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CERTIFICATE OF INCORPORATION  
OF  
FOXFIRE MEADOW RECREATIONAL ASSOCIATION, INC.

*William C. K...*

FIRST: The name of this Corporation is FOXFIRE MEADOW RECREATIONAL ASSOCIATION, INC.

SECOND: The Registered Office of this Corporation in this State shall be at Pine and Race Streets, Sussex County, Georgetown, Delaware, and the Registered Agent in charge thereof shall be Tunnell & Raysor.

THIRD: This Corporation is not organized for profit and shall have no authority to issue capital stock.

FOURTH: The general purposes and objects for which this Corporation is organized, and the powers which it shall have are to maintain, operate and administer the common areas and recreational land and facilities in Foxfire Meadow and such property which may from time to time be annexed thereto; to enforce the covenants, restrictions, easements, charges and liens provided in the Declaration to be enforced by the Association; to assess, collect and disburse the charges created under the Declaration, all in the manner set forth in, and subject to the provisions of the Declaration, and to exercise all powers and privileges and to perform all duties and obligations of the Association under the Declaration.

FIFTH: This Corporation shall have the following general powers and any and all other powers which are now or may hereafter be granted by law to non-profit corporations organized under the General Corporation Law of the State of Delaware:

(a) For the purposes of this Corporation as hereinabove stated, and not for pecuniary profit, to acquire by deed, will, or otherwise, and to hold, own, build, deal, mortgage or otherwise give liens against, and to lease, sell exchange, transfer or in any other manner dispose of real or personal property of every kind and description;

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GEORGETOWN, DEL.

(b) For the purposes hereinabove stated and not for pecuniary profit, to acquire, hold, deal in, mortgage, pledge, lease, sell or exchange or in any other manner dispose of any kind or type of personal property;

(c) For the purposes of this Corporation which are hereinabove stated, and not for pecuniary profit, to enter into, make and perform contracts of every kind for every lawful purpose with any person, firm or corporation, or association, municipal body politic, country, territory, state or any subdivision thereof, colony or dependency; and without limitation, as to amount, to borrow or raise money, to make, accept, endorse, discount, execute, sell and issue promissory notes drafts, bills of exchange, warrants, bonds, debentures, and other instruments, whether negotiable or non-negotiable, transferable or nontransferable, and whether secured by mortgage, pledge or otherwise, as may be permitted by the laws of the State of Delaware for a non-stock, non-profit corporation.

SIXTH: It is the intention that each of the objects, purposes and powers specified in the Certificate shall, except when otherwise specified, be novise limited or restricted by reference or to inference from the terms of any other provision of this Certificate of Incorporation, or that the objects, purposes and enumeration of specific purposes and powers shall not be construed to restrict in any manner the general purposes and powers of this Corporation.

SEVENTH: The names and addresses of the Incorporators are as follows:

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TURNELL & RAYSON  
GEORGETOWN, DEL.

Mary-Bath Pepper	P.O. Box 151, Georgetown, Delaware
Lois Ann Bradley	P.O. Box 151, Georgetown, Delaware
Connie P. Dorey	P.O. Box 151, Georgetown, Delaware

EIGHTH: This Corporation shall have perpetual existence.

NINTH: The private property of the members of this Corporation shall not be subject to the payment of the debts of this Corporation to any extent whatsoever.

TENTH: Business and affairs of this Corporation shall be conducted by the members and such officers as shall be elected and empowered according to the By-Laws.

ELIVENTH: Meetings of the members may be held at such times and places as may from time to time be prescribed by the By-Laws.

TWELFTH: This Corporation reserves the right to amend, alter, or repeal any provisions contained in the Certificate of Incorporation in the manner now or hereafter prescribed by the statutes of the State of Delaware; and all rights and powers conferred on the members and officers herein are granted subject to this reservation.

THIRTEENTH: No property in this Corporation, including cash on deposit in any bank or depository, shall upon dissolution of this Corporation inure to any member of this Corporation. In the event of dissolution, the property of this Corporation shall be distributed to such other non-profit, non-stock corporations or organizations which shall have similar purposes and objectives as this Corporation, which distribution shall be approved by the Board of Directors.

FOURTEENTH: No part of the net revenue of this Corporation shall inure to the benefit of any member thereof.

FIFTEENTH: Provisions relating to the members of the Corporation are:

(1) Members of Corporation shall be every owner of a lot or condominium unit in Foxfire Meadow; provided, however, that any such person or entity which holds a lien or security interest on an Owner's

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GEORGETOWN, DEL.

interest in a lot or condominium unit for the performance of an obligation shall not be a member unless and until such person or entity has succeeded to such Owner's interest by enforcement of such lien or security.

(2) There shall be the following class of membership in the Corporation: Class A members shall be all lot and condominium unit owners (with the exception of the Developer) who shall be entitled to one (1) vote for each lot and condominium unit. The Class A membership shall be an expanding class and each lot or condominium unit created in the Development shall have created with it mandatory membership as a Class A member in the Association. When more than one person holds an interest in any lot or condominium unit, all such persons shall be members. The vote of such lot or condominium unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot or condominium unit. Class A members shall be added to the Association in accordance with the number of condominium units or lots created in the Development by the Developer upon the recording of the first deed for each such lot or condominium unit from the Developer to the Owner. The Class B member shall be the Developer, and shall be entitled to a total number of votes equal to the total number of votes of all Class A members, plus one, so that the Developer will have a number of votes equal to a majority of the total votes of all members of the Association. The Class B membership shall cease and terminate at such time that the Developer owns no land in the Development, but shall, in any case, terminate on the twentieth (20th) anniversary of the date of September 3, 2002.

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TUNNELL & RAYSON  
ROCKVILLE, MD.

(3) The Board of Directors of the Corporation may suspend any person from membership in the Corporation during any period of time when

such person is in default of any of his obligations under the Declaration (including, without limitation, the failure to pay any assessment), provided that such default has continued uncured for a period of ten (10) days after written notice thereof to such member.

(4) The members of the Corporation shall have the right to vote for the election and removal of directors and upon such other matters with respect to which a vote of members is required under the Declaration or under the provisions of Title 5 of the General Corporation Law of Delaware.

SIXTEENTH: Reference is made to Section 145 (and any other relevant provisions) of the General Corporation Law of the State of Delaware. Particular reference is made to the class of persons (hereinafter called "Indemnitees") who may be indemnified by a corporation incorporated under the laws of the State of Delaware pursuant to the provisions of such Section 145, namely, any person (or the heirs, executors or administrators of such person) who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director, officer, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. The Corporation shall (and is hereby obligated to), indemnify the Indemnitees, and each of them (i) in each and every situation where the Corporation is obligated to make such indemnification pursuant to the aforesaid statutory provisions, and (ii) in each and every situation where, under the aforesaid statutory provision, the Corporation is not obligated, but is nevertheless permitted

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CORPORATION, INC.

or empowered, to make such indemnification, it being understood, with respect to any situation under this Clause (ii), that the Corporation shall promptly make or cause to be made, by any of the methods referred to in subsection (d) of such Section 145, a determination as to whether such Indemnitee acted in good faith and in a manner such Indemnitee reasonable believed to be in or not opposed to the best interests of the Corporation, and, in the case of any criminal action or proceeding, had no reasonable cause to believe that such Indemnitee's conduct was unlawful.

WE, THE UNDERSIGNED, for the purpose of forming a Corporation under the Laws of the State of Delaware, do make, file and record this Certificate and do declare that the facts herein stated are herein true, and that we have accordingly hereunto set our respective Hands and Seals, this

4th day of September, A.D. 1982.

[Signature]  
Witness

[Signature]  
Witness

\_\_\_\_\_  
Witness

Mary-Beth Pepper (SEAL)  
Mary-Beth Pepper

Lois Ann Bradley (SEAL)  
Lois Ann Bradley

Connie P. Dorey (SEAL)  
Connie P. Dorey

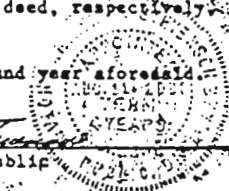
STATE OF DELAWARE :  
: ss.  
COUNTY OF SUSSEX :

BE IT REMEMBERED, that on this 4th day of September, A.D. 1982, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Mary-Beth Pepper, Lois Ann Bradley and Connie P. Dorey, all parties to the foregoing Certificate of Incorporation, known to me personally to be such, and severally acknowledged the said Certificate to be their act and deed, respectively, the facts therein stated are truly set forth.

LAW OFFICE  
TUNNELL & BAYSON  
GEORGETOWN, DEL.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

[Signature]  
Notary Public



BY-LAWS OF FOXFIRE MEADOW  
RECREATIONAL ASSOCIATION, INC.

ARTICLE I

Name of Corporation

The name of the corporation is FOXFIRE MEADOW RECREATIONAL ASSOCIATION, INC. (hereinafter referred to as the "Corporation").

ARTICLE II

Offices

The principal office of the Corporation in Delaware shall be located in Sussex County. The Corporation may have such other offices, either within or without the State of Delaware, as the directors may from time to time determine.

The Corporation shall have and continuously maintain in Delaware a registered office and a registered agent whose office is identical with such registered office, as required by the General Corporation Law of Delaware. The address of the registered office and the registered agent may be changed from time to time by the directors. The registered office may be, but need not be, identical with the principal office of the corporation in Delaware.

ARTICLE III

Members

Section 1. Membership in the Corporation.

The members of the Corporation shall be every Owner of a Lot, Living Unit or Multifamily Structure (as such terms are defined in the Declaration hereinafter described) of the property (hereinafter referred to as the "Property") subject to the provisions of a Declaration made by Murray's Enterprises, Inc. (hereinafter referred to as the "Developer") dated September 3, 1982, and recorded in the Office of the Recorder of Deeds of Sussex County, in Deed Book 1135, Page 152 through 190; provided, however, that any person or entity who holds merely a lien or security interest on an Owner's interest in a Lot, Living Unit or Multifamily Structure for the performance of an obligation shall not be a member unless and until such person or entity has succeeded to such Owner's interest by enforcement of such lien or security interest.

The Board of Directors of the Corporation may suspend any person from membership in the Corporation during any period of time when such person is in default of any of his

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one side only

**Office**

I, Glenn C.

do hereby certify

the correct copy of

Certificate of incorporation

filed in this office on September 15, 1982



Form 130

RECEIVED  
MARY ANN HAMMOND  
SEP 17 2 43 PM '82  
SUSSEX COUNTY

Glenn C. Kenyon  
Glenn C. Kenyon, Secretary of State

BY: J. Ward

DATE: September 15, 1982

*Handwritten:* Glenn C. Kenyon  
10.1.82



obligations under the Declaration (including, without limitation, the failure to pay any assessment), provided that such default has continued uncured for a period of ten (10) days after written notice thereof to such member.

Section 2. Membership Classes. There shall be the following two classes of voting membership in the Corporation:

(a) The Class A member shall be all Lot and Condominium Unit owners (with the exception of the Developer) who shall be entitled to one (1) vote for each Lot and Condominium Unit. The Class A membership shall be an expanding class and each lot or condominium unit created in the Development shall have created with it mandatory membership as a Class A member in the Association. When more than one person holds an interest in any Lot or Condominium Unit, all such persons shall be members. The vote of such Lot or Condominium Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot or Condominium Unit. Class A members shall be added to the Association in accordance with the number of Condominium Units or Lots created in the Development by the Developer upon the recording of the first deed for each such Lot or Condominium Unit from the Developer to the Owner.

(b) The Class B member shall be the Developer, and shall be entitled to a total number of votes equal to the total number of votes of all Class A members, plus one, so that the Developer will have a number of votes equal to a majority of the total votes of all members of the Association. The Class B membership shall cease and terminate at such time that the Developer owns no land in the Development, but shall, in any case, terminate on the twentieth (20th) anniversary of the date of September 3, 2002.

Section 3. Voting Rights in the Corporation.

The members of the Corporation shall have the right to vote for the election and removal of directors and upon such other matters with respect to which a vote of members is required under the Declaration or under the provisions of the General Corporation Law of Delaware.

## ARTICLE IV

### Meetings of Members

Section 1. Annual Meeting. The annual meeting of the members shall be held on the first Saturday in February of each year commencing with the \_\_\_\_\_. Such annual meetings shall be held for the purpose of such other business as may come before the meeting.

Section 2. Special Meetings. Special meetings of the members may be called by the President, the Board of Directors or, subsequent to the first annual meeting, members of the Corporation holding not less than one-fifth of the votes.

Section 3. Place of Meeting. The Board of Directors may designate any location within Sussex County, Delaware, as the place for any annual meeting or special meeting called by the Board of Directors, and the President may designate any location as the place for any special meeting called by him. If no designation is made or if a special meeting is called by the members of the Corporation, the place of meeting shall be the principal office of the Corporation within Sussex County, Delaware.

Section 4. Notice of Meetings. Written notice stating the place, day, and hour of the meeting, and in case of a special meeting, the purpose, or purposes for which the meeting is called, shall be mailed or delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President or the Secretary or the person calling the meeting, to each member of the Corporation at his address as shown on the records of the Corporation. A member may, in writing signed by him, waive notice of any meeting before or after the date of the meeting stated therein.

Section 5. Informal Action by Members. Any action required or permitted by law to be taken at a meeting of the members of the Corporation may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members of the Corporation, which consent shall be filed with the Secretary of the Corporation as part of the corporate records.

Section 6. Quorum and Manner of Acting. Members or proxies constituting one-tenth (1/10) of the total votes of each class of membership shall constitute a quorum at any meeting unless provided otherwise in the Declaration. The act of a majority of the membership, in interest, present at a meeting at which a quorum is present shall be the act of

the members, unless the act of a greater number is required by law, the Certificate of Incorporation, these By-Laws or by the Declaration.

Section 7. Conduct of Meetings. The directors may make such regulations as they deem advisable for any meeting of the members, including proof of membership in the Corporation, evidence of the right to vote and the appointment and dues of inspectors of votes. Such regulations shall be binding upon the Corporation and its members.

## ARTICLE V

### Directors

Section 1. General Powers. The affairs of the Corporation shall be managed by its directors. The directors shall be members of the corporation, and no more than one director shall be elected from each Phase or Section of Foxfire Meadow. This restriction shall not apply to the Developer, its directors, officers or agents, who may be elected to the Board regardless of whether they own a lot or unit within Foxfire Meadow, or any Phase or Section thereof.

Section 2. Number and Tenure. The number of directors shall be not less than five nor more than eight. At no time shall the number of directors exceed the number of developed phases or sections in Foxfire Meadow. At the first annual meeting the members shall elect one director for a term of one year, two directors for a term of two years and two directors for a term of three years. At each annual meeting thereafter, the members shall elect directors for a term of three years. Any vacancy occurring in the initial or any subsequent Board of Directors may be filled at any meeting of the Board of Directors by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors, or by a sole remaining director and, if not previously so filled, shall be filled at the next succeeding meeting of the members of the Corporation. Any director elected to fill a vacancy shall serve as such until the expiration of the term of the director whose position he was elected to fill. Election of directors may be conducted by mail ballot if the Board of Directors so determines.

Section 3. Annual Meetings. Annual meetings of the Board of Directors shall be held annually immediately following the annual meeting of the Members. The Board of Directors may provide by resolution the time and place for

the holding of additional regular meetings of the Board without notice.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors by giving notice thereof as provided in Section 5 of this Article V. Such persons calling a special meeting of the Board of Directors may fix any location as the place for holding such special meeting.

Section 5. Notice. When notice of any meeting of the Board of Directors is required, such notice shall be given at least three days previous to such meeting by written notice delivered personally or sent by mail to each director at his address as shown on the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited postage prepaid in the United States mail in a sealed envelope properly addressed. Any director may waive notice of any meeting before or after the time of the meeting stated therein and attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law, the Certificate of Incorporation, these By-Laws or the Declaration.

Section 6. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting without further notice.

Section 7. Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 8. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors any director may be reimbursed for his actual expenses incurred in the performance of his duties as director but nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 9. Informal Action by Directors. Any action required or permitted by law to be taken at a meeting

of directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by a majority of the directors, which consent shall be filed with the Secretary of the Corporation as part of the corporate records.

Section 10. Removal of Directors. Any director may be removed from the Board of Directors, with or without cause, by a majority vote of the members of the Corporation. The vacancy thus created by such a removal shall be filled as provided in Section 2 of this Article V.

## ARTICLE VI

### 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 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 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 Corporation. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days from infraction of published rules and regulations;

(c) exercise for the Corporation all powers, duties and authority vested in or delegated to the Corporation and not reserved to the membership by other provisions of these By-Laws, the Certificate of Incorporation, or the Declaration; and

(d) employ a manager, an independent contractor, or such other agents or 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, or any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A and Class B members who are entitled to vote;

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

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

(1) fix the amount of the monthly assessment against each Lot or Living Unit at least thirty (30) days in advance of each monthly assessment period;

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

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to 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 the issuance of these certificates. If a certificate states 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 or leased by the Corporation;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Areas to be maintained.

## ARTICLE VII

### Officers

Section 1. Officers. The officers of the Corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, and a Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person. The President shall be a

director of the Corporation. Other officers may be, but need not be, directors of the Corporation.

Section 2. Election, Term of Office and Vacancies. The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members as herein set forth in Article IV. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby.

Section 4. Powers and Duties. The officers of the Corporation shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors, except as otherwise determined by the Board of Directors. The President shall be chief executive officer of the Corporation.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of the 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.

## ARTICLE VIII

### Committees

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in the resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Corporation; provided, however, that no such committee shall have the authority of the Board of Directors as to the following matters: (a) the dissolution, merger or consolidation of the Corporation; the amendment of the Certificate of Incorporation of the Corporation; or the sale, lease or exchange of all or substantially all of the property of the Corporation; (b) the designation of any such committee or the filling of vacancies in the Board of Directors or in any such

committee; (c) the amendment or repeal of these By-Laws or the adoption of new By-Laws; and (d) the amendment or repeal of any resolution of the Board of Directors which by its terms shall not be so amendable or repealable.

Section 2. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the Corporation may be designated by a resolution adopted by a majority of directors present at a meeting of which a quorum is present. Such committees shall perform such duties and have such powers as may be provided in the resolution.

Section 3. Rules. Each committee, subject to the approval of the Board of Directors, may adopt rules for its own government not inconsistent with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

## ARTICLE IX

### Certificates of Membership, Passes, etc.

The Board of Directors may provide for the issuance of certificates, passes or other documents evidencing membership in the Corporation, which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or a Vice President and shall be sealed with the seal of the Corporation. Such certificates, passes or other documents shall be signed by the President or a Vice President, or may be in such other form as the Board of Directors shall approve. All certificates evidencing membership shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Corporation. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board of Directors may determine.

## ARTICLE X

### Books and Records

The books, records and papers of the Corporation shall at all times be subject to inspection by any member during reasonable business hours. The Declaration, the Certificate of Incorporation and the By-Laws of the Corporation shall be available for inspection and purchase by any member at the principal office of the Corporation.



## ARTICLE XI

### Proxies

Section 1. Each member entitled to vote may vote in person or by proxy at all meetings of the Corporation.

Section 2. All proxies shall be executed in writing by the member or by his duly authorized attorney-in-fact and filed with the Secretary. No proxy shall extend beyond the date of the meeting for which it is given unless such meeting is adjourned to a subsequent date and no proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Any proxy shall automatically cease upon sale by the member of his Lot or Living Unit.

## ARTICLE XII

### Construction

In the event of a conflict between the Declaration and the Certificate of Incorporation or the By-Laws, the Declaration shall control; and in the case of any conflict that the Declaration does not resolve, the Certificate of Incorporation shall control.

## ARTICLE XIII

### Assessments

As more fully provided in the Declaration, each member is obligated to pay to the Corporation 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, the assessment shall, unless waived by the Board of Directors, bear interest from the date of delinquency at the then legal rate of interest in Delaware, and the Corporation 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 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 nonuse of the Common Areas or abandonment of his Lot, Living Unit or Multifamily Structure.

ARTICLE XIV

Corporate Seal

The Association shall have a seal in circular form having within its circumference the words: Foxfire Meadow Recreational Association, Inc., Corporate Seal Delaware; 1982.

ARTICLE XV .

Amendments

These By-Laws may be altered, amended, or repealed and new By-Laws may be adopted, by the Board of Directors, or at a regular or special meeting of the members by a vote of a majority of the votes of the membership of the Corporation.

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only

INDENTURE  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOXFIRE MEADOW

THIS INDENTURE is made and executed this 3rd day of September, 1982, by MURRAY'S ENTERPRISES, INC., a Delaware corporation (hereinafter referred to as the "Developer").

W I T N E S S E T H:

WHEREAS, the Developer is the fee simple owner of certain real property located in Baltimore Hundred, Sussex County, Delaware, as described in Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Development"), and desires to develop therein a residential community together with common lands and facilities for recreational purposes for the benefit of such community; and

WHEREAS, the Developer desires to provide for the preservation of the values and amenities in said community and for the maintenance of said common lands and facilities, and to this end, desires to subject the Development to the covenants, restrictions, easements, charges and liens (hereinafter referred to collectively as the "Restrictions") as hereinafter set forth, for the benefit of the Property and each owner thereof; and

WHEREAS, the Developer has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which will be delegated and assigned the powers of maintaining and administering the community facilities, administering and enforcing the covenants and restrictions and levying, collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, the Developer has incorporated or intends to incorporate under the laws of the State of Delaware, as a non-profit membership corporation, the Foxfire Meadow Recreational Association, Inc., for the purpose of exercising the functions aforesaid; and

WHEREAS, the Developer desires that the Restrictions shall run with, burden, and bind the Development; and

WHEREAS, the Developer intends to submit a portion or portions of the Development to the provisions of the Unit Property Act, Title 25, Chapter 22 of the Delaware Code, as amended (hereinafter sometimes referred to as the "Unit Property Act"); and/or subdivide the said Development into lots for single family attached or detached dwellings, and/or intends to develop or otherwise utilize the Development for other purposes; and

WHEREAS, it is the intention of the Developer, by this Indenture, and by future amendments or supplements to this Indenture to set aside certain interests in the real estate and to impose upon certain portions of the real estate the condition that they be held as Common Areas, and Recreation Areas in which Owners in the Development will have an "in common interest" and easements of enjoyment therein, the ultimate title of which shall be placed in an Association comprised of the Owners and being a non-profit membership corporation;

LAW OFFICES  
TUNNELL & RAYSON  
GEORGETOWN, DEL.

NOW, THEREFORE, the Developer hereby declares the Development is and shall be held, transferred, sold, conveyed, occupied and used subject to the Restrictions hereinafter set forth, for and during the period of time hereinafter specified.

1135/136

**COPY**

ARTICLE I

DEFINITIONS

The following words when used in this Declaration or any Supplement hereto (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the Foxfire Meadow Recreational Association, Inc., or such similar corporation, its successors and assigns, which shall be a non-profit membership corporation with each owner mandatorily being a member of such corporation.

(b) "Common Areas" shall mean and refer to those areas of Development designated "Common Area," and shall include the real property described in Exhibit "B" attached hereto and made a part hereof. The Common Areas shall also include all land designated as "Common Areas" in any Amendment to this Indenture or submitted to the scheme of this Indenture in conjunction with any phase or subdivision of the Property being recorded by the Developer. Said areas are intended to be devoted to the common use and enjoyment of the members of the Association, as herein defined, and are not dedicated for use by the general public.

(c) "Developer" shall mean and refer to Murray's Enterprises, Inc., a Delaware corporation, and any successor.

(d) "Development" shall mean and refer to all the lands currently owned by the Developer as described in Exhibit "A" and which are encumbered by this Indenture.

(e) "Condominium Unit" shall mean and refer to any portion of a building situated upon the Development designed and intended for use and occupancy as a residence by a single family, upon the submission of the unit to the provisions of the Delaware Unit Property Act.

(f) "Lot" shall mean and refer to any unimproved plot of land intended and subdivided for a detached single family residence shown upon one the recorded subdivision maps of a portion of the Development, but shall not include the Common Areas.

(g) "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article II, Section 1 of this Declaration.

(h) "Mortgage" shall mean and refer to any mortgage, deed of trust or similar instrument granted as security for the performance of any obligation.

(i) "Condominium Building" shall mean and refer to any building containing two or more Condominium Units under one roof.

(j) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Unit in a Condominium in any Phase of the Development, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure.

(k) "Phase" shall mean and refer to any portion of the Development submitted as a separate Condominium regime under the Delaware Unit Property Act, 25 Del. C. Chapter 22.

(l) "Subdivision" shall mean and refer to any portion of the Development which is submitted by the Developer to the scheme of individual residential lots, but it shall not refer to the division of the Development into a Phase or additional Phases, whereby a portion of the Development is submitted to a separate condominium regime under the Delaware Unit Property Act, 25 Del. C. Ch. 22.

(m) "Recreation Area" shall mean and refer to those areas of the Development designated and described in Exhibit "C" attached hereto and made a part hereof. Recreation Area shall also include all lands designated as Recreation Areas in any Amendment to this Indenture or submitted as a Recreation Area, subject to this Indenture in conjunction with any Phase or Subdivision of the property being recorded by the Developer.

(n) "Recorded" means that an instrument has been duly entered of record in the Office of the Recorder of deeds at Georgetown, Sussex County, Delaware.

(o) "Recorder of Deeds" means the Recorder of Deeds in and for Sussex County, with offices located in Georgetown, Delaware.

(p) "Amendment to Indenture" means an Amendment to this Indenture supplemental or amendatory to this Indenture, entered into in accordance with the terms and conditions hereof.

## ARTICLE II

### MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot or Condominium Unit which is subject to assessment shall be a member of the Association; provided, however, that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a member, unless and until such person or entity has succeeded to such Owner's interest by enforcement of such security interest. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Condominium Unit which is subject to assessment.

Section 2. The Association shall have two (2) classes of voting membership:

(a) Class A. Class A members shall be all Lot and Condominium Unit Owners (with the exception of the Developer) and shall be entitled to one vote for each Lot or Condominium Unit owned. The Class A membership shall be an expanding class and each lot or Condominium Unit created in the Development shall have created with it mandatory membership as a Class A member in the Association. When more than one person holds an interest in any Lot or Condominium Unit, all persons shall be members. The vote for such Lot or Condominium Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot or Condominium Unit. Class A members shall be added to the Association in accordance with the number of Condominium Units or Lots created in the Development by the Developer upon the recording of the first deed for each such lot or Condominium Unit from the Developer to the Owner.

(b) Class B. The Class B member shall be the Developer, and shall be entitled to a total number of votes equal to the total number of votes of all Class A members, plus one, so that the Developer will have a number of votes equal to a majority of the total votes of all members of the Association. The Class B membership shall cease and

terminate at such time that the Developer owns no land in the Development, but shall, in any case, terminate on the twentieth (20th) anniversary of the date of this Indenture, being the 20th day of September, 2002.

#### ARTICLE III

##### PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO

Section 1. Existing Property. The real property subject to this Indenture is all that property located in Baltimore Hundred, Sussex County, Delaware, defined as the Development, as described in Exhibit "A" attached hereto and made a part hereof.

Section 2. Additions to the Development by Developer. If, while the Developer is a Class B member, the Developer, its successors and assigns, should develop additional lands contiguous to or in the proximate vicinity of the Development, such additional lands may be made subject to this Indenture at any time prior to the expiration of twenty (20) years after the date of this Indenture without the assent of the Class A members by filing for record among the Land Records of Sussex County, Delaware, an Amendment Indenture with respect to such additional lands.

Section 3. Additions to the Development by the Association. Class A members shall have no right to limit additions to the Development by the Developer during the time that the Developer is a Class B member of the Association. Class A members of the Association may, while the Developer is a Class B member, make additions to the Development, provided any such additions of land to the Development are approved by a two-thirds (2/3) vote of all Class A members and Class B members made at a meeting held in accordance with the by-laws of the Association. Such annexation shall be effectuated by filing for record among the Land Records of Sussex County, Delaware, an Amendment to Indenture with respect to such additional lands.

Section 4. Other Additions. Upon approval in writing of the Association pursuant to a vote of two-thirds (2/3) of its members as provided in its by-laws, the owner of any land who desires to add it to the scheme of this Indenture and subject it to the jurisdiction of the Association, may file for record among the Land Records of Sussex County, Delaware, a Supplementary Declaration so effecting the same.

Section 5. Effect of Annexation. In the event that any additional lands are annexed to the Development pursuant to Section 2, Section 3 or Section 4 of this Article III, (a) such additional lands shall be considered within the definition of the "Development" for all purposes of this Indenture and (b) all voting of each class of the membership of the Association and all voting by the Owners hereunder, shall be aggregated, it being intended that any voting requirements need not be fulfilled separately for the real property described in Exhibit "A" and for each tract of additional lands described in a Supplemental Declaration.

#### ARTICLE IV

##### PROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Owner's Easements of Enjoyment. Subject to the provisions of Section 3 of this Article IV, every Owner shall have a right and easement of enjoyment in and to the Common Areas as described in Exhibit "B", or any other portion of the Development submitted by the Developer as Common Areas by an Amendment to Indenture, or stated as a Common Area upon the submission of any Phase or Subdivision in the Development recorded by the Developer, or an easement of enjoyment in and to the Recreation Areas as described in Exhibit "C", or any other portion of

the Development submitted by the Developer as a Recreation Area by an Amendment to Indenture, or designated as a Recreation Area by the Developer in the submission of any Phase or Subdivision in the Development recorded by the Developer. All such easements shall be appurtenant to and shall pass with the title to every Lot and Condominium Unit subject to this Declaration.

Section 2. Title to Common Areas. The Developer shall retain the legal title to the Common Areas and Recreation Area until such time as it has completed improvements thereon and until such time as, in the opinion of the Developer, the Association shall be able to maintain the same but, notwithstanding any provision herein, the Developer hereby covenants for itself, its successors and assigns, that it shall convey the Common Areas and Recreation Areas to the Association, free and clear of all encumbrances and liens, except those created by or pursuant to this Indenture prior to the Developer ceasing to be a Class B member of the Association in accordance with Article II, Section 2(b) of this Declaration.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association, in accordance with its Certificate of Incorporation and by-laws, to borrow money for the purpose of improving the Common Areas and Recreation Area and in aid thereof to mortgage Common Areas and Recreation Area and the rights of such mortgagee in the Common Areas and Recreation Area shall be subordinate to the rights of the Owners hereunder, provided, however, that no such borrowing or mortgaging shall be made unless approved by the vote of two-thirds of the Class A membership, and two-thirds of the Class B membership, if any, at a meeting duly called for such purpose, in accordance with the by-laws of the Association;

(b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosure;

(c) The right of the Association, as provided in its Certificate of Incorporation and by-laws, to suspend the enjoyment rights of any member in the Recreation Area for any period during which any assessment remains unpaid, and for any period as a penalty for infractions of its published rules and regulations;

(d) The right of the Association to charge reasonable admission and other fees for the use of the Recreation Area;

(e) The right of the Association to dedicate or transfer all or any part of its interests in the Common Areas (subject to the easement created in Article VI, Section 2) to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members, provided that no such dedication or transfer, or determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by members entitled to cast two-thirds (2/3) of the votes of the Class A membership, and two-thirds (2/3) of the votes of the Class B membership, if any, has been recorded, agreeing to such dedication, transfer, purpose or condition, and that the vote of such members taken at a meeting of the members are in accordance with the by-laws of the Association;

(f) The right of the Developer prior to the conveyance of the Common Areas and Recreation Area to the Association, and of the Association, to grant and reserve easements and rights-of-way through, under, over and across the Common Areas and Recreation Area, for the installation,

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maintenance and inspection of the lines and appurtenances for public or private water, sewer, drainage, gas, electricity, telephone, and other utilities; and

(g) The right of the Association to adopt rules and regulations governing the use by the Owners of the Common Areas and Recreation Area.

Section 4. Delegation of Use. Any Owner may delegate his rights of enjoyment to the Common Areas and facilities to the members of his family, tenants, or contract purchasers (and members of the family of any tenant or contract purchaser) who reside on or in any Lot or Condominium Unit or to such other persons as may be permitted by the Association.

Section 5. Obligations of the Association. The Association (a) shall operate and maintain, for the use and benefit of all members of the Association, all Common Areas and Recreation Areas and facilities and improvements developed thereon and (b) shall maintain, mow the grass on, and replace all dead or destroyed original landscaping on, all Common Areas and Recreation Areas.

Section 6. Recreation Area Easement. Every Class A member of the Association and every Lot Owner or Condominium Unit Owner of lands made subject to this Indenture shall have an easement over and across the Common Areas in order to gain access to that portion of the Common Areas which is a Recreation Area and each such owner shall have the right and easement of enjoyment in and to that portion of the Common Areas which is a Recreation Area, subject to compliance with any Rules and Regulations regarding the use of the Recreation Area. Such easements shall be appurtenant to and shall pass with the title to every Lot or Condominium Unit in the lands subject to this Declaration. Any such owner may delegate his right of access to, and enjoyment of, the Recreation Area to the members of his family, tenants or contract purchasers (and members of the family of any tenant or contract purchaser) who reside on such property or to such other persons as may be permitted by the Association.

#### ARTICLE V

##### COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Developer, for itself and its successors and assigns, and for each Lot or Condominium Unit within the Development, hereby covenants and each Owner of any Lot or Condominium Unit by acceptance of a deed or other transfer document therefor, whether or not it shall be so expressed in such deed or other transfer document, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements and operating, repair and replacement reserve funds, such assessments to be fixed, established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to the Owner's successors in title (other than as a lien on the land) unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the Development and in particular for the improvement and maintenance of the Common



Areas located in the Development, and for services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement, and additions thereto, for the cost of labor, equipment, materials, management and supervision thereof, and for operating reserve funds and reserve funds for repair and replacement of the Common Areas and the facilities thereon.

Section 3. Basis and Maximum of Monthly Assessments.

(a) An initial payment, in addition to all assessments, of Seventy-five Dollars (\$75) for each Lot and Condominium Unit shall be payable by the Owner at the closing of the sale of each Lot or Condominium Unit. Commencing with the conveyance of the first Lot or Condominium Unit from the Developer to an Owner and until changed by the Board of Directors as herein provided, the monthly assessment imposed upon each member of the Association shall be at the rate of Ten Dollars (\$10) per Lot or Condominium Unit owned by such member. The monthly assessment may be increased as hereinafter provided in Section 4 of this Article V.

(b) The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the monthly assessment for any year in an amount below the monthly assessment set forth in Section 3(a), as the same may be increased pursuant to Section 4 of this Article V, and may provide for the payment of such assessment on an annual basis, rather than in monthly installments, if the amount of such annual assessment does not exceed Three Hundred Dollars (\$300), provided that it shall be an affirmative obligation of the Association and its Board of Directors to fix such assessments at an amount sufficient to maintain and operate the Common Areas, Recreation Areas and facilities and to provide reserves for the operating, repair and replacement of the Common Areas, Recreation Areas and facilities.

Section 4. Change in Maximum of Monthly Assessments. The Board of Directors of the Association may, without a vote of the members of the Association, prospectively increase the maximum of the monthly assessments [fixed by Section 3(a) hereof] to an amount which is the greater of (1) twenty-five percent (25%) above the monthly assessments for the previous December or (2) the monthly assessment fees stated in Section 3(a) of this Article V. The Association may prospectively increase the maximum of the assessments above the amount permitted pursuant to the preceding sentence, provided that any such change shall have the assent of a majority of the members of the Association and the vote to change assessments is taken at a meeting held in accordance with the by-laws of the Association.

Section 5. Special Assessments for Capital Improvements and Operating Reserves. In addition to the monthly assessments authorized by Section 3 of this Article V, the Association may levy in any assessment year a special assessment (which must be fixed at one uniform rate for each Lot or Condominium Unit) applicable to that year only, for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto, and for operating the Common Areas and Recreation Area, for which a reserve fund does not exist or is not adequate, provided that any such assessment shall have the assent of fifty percent (50%) of members who are voting in person or by proxy at a meeting duly called for this purpose in accordance with the by-laws of the Association.

Section 6. Date of Commencement of Assessments; Due Dates. The monthly assessments as to any Lot or Condominium Unit shall commence on the conveyance of such Lot or Condominium Unit from the Developer to an Owner and shall be due and payable thereafter on the first day of each

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calendar month thereafter unless the assessments are required by the Board of Directors to be paid annually; in such event they shall be due and payable thirty (30) days after the assessment date or, in the event of a special assessment, the same is due and payable thirty (30) days after the special assessment.

Section 7. Duties of the Board of Directors. In the event of any change in the monthly assessment as set forth herein, the Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot or Condominium Unit for each assessment period at least thirty (30) days in advance of such date or period and shall at that time, prepare a roster of the Lots and Condominium Units and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid, or the amount of any unpaid assessment. A reasonable charge may be made by the Association for the issuance of such certificate. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Non-Payment of Assessment. The Personal Obligation of the Owner; The Lien; Remedies of Association. If any assessment is not paid on the date when due (as specified in Sections 6 and 7 hereof), then such assessment shall be deemed delinquent and shall, together with such interest thereon and cost of collection thereof as are hereinafter provided, continue as a lien on the Lot or Condominium Unit which shall bind such Lot or Condominium Unit in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns. In addition to such lien rights, the personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation and shall not pass to his successors in title (other than as a lien on the land) unless expressly assumed by them. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date it is due at the Delaware interest rate on judgments per annum, and the Association may bring legal action against the Owner personally obligated to pay the same or may enforce or foreclose the lien against the property; and in the event a judgment is obtained, such judgment shall include interest on the assessments above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action. No Owner of a Lot or Condominium Unit may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Areas, Recreation Area, or abandonment of his or its Lot or Condominium Unit.

Section 9. Subordination of the Lien to First Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage on the Lot or Condominium Unit. Sale or transfer of any Lot or Condominium Unit shall not affect the assessment lien. However, the sale or transfer of any Lot or Condominium Unit by foreclosure of any first mortgage on the Lot or Condominium Unit or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot or Condominium Unit from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. The following properties subject to this Declaration shall be exempt from the assessments, charge and lien created herein: (a) all properties dedicated to and accepted by a governmental body, agency or authority, and devoted to public use;

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(b) all Common Areas; (c) Recreation Area; and (d) all Lots or Condominium Units owned by the developer and not leased by the Developer to third persons.

ARTICLE VI

PROTECTIVE COVENANTS

Section 1. Utility Easements. The Developer, for itself and its successors and assigns, hereby creates easements over, under, in, on and through the Development for the installation, construction, reconstruction, relocation, removal, maintenance, repair, operation, and inspection of sewer, water, drainage, electric, gas, television, telephone and cable telephone and television facilities and the wires, lines, conduits and other necessary and proper attachments in connection therewith, for the benefit of the adjoining land owners, the Developer, any Federal, State or local authority, commission, or agency having jurisdiction thereover and any corporation, either public, quasi-public or private, supplying or servicing such facilities.

Section 2. Easement of Access. Every Owner shall have an easement over and across the Common Elements of any Phase of the Development in order to gain access to the Common Areas, and such easement shall be appurtenant to and shall pass with the title to every Condominium Unit. Any Owner may delegate his right of access to the Common Areas to the members of his family, tenants, or contract purchasers (and members of the family of any tenant or contract purchaser) who reside on the property or to such other persons as may be permitted by the Association.

ARTICLE VII

SUPPLEMENTAL INDENTURES AND AMENDMENTS  
TO THIS INDENTURE BY THE DEVELOPER

Section 1. Supplements to this Indenture not requiring the consent of the Owners. Subject to the conditions and the restrictions of this Indenture, the Developer may, without the consent or or notice to any of the Owners, enter into any supplement to this Indenture or Amendment to Indenture, which shall thereafter form a part of this Indenture for any one or more of the following purposes:

(a) To add additional Common Areas or Recreation Areas from the Development to the scheme of this Indenture to convey, grant, assign, transfer and confirm to the Association all Common Areas and Recreation Areas which are made and constituted as Common Areas and Recreation Areas by this original Indenture, or by any supplement or Amendment to Indenture.

(b) Record any Phase or Subdivision of lands, which are part of the Development; provided, however, that such recorded Phase or Subdivision does not infringe or encroach upon any land that is made subject to the designation as a Common Area or Recreation Area, pursuant to this Indenture or any supplement or Amendment to Indenture.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Duration and Amendment. The Restrictions of this Indenture run with and bind the Development, and shall inure to the benefit of and be enforceable by the Developer, the Association, or the Owner of any Lot or Condominium Unit subject to this Indenture, their

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respective legal representatives, heirs, successors and assigns in perpetuity, unless an instrument signed by members holding not less than two-thirds (2/3) of the votes of the membership has been recorded, agreeing to terminate or change said Restrictions in whole or in part; provided, however, that no such agreement to terminate or change shall be effective unless the vote of two-thirds (2/3) of members is taken at a meeting of the members held in accordance with the by-laws. Provided, however, the right of future development or Amendment to Indenture reserved to the Developer by Article VII shall not require the vote of the Owners.

Section 2. Remedies. The Association, Developer, or any Owner, shall have the right to enforce the Restrictions by any proceeding at law or in equity, against any person or persons violating or attempting to violate any Restriction, to restrain violation, to require specific performance and/or to recover damages; and against the land to enforce any lien created by these Restrictions. The expense of enforcement by the Association or Developer, including costs and reasonable attorneys' fees, shall be chargeable to the Owner of the Lot or Condominium Unit violating these Restrictions and shall constitute a lien on the Lot or Condominium Unit collectible in the same manner as assessments hereunder.

Section 3. Notices. Any notice required to be sent to any member or Owner under the provisions of this instrument shall be deemed to have been properly sent when mailed, postpaid, to the address of the person as such appears on his Deed of record in the Office of the Recorder of Deeds at the time of such mailing.

Section 4. Assignability. Developer, its successors and assigns, shall at all times have the right to fully transfer and assign any or all of its rights and powers under this Indenture, subject to Developer's obligations hereunder.

Section 5. Non-Waiver. The failure of the Developer, the Association, or any Owner, or their respective legal representatives, heirs, successors and assigns, to enforce any Restriction contained in this Declaration shall in no event be considered a waiver of the right to do so thereafter, as to the same violation or breach or as to such violation or breach occurring prior or subsequent thereto.

Section 6. Construction and Interpretation. The Developer and the Association, to the extent specifically provided herein, may adopt and promulgate reasonable rules and regulations regarding the administration, interpretation and enforcement of the provisions of this Indenture. In so adopting and promulgating such rules and regulations, and in making any finding, determination, ruling or order or in carrying out any directive contained herein relating to the issuance of permits, authorizations, approvals, rules or regulations, the Developer and the Association shall take into consideration the best interests of the Owners to the end that the Development shall be preserved and maintained as a high quality community.

Section 7. Severability. All of the covenants, conditions, restrictions and reservations contained in this Indenture are hereby declared to be severable and a finding by any court of competent jurisdiction that any of them or any clause or phrase thereof, is void, unlawful or unenforceable shall not affect the validity or enforceability of any other covenant, condition, restriction, reservation, clause or phrase thereof.

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IN WITNESS WHEREOF, MURRAY'S ENTERPRISES, INC. has caused this instrument to be executed by William O. Murray, its

President, and its corporate seal to be hereunto affixed on the day and year first above written.

MURRAY'S ENTERPRISES, INC.

By William O. Murray  
President

Attest [Signature]  
Secretary

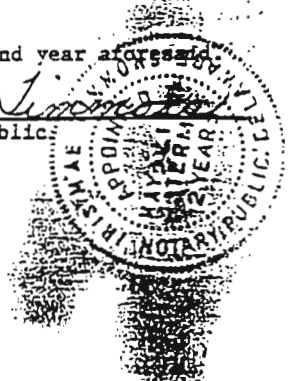


STATE OF DELAWARE :  
: ss.  
COUNTY OF SUSSEX :

BE IT REMEMBERED, That on this 3rd day of September, A.D. 1982, personally came before me, The Subscriber, a Notary Public for the State and County aforesaid, WILLIAM O. MURRAY, President of MURRAY'S ENTERPRISES, INC., a corporation of the State of Delaware, party to this Indenture, known to me personally to be such, and acknowledged this Indenture to be his act and Deed, and the act and the Deed of the said corporation; that the signature of the President is in his own proper handwriting; that the seal affixed is the common and corporate seal of the said corporation duly affixed by its authority; and that the act of signing, sealing, acknowledging and delivering the said Indenture was first duly authorized by resolution of the Board of Directors of the said corporation.

GIVEN under my Hand and Seal of office, the day and year aforesaid.

[Signature]  
Notary Public



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EXHIBIT ATRACT NO. 1:

ALL that certain tract, piece or parcel of land situate, lying and being in Baltimore Hundred, Sussex County and State of Delaware, and lying on the Southerly side of County Road No. 368, being more particularly described as follows, to wit: BEGINNING at a point located in the Southerly right-of-way line of County Road No. 368 and lands now or formerly of Stephen C. Evans, South 08 degrees 00 minutes 10 seconds East 1,695.64 feet to a point in line of lands now or formerly of Tunnell Heirs; thence turning and running with the line of lands now or formerly of Tunnell Heirs South 89 degrees 39 minutes 05 seconds East 598.19 feet to a field stone; thence turning and running North 24 degrees 55 minutes 40 seconds East along and in part with a ditch 1,067.97 feet to a point of intersection of ditches; thence turning and running along and with a ditch North 33 degrees 38 minutes 25 seconds West 796.69 feet to a point; thence turning and running South 70 degrees 18 minutes 35 seconds West 205.50 feet to a point; thence turning and running North 29 degrees 32 minutes 40 seconds West 320.00 feet to a point in the Southerly right-of-way line of County Road No. 368; thence by and with the Southerly right-of-way line of County Road No. 368, the two (2) following courses and distances: South 71 degrees 22 minutes 15 seconds West 405.09 feet to a point; thence continuing with the Southerly right-of-way line of said road in a Westerly direction and a curve of the said road an arc distance of 111.98 feet to the point and place of beginning, containing 36.685 acres of land, be the same more or less, as surveyed by William J. Mann, Registered Surveyor, April 20, 1973.

TRACT NO. 2:

ALL that certain piece, parcel or tract of land, lying and being situated in what is known as "Muddy Neck", Baltimore Hundred, County of Sussex and State of Delaware, lying on the South side of the County Road #368 leading from Muddy Neck School House to the Parker Road, bounded and described as follows, to-wit: BEGINNING at a point on the Southerly right-of-way line of County Road #368, said County Road #368 being 50 feet in width, said point being placed on the dividing line of the lands herein being conveyed and lands now or formerly of Cedar Neck Development Co.; thence by and with the dividing line of the lands herein being conveyed and lands now or formerly of Cedar Neck Development Co. South 08 degrees 00 minutes 10 seconds East for a distance of 1696.16 feet to an iron axle, said axle being placed on the dividing line of the lands herein being conveyed and lands now of formerly of Del. Com Corp. of Delaware; thence by and with the dividing line of the lands herein being conveyed and lands now or formerly of Del. Com Corp. of Delaware in part and lands now or formerly of Allen C. Layton in part North 88 degrees 17 minutes 05 seconds West for a distance of 879.02 feet to an iron axle, said iron axle being a corner for lands now or formerly of Allen C. Layton and lands of Sussex County; thence by and with the dividing line of the lands herein being conveyed and lands of Sussex County and lands now or formerly of Green Acres Subdivision the following seven (7) courses and distances: (1) North 81 degrees 08 minutes 30 seconds West for a distance of 165.09 feet to a concrete monument; (2) thence North 14 degrees 53 minutes 15 seconds East for a distance of 115.65 feet to an iron pipe; (3) thence North 64 degrees 45 minutes 45 seconds West for a distance of 89.92 feet to a concrete monument; (4) thence North 18 degrees 10 minutes 15 seconds East for a distance of 327.31 feet to a

SCHEDULE "B"  
COMMON AREAS &  
ROADS

Beginning at a point on the southerly right-of-way line of County Road No. 368 at 50' wide, located approximately 610' from the intersection of County Roads No. 368 and 361.

Thence, from said point of beginning, along a line 3'<sup>±</sup> from the edge of paving of various roads, the 24 following described courses and distances:

Along the east side of Foxfire Drive:

- 1.) By a junction curve to the left having a radius of 27.00' an arc distance of 20.29' to a point of reverse curvature;
- 2.) By a curve to the right having a radius of 435.00', an arc distance of 196.54' to a point;
- 3.) S10-29-00W, 95.00' to a junction curve with Foxfire Drive East;
- 4.) By said junction curve to left having a radius of 17.00', an arc distance of 25.81' to a point of tangency;

Along the north side of Foxfire Drive East:

- 5.) S76-07-45E, 103.84' to a point of curvature;
- 6.) By a curve to the right having a radius of 205.00', an arc distance of 154.48' to a point of reverse curvature of a junction curve with the north side of Heather Court;

Along the north side of Heather Court:

- 7.) By said junction curve to the left having a radius of 17.00' an arc distance of 26.91' to a point of tangency;
- 8.) N56-21-35E, 252.19' to a point of curvature;
- 9.) By a curve to the right having a radius of 210.00', an arc distance of 100.27' to a point;
- 10.) By a radial line, S6-16-53E, 30.00' to a point on the south side of Heather Court;

Along the south side of Heather Court:

- 11.) By a curve to the left having a radius of 180.00', an arc distance of 85.95' to a point of tangency;
- 12.) S56-21-35W, 262.42' to a junction curve with the east side of Foxfire Drive East;
- 13.) By said junction curve to the left having a radius of 17.00' an arc distance of 21.52' to a point of reverse curvature;

Along the east side of Foxfire Drive East:

- 14.) By a curve to the right having a radius of 205.00', an arc distance of 247.01' to a point of reverse curvature;
- 15.) By a curve to the left having a radius of 205.00', an arc distance of 216.17' to a point intersecting the north line of a 150' wide Delmarva Power and Light Easement;
- 16.) Along said easement line, N81-39-40W, 31.03' to a point on a curve on the west side of Foxfire Drive East;

Along the west and south sides of Foxfire Drive East:

- 17.) By a curve to the right having a radius of 235.00', an arc distance of 239.31' to a point of reverse curvature;
- 18.) By a curve to the left having a radius of 175.00', an arc distance of 394.01' to a point of tangency;
- 19.) N76-07-45W, 103.84' to a point of curvature of a junction curve with the east side of Foxfire Drive;
- 20.) By said junction curve to left having a radius of 17.00', an arc distance of 25.81' to point;
- 21.) By a radial line, N73-06-26W, 30.00' to a point on the west side of Foxfire Drive;

Along the west side of Foxfire Drive:

- 22.) By a curve to the left having a radius of 625.00', an arc distance of 31.58' to a point of compound curvature of a junction curve;
- 23.) By said junction curve to the left having a radius of 37.00', an arc distance of 55.72' to a point intersecting the southerly right-of-way line of County Road No. 368, said point also being a point on a curve;
- 24.) By said curve to the left and in an east direction having a radius of 803.42', an arc distance of 94.13' to the point and place of beginning.

Containing within said described metes and bounds 1.156<sup>±</sup> Acres.

BEING ALSO all of the common areas and roads shown on the Plot prepared by Mann Associates, Inc., dated August 27, 1982, and filed in the Office of the Recorder of Deeds, at Georgetown, Delaware, in Plot Book 26, page 301.



EXHIBIT C

RECREATIONAL LANDS

BEGINNING at a point on the north side of 150' wide Delmarva Power and Light Easement and distant 285.87' from the intersection of said easement line with the west line of lands of Loretta Hassel to the east of said point; thence from said point of beginning, along said easement line, North 81° 39' 40" West 544.47' to a common corner with lands of Sussex County (Pumping Station); thence along lines of said lands, North 08° 20' 20" East 40.00' and North 81° 39' 40" West 123.06' to a point on the east side of Foxfire Drive East, distant 3'± from the edge of paving; thence leaving said lands of Sussex County and continuing along said Foxfire Drive East at said 3'± distance, by a curve to the right, having a radius of 205.00', an arc distance of 175.47' to a point of reverse curvature of a curve having a radius of 205.00'; thence by said curve to the left an arc distance of 14.28' to a point; thence leaving said Foxfire Drive East, South 81° 39' 40" East 599.65' and South 08° 20' 20" West 210.40' to the point and place of beginning, containing within said described metes and bounds 3.038 acres of land, be the same, more or less.

Being the recreational lands shown on the Plot prepared by Mann Associates, Inc., dated August 27, 1982, and filed for record in the Office of the Recorder of Deeds, at Georgetown, Delaware, in Plot Book 26, page 301.

RECEIVED  
MARY ANN HAMMOND

SEP 3 3 55 PM '82

SUSSEX COUNTY

IBS 744 PURCHASERS REPORT MADE  
DAY OF Sept 1982  
ASSESSMENT DIVISION OF SUSSEX COUNTY

LAW OFFICES  
TUNNELL & RAYSON  
GEORGETOWN, DEL.