

DECLARATION OF COVENANTS AND AGREEMENT
REGARDING LAND USE

THIS DECLARATION OF COVENANTS (“Declaration”) is made this 8th day of Jan., 2018^{9th} by and between KARINGTON, LLC, a Maryland limited liability company (“Karington”), and the CITY OF BOWIE (the “City”), a municipal corporation of the State of Maryland.

WHEREAS, Karington is the owner of a certain parcel of real property located in the City, which contains a total of approximately 381.5297 acres, and which is more particularly described on Exhibit “A” attached hereto and incorporated herein (the “Property”);

WHEREAS, the Property is zoned E-I-A and Karington proposes a mix of uses including residential, commercial/retail, office and hotel uses;

WHEREAS, Karington and the City have entered into an Annexation Agreement relating to Karington’s ultimate development of the Property and certain terms and conditions with respect to annexation proceedings and such Property (the “Annexation Agreement”);

WHEREAS, it is the parties’ joint intention that this Declaration and the covenants set forth herein shall run with the land and may be enforced by the City.

NOW, THEREFORE, in consideration of the aforesaid recommendations by the City, Karington hereby declares and agrees, on behalf of itself, its successors and assigns, that the Property shall be held, transferred, sold, hypothecated, encumbered, conveyed or otherwise occupied subject to the following covenants, conditions, restriction, limitations and obligations which shall run with and bind the Property or any part thereof and shall inure to the benefit of and be enforceable by the City, its successors and assigns as follows:

1. Notwithstanding any provisions to the contrary contained in the Annexation Agreement, and further notwithstanding any subdivision or other development

entitlement application that is currently under review or that may be submitted in the future for the Property, Karington, for itself, its successors or assigns, hereby declares and covenants that for a period of fifteen (15) years following the effective date of the Annexation Resolution, it will not, without the City's prior written approval, apply for a detailed site plan or building permit approval for any residential dwelling units, excluding age-restricted dwelling units, in excess of a total of one thousand three hundred and sixty (1,360) total dwelling units for the entire development proposed to be located on the Property.

2. Once Karington develops more than 1,294 residential dwelling units, which is the current dwelling unit cap associated with the project, Karington will be required to construct, provide for or contribute an amount equal to the cost of improvements on North Bound US 301 and Trade Zone Avenue sufficient to mitigate traffic arising from for any additional residential dwelling units built, in accordance with any MNCPPC Preliminary Plan or DSP transportation related condition applicable to the subject site.
3. Each person accepting a deed, or other instrument conveying any interest in the Property shall be bound by the terms of this Declaration whether or not the same is incorporated or referred to in such deed or instrument and this Declaration is hereby incorporated by reference in any other conveyance of all or any portion of each person's interest in any real property subject hereto.
4. This Declaration shall be effective immediately upon completion of the annexation of the Property and shall be binding on its successors and assigns to the terms and conditions thereafter.

5. The Property shall be held, conveyed, encumbered, sold, used and/or occupied subject to the terms and provisions of this Declaration, provided the Property is developed with residential dwelling units as contemplated herein, which shall run with the land.
6. The City shall have the right to enforce, by any proceeding at law or in equity, including injunction, all restrictions, terms, conditions, covenants and agreements imposed upon the Property, and/or Karington, and/or its successors and assigns, pursuant to the provisions of this Declaration. The parties agree that, if Karington breaches the terms of this Declaration, the City will not have an adequate remedy at law and shall therefore be entitled to bring an action in equity for specific performance of the terms of this Declaration. In the event the City is required to bring an action to enforce this Declaration and the other party and its successors or assigns is determined to have violated or breached any provision of this Declaration, the violating party and its successors or assigns will reimburse the prevailing party for all reasonable costs of such proceeding, including reasonable attorneys' fees.
7. This Declaration may not be amended or modified except in a writing executed by all parties hereto, and no waiver of any provision or consent hereunder shall be effective unless executed in writing by the waiving or consenting party.
8. This Declaration shall be construed in accordance with the laws of the State of Maryland. Any suit to enforce the terms hereof or for damages or other remedy for breach or alleged or anticipated breach hereof shall be brought exclusively in the courts of the State of Maryland in and for Prince George's County, the parties

agree and acknowledge the jurisdiction thereof and that exclusive venue is proper therein, and such action shall not be brought in or transferred or removed to the courts of any other jurisdiction.

9. The parties acknowledge and agree that this Declaration shall not amend or otherwise modify the Annexation Agreement as this Declaration is intended to supplement and clarify certain detail relating to more general concepts contained in the Annexation Agreement.

IN WITNESS WHEREOF, the parties have caused these presents to be executed and delivered.

[Page intentionally left blank, signature follow]

WITNESS:

KARINGTON, LLC, a Maryland limited liability company

[Signature]

By: [Signature]
Kenneth H. Michael, Manager

WITNESS/ATTEST

CITY OF BOWIE, a municipal corporation of the State of Maryland

[Signature]

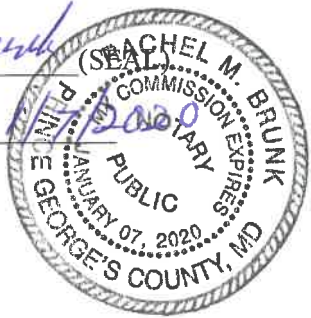
By: [Signature]
Alfred D. Lott, City Manager

STATE OF MARYLAND
COUNTY OF Prince George's:

I HEREBY CERTIFY that on this 13th day of December, 2018, before me, the undersigned notary public, personally appeared Kenneth H. Michael, Manager, and executed the foregoing Declaration on behalf of Karington, LLC for the purposes therein contained by signing his name in my presence.

WITNESS my hand and notarial seal.

[Signature]
Notary Public
My Commission Expires: 1/20/20



STATE OF MARYLAND
COUNTY OF Prince George's

I HEREBY CERTIFY that on this 8 day of January, 2018⁹ before me the subscriber, a Notary Public in the State and County aforesaid personally appeared Alfred D. Lott, who acknowledged himself to be the City Manager of the City of Bowie and that he, as such City Manager, being authorized so to do, executed the foregoing Declaration for the purposes therein contained by signing in my presence the name of said City of Bowie by himself as City Manager.

WITNESS my hand and notarial seal.

[Signature]
Notary Public
My Commission Expires: 11/28/21

AWILDA HERNANDEZ
Notary Public
Prince George's County
Maryland
My Commission Expires Nov 28, 2021
(SEAL)