, assignment, appointment, promotion, demotion, compensation, discipline, removal, or resignation of employees over whom it has jurisdiction, or any other personnel matter affecting one or more particular individual(s);

(ii) Protection of the privacy or reputation of individuals in matters not related to Association business;

(iii) Consultation with legal counsel;

(iv) Consultation with staff personnel, consultants, attorneys, or other persons in connection with pending or potential litigation;

(v) Investigative proceedings concerning possible or actual criminal misconduct;

(vi) Complying with a specific constitutional, statutory, or judicially imposed requirement protecting particular proceedings or matters from public disclosure;

(vii) On an individually recorded affirmative vote of two-thirds (2/3) of the members present, for some other exceptional reason so compelling as to override the general public policy in favor of open meetings;

(viii) Consideration of the term or conditions of a business transaction in the negotiation stage, if the disclosure could adversely affect the economic interests of the Association.

(b) If a meeting is held in closed session pursuant to the procedures established above,

(i) No action may be taken and no matter may be discussed other than those permitted above; and

(ii) A statement of the time, place, and purpose of any closed meeting, the record of the vote of each member by which any meeting was closed, and the authority under this Section for closing any meeting shall be made available so as to reasonably notify members of the Association within fourteen (14) days after the meeting.

(c) In order to protect the safety, privacy, or reputation of any member who brings a possible violation of the Land Use Restrictions defined in the Declaration to the attention of the Board of Directors in accordance with procedures established by the Board of Directors, the identity of said member shall be kept confidential and shall not be disclosed.

ARTICLE IV
Board of Directors: Selection: Term of Office

Section 1. Number. The affairs of the Association shall be managed by a Board of Directors composed of not less than five (5) nor more than nine (9) persons, who shall also be the officers of the Association.

Section 2. Term of Office. At each annual meeting, the members shall elect the Board of Directors. The term of office for the directors shall be for one (1) year. Directors shall hold office until their successors have been elected and hold their first regular meeting.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association.

Section 4. Vacancies. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 5. Compensation. No director shall receive monetary compensation for any service he may render to the Association as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE V
Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members only.

Section 2. Election. Election to the Board of Directors shall be by voice vote, unless a secret written ballot is requested by a candidate, a member of the Board of Directors, or 10% of the members in attendance. At such election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Any proxy valid under Maryland Law shall be valid for the purpose of such casting of votes. All election material prepared with funds of the Association shall list the candidates in alphabetical order and shall not suggest preference among candidates. The person receiving the largest number of votes for each Board position.

ARTICLE VI
Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors or any committee created by the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, or telegraph, at least six (6) days prior to the date named for such meeting. All such meetings shall be open to all members or occupants of units of the Association, their guests, and any representative of the news media, and shall be held at places and times convenient to the greatest number of members. Meetings of the Board of Directors may be held in closed session only in accordance with Article III, Section 8, of these Bylaws.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice of each Director, given personally or by mail, telephone, or telegraph, which notice shall state the date, time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President in like manner and on like notice on the written request of any two (2) of the directors.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
Powers and Duties of the Board of Directors

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

(a) adopt and publish rules and regulations governing the use of the Common Areas and community facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the Common Areas and community recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties, and authority vested in this Association by the Declaration, and not reserved to

the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary and to prescribe their duties.

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

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members;

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

(c) as more fully provided in the Declaration, to:

(i) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each assessment period; and

(iii) foreclose a lien against any property for which assessments are not paid within sixty (60) days after due date, or to bring an action at law against the owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for issuance of these certificates. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association, as more further described in Article XI of these Bylaws;

(f) procure and maintain adequate Directors and Officers coverage and Fidelity Bonds as more further described in Article XI of these Bylaws;

(g) cause all officers, and all employees who have fiscal responsibilities, to be bonded, as it may deem appropriate;

(h) cause the Common Areas to be maintained;

(i) otherwise perform or cause to be performed the functions and obligations of the Board and the Association as provided for in the Declaration, Articles of Incorporation and these Bylaws.

Section 3. Management Agent. The Board of Directors may employ for the Association a management agent or manager (the "Management Agent"), at a rate of compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall from time to time authorize in writing. Any management agreement entered into by the Association shall provide, inter alia, that such agreement may be terminated for any reason by either party upon thirty (30) days' written notice thereof to the other party. The term of any such management agreement shall not exceed two years; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one-year periods.

ARTICLE VIII Officers and Their Duties

Section 1. Enumeration of Officers. The officers of the Association shall include a President, a Vice-President, a Records Secretary, a Treasurer, a Correspondence Secretary, the Recreation Committee chairman, the Townhouse Committee chairperson, and two (2) delegates at large.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members; provided that the initial Board of Directors shall elect the first group of officers at its first organizational meeting.

Section 3. Term. The officers of this Association shall be elected annually, and each shall hold office for one (1) year or until his successor is duly elected and qualified, unless he shall resign sooner, or shall be removed, or is otherwise disqualified to serve.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board. Such resignation shall take effect on the date of receipt of such notice, or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6. Multiple Offices. The offices of Records Secretary and Correspondence Secretary, Treasurer and Vice President may be held by the same person, but in no event shall the same officer execute, acknowledge, or verify any instrument in more than one capacity, if such instrument is required by law, the Declaration, the Articles of Incorporation, or these Bylaws to be executed, acknowledged, or verified by two (2) or more officers.

Section 7. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments, and shall co-sign all checks and promissory notes.

Vice President

(b) The Vice President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Records Secretary

(c) The Records Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, and shall perform such other duties as required by the Board.

Correspondence Secretary

(d) The Correspondence Secretary shall keep the corporate seal of the Association and affix it on all papers requiring said seal; maintain the Association's correspondence file; serve notice of meetings of the Association; and shall perform such other duties as required by the Board.

Treasurer

(e) The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association, and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign all checks and promissory notes of the Association; keep proper books of account; cause an annual independent financial review of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the members.

Townhouse Committee Chairman

(f) The Townhouse Committee Chairman shall advise the Board on all aspects of the organization and operation of the Association that affect the townhouses; and shall coordinate with the Board in establishing assessments for the townhouse units.

Recreation Committee Chairman

(g) The Recreation Committee Chairman shall advise the Board on the use, care, maintenance, and repair of the Common Areas; shall recommend

for adoption by the Board reasonable Rules and Regulations regarding the use of the Common Areas; and shall perform such other duties as required by the Board.

Delegates at Large

(h) The Delegates at Large shall perform such duties as required by the Board.

ARTICLE IX

Liability and Indemnification of Officers and Directors

Section 1. Liability and Indemnification of Officers and Directors.
The Association shall indemnify every officer and director of the Association against any and all expenses, including counsel fees, reasonably incurred by or imposed upon an officer or director in connection with any action, suit, or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Association) to which he may be made a party by reason of being or having been an officer or director of the Association, whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors of the Association shall not be liable to the members of the Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The officers and directors of the Corporation shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Association or former officer or director of the Association may be entitled.

ARTICLE X

Committees

The Board of Directors shall appoint a Nominating Committee, as provided in these Bylaws, and a Townhouse Committee and a Recreation Committee, as provided in Article X of the Declaration. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose. All committees appointed by the Board of Directors shall hold meetings in accordance with Article III, Sections 3 and 8, of these Bylaws.

ARTICLE XI

Insurance

Section 1. Insurance. The Board of Directors of the Association shall obtain and maintain, to the extent reasonably available, at least the following:

(a) A comprehensive policy of public liability insurance with a "Severability of Interest Endorsement" or its equivalent in such amounts and

in such forms as may be considered appropriate by the Board of Directors (but not less than Five Hundred Thousand (\$500,000.00) Dollars single person limit as respects bodily injury and property damage, a One Million (\$1,000,000.00) Dollars limit per occurrence, and a Two Hundred Fifty Thousand (\$250,000.00) Dollar minimum property damage limit) including, but not limited to, legal liability, hired automobile liability, non-owned automobile liability, liability for property of others, liability arising out of the operation and use of the Storm Water Management Pond, and, such other risks as shall customarily be covered with respect to projects similar in construction, location, and use, including any and all other liability incident to the ownership and use of the Common Areas and community facilities or any portion thereof; and

(b) Workman's compensation insurance for employees of the Association to the extent necessary to comply with any applicable law; and

(c) A "Legal Expense Indemnity Endorsement", or its equivalent, affording protection for the officers and Directors of the Association for expenses and fees incurred by any of them in defending any suit or settling any claim, judgment, or cause of action to which any such officer or Director shall have been made a party by reason of his or her services as such; and

(d) Fidelity coverage for all officers, Directors, and employees of the Association regularly handling or otherwise responsible for the funds of the Association; and

(e) Such other policies of insurance, including director and officer liability insurance and insurance for other risks of a similar or dissimilar nature, as are or shall hereafter be considered appropriate by the Board of Directors.

Section 2. Limitations. Any insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions:

(a) All policies shall be written or reinsured with a company or companies licensed to do business in the State of Maryland and holding a rating of "A+" in the current edition of Best's Insurance Guide or similar rating publication.

(b) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors of the Association, or its authorized representative.

(c) In no event shall the insurance coverage obtained and maintained pursuant to the requirements of this Article be brought into contribution with insurance purchased by the owners of the Lots or their mortgagees, as herein permitted. Any "no other insurance" or similar clause in any policy obtained by the Association pursuant to the requirements of this Article shall exclude such policies from consideration.

(d) All policies shall provide that such policies may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to any and all

insureds named thereon, including any mortgagee of any Lot who requests such notice in writing.

(e) All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Association, the Board of Directors, the members of the Association and their respective agents, employees, or tenants, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

ARTICLE XII

Casualty Damage Reconstruction or Repair

Section 1. Use of Insurance Proceeds. In the event of damage or destruction to the Common Areas and/or community facilities by fire or other casualty, the same shall be promptly repaired, replaced, or reconstructed in substantial conformity with the original plans and specifications for the Common Areas and community facilities with the proceeds of insurance available for that purpose, if any. The Association shall not use the proceeds of casualty insurance received as a result of damage or destruction of the Common Areas or community facilities for purposes other than the repair, replacement, or reconstruction of the Common Areas or community facilities without the prior written consent and approval of the holders of all first mortgages of record on the Lots.

Section 2. Proceeds Insufficient. In the event that the proceeds of insurance are not sufficient to repair damage or destruction of the Common Areas or community facilities caused by fire or other casualty not insured against, then and in either of those events, upon resolution of the Board of Directors, the repair, replacement, or reconstruction of the damage shall be accomplished promptly by the Association at its common expense.

ARTICLE XIII

Books and Records Fiscal Management

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of July of every year. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should the practice of the Association subsequently dictate.

Section 2. Principal Office - Change of Same. The principal office of the Association shall be as set forth in Article II of the Articles of Incorporation of the Association. The Board of Directors, by appropriate resolution, shall have the authority to change the location of the principal office of the Association from time to time.

Section 3. Books and Accounts.

(a) Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices, consistently applied. The same shall include books with detailed

accounts, in chronological order, of receipts and of the expenditures and other transactions of the Association and its administration, and shall specify the maintenance and repair expenses of the Common Areas and community facilities, services required or provided with respect to the same, and any other expenses incurred by the Association.

(b) A separate "Reserve for Replacement" fund shall be maintained by the Association. As of July 1, 1993, a minimum of \$25,000 shall be maintained in this account unless and until such time as the funds in this account are needed to replace the Common Area facilities. The amount of any assessment or portion of any assessment, required for payment of any capital expenditure or reserves of the Association, shall be credited upon the books of the Association to the "Reserve for Replacement" account as a capital contribution by the members.

(c) A separate account for the maintenance and repair of the Townhouse parking areas shall be maintained by the Association. All differential assessments charged to the owners of Townhouses shall be credited upon the books of the Association to the "Townhouse Parking Maintenance" account. All expenses related to the repair, maintenance, or replacement of the Townhouse parking areas shall be paid first from this account. If the funding in this account is not sufficient to cover expenses associated with the repair, maintenance, or replacement of the Townhouse parking areas, the difference shall be paid from the Association's general operating fund, and this difference shall be repaid through a special assessment charged to the owners of the Townhouses.

Section 4. Auditing. At the close of each fiscal year, the books and records of the Association shall be reviewed by an independent Public Accountant whose report shall be prepared in accordance with generally accepted auditing standards, consistently applied. Based upon such report, the Association shall furnish the members and any mortgagee requesting the same with an annual financial statement, including the income and disbursements of the Association, within ninety (90) days following the end of each fiscal year.

Section 5. Inspection of Books. The books and accounts of the Association, vouchers accrediting the entries made thereupon, and all other records maintained by the Association shall be available for examination by the members or their duly authorized agents or attorneys, and to the institutional holder of any first mortgage on any Lot and its duly authorized agents or attorneys, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any member at the HOA Depository at the Montgomery County Circuit Court.

ARTICLE XIV Assessments

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any

assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, a late payment penalty or interest, as established from time to time by the Board of Directors, may be assessed. In addition, the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees and court costs of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or community facilities, or by abandonment of his Lot.

The Board of Directors shall establish and publish a procedure for collecting the assessments from the members. This policy may be changed by resolution as adopted from time to time by the Board of Directors; however, such change shall not take effect until it has been published and distributed to all members of the Association.

ARTICLE XV Corporate Seal

The Association shall have a seal in circular form having within its circumference the words: OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION, INC., a Maryland corporation.

ARTICLE XVI Amendments

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

ARTICLE XVIII Interpretation - Miscellaneous

Section 1. Conflict. These Bylaws are subordinate and subject to all provisions of the Declaration and to the provisions of the Articles of Incorporation. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration. In the event of any conflict between these Bylaws, and any subsequent amendment thereto, and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between these Bylaws, and any subsequent amendment thereto, and the Articles of Incorporation of the Association, the provisions of the Articles of Incorporation shall control.

Section 2. Notices. Unless another type of notice is herein elsewhere specifically provided for, any and all notices called for in these Bylaws shall be given in writing.

Section 3. Severability. In the event any provision or provisions of these Bylaws shall be determined to be invalid, void, or unenforceable, such determination shall not render invalid, void, or unenforceable any other provisions hereof which can be given effect.

Section 4. Waiver. No restriction, condition, obligation, or provisions of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

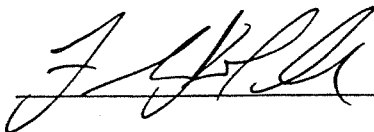
Section 5. Captions. The captions contained in these Bylaws are for convenience only and are not a part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws or to aid in the construction thereof.

Section 6. Gender, etc. Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse, and the use of any gender shall be deemed to include all genders.

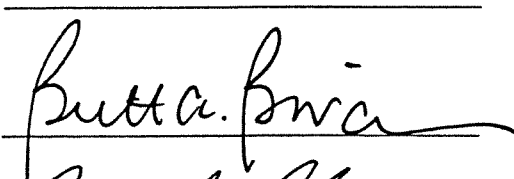
IN WITNESS WHEREOF, we, being all of the Directors of OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION, INC., have hereunto set our hands this 13th day of AUGUST, 1991.

WITNESS:

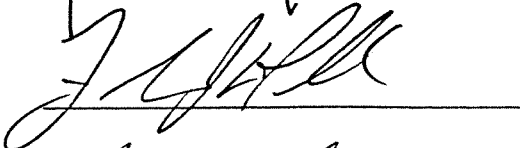
OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION, INC.



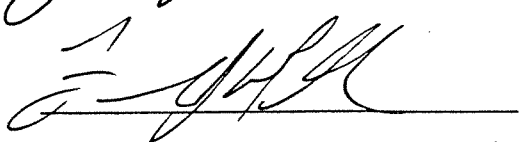
By: Christine Mehling
Christine Mehling, President



By: _____
Daniel Strominger, V. President



By: Frank DeLalla
Frank DeLalla, Treasurer



By: David Bivans
David Bivans, Corr. Secretary

By: Dawn Loftus
Dawn Loftus, Rec. Secretary

* * *

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of OLNEY OAKS SINGLE FAMILY HOMEOWNERS ASSOCIATION, INC., a Maryland non-stock, non-profit corporation, and,

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors hereof, held on the 13th day of AUGUST, 1991.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 13th day of AUGUST, 1991.



David G. Bivans, Secretary

[CORPORATE SEAL]