

FOUR SEASONS BY THE OCEAN 1803 JOINT VENTURE

THIS AGREEMENT, made this 19th day of August A.D., 1991, between the following individuals:

- 1) Paul McHugh
Maureen E. McHugh
- 2) Allan G. Moskowitz
Nancy W. Moskowitz
- 3) Joseph A. Garliss
- 4) Bhalabhai V. Patel, Trustee
of the Bhalabhai V. Patel
Family Trust
- 5) Paul B. MacDonald
Jane C. MacDonald
- 6) Joseph A. Garliss
- 7) Alvin G. Ruppel
Barbara K. Ruppel
- 8) Joseph A. Garliss
- 9) Joseph A. Garliss
- 10) William C. Miller
Irma M. Miller
- 11) Clifford J. Yerkey
Patrine M. Yerkey
- 12) Valdis S. Vecrumba
Barbara J. Vecrumba
- 13) David E. Ferro
Robin A. Ferro

RECITALS

WHEREAS, the parties hereto have joined together in a Joint Venture for the purpose of acquiring and owning property in the Tenth Election District of Worcester County, Maryland; namely, Unit No. T-1803 in the Carousel Center Condominium, located at 118th Street and Coastal Highway, Ocean City, Maryland; and

WHEREAS, the purpose of this Joint Venture shall be to acquire fee simple title to the aforesaid condominium, for the use and quiet enjoyment of the parties herein above; and

WHEREAS, the parties hereto now desire to confirm the existence of the Joint Venture formed to own and enjoy the hereinafter described property wherefore these presents are executed.

IN CONSIDERATION of the mutual benefit to be derived, the parties associate themselves as Joint Venturers for the purposes set forth above and agree as follows:

1. **NAME AND PURPOSE:** The undersigned parties do hereby form a Joint Venture under the name of **FOUR SEASONS BY THE OCEAN 1803 JOINT VENTURE**. The principal purpose of this Joint Venture shall consist of the acquisition, ownership, and quiet enjoyment of real property known as Unit No. T-1803, in the Carousel Center Condominium (See "Exhibit 1" attached hereto for the information concerning the master deed and amendments thereof establishing the Horizontal Property Regime known as the Carousel Center Condominium). Said property being the same in all respects as was transferred to Timothy Lawrence Maloney by virtue of a Deed from David Lossef, said Deed being dated February 28, 1985, and recorded among the Land Records of Worcester County, Maryland, in Liber W.C.L., No. 1068, folio 135, et seq.

WORCESTER COUNTY CIRCUIT COURT (Land Records) RHO 1758, p. 0361, MSA_CE31_1905. Date available 06/20/2003. Printed 06/15/2024.

NSG

REC FEE	126.00
SP CHG	2.00
TOTL	128.00
	128.00

1991 AUG 19

2. PRINCIPAL OFFICE: The principal office and place of business of the Joint Venture shall be at Joe Garliss Real Estate, c/o Joseph A. Garliss, 11908 Coastal Highway, Ocean City, Maryland 21842.

3. TERMS: The terms of the Joint Venture shall commence immediately after all the parties hereto shall have signed this document. It shall continue thereafter under the same terms and conditions, unless terminated in accordance with the provisions stated herein.

4. PROPORTIONATE INTEREST: The parties hereto agree that their share of ownership of this Joint Venture shall be as follows:

<u>NAME & ADDRESS</u>	<u>PROPORTIONATE INTEREST</u>
1) Paul McHugh Maureen E. McHugh 933 St. Stephens Church Road Gambrills, MD. 21054	7.6923076% (1/13)
2) Allan G. Moskowitz Nancy W. Moskowitz 10845 Tuckahoe Way Gaithersburg, MD. 20878	7.6923076% (1/13)
3) Joseph A. Garliss 1401 Coastal Highway Ocean City, MD. 21842	7.6923076% (1/13)
4) Bhalabhai V. Patell, Trustee of the Bhalabhai V. Patel Family Trust 12449 Bacall Lane Potomac, MD. 20854	7.6923076% (1/13)
5) Paul B. MacDonald Jane C. MacDonald 306 South 2nd Street McConnellsburg, PA. 17233	7.6923076% (1/13)
6) Joseph A. Garliss 1401 Coastal Highway Ocean City, MD. 21842	7.6923076% (1/13)
7) Alvin G. Ruppel Barbara K. Ruppel 6121 East Cliff Drive Baltimore, MD. 21209	7.6923076% (1/13)
8) Joseph A. Garliss 1401 Coastal Highway Ocean City, MD. 21842	7.6923076% (1/13)
9) Joseph A. Garliss 1401 Coastal Highway Ocean City, MD. 21842	7.6923076% (1/13)

- 10] William C. Miller 7.6923076% (1/13)
 Irma M. Miller
 Rt. # 4, Box 256
 Easton, MD. 21601
- 11] Clifford J. Yerkey 7.6923076% (1/13)
 Patrine M. Yerkey
 Rd. 2, Emily Drive
 Belle Vermon, PA. 15012
- 12] Valdis S. Vecrumba 7.6923076% (1/13)
 Barbara J. Vecrumba
 2430 Hess Road
 Fallston, MD. 21047
- 13] David E. Ferro 7.6923076% (1/13)
 Robin A. Ferro
 170 Poinsett Lane
 Frederick, MD. 21701

5. INITIAL CAPITAL CONTRIBUTIONS:

A. The Venturers each agree to advance such amounts to the Joint Venture so that the Joint Venture will have sufficient capital to purchase, settle, completely redecorate, and to pay Twenty Three Percent (23%) marketing costs of the purchase price of the property known as Unit No. T-1803 in the Carousel Center Condominium. The acquisition costs and annual maintenance costs are included herein and are a part hereof as shown as "Exhibit 2" attached hereto.

B. Each Venturer agrees to provide their share of the acquisition costs and maintenance expenses without the use of and necessity for a mortgage to encumber the real property or the Venturers' proportionate interest therein.

C. If in the event financing is needed to purchase any Venturers' interest, the Broker, Joe Carliss Real Estate, has made arrangements for unsecured financing through Loyola Federal Savings and Loan. All Venturers agree to make first use of this financing if additional funds are necessary to purchase one or more proportionate interest of the Joint Venture.

6. MANAGEMENT OF THE VENTURE:

A. Control of the Joint Venture and all of its' affairs shall be in the Joint Venture. All decisions relating to the activities of the Joint Venture shall be by majority vote except that a unanimous vote shall be required to:

- (1.) Change this Agreement or amend the same as provided herein
- (2.) Borrow money in the name of the Joint Venture.
- (3.) Confess a judgment.
- (4.) Make, execute, or deliver for the Joint Venture any bond, mortgage, deed of trust, chattel mortgage, security agreement, guarantee, or other evidence of indebtedness.

B. No compensation shall be paid to Venturers for services to the Joint Venture other than by agreement.

C. The Venturers hereby acknowledge and appoint Joe Garliss Real Estate at 11908 Coastal Highway, Ocean City, Maryland 21842, as the managing company of the Venture. Fees for said management are included in the maintenance costs on "Exhibit 2" hereof. Joe Garliss Real Estate shall keep the books, deposit funds, send monthly statements of account, arrange and compensate for cleaning services, and do all things usual and necessary for the management of this Joint Venture.

7. **PROFIT AND LOSSES:** It is anticipated that the Venture will resell the property for more than was paid for it by the Venture. Normal appreciation and the passage of time will allow for the eventual resale of the premises at a profit. All receipts for the sale of the property herein described shall be appropriated to the obligation of the Venture as described in Section 8 hereof. All receipts over and above the appropriation of funds in this section shall be considered available funds to the Venture. The balance of the net amount received shall be considered the net profit of the Venture and shall be divided by them in the fraction of interest set forth in Section 4 hereof. If the Venture shows a net loss, all losses shall be charged to the parties proportionately to their right to share in the net profits as set forth in section 4 hereof.

8. **DISBURSEMENT OF PROCEEDS FROM JOINT VENTURE PROPERTY:** The parties agree that it is likely to resell any property acquired by the Venture for a profit according to the terms of this agreement. The Trustees, as set forth herein, shall apply the proceeds of such sale in the following order:

- A. Repayment of acquisition costs in proportionate amounts (See "Exhibit 2").
- B. Repayment of all annual maintenance fees (See "Exhibit 2").
- C. Repayment of past or future expenses of the Venture.
- D. The remainder to be divided according to Section 4 of this agreement.

9. **BANK ACCOUNT:** The funds of the Joint Venture shall be deposited in a bank to be selected by the Joint Venturers, and all withdrawals of the Joint Venture funds shall be by check signed by the Trustees. The Trustees hereunder shall be, namely, Elizabeth B. Garliss of Joe Garliss Real Estate and/or her designees and Joseph A. Garliss and by virtue of their decision the account for the Joint Venture shall be placed in Home Bank, at 8700 Coastal Highway, Ocean City, Maryland, 21842 and that said funds shall remain in said institution to be used only for the purposes set forth in the Joint Venture unless the Trustees in their sole and indiscreet discretion decide that another banking institution would be more appropriate.

10. **BOOKS OF ACCOUNT:** There shall be kept at the principal office of the Joint Venture, Joe Garliss Real Estate at 11908 Coastal Highway, Ocean City, Maryland 21842, full and true books

of account in which shall be entered fully and accurately each and every transaction of the Joint Venture. Each Venturer shall at all reasonable times have access thereto. The books shall be kept on the cash receipts and disbursements method, or the accrual method, as the Venturers may determine in their absolute discretion. The management company shall send out by U.S. Mail, first class, postage prepaid, an annual statement of account showing cost owed by the Venture as a whole at the end of each accounting year by a designated accountant, acceptable to the Venturers. Each Venturer shall further have the right to a private audit of the books and records of the Joint Venture, provided such audit is made at the expense of the Venturer desiring it, and is made at reasonable times, after due notice.

11. SALE OF THE JOINT VENTURES' REAL PROPERTY: All decisions as to the sale of all or part of the real property of this Joint Venture, including the terms thereof, shall be made by a majority of the total votes of the Joint Venture. Venturers approving any transfer agree to sign an appropriate certification signifying such approval, and record it among the Land Records of Worcester County, Maryland.

12. DISSOLUTION OF THE JOINT VENTURE: The Joint Venture shall be dissolved upon the sale of all of the real property of the Joint Venture. Upon dissolution of the Joint Venture, the Venturers shall proceed with reasonable promptness to liquidate the assets of the Joint Venture. The assets of the Joint Venture shall be used and distributed in the following order:

- A. To pay or provide for the payment of all Joint Venture liabilities and liquidating expenses and obligation.
- B. To repay to any Venturer any loan or loans such Venturer may have made to or on behalf of the Joint Venture.
- C. To repay any capital contributions made by any Venturer.
- D. To distribute to all Venturers the remaining assets based upon their share of the profits and losses of the Joint Venture, as reflected in paragraph 7 above.

13. TRANSFER OF A VENTURERS' INTEREST:

A. The interest of any Venturer herein shall be transferable only in the manner set forth below, and any attempt to transfer otherwise shall be null and void. Any Venturer desiring to transfer part or all of their interest shall present, in writing, to the other Venturers, notice that their proportionate interest is to be transferred to a bona fide purchaser. Thereupon, the Joint Venture, as an entity, shall have the right of first refusal upon such terms and conditions to purchase all or part of any such selling Venturers' interest. In the event that the Joint Venture does not purchase all or part of any such selling Venturers' interest, then the Venturers shall have the next right of first refusal to purchase the interest or remaining interest. In order to facilitate prompt, expeditious, and timely transfer of any Venturers' interest the Venturers agree as follows:

- 1. Any Venturer may grant, bargain, convey and sell their proportionate interest of the Joint Venture without the consenting signatures of remaining Venturers; however, it is

necessary for the transfer to be legal and binding and executed by the Trustees signifying that the Right of First Refusal has been offered to the remaining Venturers and that none of the remaining Venturers wish to execute said right.

2. In accordance with the terms of this Joint Venture Agreement, any Right of First Refusal shall be issued as follows: Said Right of First Refusal shall be by Notice by First Class Mail to the address of the Venturers existing in the Trustee's file. Any Venturer shall have the right to execute the Right of First Refusal upon the same terms and conditions that were applicable to the transfer of the selling Venturers' interest to an outside party. The Venturers shall have two (2) weeks notice to exercise the Right of First Refusal. Failure of any Venturer to notify the Trustees of an intent to exercise the Right of First Refusal within the two (2) week period or failure to maintain a current address with the Trustees to enable prompt communication shall be deemed a waiver of the Right of First Refusal by all Venturers. Upon notice being duly sent as agreed above and upon the elapse of two (2) weeks time as provided hereinabove, any Venturer may convey their proportionate interest by means of the proposed Amendment (attached hereto as "Exhibit 3" and by reference hereto made a part hereof). Said Amendment shall contain the interval number, a reaffirmation of the purchaser's agreement to abide by the provisions of the Joint Venture Agreement, including payment of the requisite funds for payment of the Venture, and shall contain the signatures of the selling Venturer, the purchasing Venturer and the Trustees signifying consent of the remaining Venturers.

B. Except as herein otherwise provided, the interest of a Venturer in the Joint Venture may be:

1. Transferred or disposed of by will or intestacy to the deceased Venturers' immediate family, but the heirs, beneficiaries, or legal representatives of the deceased Venturer shall hold such interest, subject to all of the terms and provisions of this agreement.

2. Transferred during their lifetime to the immediate family, but such interest shall remain subject to all the terms and provisions of this agreement. For the purposes of this paragraph, "immediate family" is defined, in the case of a will or intestacy, as the husband, wife, child, brother, sister, father or mother of the Venturer, and is defined, in the transfer during lifetime, as the husband, wife, child, brother, sister, father, mother, son-in-law or daughter-in-law of a Venturer.

C. No Venturer or any person or corporation bound by the terms of this agreement shall pledge, encumber, mortgage or hypothecate the whole or any part of their interest in this Joint Venture without the prior written consent of all other Venturers.

14. **BANKRUPTCY, DEATH, OR LEGAL DISABILITY OF A VENTURER:** Bankruptcy, death, or legal disability of any Venturer herein shall not work a dissolution of this Joint Venture, and, in case of bankruptcy of a Venturer, their successors, administrators or other personal representatives shall be entitled to receive back either: (1) the capital account of such Venturer, as reflected in the books and records of the remaining Venturers; and/or (2) the fair market value of said interest, as the remaining

Venturers may elect, plus interest thereon at fifteen percent (15%) per annum, payable by the Joint Venture to said party, their successors or personal representatives, over a period of three (3) years from the date of adjudication of bankruptcy, in such installments as may be designated by the Joint Venture in lieu of any other participation herein, or right to profit of any kind, or other rights in any of the assets of this Joint Venture. In the event of death or adjudication or legal disability of any Venturer hereto, their personal representatives or parties who may succeed to this interest may substitute themselves, upon written notice, in the place and stead of the deceased Venturer, in which event such notice shall specify that the persons seeking to succeed would be bound by all terms, conditions, and provisions of this agreement and that they will be represented hereby by a single person who shall execute this agreement on behalf of himself and the others in interest therein. In the event of bankruptcy, the personal representative of such partner shall not be entitled to take the place of the said bankrupt Venturer in this Joint Venture.

15. ARBITRATION: In the event of a dispute arising among the Venturers, it shall be settled by arbitration pursuant to the rules of the American Arbitration Association. The disputing parties agree to consider this remedy as their sole remedy and shall not undertake any other remedy at law or in equity. In the event of a dispute, three arbitrators shall be appointed as follows:

A. The Venturer of Venturers seeking arbitration hereunder shall serve notice in writing upon the Venturers hereto, setting forth the disagreement or disagreements that he or they desire to be arbitrated. The other Venturers shall, within five (5) days after the receipt of such notice, serve upon the Venturer or Venturers seeking arbitration a notice in writing stating the name of their arbitrator.

B. In the event of the failure of the Venturers, within five (5) days after the receipt of such notice, to appoint an arbitrator who shall have been appointed to select a third arbitrator, then, in such event, any Judge of the Circuit Court for Worcester County, Maryland, upon application made by either party hereto for that purpose, shall be authorized and empowered to appoint such third arbitrator. The parties agree not to assent to any right of removal as provided for by applicable Court rules and statutes.

C. The award or findings to be made by the arbitrators hereunder shall be made within five (5) days after the third arbitrator shall have been appointed, and such award or findings shall be binding upon the parties to this agreement.

D. All costs and expenses incurred by reason of any arbitrator shall be paid by the Venturer of Venturers against whom the decision is rendered, within five (5) days from the date of the decision.

E. The Venturers hereto further agree that they neither jointly nor severally will do any thing or things, or cause any thing or things to be done, by Court action or otherwise, to alter the decision of the said arbitrators, and/or prosecute any claim or claims that either one of the Venturers may have against the other, either jointly or severally, or the Joint Venture, arising out of the conduct of the business.

16. TRUSTEE - RIGHTS, POWERS, AND DUTIES: The Venturers do hereby constitute and appoint Elizabeth B. Garliss of Joe Garliss Real Estate and/or her designees and Joseph A. Garliss, Broker, as Trustees for the said Joint Venture and the members hereof, under the following terms and conditions:

A. Said Trustees shall be and they are hereby authorized and empowered to collect from the Venturers the sums set forth in Sections 5, 6, 7, and 8 hereof, and they are expressly authorized and empowered to pay all other expenses that will be properly payable in the acquisition, sale, and holding of said property.

B. During the period in which said property is held in trust as aforesaid, the Trustees are authorized to execute on behalf of the Joint Venture such easements or rights of way that may be required by any municipality, county, sanitary commission, or public agency, body, or utility for the benefit of said property.

C. For the aforesaid purposes and subject to the aforesaid conditions, said Trustees are hereby authorized to sign, seal, execute, deliver, and acknowledge such contract, deeds, leases, mortgages, bill obligatory or other documents that may be required by law, and to do such acts and deeds which are necessary and proper to promote the trust and interests of the parties to the Joint Venture.

D. Said Trustees shall serve without salary or compensation, except as noted on "Exhibit 2" hereof, and shall be entitled to reimbursement for actual out-of-pocket expenses incurred in connection with their duties as Trustees.

E. The Venturers, by majority vote, may at any time hereafter substitute a Trustee or Trustees in place of the Trustees herein named by an instrument in writing, duly executed, acknowledged and recorded among the Land Records for Worcester County, Maryland. When such instrument is duly recorded, all of the trust, estate and duties of the predecessor Trustees shall be superseded under the provisions thereof. The exercise of this right to appoint a successor Trustee, no matter how often exercised, shall not be deemed an exhaustion of said rights.

F. Said Trustees shall have the power to do any and all acts necessary, including executing the resale certificate, and any additional tasks necessary to deal with the Carousel Center Condominium Association and applicable state laws and agencies on behalf of the Joint Venture.

17. USE AND CARE OF THE VENTURERS' PROPERTY:

A. POSSESSION. The Venturers agree that the redecoration of this unit is of primary importance to the Joint Venture. Joe Garliss Real Estate, Broker, will have control of said unit for up to seventy (70) days following final settlement. Said redecoration period may be as short as Thirty (30) days; however, a longer period of time will be allowed for unanticipated delays. Broker is not to rent or otherwise make use of said unit during the redecoration period, other than to complete the alterations previously approved by the Venturers. The Venturers hereby agree that the furnishings in said unit at the time of settlement are to be the property of the Broker, Joe Garliss Real Estate. To facilitate said redecoration; no plans other than informal presentation are to be submitted to the

Venturers. Joseph A. Garliss as Trustee shall have the final and sole discretion for the redecoration of the said unit in the disposition of the funds set aside therefore. The unit will be vacant one week every five years to allow for periodic redecoration. The "free week" is shown on "Exhibit 3" herein.

1. The Venturers agree that any redecoration in the aforesaid "free week" or replacement of existing furnishings as may be necessary on an annual basis shall be preformed by Ivory Tower Designs. In order to facilitate prompt refurbishment and to eliminate reliance upon the Venturers' separate and individual tastes, while Ivory Tower Designs will solicit the input of the Venturers, said redecoration shall be the sole and exclusive right of Ivory Tower Designs, unless the Venturers, by majority vote decide to employ another company for this service, as indicated in Section 16E hereof (Removal of Trustee).

B. OCCUPANCY. Each Venturer will have the right, privilege and ability to use (said use being personal or assignable) the unit known as Unit No. T-1803 Carousel Center Condominium for one week (6 1/2 days) during each season of the year or four weeks of any given year. The Venturers have agreed to rotate their use and occupancy of the premises as per the rotation schedule attached hereto as "Exhibit 4". Any change in the rotation schedule shall by a majority vote of the Venturers and subsequent amendment of this agreement and recordation of said amendment among the Land Records of Worcester County, Maryland.

C. COLLECTION OF MONTHLY DUES. The Venturers hereby empower Elizabeth B. Garliss of Joe Garliss Real Estate and/or her designees and Joseph A. Garliss, as Trustee, to take whatever action they deem necessary to collect monthly fees (as articulated in "Exhibit 2" hereof) from any Venturer who shall be more than thirty (30) days delinquent in same, including, but not limited to, denying access to a rotating week to any combination lock-out box. The Venturers agree that such a step may be necessary to protect the interest of the remainder of the Venturers. If, in the event any owner of any proportionate interest becomes delinquent by ninety (90) days or one-quarter (1/4) year, then in that event the remaining Venturers shall have the right to purchase the Venturers' interest according to paragraph 13 hereof.

D. NO PETS. The Venturers agree that their use and enjoyment of the Venturers' property; namely Unit No. T-1803 in the, Carousel Center Condominium, shall be limited in that no Venturer shall keep pets of any type or description during the Venturers' use of any rotating week of same. The Venturers agree that the rationale for said prohibition of pets is that it would not be fair to the remaining Venturers to have the Joint Venturers' property lowered in value due to carpet stains, fleas, etc.; and moreover, the Venturers should not be charged for the additional costs for cleaning of same.

E. CONTROL OF TENANTS, ETC. Each owner of a proportionate interest shall be presumed to control and be responsible in all respects for the conduct, acts and omissions of their tenants, guest, servants and invitees, and any breach of any of the terms and provisions of their Declaration by any tenant, quest, servant or invitee of any owner shall be presumed to be and considered a breach by that owner. Each owner of a proportionate interest shall indemnify and forever hold the other owners of a proportionate interest in the condominium unit free and harmless from any and all loss, damage or expense

incurred as a result of damage caused to the condominium unit by the act or neglect of any tenant, guest, servant or invitee of the owner or owners of a proportionate interest.

F. TIME OF OCCUPANCY - TIME TO VACATE. Any other provision of this Joint Venture Agreement, to the contrary notwithstanding, and for purposes related to the ordinary maintenance and repair of the condominium unit by the managing company, Joe Garliss Real Estate, no owner of a proportionate interest shall occupy or attempt to take possession of the condominium unit, or otherwise exercise any of the privileges appurtenant thereto, prior to 4:00 P.M. on the first day of their week of the rotating assigned calendar week. Each owner of a proportionate interest shall vacate the condominium unit by 12:00 Noon on the last day of any of the parts of their assigned calendar week.

G. HOLDING OVER. In the event a Venturer is prevented from utilizing their week on the first day of their time period, the owner shall have a cause of action against any prior Venturer who has failed to timely vacate the condominium unit in an amount equal to Fifty Dollars (\$50.00) times the number of hours or parts of hours that the violation continued, in addition to such other remedies at law or equity as may be available.

H. DAMAGES TO UNIT. In addition to the obligations, duties and responsibilities imposed by this agreement on the individual Venturers for the mutual benefit of the Venture, each Venturer shall be solely responsible for any damage done to the unit during the occupancy of said unit in a rotation calendar week. This responsibility does not include ordinary wear and tear or items covered by the Hazard Insurance policy. If a particular incident is determined by the Trustees, in their sole discretion, to be the liability of a particular Venturer and said damage is covered by the Hazard Insurance policy, the responsible Venturer will pay the deductible that is not covered by the policy. If the damage is not covered by the Hazard Insurance policy, it will be the responsibility of the Venturer liable to repair the unit to the mutual benefit of the Venture.

I. INVENTORY. The Venturers agree that the property will be well furnished at great expense to the Venture. For the protection of all the Venturers, any owner of a proportionate interest will be responsible for checking an inventory list to be provided by the Trustees upon occupancy. Any items not found in the unit that appear on said list will be brought immediately to the attention of the Trustees. Failure to adequately inventory the property to the Venture as agreed herein will result in the owner of the proportionate interest being held liable for any items not so reported.

18. NOTICE: All notices required to be given hereunder shall be in writing and shall be deemed served at the time of the deposit thereof by certified mail in the United States Post Office in a prepaid envelope and addressed to the last address of said party, as contained in the records of this Joint Venture. All notices of meeting of the Joint Venture shall state the time, place, and purpose of the same.

19. THIS AGREEMENT shall be binding upon the heirs, successors, and assigns of all parties hereto.

20. THIS AGREEMENT is to be construed according to and subject to the laws of the State of Maryland.

21. WORD FORMS: The use of any gender, tense or conjugation herein shall be applicable to all genders, tenses and conjugations. The use of the singular shall include the plural, and the plural shall include the singular.

IN WITNESS WHEREOF the parties have executed this Agreement and affixed their seals on the day and year first above written.

WITNESS:

<u>Joseph A. Garlies</u>	1. <u>Paul McHugh</u> (SEAL)
<u>Joseph A. Garlies</u>	1. <u>Maureen E. McHugh</u> (SEAL)
<u>Joseph A. Garlies</u>	2. <u>Allen G. Moskowitz</u> (SEAL)
<u>Joseph A. Garlies</u>	2. <u>Nancy W. Moskowitz</u> (SEAL)
<u>Joseph A. Garlies</u>	3. <u>Joseph A. Garlies</u> (SEAL)

<u>Joseph A. Garlies</u>	4. <u>Shalabhai V. Patel, Trustee</u> (SEAL)
<u>Joseph A. Garlies</u>	5. <u>Paul B. MacDonald</u> (SEAL)
<u>Joseph A. Garlies</u>	5. <u>Jane C. MacDonald</u> (SEAL)
<u>Valerie Spout</u>	6. <u>Joseph A. Garlies</u> (SEAL)

<u>Joseph A. Garlies</u>	7. <u>Alvin G. Ruppel</u> (SEAL)
<u>Joseph A. Garlies</u>	7. <u>Barbara K. Ruppel</u> (SEAL)
<u>Valerie Spout</u>	8. <u>Joseph A. Garlies</u> (SEAL)

<u>Valerie Spout</u>	9. <u>Joseph A. Garlies</u> (SEAL)
_____	9. _____ (SEAL)

- Joseph A. Galvin (Seal)
- Joseph A. Galvin 10. Irma M. Miller (SEAL)
- Joseph A. Galvin 11. Clifford J. Yerkey (SEAL)
- Joseph A. Galvin 11. Patrine M. Yerkey (SEAL)
- Joseph A. Galvin 12. Valdis S. Vecrumba (SEAL)
- Joseph A. Galvin 12. Barbara J. Vecrumba (SEAL)
- Joseph A. Galvin 13. David E. Ferro (SEAL)
- Joseph A. Galvin 13. Robin A. Ferro (SEAL)

STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 16th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Paul McHugh and Maureen E. McHugh, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and they made oath in due form of law that they executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: 02/01/95 *Valerie Brown*
NOTARY PUBLIC

STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 8th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Allan G. Moskowitz and Nancy W. Moskowitz, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and they made oath in due form of law that they executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: 02/01/95 *Valerie Brown*
NOTARY PUBLIC

STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 16th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Joseph A. Garliss, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and he made oath in due form of law that he executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: 02/01/95 *Valerie Brown*
NOTARY PUBLIC

WORCESTER COUNTY CLERK (Land Records) RMC 1758, p. 0373, MSA_CE31_1905. Date available 06/20/2003. Printed 06/15/2024.

STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 16th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Bhalabhai V. Patel, Trustee of the Bhalabhai V. Patel Family Trust, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and he made oath in due form of law that he executed the same for the purposes therein contained and the capacity therein stated.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: Valerie Shaw
02/01/95 NOTARY PUBLIC

STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 9th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Paul B. MacDonald and Jane C. MacDonald, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and they made oath in due form of law that they executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: Valerie Shaw
02/01/95 NOTARY PUBLIC

STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 16th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Joseph A. Garliss, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and he made oath in due form of law that he executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: Valerie Shaw
02/01/95 NOTARY PUBLIC

STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 8th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Alvin G. Ruppel and Barbara K. Ruppel, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and they made oath in due form of law that they executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: 02/01/95 *Valerie Brown*
NOTARY PUBLIC

STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 16th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Joseph A. Garliss, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and he made oath in due form of law that he executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: 02/01/95 *Valerie Brown*
NOTARY PUBLIC

STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 16th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Joseph A. Garliss, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and he made oath in due form of law that he executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: 02/01/95 *Valerie Brown*
NOTARY PUBLIC

WORCESTER COUNTY CIRCUIT COURT (Land Records) RHO 1758, p. 0375, MSA_CE31_1905, Date available 06/20/2003, Printed 06/15/2024.

STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 16th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, William C. Miller and Irma M. Miller, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and they made oath in due form of law that they executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: Valerie Stewart
02/01/95 NOTARY PUBLIC

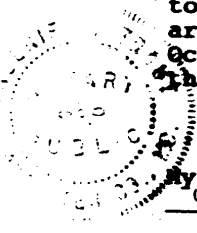


STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 12th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Clifford J. Yerkey and Patrine M. Yerkey, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture and they made oath in due form of law that they executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: Valerie Stewart
02/01/95 NOTARY PUBLIC

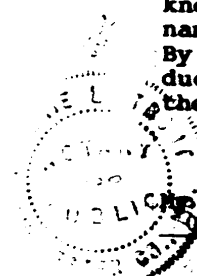


STATE OF Maryland , COUNTY OF Worcester , TO WIT:

I HEREBY CERTIFY that on this 8th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, Valdis S. Vecrumba and Barbara J. Vecrumba, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and they made oath in due form of law that they executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: Valerie Stewart
02/01/95 NOTARY PUBLIC



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STATE OF Maryland, COUNTY OF Worcester, TO WIT:

I HEREBY CERTIFY that on this 16th day of August, A.D., 1991, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared, David E. Ferro and Robin A. Ferro, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within and foregoing Four Seasons By The Ocean 1803 Joint Venture Agreement and they made oath in due form of law that they executed the same for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: [Signature]
NOTARY PUBLIC



WORCESTER COUNTY CIRCUIT COURT (Land Records) RHO 1758, p. 0377, MSA_CE31_1905, Date available 06/20/2003, Printed 06/15/2024.

"EXHIBIT 1"
DOCUMENTS ESTABLISHING THE HORIZONTAL
PROPERTY REGIME
OF THE CAROUSEL CENTER CONDOMINIUM

1. A Condominium Master Deed dated May 14, 1976, and located among the Land Records of Worcester County, Maryland, in Liber F.W.H. No. 528, Folio 296, and accompanying Plats located in Plat Book F.W.H. No. 54, Folio 16, et seq., and

2. Declaration of Board Resolution of Council of Unit Owners of Carousel Center Condominium dated April 26, 1982, and recorded among said Land Records in Liber W.C.L. No. 813, folio 66, et seq.

3. Supplemental Declaration of Condominium of Carousel Center Condominium made by LCR Corporation, dated June 27, 1983, and recorded among said Land Records in Liber W.C.L. No. 885, folio 372, et seq.

4. Declaration of Supplementary Time-Sharing or Interval Plan Regulations for the Carousel Center Condominium dated June 25, 1983, by the Board of Directors of the Council of Unit Owners of Carousel Center Condominium, Inc., recorded among said Land Records in Liber W.C.L. No. 889, folio 497, et seq.

5. Amendment to "Exhibit A" Supplemental Declaration of Condominium of Carousel Center Condominium, dated July 29, 1983, and recorded among said Land Records in Liber W.C.L. No. 894, folio 547, et seq.

PROPERTY DESCRIPTION

All that property lying and being situate in the Town of Ocean City, in the Tenth Election District of Worcester County, Maryland, known and distinguished as Condominium Unit No. T-1803, in a Condominium known as the "CAROUSEL CENTER CONDOMINIUM", established pursuant to a Declaration dated May 14, 1976, and recorded on June 18, 1976, among the Land Records of Worcester County, Maryland, in Liber F.W.H. No. 528, folio 296, et seq., and as shown on the several Condominium Plats recorded among the aforesaid Land Records in Plat Book F.W.H. No. 54, folio 16, et seq., and including an undivided percentage interest in the common elements of said Condominium set out in the aforesaid Declaration.

THE AFORESAID PROPERTY BEING all and the same property that was conveyed unto FOUR SEASONS BY THE OCEAN 1803 JOINT VENTURE, by Timothy Lawrence Maloney, by Deed of even date herewith and recorded or intended to be recorded among the Land Records of Worcester County, Maryland, immediately prior to the recording hereof.

EXHIBIT 2**ACQUISITION COST**

Purchase Price	\$129,900.00
Settlement Costs and Reserve Account	\$10,068.73
Marketing Costs	\$29,877.00
Renovation Costs and Redecorating Costs	\$115,723.00
Management Start-Up/CATV	\$1,000.00

Total Cost for Acquisition	\$286,568.73
Cost per Share	\$22,043.75

ANNUAL MAINTENANCE FEE

Annual Carousel Condo Fee	\$2,639.40
Property Taxes	\$1,785.61
Utilities	\$1,800.00
Insurance	\$600.00
Maintenance	\$500.00
Cable TV including HBO	\$550.00
Weekly Maid Service, Full Cleaning	\$2,000.00
Redecoration Provision	\$1,000.00
Management Fee **	\$2,400.00
Accounts Review Fee	\$600.00
Phone	\$300.00

Total	\$14,189.40
Annual Share Each Owner	\$1,091.49
Monthly Fee Each Owner	\$90.96

** Rate of Management Fee to remain constant during this agreement, subject only to an annual cost of living adjustment to be adjusted on an annual basis one year from the date hereof. Cost of living adjustment to be based on the Consumer Price Index as published by the U.S. Department of Labor in September 1992 and every year thereafter.

EXHIBIT 3

AMENDMENT TO THE
FOUR SEASONS BY THE OCEAN 1803 JOINT VENTURE

Proportional Interest Number:

Current Owner(s):

Purchaser(s) Name(s):

Purchaser(s) Address:

THE ABOVE NAMED PARTIES hereby agree to abide by the original terms and conditions of the Four Seasons By The Ocean 1803 Joint Venture dated August , 1991, and recorded among the Land Records of Worcester County, Maryland, in Liber R.H.O No. , Folio , et seq., any and all subsequent amendments thereof, the purchasers herein also acknowledge receipt of a copy of the original resale certificate issued to the original Owners of Unit No. T-1803 in the Carousel Center Condominium, prior to their execution hereof.

The Sellers by virtue of this instrument and their signatures affixed hereto do hereby grant and convey all of their right, title and interest in and to the above-referenced proportional interest in the Four Seasons By The Ocean 1803 Joint Venture to the Purchasers herein to have and to hold, subject only to the Joint Venture Agreement and any and all amendments thereof as indicated herein.

AS WITNESS the hands and seals of the parties herein this day of _____, A.D., 1991.

WITNESS:

_____	_____ (SEAL) , Seller
_____	_____ (SEAL) , Seller
_____	_____ (SEAL) , Purchaser
_____	_____ (SEAL) , Purchaser

WORCESTER COUNTY CIRCUIT COURT (Land Records) RHO 1758, p. 0380, MSA_CE31_1905. Date available 06/20/2003. Printed 06/15/2024.

NOTICE HAVING BEEN GIVEN TO THE JOINT VENTURERS ACCORDING TO THE AGREEMENT, THE TRUSTEES HEREIN DO AFFIX THEIR SIGNATURES SIGNIFYING THE CONSENT OF THE REMAINING JOINT VENTURERS OF THE TRANSFER OF PROPORTIONAL INTEREST NUMBER () UNTO THE WITHIN NAMED PURCHASERS.

WITNESS: FOUR SEASONS BY THE OCEAN 1803 JOINT VENTURE

BY: _____ (SEAL) ELIZABETH B. GARLISS, Trustee

BY: _____ (SEAL) JOSEPH A. GARLISS, Trustee

STATE OF _____

COUNTY OF _____, TO WIT:

I HEREBY CERTIFY that on this _____ day of _____ A.D., 1991, before me, the undersigned, a Notary Public, in and for the State and County aforesaid, personally appeared _____ known (or satisfactorily proven) to me to be the persons whose names are subscribed to as the Sellers of Proportional Interest Number _____ (_____) in the Four Seasons by the Ocean 1803 Joint Venture and they made oath in due form of law that they executed the within and foregoing _____ Amendment to the Four Seasons By The Ocean 1803 Joint Venture for the purposes therein contained and they did further agree that by their execution hereof, the sellers herein do hereby transfer all of their right, title and interest in and to the same unto _____ the within named Purchasers according to the terms of the Joint Venture Agreement dated and recorded as aforesaid.

AS WITNESS my hand and Notarial Seal.

My Commission Expires:

_____ NOTARY PUBLIC

STATE OF _____

COUNTY OF _____, TO WIT:

I HEREBY CERTIFY that on this _____ day of A.D., 1991, personally appeared _____ known (or satisfactorily proven) to me to be the persons whose names are subscribed to as the Purchasers of Proportional Interest Number _____ in the Four Seasons By The Ocean 1803 Joint Venture and they made oath in due form of law that they executed the same for the purposes therein contained and in the capacity therein stated and further agreed to abide by all of the terms and conditions of the original Joint Venture Agreement dated and recorded as aforesaid, and any and all subsequent amendments thereto.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: _____

NOTARY PUBLIC

STATE OF _____

COUNTY OF _____, TO WIT:

I HEREBY CERTIFY that on this _____ day of A.D., 1991, before me, the undersigned, a Notary Public, in and for the State and County aforesaid, personally appeared Elizabeth B. Garliss and Joseph A. Garliss, known (or satisfactorily proven) to me to be the persons whose names are subscribed to as the Trustees of the Four Seasons By The Ocean 1803 Joint Venture and they made oath in due form of law that they executed the within for the purposes therein contained and in the capacity therein stated.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: _____

NOTARY PUBLIC

ROTATING CALENDAR FOR PROPORTIONATE INTEREST OWNERS
(CONTINUATION)

Unit Share Number	Unit Share Number	Unit Share Number
- S P R I N G 1 9 9 0 -		
9	8	7
10	9	8
11	10	9
12	11	10
13	12	11
1	13	12
2	1	13
3	2	1
4	3	2
5	4	3
6	5	4
7	6	5
8	7	6
- S U M M E R 1 9 9 0 -		
- F A L L 1 9 9 0 -		
- W I N T E R 1 9 9 1 -		
- S P R I N G 1 9 9 1 -		
- S U M M E R 1 9 9 1 -		
- F A L L 1 9 9 1 -		
- W I N T E R 1 9 9 2 -		
- S P R I N G 1 9 9 2 -		

WORCESTER COUNTY CIRCUIT COURT (Land Records) RHO 1758, p. 0383, MSA_CE31_1905, Date available 06/20/2003, Printed 06/15/2024.

ROTATING CALENDAR FOR PROPORTIONATE INTEREST OWNERS
(CONTINUATION)

Unit Share Number	Unit Share Number	Unit Share Number
- S U M M E R 1 9 9 2 -		
13	12	11
1	13	12
2	1	13
3	2	1
4	3	2
5	4	3
6	5	4
7	6	5
8	7	6
9	8	7
10	9	8
11	10	9
12	11	10
- F A L L 1 9 9 2 -		
- W I N T E R 1 9 9 3 -		
- S P R I N G 1 9 9 3 -		
- S U M M E R 1 9 9 3 -		
- F A L L 1 9 9 3 -		
- W I N T E R 1 9 9 4 -		
- S P R I N G 1 9 9 4 -		
- S U M M E R 1 9 9 4 -		

WORCESTER COUNTY CIRCUIT COURT (Land Records) RHO 1758, p. 0384, MSA_CE31_1905, Date available 06/20/2003, Printed 06/15/2024.

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ROTATING CALENDAR FOR PROPORTIONATE INTEREST OWNERS
(CONTINUATION)

Unit Share Number		Unit Share Number		Unit Share Number	
- F A L L 1 9 9 4 -					
4	OCT 08 - OCT 15	3	JAN 07 - JAN 14	2	APR 08 - APR 15
5	OCT 15 - OCT 22	4	JAN 14 - JAN 21	3	APR 15 - APR 22
6	OCT 22 - OCT 29	5	JAN 21 - JAN 28	4	APR 22 - APR 29
7	OCT 29 - NOV 05	6	JAN 28 - FEB 04	5	APR 29 - MAY 06
8	NOV 05 - NOV 12	7	FEB 04 - FEB 11	6	MAY 06 - MAY 13
9	NOV 12 - NOV 19	8	FEB 11 - FEB 18	7	MAY 13 - MAY 20
10	NOV 19 - NOV 26	9	FEB 18 - FEB 25	8	MAY 20 - MAY 27
11	NOV 26 - DEC 03	10	FEB 25 - MAR 04	9	MAY 27 - JUN 03
12	DEC 03 - DEC 10	11	MAR 04 - MAR 11	10	JUN 03 - JUN 10
13	DEC 10 - DEC 17	12	MAR 11 - MAR 18	11	JUN 10 - JUN 17
1	DEC 17 - DEC 24	13	MAR 18 - MAR 25	12	JUN 17 - JUN 24
2	DEC 24 - DEC 31	1	MAR 24 - APR 01	13	JUN 24 - JUL 01
3	DEC 31 - JAN 07	2	APR 01 - APR 08	1	JUL 01 - JUL 08
- S U M M E R 1 9 9 5 -					
1	JUL 08 - JUL 15	13	OCT 07 - OCT 14		
2	JUL 15 - JUL 22	1	OCT 14 - OCT 21		
3	JUL 22 - JUL 29	2	OCT 21 - OCT 28		
4	JUL 29 - AUG 05	3	OCT 28 - NOV 04		
5	AUG 05 - AUG 12	4	NOV 04 - NOV 11		
6	AUG 12 - AUG 19	5	NOV 11 - NOV 18		
7	AUG 19 - AUG 26	6	NOV 18 - NOV 25		
8	AUG 26 - SEP 02	7	NOV 25 - DEC 02		
9	SEP 02 - SEP 09	8	DEC 02 - DEC 09		
10	SEP 09 - SEP 16	9	DEC 09 - DEC 16		
11	SEP 16 - SEP 23	10	DEC 16 - DEC 23		
12	SEP 23 - SEP 30	11	DEC 23 - DEC 30		
13	SEP 30 - OCT 07	12	DEC 30 - JAN 06		
- F A L L 1 9 9 5 -					

WORCESTER COUNTY CIRCUIT COURT (Land Records) RHO 1758, p. 0385, MSA_CE31_1905, Date available 06/20/2003, Printed 06/15/2024.

19 9/11/2000 The foregoing Agreement filed
 for record and is accordingly recorded among the land records of
 Worcester County, Md. in Liber, R.H.O. No. 1758 folios 361 thru 385
Richard H. Dutton Clerk