

354 471

DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS AND
MAINTENANCE OBLIGATIONS

THIS DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS AND MAINTENANCE OBLIGATIONS (the "Declaration") is made this 17th day of September, 1991, by NORTH EAST ISLES ASSOCIATES, a Pennsylvania limited partnership (the "Declarant").

R E C I T A L S:

Recital A. Declarant is the fee simple owner of certain real property located in the Town of North East, Cecil County, Maryland, more particularly described in Exhibit "A" attached hereto and made a part hereof by reference (sometimes referred to as the "Conservation Area");

Recital B. Declarant is in receipt of a valid wetlands license (No. 88-356) issued by the State of Maryland, Board of Public Works (the "License"), to undertake certain activities in or affecting designated State Wetlands on an area of land adjacent to the Conservation Area that is to be developed as a residential and marina project known as North East Isles, such land being more particularly described in Exhibit "B" attached hereto and made a part hereof by reference (sometimes referred to as the "Development Area");

Recital C. Special Condition "G" of the License requires dedication of the Conservation Area to the North East Isles Homeowners Association, a non-profit Maryland corporation (the "HOA"), with the imposition of such covenants, restrictions and maintenance obligations as necessary to assure perpetual protection of the Conservation Area;

Recital D. Declarant also desires to provide for the preservation of the Conservation Area; and to this end, desires to subject the Conservation Area to the covenants, restrictions and affirmative obligations hereinafter set forth, each and all of which are for the benefit of the Conservation Area and in aid of a uniform scheme of preservation of the Conservation Area and plan for development of the Development Area;

Recital E. The Declarant will establish a Twenty-Five Thousand Dollar (\$25,000.00) Conservation endowment fund on behalf of the HOA (the "Conservation Endowment"), that shall be held by the HOA in a separate interest bearing account for purposes of funding the HOA's "Maintenance Obligations" (defined in Paragraph 11 below);

354 472

Recital F. It is the intention of the Declarant that all the provisions of this Declaration shall run with the land and shall be binding upon its successors and assigns.

NOW, THEREFORE, in consideration of the covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Declarant hereby declares that the Conservation Area shall be subject to the following covenants, conditions, restrictions and maintenance obligations:

1. The foregoing Recitals to this Declaration are all hereby incorporated herein and made part of this Declaration to the same extent as if herein set forth in full; provided, however, said Recitals shall not be deemed to modify the express provisions hereinafter set forth.
2. The Conservation Area shall remain in its natural state and no residential, commercial or other development shall be allowed on the Conservation Area.
3. Displays, billboards, signs or advertisements within the Conservation Area are prohibited.
4. Dumping of soil, trash, ashes, garbage, waste, abandoned vehicles, appliances, or machinery, or other materials within the Conservation Area is prohibited, except such soil placement as may be reasonably necessary, in the exercise of the Maintenance Obligations, in order to stabilize or repair erosive damage.
5. Excavation, dredging, mining and removal of loam, gravel, soil, rock, sand, coal, petroleum and other materials from the Conservation Area is prohibited, except in exercise of the Maintenance Obligations to prevent erosion or flooding.
6. Removal of timber or plants from the Conservation Area is prohibited.
7. Diking, draining, filling or removal of wetlands within the Conservation Area is prohibited.
8. Except in the exercise of the Maintenance Obligations, active uses or activities including, without limitation, hunting, fishing, hiking, sport or recreation activities, are prohibited within the Conservation Area.
9. No building, facility or other structure shall be constructed within the Conservation Area, except fencing as may be reasonably necessary, in the exercise of the Maintenance Obligations, in order to stabilize soil or prevent access.
10. All rights not prohibited herein shall be exercised to prevent or to minimize damage to water quality, air quality, land/soil stability, wildlife, woodland, scenic and cultural

values, and the natural topography and open-space character of the Conservation Area.

11. All current and future owners of the Conservation Area shall take reasonable efforts to prevent active uses or activities upon the Conservation Area and shall be required to inspect the Conservation Area at least quarterly (four times per twelve month period) for purposes of removing any trash or debris from the Conservation Area hereafter deposited and for purposes of taking such reasonable actions as are necessary to prevent soil erosion, sedimentation, or other environmental threats to the ecological integrity of the Conservation Area (collectively, the "Maintenance Obligations"). Notwithstanding anything contained herein to the contrary, the current and future owners of the Conservation Area shall not be obligated to expend funds on Maintenance Obligations that exceed the then existing balance of funds in the Conservation Endowment and, except in the case of willful breach of the restrictions or protective covenants contained in this Declaration, the liability of such current or future owners, under this Declaration, shall be limited to the then existing balance of funds in the Conservation Endowment.

12. The Conservation Area may only be transferred or leased to the HOA or a "qualified organization" within the meaning of Section 170(h)(3) of the Internal Revenue Code ("Code") or the comparable provision in any subsequent revision of the Code, and shall be held in perpetuity exclusively for "conservation purposes", as defined in Section 170(h)(4)(A) of the Code or the comparable provision in any subsequent revision of the Code, and for the purposes set forth herein. The Conservation Endowment fund balance, if any, shall be transferred to any future fee grantee of the Conservation Area.

13. Nothing contained in this Declaration shall give or grant to the public a right to enter upon or use the Conservation Area or any portion thereof.

14. The provisions of this Declaration do not replace, abrogate or otherwise set aside any local, state or federal laws, requirements or restrictions applicable to the Property.

{SIGNATURE PAGE FOLLOWS}

354,474

IN WITNESS WHEREOF, the undersigned have executed this Declaration the day and year first above written.

WITNESS:

DECLARANT:

NORTH EAST ISLES ASSOCIATES,
a Pennsylvania limited partnership

By: PFG CAPITAL CORPORATION,
General Partner

David U. August
ASSISTANT SECRETARY

By: John C. M'Henry
(~~Vice~~) President)

By: AUGUSTINE PROPERTIES, INC.,
General Partner

Suzanne L. Jones

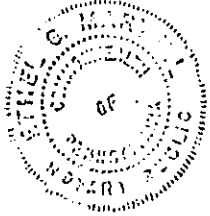
By: Elizabeth J. [Signature]
(Vice) President)

354 475

STATE OF Pennsylvania)
COUNTY OF York) ss:

On this, the 18th day of September, 1991,
before me, the undersigned officer, personally appeared John
McGreevy, known to me (or satisfactorily proven) to be the person
whose name is subscribed to the within instrument, and acknowledged
that she executed the same for the purposes therein contained.

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



Ethel G. Martell (SEAL)

Notarial Seal
Ethel G. Martell, Notary Public
Springettsbury Twp., York County
My Commission Expires May 1, 1995

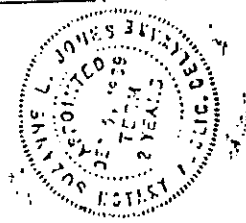
354 476

STATE OF DELAWARE)
) ss:
COUNTY OF NEW CASTLE)

On this, the 17th day of SEPTEMBER, 1991, before me, the undersigned officer, personally appeared Edward J. Swift, Jr., known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that she executed the same for the purposes therein contained.

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

Suzanne L. Jones (SEAL)
EXPIRATION 12/05/91



RECEIVED FOR RECORD
& RECORDED
91 SEP 17 PM 1:47
DECL. COUNTY RD
PER RELEASE D. STUBBS
CLERM

REC FEE 27.00
POSTAGE .50
ALYCE TOTL 27.50
CASH 30.00
113413:37SEP.17H91 CHNG 2.50
LINE 05

North East Isles Associates
c/o Augustine Properties
42 Read's Way
New Castle, DE 19702



354 477

Christiana Corporate Center
100 Commerce Drive
Suite 112
Newark, DE 19713-2879
(302) 731-9176

Baltimore Area
(301) 539-3640

Fax Number
(302) 731-7807

EXHIBIT "A"

(CONSERVATION AREA)

DESCRIPTION

Environmental Conservation Area, North East Isles, Town of North East, Cecil County, Maryland.

ALL THAT CERTAIN piece, parcel or tract of land known as the Environmental Conservation Area, North East Isles, located in the Town of North East, Cecil County, Maryland, according to a plan entitled "Confirmatory Plat, North East Isles," recorded in the Office of the Recorder of Deeds in and for Cecil County in Plat Book Page and more particularly described as follows:

BEGINNING for the same at a point, said point being located the following 7 courses and distances from the Northeast corner of North East Isles said point being located on the southerly side of Maryland Route 7,

- 1) S 68° 37' 50" W, 87.53 to a Point;
- 2) S 46° 09' 29" W, 300.00' to a Point;
- 3) S 59° 28' 31" W, 390.53' to a Point;
- 4) S 01° 54' 58" W, 17.30' to a Point;
- 5) S 04° 31' 02" E, 31.81' to a Point;
- 6) S 32° 52' 58" W, 10.74' to a Point; and
- 7) S 46° 52' 58" W, 60.65' to the Point of Beginning,

REC FEE	52.00	
ALYCE	TOTL	52.00
114913:50SEP.17H04	CASH	52.00
LINE 03		

THENCE, from said point at Beginning and with lands N/F the following 37 courses and distances:

- 1) S 37° 15' 58" W, 42.86' to a Point;
- 2) S 07° 31' 58" W, 39.87' to a Point;

KCI TECHNOLOGIES, INC.
ENGINEERS and PLANNERS



354' 478

Page 2

- 3) S 02° 32' 58" W, 8.82 to a Point;
- 4) S 14° 57' 02" E, 42.75' to a Point;
- 5) S 45° 26' 02" E, 19.55' to a Point;
- 6) S 89° 08' 02" E, 49.96' to a Point;
- 7) S 22° 18' 02" E, 36.38' to a Point;
- 8) S 16° 21' 02" E, 35.31' to a Point;
- 9) S 07° 05' 02" E, 26.86' to a Point;
- 10) S 04° 50' 02" E, 69.56' to a Point;
- 11) S 15° 48' 02" E, 38.00' to a Point;
- 12) S 25° 36' 02" E, 37.04' to a Point;
- 13) S 30° 12' 58" W, 28.98' to a Point;
- 14) S 19° 26' 02" E, 33.05' to a Point;
- 15) S 10° 54' 02" E, 59.40' to a Point;
- 16) S 16° 49' 02" E, 43.67' to a Point;
- 17) S 51° 03' 02" E, 24.63' to a Point;
- 18) S 65° 07' 02" E, 36.44' to a Point;
- 19) N 72° 52' 58" E, 11.49' to a Point;
- 20) S 86° 19' 02" E, 33.12' to a Point;
- 21) N 84° 20' 58" E, 47.32' to a Point;

Page 3

- 22) S 56° 10' 02" E, 33.64' to a Point;
- 23) S 55° 03' 02" E, 31.25' to a Point;
- 24) S 63° 05' 02" E, 56.46' to a Point;
- 25) S 73° 53' 02" E, 48.02' to a Point;
- 26) S 80° 08' 02" E, 54.13' to a Point;
- 27) S 63° 18' 02" E, 40.51' to a Point;
- 28) S 40° 30' 02" E, 65.01' to a Point;
- 29) S 34° 57' 02" E, 90.28' to a Point;
- 30) S 38° 08' 02" E, 174.24' to a Point;
- 31) S 58° 50' 02" E, 93.84' to a Point;
- 32) S 77° 29' 02" E, 104.50' to a Point;
- 33) S 73° 56' 02" E, 100.00' to a Point;
- 34) S 48° 59' 02" E, 101.00' to a Point;
- 35) S 32° 28' 02" E, 93.00' to a Point;
- 36) S 13° 38' 02" E, 102.00' to a Point;
- 37) S 01° 05' 58" W, 117.34' to a Point on the Northerly side of the Northeast River.

THENCE, with same, the following 10 courses and distances;

- 1) S 72° 38' 58" W, 145.00' to a Point;



354 480

Page 4

- 2) S 59° 38' 58" W, 247.80' to a Point;
- 3) S 59° 38' 58" W, 52.20' to a Point;
- 4) S 47° 38' 58" W, 400.00' to a Point;
- 5) S 21° 38' 58" W, 350.00' to a Point;
- 6) N 80° 21' 02" W, 100.00' to a Point;
- 7) N 11° 27' 02" W, 300.00' to a Point;
- 8) N 64° 15' 19" W, 199.99' to a Point;
- 9) N 85° 36' 02" W, 600.00' to a Point;
- 10) S 70° 38' 58" W, 64.88' to a corner for open space,

THENCE, thereby, N 36° 12' 50" W, 110.81' to a corner for Lot 51.

THENCE, thereby, and also with Lots 1-50 the following courses and distances:

- 1) N 53° 47' 10" E, 28.00' to a Point;
- 2) N 36° 12' 50" W, 5.00' to a Point;
- 3) N 53° 47' 10" E, 40.00' to a Point;
- 4) S 36° 12' 50" E, 5.00' to a Point;
- 5) N 53° 47' 10" E, 40.00' to a Point;
- 6) S 36° 12' 50" E, 8.00' to a Point;
- 7) N 53° 47' 10" E, 40.00' to a Point;

Page 5

- 8) N 36° 12' 50" W, 5.00' to a Point;
- 9) N 53° 47' 10" E, 28.00' to a Point;
- 10) N 18° 17' 04" E, 28.17' to a Point;
- 11) N 37° 07' 50" E, 30.00' to a Point;
- 12) N 52° 52' 10" W, 4.00' to a Point;
- 13) N 37° 07' 50" E, 40.00' to a Point;
- 14) N 52° 52' 10" W, 8.00' to a Point;
- 15) N 37° 07' 50" E, 40.00' to a Point;
- 16) S 52° 52' 10" E, 8.00' to a Point;
- 17) N 37° 07' 50" E, 40.00' to a Point;
- 18) N 52° 52' 10" W, 5.00' to a Point;
- 19) N 37° 07' 50" E, 28.00' to a Point;
- 20) N 46° 20' 36" W, 22.98' to a Point;
- 21) N 74° 42' 53" E, 50.00' to a Point;
- 22) N 15° 17' 07" W, 5.00' to a Point;
- 23) N 74° 42' 53" E, 30.00' to a Point;
- 24) S 24° 45' 34" E, 5.55' to a Point;
- 25) S 65° 17' 00" E, 30.00' to a Point;



354 482

Page 6

- 26) S 24° 43' 00" W, 5.00' to a Point;
- 27) S 65° 17' 00" E, 20.00' to a Point;
- 28) N 24° 43' 00" E, 4.00' to a Point;
- 29) S 65° 17' 00" E, 20.00' to a Point;
- 30) N 24° 43' 00" E, 4.00' to a Point;
- 31) S 65° 17' 00" E, 50.00' to a Point;
- 32) S 24° 43' 00" W, 5.00' to a Point;
- 33) S 65° 17' 00" E, 28.00' to a Point;
- 34) S 24° 43' 00" W, 5.00' to a Point;
- 35) S 65° 17' 00" E, 40.00' to a Point;
- 36) N 24° 43' 00" E, 8.00' to a Point;
- 37) S 65° 17' 00" E, 40.00' to a Point;
- 38) S 24° 43' 00" W, 4.00' to a Point;
- 39) S 65° 17' 00" E, 40.00' to a Point;
- 40) N 24° 43' 00" E, 5.00' to a Point;
- 41) S 65° 17' 00" E, 30.00' to a Point;
- 42) N 54° 35' 36" E, 102.21' to a Point;
- 43) N 19° 02' 50" E, 50.00' to a Point;
- 44) N 70° 57' 10" W, 4.00' to a Point;

Page 7

- 45) N 19° 02' 50" E, 40.00' to a Point;
- 46) S 70° 57' 10" E, 8.00' to a Point;
- 47) N 19° 02' 50" E, 40.00' to a Point;
- 48) N 70° 57' 10" W, 5.00' to a Point;
- 49) N 19° 02' 50" E, 28.00' to a Point;
- 50) By a curve to the left having a radius of 415.00' an arc distance of 367.56' to a Point;
- 51) N 25° 51' 02" W, 399.14' to a corner for Open Space;

THENCE, thereby, the following courses and distances:

- 1) N 67° 40' 58" W, 57.37' to a Point;
- 2) By a curve to the left having a radius of 405.00', an arc distance of 184.96' to a Point;
- 3) N 07° 58' 58" E, 100.00' to a Point;
- 4) By a curve to the right having a radius of 205.00', an arc distance of 93.62' to a Point;
- 5) N 34° 08' 59" E, 100.00' to a Point;
- 6) By a curve to the right having a radius of 240.00' an arc distance of 106.08' to a Point, and
- 7) N 63° 26' 37" E, 17.62' to the Point and Place of Beginning containing therein 33.68± Ac of land.



354 484

Christiana Corporate Center
100 Commerce Drive
Suite 112
Newark, DE 19713-2879
(302) 731-9176

Baltimore Area
(301) 539-3640

Fax Number
(302) 731-7807

EXHIBIT "B"

(DEVELOPMENT AREA)

DESCRIPTION

28.19± Ac Parcel of Land located on the South side of Maryland Route 7, known as North East Isles, Town of North East, Cecil County, Maryland.

ALL THAT CERTAIN piece, parcel or tract of land located on the southerly side of Maryland Route 7 known as North East Isles, situated in the town of North East, Cecil County, Maryland, according to a plan entitled "Confirmatory Plat, North East Isles", recorded in the Office of the Recorder of Deeds in and for Cecil County in Plat Book _____ Pages _____, and more particularly described as follows:

BEGINNING for the same at a point, said point being the Northwestern corner of this parcel and being located on the southerly side of Maryland Route 7,

THENCE, from said point of beginning and along the southerly side of Maryland Route 7 N 86° 00' 58" E 250.00' to a corner for lands N/F

THENCE, thereby the following 7 courses and distances;

- 1) S 68° 37' 50" W, 87.53' to a Point;
- 2) S 46° 09' 29" W, 300.00' to a Point;
- 3) S 59° 28' 31" W, 390.53' to a Point;
- 4) S 01° 54' 58" W, 17.30' to a Point;
- 5) S 04° 31' 02" E, 31.81' to a Point;
- 6) S 32° 52' 58" W, 10.74' to a Point;

KCI TECHNOLOGIES, INC.
ENGINEERS and PLANNERS



354 485

Page 2.

- 7) S $46^{\circ} 52' 58''$ W, 60.65' to a Corner for the Environmental Conservation Area;

THENCE, thereby the following 7 Courses and Distances:

- 1) S $63^{\circ} 26' 37''$ W, 17.62' to a Point;
- 2) By a curve to the left, having a radius of 240.00', an arc distance of 106.08' to a point;
- 3) S $34^{\circ} 08' 59''$ W 100.00' to a point;
- 4) By a curve to the left, having a radius of 205.00' an arc distance of 93.62' to a point;
- 5) S $07^{\circ} 58' 58''$ W, 100.00' to a point;
- 6) By a curve to the right having a radius of 405.00', an arc distance of 184.96' to a point; and,
- 7) S $67^{\circ} 40' 58''$ E, 57.37' to a corner for Lot 1,

THENCE, thereby, and also with Lots 2-51, the following 51 courses and distances;

- 1) S $25^{\circ} 51' 02''$ E, 399.14' to a point;
- 2) By a curve to the right having a radius of 415.00', an arc distance of 367.56' to a point;
- 3) S $19^{\circ} 02' 50''$ W, 28.00' to a point;
- 4) S $70^{\circ} 57' 10''$ E, 5.00' to a point;
- 5) S $19^{\circ} 02' 50''$ W, 40.00' to a point;
- 6) N $70^{\circ} 57' 10''$ W, 8.00' to a point;



354 488

Page 3.

- 7) S 19° 02' 50" W, 40.00' to a point;
- 8) S 70° 57' 10" E, 4.00' to a point;
- 9) S 19° 02' 50" W, 50.00' to a point;
- 10) S 54° 35' 36" W, 102.21' to a point;
- 11) N 65° 17' 00" W, 30.00' to a point;
- 12) S 24° 43' 00" W, 5.00' to a point;
- 13) N 65° 17' 00" W, 40.00' to a point;
- 14) N 24° 43' 00" E, 4.00' to a point;
- 15) N 65° 17' 00" W, 40.00' to a point;
- 16) S 24° 43' 00" W, 8.00' to a point;
- 17) N 65° 17' 00" W, 40.00' to a point;
- 18) N 24° 43' 00" E, 5.00' to a point;
- 19) N 65° 17' 00" W, 28.00' to a point;
- 20) N 24° 43' 00" E, 5.00' to a point;
- 21) N 65° 17' 00" W, 50.00' to a point;
- 22) S 24° 43' 00" W, 4.00' to a point;
- 23) N 65° 17' 00" W, 20.00' to a point;
- 24) S 24° 43' 00" W, 4.00' to a point;
- 25) N 65° 17' 00" W, 20.00' to a point;



354 487

Page 4.

- 26) N 24° 43' 00" E, 5.00' to a point;
- 27) N 65° 17' 00" W, 30.00' to a point;
- 28) N 24° 45' 32" W, 5.55' to a point;
- 29) S 74° 42' 53" W, 30.00' to a point;
- 30) S 15° 17' 07" E, 5.00' to a point;
- 31) S 74° 42' 53" W, 50.00' to a point;
- 32) S 46° 20' 36" E, 22.98' to a point;
- 33) S 37° 07' 50" W, 28.00' to a point;
- 34) S 52° 52' 10" E, 5.00' to a point;
- 35) S 37° 07' 50" W, 40.00' to a point;
- 36) N 52° 52' 10" W, 8.00' to a point;
- 37) S 37° 07' 50" W, 40.00' to a point;
- 38) S 52° 52' 10" E, 8.00' to a point;
- 39) S 37° 07' 50" W, 40.00' to a point;
- 40) S 52° 52' 10" E, 4.00' to a point;
- 41) S 37° 07' 50" W, 30.00' to a point;
- 42) S 18° 17' 04" W, 28.17' to a point;
- 43) S 53° 47' 10" W, 28.00' to a point;
- 44) S 36° 12' 50" E, 5.00' to a point;



354 488

Page 5.

- 45) S 53° 47' 10" W, 40.00' to a point;
- 46) N 36° 12' 50" W, 8.00' to a point;
- 47) S 53° 47' 10" W, 40.00' to a point;
- 48) N 36° 12' 50" W, 5.00' to a point;
- 49) S 53° 47' 10" W, 40.00' to a point;
- 50) S 36° 12' 50" E, 5.00' to a point;
- 51) S 53° 47' 10" W, 28.00' to a corner for open space;

THENCE thereby, S 36° 12' 50" E, 110.81' to a point on the Northerly side of the Northeast River;

THENCE, thereby the following 10 Courses and Distances;

- 1) S 70° 38' 58" W, 135.12' to a point;
- 2) N 80° 21' 02" W, 300.00' to a Point;
- 3) S 10° 38' 58" W, 110.00' to a Point;
- 4) N 30° 01' 02" W, 65.00' to a Point;
- 5) S 79° 58' 58" W, 115.00' to a Point;
- 6) S 81° 38' 58" W, 50.00' to a Point;
- 7) N 62° 51' 02" W, 50.00' to a Point;
- 8) S 77° 23' 58" W, 171.00' to a Point;
- 9) S 72° 08' 58" W, 150.00' to a Point;



354 489

Page 6.

- 10) N 51° 21' 02" W, 27.51' to a Point on the Southeasterly side of land N/F of the Penn Central Railroad;

THENCE, thereby, the following courses and distances:

- 1) N 38° 38' 58" E, 407.77' to a Point;
- 2) N 40° 45' 20" E, 281.10' to a Point;
- 3) By a curve to the left having a radius of 3092.39' an arc distance of 976.49' to a Point;
- 4) S 34° 08' 58" W, 722.00, to a Point;
- 5) N 31° 57' 58" E, 186.32' to a Point;
- 6) N 38° 39' 19" E, 124.58' to a Point;
- 7) S 58° 12' 52" E, 23.78' to a Point;
- 8) S 40° 11' 02" E, 61.11' to a Point;
- 9) S 04° 24' 02" E, 17.04' to a Point;
- 10) N 59° 28' 31" E, 357.77' to a Point;
- 11) N 46° 09' 29" E, 119.06' to a Point and,
- 12) N 03° 59' 02" W, 100.00' to the Point and Place of Beginning containing therein 28.19 ± Ac of land.

Mailed TO: North East Isles Associates
c/o Augustine Properties
42 Read's Way
New Castle, DE 19702

9-30-91