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January 23, 2004

The Honorable David Hale, President
Board of County Commissioners
of Calvert County
Courthouse
175 Main Street
Prince Frederick, MD 20678

Dear Mr. President:

I have been the general counsel to the Drum Point Property Owners' Association for the past six years. In this capacity, I have reviewed all of their documentation and assisted them in filing these documents in the County repository.

The Drum Point subdivision was established in 1948 by the Drum Point Corporation whose principal stockholder was Paul Kerman. The Drum Point Corporation, as the initial developer, developed covenants that govern the community and provide for the responsibility to maintain the roads, drainage, canals, and all common areas. The developer retained the covenant enforcement authority.

In 1969, the Chesapeake Ranch Club acquired the outstanding stock and all assets of the Drum Point Corporation. The Chesapeake Ranch Club also assumed covenant enforcement.

In 1983, the Drum Point Project, Inc., purchased from the Chesapeake Ranch Club the subdivision roads, administration of all existing covenants in the subdivision. In 1987, the roads and administration of all existing covenants were transferred to the Drum Point Road and Community Service Corporation.

In 1972, the Drum Point Property Owners' Association was incorporated to organize, operate and sustain a private, non-profit, non-stock, civic and social welfare association for the purpose of developing, promoting and protecting the social, economic, cultural, recreational, and environmental conditions within the subdivision known as Drum Point, Calvert County in the State of Maryland. Membership in the Association is open to all property owners of the Drum Point subdivision. Annual dues are fifteen dollars (\$15.00). All meetings of the Association's Board of Directors and the quarterly membership meeting are open to all subdivision property owners.

David Hale, President

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In 1993, the Drum Point Property Owners' Association acquired from the Drum Point Road and Community Service Corporation all assets and liabilities, including the subdivision roads and administration of all existing covenants.

It is my opinion that the Drum Point Property Owners' Association is a homeowners association as defined by §11B-101 of the Real Property Article of the Annotated Code of Maryland.

In accordance with the Articles of Incorporation and the By-Laws of the Drum Point Property Owners' Association, it is my opinion that the attached petition to continue a special tax district from the Drum Point subdivision is a duly authorized act of the Drum Point Property Owners' Association's Board of Directors.

Sincerely yours,

Thomas M. Pelagatti