



Carderock Springs Citizens Association

P.O. Box 237
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28 April 2010

From: The Board of Directors

Subject: Final Report on Conclusion of the Litigation with 8209 Stone Trail Drive

In July of 2006, the owners of 8209 Stone Trail Drive brought suit against the Association challenging the force of the CSCA covenants which require Architectural Review Committee (ARC) approval of property development plans. The suit was dropped and a settlement was agreed to in 2008 which include significant exterior modifications to the building and landscaping as well as a settlement of \$7,500, which was received on May, 2008.

The suit is now concluded, and most construction at 8209 is complete. Although there were a number of small design elements in the final construction which violated the settlement, the house more closely conforms to the architectural style of the neighborhood than was called for in the original plans.

Some CSCA members have pointed to the lack of full compliance, in defiance of the settlement, as being an indication that the community has lost control over future development by rendering the covenants as impotent. The Board feels that such a conclusion is inconsistent with the facts.

1. The CSCA covenants were challenged, but never invalidated by any court ruling.
2. The ARC played an instrumental role in identifying changes that would improve conformance with the covenants, and this was key to reaching a settlement.
3. The owners of 8209 did not win any of the damages sought by their suit against the community.
4. The owners of 8209 suffered legal expenses greater than those of the community as detailed in an affidavit filed by their attorneys.
5. The owners of 8209 paid CSCA \$7,500 in partial compensation for its legal expenses.
6. The roofline, windows, and doorways, among other concessions, resulted in a significant improvement over the original proposed plans.

Table 1 summarizes the community's costs in defending its covenants, a figure approaching \$50,000. Factoring in lost construction time, over \$50,000 in legal bills, the added cost of modifications, and the \$7,500 cost of settlement, the community's response to 8209 Stone Trail Drive has created a substantial incentive for any future developer to cooperate with the CSCA and its ARC.

Table 1. Summary of CSCA Legal Expenses to Defend and Enforce the Settlement with 8209 Stone Trail Drive.

YEAR	TOTAL SPENT
2006	-\$12,448.00
2007	-\$19,663.53
2008	-\$16,174.94
2009 ¹	-\$ 7,177.34
Subtotal	-\$55,463.81
Settlement	7,500.00
Total	-\$47,963.81

¹ This represents services billed in 2008, as well as for representation at enforcement hearings on noncompliance with the settlement.