

**AMENDMENT TO DECLARATION OF RIGHTS,
EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE
OBLIGATIONS AND RESTRICTIONS APPLICABLE TO
NORTH EAST ISLES, TOWN OF NORTH EAST,
CECIL COUNTY, MARYLAND**

THIS AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND (this "Amendment") is made by the undersigned Association, Declarant, Noticed Mortgagees and Members (as such terms are defined in the Declaration).

WHEREAS, by Declaration of Rights, Easements, Covenants, Conditions, Affirmative Obligations and Restrictions Applicable To North East Isles, Town of North East, Cecil County, Maryland dated August 27, 1992 by North East Isles Associates, a Pennsylvania limited partnership, and recorded among the Land Records of Cecil County, Maryland in **Liber NDS 399, folio 88** (the "Declaration"), the Declarant (as defined in the Declaration) imposed certain covenants, conditions and restrictions upon certain Properties (as defined and described in the Declaration) situate in Cecil County, Maryland; and

WHEREAS, the undersigned, representing (i) Members representing not less than seventy percent (70%) of the votes of all of the Members of the Association (as defined in the Declaration), (ii) Noticed Mortgagees holding first mortgage liens on Lots (as defined in the Declaration and as redefined in this Amendment) representing not less than sixty-seven (67%) of the total votes of all of the Members of the Association, and (iii) Declarant, at the request of the Declarant, have agreed to amend the Declaration as set forth herein.

NOW, THEREFORE, the Declaration is hereby amended and modified as follows:

1. The recitals set forth above are an integral part of this Amendment, and are not merely prefatory.
2. Article I, Section 1.4 of the Declaration is hereby amended by inserting "and any amendments thereto" to the end thereof.
3. Article I, Section 1.5 of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

Section 1.5. "Assessable Lot" shall mean and refer to (a) each Lot or Dwelling Unit which has been conveyed to an Owner who is not the Declarant; (b) each Lot or Dwelling Unit which is owned by the Declarant and upon which a Dwelling Unit has been completed, from and after the date of the lease of such Lot or Dwelling Unit to an Occupant; and (c) a Dwelling Unit in the Residential Condominium Regime.

4. Article I, Section 1.11 of the Declaration is hereby amended by deleting the last sentence thereof in its entirety and inserting the following in lieu thereof:

The Common Area shall not include the Marina Condominium Area, the Marina, any of the Lots, any Dwelling Unit, or the general common elements or limited common elements of the Residential Condominium Regime.

5. Article I, Section 1.15 of the Declaration is hereby amended by inserting "but shall not mean the declaration or by-laws of the Residential Condominium Regime or any amendments thereto" to the end thereof.

6. Article I, Section 1.16 of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

Section 1.16. "Dwelling Unit" shall mean any portion of a structure or an entire structure intended for occupancy as a residence for a Single Family and which is situated on a Lot or a portion of a Lot. The term "Dwelling Unit" may include, without limitation (a) a townhouse; (b) a twinhome (which shall be one (1) of two (2) Dwelling Units attached together vertically but detached from all other Dwelling Units); (c) a detached house; and (d) a condominium unit in the Residential Condominium Regime.

7. Article I, Section 1.24 of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

Section 1.24. "Lot" shall mean and refer to any numbered or otherwise designated plot of ground shown upon the last recorded final subdivision plat of the Properties, or of any portion of the Properties (excluding any plat of condominium subdivision of the Residential Condominium Regime), which is intended as a site for construction of one or more Dwelling Units and, where appropriate, shall include any Dwelling Unit or Dwelling Units and all other Improvements thereon erected; except that the term "Lot" shall not refer to any portion or the whole of the (a) Common Area; (b) Limited Common Area; (c) Marina Condominium Area; (d) Dwelling Units within the Residential Condominium Regime; (e) common elements (both general and limited) of the Residential Condominium Regime; or (f) areas dedicated to and accepted by any state or local public authority.

8. Article I, Section 1.38 of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

Section 1.38. "Properties" shall mean and refer to the real property described in Exhibit "Properties" to this Declaration, as also shown and described on the plat entitled "Modification to the Confirmatory Plat of North East Isles as Recorded in the Land

Records of Cecil County in P.C. 261-422 et seq.," dated February 7, 1996 and consisting of eleven (11) pages (the "Modification to the Confirmatory Plat"), which Modification to the Confirmatory Plat was recorded among the Land Records of Cecil County, Maryland on March 21, 1996 in P.C. No. 585, folio 14, et seq., together with such additional real property, which may include the Additional Land or any part thereof, as and when such additional real property hereafter becomes subject to the provisions of this Declaration pursuant to the provisions of Article II of this Declaration. The Properties do not include the Marina Condominium Area or the Marina, but do include the land subjected to the Residential Condominium Regime.

9. Article I of the Declaration is hereby amended by inserting the following:

Section 1.38.1. "Residential Condominium Regime" shall mean and refer to the residential condominium regime established or to be established pursuant to the provisions of Title 11, Real Property Article, Annotated Code of Maryland, (the "Maryland Condominium Act") by the Declarant upon a portion of the Properties pursuant to a condominium plat, declaration and by-laws establishing North East Isles Condominium, and any amendments or supplements thereto. The Residential Condominium Regime, and the Dwelling Units established pursuant thereto, shall be subject and subordinate to the covenants, conditions and restrictions of this Declaration.

10. Article III, Section 3.2(a) of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

(a) Qualifications. Each Owner (including Declarant) shall be a Member of the Association and shall be entitled to one membership for each Dwelling Unit owned. Ownership of a Dwelling Unit shall be the sole qualification for membership in the Association.

11. Article III,, Section 3.2(c) of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

(c) Transfer of Membership. Membership in the Association shall be appurtenant to the Dwelling Unit giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon the transfer of title to said Dwelling Unit and then only to the transferee of legal title to such Dwelling Unit. Any attempt to make a prohibited transfer of membership shall be void. Any transfer of title to a Dwelling Unit shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

12. Article III, Section 3.2(d)(ii)(D) of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

(D) Except as otherwise limited by a supplement to this Declaration as heretofore provided in this Article III, each Class B Member shall have the number of votes equal to three (3) times the total number of the sum of Lots and Dwelling Units within the Residential Condominium Regime owned by Declarant.

13. Article III, Section 3.2(d)(ii)(F)(3) of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

(3) on December 31, 2003.

14. Article III, Section 3.3(c)(iv) and (v) of the Declaration are hereby amended by inserting the following sentence to the end thereof:

The provisions of this subsection does not apply to the portion of the Properties subjected to the Residential Condominium Regime.

15. Article III, Section 3.3(c)(xiii) of the Declaration is hereby amended by deleting the word "Lots" and inserting "Assessable Lots" in lieu thereof.

16. Article III, Section 3.3(c) of the Declaration is hereby amended by inserting the following:

"(xv) Insurance. To obtain, maintain, and pay for as an expense of the Association, insurance policies and bonds as required pursuant to Article X of this Declaration, and such other insurance which the Association shall deem to be appropriate for the protection or benefit of the Association, the members of the Board, the members of the Architectural Committee, Owners, their tenants or guests.

17. Article III, Section 3.4(g) of the Declaration is hereby amended by deleting it in its entirety.

18. Article III, Section 3.4 of the Declaration is hereby amended by inserting the following:

"(t) Agreements with Council of Unit Owners of Residential Condominium Regime. Upon approval by a majority vote of the Board, to enter into agreements with and acceptance of delegation of authority from the council of unit owners of the Residential Condominium Regime, including, but not limited to, agreements to provide maintenance, repair and replacement of the general and limited common elements thereof and to collect assessments due by owners of Dwelling Units subjected to the Residential Condominium Regime.

19. Article V, Section 5.2(a) of the Declaration is hereby amended by deleting the word "Lot" and inserting "Dwelling Unit" in lieu thereof.

20. Article V, Section 5.2(b) of the Declaration is hereby amended by adding the phrase "or Dwelling Unit" after the word "Lot" therein.

21. Article V, Section 5.3(f) of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

(f) The right of the Association to charge Members reasonable fees to defray the costs of cleaning, overtime, lifeguards, utilities, trash removal, and the like, for the use of recreational areas and facilities within the Common Areas or any Limited Common Areas; provided, however, no Member, except for a Member who is in default of the payment of any of the assessments set forth in Article VII of this Declaration, may be charged any fees to use, during normal hours of use established from time to time by the Board, any of the recreational areas and facilities, it being the intent that the cost to operate, maintain, repair and replace such recreational areas and facilities be paid for from the proceeds of General Assessments.

22. Article V, Sections 5.4 and 5.5 of the Declaration are hereby amended by deleting the word "Lot" and inserting the words "Dwelling Unit" in lieu thereof.

23. Article VI, Section 6.1 of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

Section 6.1 Creation of the Lien and Personal Obligation of Assessments.

(a) Declarant, for the Properties and all portions thereof, including each Assessable Lot within the Properties, hereby covenants, and each Owner of any Assessable Lot within the Properties by acceptance of a Deed therefor, whether or not it shall be so expressed in such Deed, is deemed to covenant and agree, for each Assessable Lot within the Properties, and any Improvements owned, to pay to the Association: (1) General Assessments, (2) Exterior Maintenance Assessments, and (3) Special Assessments; provided, however, Exterior Maintenance Assessments shall not be applicable to Dwelling Units subject to the Residential Condominium Regime. Such assessments shall be established, made and collected as hereinafter provided. General Assessments shall be uniform for all types of Dwelling Units on Assessable Lots. Exterior Maintenance Assessments need not be uniform for all types (detached houses, townhouses, and twinhomes) of Dwelling Units on Assessable Lots and may differ among types (detached houses, townhouses, and twinhomes) of Dwelling Units on Assessable Lots and, as to townhouse Dwelling Units, between

interior townhouse Dwelling Units and end (or exterior) townhouse Dwelling Units; provided, however, Exterior Maintenance Assessments shall not be applicable to Dwelling Units subject to the Residential Condominium Regime. Special Assessments (except Restoration Assessments) shall be uniform for all types of Dwelling Units on Assessable Lots;

(b) The General, Exterior Maintenance, and Special Assessments, together with late fees, interest thereon, costs of collection thereof, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Assessable Lot against which each such assessment is made; provided, however, Exterior Maintenance Assessments shall not be applicable to Dwelling Units subject to the Residential Condominium Regime.

(c) Each such assessment, together with such late fees, interest, costs and reasonable attorneys' fees, shall also be the personal obligation of each person, firm or entity who was an Owner of such Assessable Lot at the time when such assessment became due and payable. In the event of a voluntary conveyance of an Assessable Lot, the grantee of such Assessable Lot shall be jointly and severally liable with the grantor of such Lot for any unpaid assessments and other charges, without regard for the right of the grantee to recover from the grantor the amounts paid by grantee for such assessments and charges.

24. Article VI, Section 6.3 of the Declaration is hereby amended by deleting the word "Assessments" and inserting the word "assessments" in lieu thereof.

25. Article VI, Section 6.5(b) of the Declaration is hereby amended by inserting the following sentence at the end thereof:

Exterior Maintenance Assessments shall not be applicable to Dwelling Units subject to the Residential Condominium Regime.

26. Article VI, Section 6.6(b) of the Declaration is hereby amended by deleting the phrase "Lot or Dwelling Unit" and inserting "Assessable Lot" in lieu thereof.

27. Article VI, Section 6.7(a)(ii) of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

(ii) Assessable Lots which are owned by Declarant and upon which Dwelling Units have been completed, but which are not leased to an Occupant, shall be assessed at ten percent (10%) of the rate otherwise provided for Assessable Lots in Sections 6.4 and 6.5 of this Declaration; provided, however, when an Assessable Lot is subjected to the Residential Condominium Regime, the Assessable Lot shall be assessed at

one hundred percent (100%) of the rate otherwise provided for Assessable Lots in Sections 6.4 and 6.5 of this Declaration.

28. Article VI, Section 6.8(c) of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

"The Declarant shall collect and deliver to the Board initial working capital for the Association by collecting from the first purchasers of Units from the Declarant an amount equal to three (3) months of initial General Assessments.

29. Article VI, Section 6.9 (a) of the Declaration is hereby amended by deleting the phrase "Lot or Dwelling Unit" and inserting "Assessable Lot" in lieu thereof.

30. Article VI, Sections 6.9(b)(ii) and (c) of the Declaration are hereby amended by deleting the word "Lot" and inserting "Assessable Lot" in lieu thereof.

31. Article VI, Section 6.10(b) of the Declaration is hereby amended by adding the phrase "and common elements (both general and limited) of the portions of the Properties subjected to the Residential Condominium Regime" to the end thereof.

32. Article VII, Sections 7.1(a) and 7.1(b) of the Declaration are hereby amended by deleting the word "Lot" and inserting "Dwelling Unit" in lieu thereof.

33. Article VII, Section 7.11 of the Declaration is hereby amended by deleting it in its entirety and inserting the following in lieu thereof:

Section 7.11. Amended or Additional Easements.
Declarant, until the earlier of (i) conveyance by the Declarant of eighty percent (80%) of the Lots owned by the Declarant or (ii) December 31, 2003, and the Association thereafter, may amend the easements created in this Article VII, relocate such easements or grant additional easements, as necessary, during or after the construction of the Dwelling Units and other Improvements on the Property without the joinder of any Owner, his mortgagee or other interested party in order to accomplish the objectives of such easements as described herein and the rights of any such Owner, mortgagee or other interested party thereafter shall be under and subject to such easements as amended, relocated or newly created.

34. Article IX of the Declaration is hereby amended by inserting the following:

9.9 Dwelling Units in Residential Condominium Regime.
The provisions of Article IX, Sections 9.1 through and including 9.8, are not applicable to Dwelling Units that are subject to the Residential Condominium Regime.

35. Article X, Section 10.1(b) of the Declaration is hereby amended by deleting "Five Million Dollars (\$5,000,000.00)" and inserting "One Million Dollars (\$1,000,000.00)" in lieu thereof.

36. Article XI, Sections 11.1(a) and 11.5 of the Declaration are hereby amended by deleting the word "Lot" and inserting "Dwelling Unit" in lieu thereof.

37. Article XII, Section 12.1(i) of the Declaration is hereby amended by inserting "or Dwelling Unit" after the word "Lots" therein.

38. Article XIII, Section 13.1 of the Declaration is hereby amended by adding the following sentence to the end thereof:

In any action to enforce the provisions of this Declaration, the prevailing party shall be entitled to recover all costs of such action, including, but not limited, attorney's fees as amended by the court.

39. Article XIII, Sections 13.3 and 13.5 of the Declaration are hereby amended by deleting the word "Lots" and inserting "Assessable Lots" in lieu thereof.

40. Article XIII, Section 13.4(b) of the Declaration is hereby amended by deleting "five (5)" and inserting "ten (10)" in lieu thereof.

41. Article XIII, Sections 13.8(b) and 13.10(a)(ii) of the Declaration are hereby amended by deleting the word "Lot" and inserting "Dwelling Unit" in lieu thereof.

42. Except as amended or modified by this Amendment, the terms, covenants and conditions of the Declaration are hereby consented to, ratified and confirmed, and shall remain in full force and effect. Wherever there may be a conflict between the provisions of the Declaration and this Amendment, the provisions of this Amendment shall prevail.

WITNESS the hands and seals of the undersigned the day and year set forth under their signatures.

WITNESS:

**NORTH EAST ISLES HOMEOWNERS
ASSOCIATION, INC.**

Name Printed: _____,
Secretary

By: _____(SEAL)
Name Printed: _____
Title: _____

Date: _____, 1996
Association

[SIGNATURES CONTINUED]

[SIGNATURES CONTINUED]

WITNESS:

NORTH EAST ISLES ASSOCIATES

By: PFG Capital Corporation, a Pennsylvania corporation, General Partner

By: _____ (SEAL)

Name Printed: _____

Title: _____

Date: _____, 1996

Declarant and Class B Member pursuant to Ownership of Lots 1 through 51, 60 through 64, and 74 through 97 as shown on the Modification to the Confirmatory Plat

THE COLUMBIA BANK, Beneficiary pursuant to a certain Deed of Trust dated June 6, 1994 and recorded in Liber 496, Folio 929 among the Land Records of Cecil County, Maryland

By: _____ (SEAL)

Name Printed: _____

Title: _____

Date: _____, 1996

Noticed Mortgagee

FIRST NATIONAL BANK OF NORTH EAST, Mortgagee pursuant to a certain Mortgage dated September 23, 1991 and Financing Statement and recorded in Liber NDS 355, Folio 001 and Liber NDS 354, folio 973, respectively, among the Land Records of Cecil County, Maryland

By: _____ (SEAL)

Name Printed: _____

Title: _____

Date: _____, 1996

Noticed Mortgagee

[SIGNATURES CONTINUED]

[SIGNATURES CONTINUED]

WITNESS:

PFG CAPITAL CORPORATION, Mortgagee pursuant to a certain Mortgage dated September 20, 1991 and Financing Statement and recorded in Liber NDS 355, Folio 040 and NDS 354, folio 979, respectively, and recorded among the Land Records of Cecil County, Maryland

By: _____ (SEAL)
Name Printed: _____
Title: _____

Date: _____, 1996
Noticed Mortgagee

DOUGLAS R. CAIN, as Assignee by Assignment dated July 26, 1993 and recorded among the Land Records of Cecil County, Maryland in Liber NDS 448, folio 596, of Mortgage to Consolidated Management Corporation, Mortgagee pursuant to a certain Mortgage dated November 11, 1992 and recorded in Liber NDS 411, Folio 467 and recorded among the Land Records of Cecil County, Maryland

By: _____ (SEAL)
Douglas R. Cain

Date: _____, 1996
Noticed Mortgagee

[SIGNATURES CONTINUED]

[SIGNATURES CONTINUED]

WITNESS:

COUNTY BANKING AND TRUST COMPANY,
Beneficiary pursuant to a certain Deed of
Trust dated August 8, 1990 and recorded in
Liber NDS 316, Folio 850 among the Land
Records of Cecil County, Maryland, as
amended by Amendments dated
September 20, 1991 and recorded among the
Land Records aforesaid in Liber NDS 354,
folio 987 and Liber NDS 355, folio 578

By: _____ (SEAL)
Name Printed: _____
Title: _____

Date: _____, 1996
Noticed Mortgagee

**EASTERN STATES CONSTRUCTION
COMPANY,** Mortgagee pursuant to a certain
Mortgage dated November 11, 1992 and
recorded in Liber NDS 411, Folio 484 among
the Land Records of Cecil County, Maryland

By: _____ (SEAL)
Name Printed: _____
Title: _____

Date: _____, 1996
Noticed Mortgagee

HARRY M. NESS, for the Benefit and On
Behalf of the Debenture Holders pursuant to
a certain Debenture Mortgage dated _____
_____, and recorded in Liber NDS _____,
Folio _____ among the Land Records of Cecil
County, Maryland,

By: _____ (SEAL)
Harry M. Ness

Date: _____, 1996
Noticed Mortgagee

[SIGNATURES CONTINUED]

[SIGNATURES CONTINUED]

WITNESS:

_____(SEAL)
Name Printed: _____

Date: _____, 1996
**Class A Member pursuant to Ownership of
Lot __ as shown on the Modification to the
Confirmatory Plat**

_____(SEAL)
Name Printed: _____

Date: _____, 1996
**Class A Member pursuant to Ownership of
Lot __ as shown on the Modification to the
Confirmatory Plat**

_____(SEAL)
Name Printed: _____

Date: _____, 1996
**Class A Member pursuant to Ownership of
Lot __ as shown on the Modification to the
Confirmatory Plat**

_____(SEAL)
Name Printed: _____

Date: _____, 1996
**Class A Member pursuant to Ownership of
Lot __ as shown on the Modification to the
Confirmatory Plat**

[SIGNATURES CONTINUED]

[SIGNATURES CONTINUED]

WITNESS:

_____(SEAL)
Name Printed: _____

Date: _____, 1996
**Class A Member pursuant to Ownership of
Lot __ as shown on the Modification to the
Confirmatory Plat**

_____(SEAL)
Name Printed: _____

Date: _____, 1996
**Class A Member pursuant to Ownership of
Lot __ as shown on the Modification to the
Confirmatory Plat**

_____(SEAL)
Name Printed: _____

Date: _____, 1996
**Class A Member pursuant to Ownership of
Lot __ as shown on the Modification to the
Confirmatory Plat**

_____(SEAL)
Name Printed: _____

Date: _____, 1996
**Class A Member pursuant to Ownership of
Lot __ as shown on the Modification to the
Confirmatory Plat**

[SIGNATURES CONTINUED]

[SIGNATURES CONTINUED]

WITNESS:

_____(SEAL)
Name Printed: _____

Date: _____, 1996
Class A Member pursuant to Ownership of
Lot __ as shown on the Modification to the
Confirmatory Plat

_____(SEAL)
Name Printed: _____

Date: _____, 1996
Class A Member pursuant to Ownership of
Lot __ as shown on the Modification to the
Confirmatory Plat

I HEREBY CERTIFY that I am the duly appointed Secretary of North East Isles Homeowners Association, Inc., and as Secretary, I am responsible for notifying Members of the Association and Noticed Mortgagees. I caused to be delivered written notice of a special meeting of the Association to be held on _____, 1996 to consider this proposed Amendment, and that a special meeting of the Association was held on _____, 1996. A quorum of the Association was present at the meeting in person or by proxy, and that at such meeting, the foregoing Amendment was approved, as required by Article XIII, Section 13.4(a) of the Declaration, by (i) Members representing not less than seventy percent (70%) of the votes of all of the Members of the Association, (ii) Noticed Mortgagees holding first mortgage liens on Lots representing not less than sixty-seven (67%) of the total votes of all of the Members of the Association, and (iii) Declarant, all as confirmed by their signatures hereto.

WITNESS:

Name Printed: _____
President, North East Isles
Homeowners Association, Inc.

_____(SEAL)
Name Printed: _____
Secretary

Date: _____, 1996

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the ____ day of _____, 1996, before me, the subscriber, a Notary Public of the State aforesaid, personally appeared _____, and made oath or affirmation in due form of law that the matters and facts set forth in the foregoing Certification of the **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** are true.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public
My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the ____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared _____, who acknowledged himself/herself to be the President of **NORTH EAST ISLES HOMEOWNERS ASSOCIATION, INC.**, a Maryland corporation, and that he/she, as the President of **NORTH EAST ISLES HOMEOWNERS ASSOCIATION, INC.**, being authorized to do so, executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes contained in the document, by signing the name of the corporation by himself/herself as President.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public
My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of _____, personally appeared _____, who acknowledged himself/herself to be the _____ of **PFG CAPITAL CORPORATION**, a Pennsylvania corporation, general partner of **NORTH EAST ISLES ASSOCIATES**, a Pennsylvania limited partnership, and that he/she, as _____ of **PFG CAPITAL CORPORATION**, being authorized to do so, executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes contained in the document, by signing the name of **PFG CAPITAL CORPORATION** as general partner of **NORTH EAST ISLES ASSOCIATES** by himself/herself as _____.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the ___ day of _____, 1996, before me, the subscriber, a Notary Public of the State aforesaid, personally appeared _____, who acknowledged himself/herself to be the _____ of **THE COLUMBIA BANK**, and that he/she, being authorized to do so, executed the foregoing **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes contained in that instrument for **THE COLUMBIA BANK**, by signing as _____.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the ___ day of _____, 1996, before me, the subscriber, a Notary Public of the State aforesaid, personally appeared _____, who acknowledged himself/herself to be the _____ of **FIRST NATIONAL BANK OF NORTH EAST**, and that he/she, being authorized to do so, executed the foregoing **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes contained in that instrument for **FIRST NATIONAL BANK OF NORTH EAST**, by signing as _____.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State aforesaid, personally appeared _____, who acknowledged himself/herself to be the _____ of **PFG CAPITAL CORPORATION**, a Pennsylvania corporation, and that he/she, as the _____ of **PFG CAPITAL CORPORATION**, being authorized to do so, executed the foregoing **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes contained in the document, by signing the name of the corporation by himself/herself as _____.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State aforesaid, personally appeared **DOUGLAS R. CAIN**, and that he, being authorized to do so, executed the foregoing **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes contained in the document.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the ____ day of _____, 1996, before me, the subscriber, a Notary Public of the State aforesaid, personally appeared _____, who acknowledged himself/herself to be the _____ of **EASTERN STATES CONSTRUCTION COMPANY**, and that he/she, being authorized to do so, executed the foregoing instrument for the purposes contained in the **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for **EASTERN STATES CONSTRUCTION COMPANY**, by signing as _____.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires:_____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the ____ day of _____, 1996, before me, the subscriber, a Notary Public of the State aforesaid, personally appeared HARRY M. NESS, who acknowledged himself to be the Mortgagee, and that he, being authorized to do so, executed the foregoing **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes contained in that instrument for the benefit and on behalf of the Debenture Holders.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires:_____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing document, and acknowledged that he/she executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes stated in the document.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing document, and acknowledged that he/she executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes stated in the document.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing document, and acknowledged that he/she executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes stated in the document.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing document, and acknowledged that he/she executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes stated in the document.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing document, and acknowledged that he/she executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes stated in the document.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing document, and acknowledged that he/she executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes stated in the document.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing document, and acknowledged that he/she executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes stated in the document.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing document, and acknowledged that he/she executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes stated in the document.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing document, and acknowledged that he/she executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes stated in the document.

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

[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

STATE OF _____)
) to wit:
CITY/COUNTY OF _____)

I HEREBY CERTIFY that on the _____ day of _____, 1996, before me, the subscriber, a Notary Public of the State of aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing document, and acknowledged that he/she executed this **AMENDMENT TO DECLARATION OF RIGHTS, EASEMENTS, COVENANTS, CONDITIONS, AFFIRMATIVE OBLIGATIONS AND RESTRICTIONS APPLICABLE TO NORTH EAST ISLES, TOWN OF NORTH EAST, CECIL COUNTY, MARYLAND** for the purposes stated in the document.

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

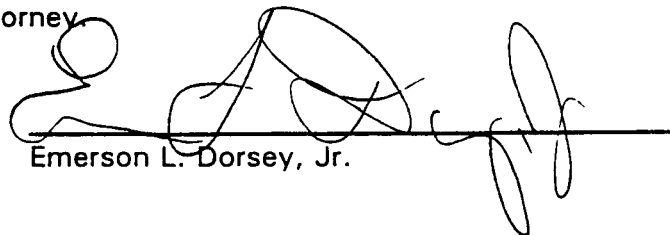
[NOTARY SEAL]

Notary Public

Printed Name of Notary Public

My Commission Expires: _____

I HEREBY CERTIFY that the foregoing instrument was prepared by or under the supervision of the undersigned Maryland attorney.



Emerson L. Dorsey, Jr.

AFTER RECORDING, RETURN TO:
Emerson L. Dorsey, Jr., Esquire
Weinberg & Green LLC
100 South Charles Street
Baltimore, Maryland 21201-2773