

~~\$ 15.00 A Month~~

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DISCLOSURE STATEMENT

GALE'S MANOR HOMEOWNERS ASSOCIATION, INC.

This sale is subject to the requirements of the Maryland Homeowners Association (the "Act"). The Act requires that the seller disclose to you at or before the time the contract is entered into, or within 7 calendar days of entering into the contract certain information concerning the development in which the lot you are purchasing is located. The content of the information to be disclosed is set forth in Section 11B-105(b) of the Act (the "MHAA information").

1. The name, principal address and telephone number of the vendor is Lambdin Development Company, whose post office address is P.O. Box 676 Bel Air, Maryland 21014-0676 and whose physical address is 1250 Brass Mill Road, Belcamp, Maryland 21017, (410) 273-1090. The name of the principal officer of the vendor is James Lambdin.

The name, principal address and telephone number of the declarant is Lambdin Development Company, c/o James Lambdin, whose post office address is P.O. Box 676, Bel Air, Maryland 21014-0676 and whose physical address is 1250 Brass Mill Road, Belcamp, Maryland 21017 (410) 273-1090.

2. The name of the homeowners association is Gale's Manor Homeowners Association, Inc. which is incorporated in the State of Maryland and whose resident agent is James Lambdin, whose post office address is P.O. Box 676, Bel Air, Maryland 21014-0676 and whose physical address is 1250 Brass Mill Road, Belcamp,

Maryland 21017.

3. a. The development is located in the Town of Perryville, Cecil County, along St. Mark's Church Road and currently contains 7.63 acres, more or less, consisting of 16 single family units.

b. Declarant owns no property contiguous to the development which may be dedicated to the Town of Perryville for public use.

4. The development is not within or a part of another development.

5. The declarant has not reserved the right to annex additional property to the development.

6. a. Copies of the Articles of Incorporation, and Declaration of Covenants, Conditions and Restrictions to which the purchaser shall become obligated on becoming an owner of the lot, are attached hereto. These obligations are enforceable against an owner and the owner's tenants.

b. A copy of the By-Laws to which the purchaser shall become obligated on becoming an owner of the lot is attached hereto. These obligations are enforceable against an owner and the owner's tenant.

7. The property which is to be owned, leased or maintained by the homeowners association are the stormwater management pond and facilities, open space and common areas shown on the recorded subdivision plat of the development.

8. A copy of the proposed annual budget for the homeowners association, including a description of the replacement reserves for common area improvements, and a copy of the current projected budget for the homeowners association based upon the fully expanded development are attached hereto.

9. The current fees or assessments to be paid by owners of lots within the development for the use, maintenance and operation of stormwater management ponds and facilities, open space, common areas and for other purposes related to the homeowners association is One Hundred Eighty Dollars (\$180.00) per year for single family lots.

10. Information regarding zoning and other land use requirements affecting the development may be obtained from the Town of Perryville, Department of Planning and Zoning, 129 East Main Street, Elkton, Maryland 21921.

11. Article IV of the Declaration of Covenants, Conditions and Restrictions entitled "Covenant for Maintenance Assessments" attached hereto contains information regarding the following:

a. When homeowners association fees or assessments will first be levied against owners or lots.

b. The procedure for increasing or decreasing such fees or assessments.

c. How fees or assessments and delinquent charges will be collected.

d. Whether unpaid fees or assessments are a personal obligation of owners of lots.

e. Whether unpaid fees or assessments bear interest and, if so, the rate of interest.

f. Whether unpaid fees or assessments may be enforced by imposing a lien on a lot under the terms of the Maryland Contract Lien Act.

g. Whether lot owners will be assessed late charges or attorneys' fees for collecting unpaid fees or assessments and any other consequences for the non-payment of the fees or assessments.

12. Other than prorated assessments, no funds will be collected at settlement for contribution to the homeowners association.

13. Special rights or exemptions are reserved by or for the benefit of the declarant or the vendor, including:

a. The right to conduct construction activities within the development;

b. The right to pay a reduced homeowners association fee or assessment; and,

c. Exemptions from use restrictions or architectural control provisions contained in the declaration or provisions by which the declarant or the vendor intends to maintain control over the homeowners association.

If you have not received all of the MHAA information 5 calendar days or more before entering into the contract, you have 5 calendar days to cancel this contract after receiving all of the MHAA information. You must cancel the contract in writing, but you do not have to state a reason. The seller must also provide you with notice of any changes in mandatory fees exceeding 10% of the amount previously stated to exist and copies of any other substantial and materials amendment to the information provided to you. You have 3 calendar days to cancel this contract after receiving notice of any changes in mandatory fees, or copies of any other substantial and material amendment to the MHAA information which adversely affects you. If you do cancel the contract you will be entitled to a refund of any deposit you made on account of the contract. However, unless you return the MHAA information to the seller when you cancel the contract, the seller may keep out of your deposit the cost of reproducing the MHAA information, or \$100.00, whichever amount is less.

By purchasing a lot within this development, you will automatically be subject to various rights, responsibilities and obligations, including the obligation to pay certain assessments to the homeowners association within the development. The lot you are purchasing may have restrictions on:

(1) Architectural changes, design, colors, landscaping, or appearance;

- (2) Occupancy density;
- (3) Kind, number, or use of vehicles;
- (4) Renting, leasing, mortgaging, or conveying property;
- (5) Commercial activity; or
- (6) Other matters.

You should review the MHAA information carefully to ascertain your rights, responsibilities, and obligations within the development.