

STATE OF MARYLAND

State Department of Assessments and Taxation

JAMES L. MAYER, ESQUIRE
THE ILCHESTER LANDING HOMEOWNERS'
8293 MAIN STREET
ELLCOTT CITY MD 21043

058C3031934

THE ARTICLES OF INCORPORATION
OF
THE ILCHESTER LANDING HOMEOWNERS' ASSOCIATION,
INC.

HAVE BEEN RECEIVED AND APPROVED BY THE STATE DEPARTMENT OF ASSESSMENTS
AND TAXATION THIS 7TH DAY OF SEPTEMBER, 1989, AT 9:00 A.M.
AND WILL BE RECORDED.

DEAN W. KITCHEN
By:.....
CORPORATE ADMINISTRATOR

<u>FEE PAID</u>	<u>AMOUNT</u>
ORGANIZATION AND CAPITALIZATION FEE	20.00
RECORDING FEE	20.00

TOTAL - \$40.00

THE ACCOUNT NUMBER WITH THIS OFFICE IS D2868636

ARTICLES OF INCORPORATION
THE ILCHESTER LANDING HOMEOWNERS ASSOCIATION, INC.

THIS IS TO CERTIFY:

FIRST: That I, James L. Mayer, Esquire, whose post office address is 8293 Main Street, Ellicott City, Maryland 21043, being at least eighteen years of age, do hereby form a Corporation under and by virtue of the general laws of the State of Maryland.

SECOND: The name of the Corporation (which is hereinafter called the "Corporation") is:

The Ilchester Landing Homeowner's Association, Inc.

THIRD: The purposes for which the Corporation is formed are as follows:

(a) To organize and operate a real estate management association exclusively to provide for the acquisition, construction, management, maintenance, care and preservation of the open spaces, common area and facilities within all or part of a community to be developed and known as "Ilchester Landing Lots 1-27, including but not limited to open space lots 6, 12, 26 and 27, consisting of 3 sheets, which plats are or are intended to be recorded among the land records of Howard County, Maryland, (ii) all property which may hereafter be annexed to said Ilchester Landing Subdivision (hereinafter referred to as "Ilchester Landing"), and to promote the recreation, health, safety and welfare of the residents within all or part of Ilchester Landing, and any additions thereto as may hereafter be brought within the jurisdiction of this Corporation, no part of the net earnings of which is to inure to the benefit of, or be distributable to, any director, officer, or member of the Corporation, or any other individual, so that no pecuniary gain or profit to the members thereof is contemplated, and for such general purposes, and limited to those purposes, the Corporation shall have the following powers:

(i) To acquire, own, hold, preserve, develop, improve, build upon, manage, operate and maintain open space tracts or areas and common or recreational areas, property, facilities and real estate, whether fee simple or leasehold, and whether improved or unimproved, all designed for the common use, benefit, enjoyment, recreation, health, safety and welfare of the record owner or owners of each lot now or hereafter laid out or established within all or part of a community to be developed and known as "ILCHESTER LANDING".

(ii) To exercise all the powers, rights and privileges and to perform all the duties and obligations of the Corporation, as the same are set forth hereinafter and that certain Declaration of Covenants, Conditions, and Restrictions for Ilchester Landing, to be made by Ilchester Road Property Partnership and intended to be recorded among the Land Records of Howard County (the "Declaration"), as such Declaration may hereafter be amended from time to time to the extent that such Declaration, when executed and recorded as aforesaid, shall be deemed a part hereof to the same extent as if it were incorporated herein;

(iii) To establish, fix, make, impose, levy, collect and enforce the payment of, by any lawful means, all charges or assessments pursuant to the terms of the Declaration and to pay all expenses incident to the conduct of the business of the Corporation, including all license fees, taxes or governmental charges levied or imposed against the property of the Corporation;

(iv) To purchase, lease, option, or otherwise acquire, own, hold, preserve, develop, improve, build upon, manage, operate, maintain, convey, sell, exchange, dedicate for public use, or in any manner transfer or dispose of any real or personal property in connection with the affairs of the Corporation pursuant to the terms of the Declaration;

(v) To borrow or raise money for any of the purposes of the Corporation, and to issue bonds, debentures, notes, or other obligations of any nature, and in any manner permitted by law, for money so borrowed or in payment for property purchased, or for any other lawful consideration, and, upon authorization of two-thirds (2/3) of the members of each class of membership in the Corporation, voting separately thereon, to secure the payment of the money borrowed and of the interest thereon, by mortgage upon, or pledge or conveyance or assignment in trust of, the whole or any part of the property of the Corporation;

(vi) To dedicate, sell or otherwise transfer all or any part of the common areas, property and facilities of the Corporation to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed upon by the members of the Board of Directors;

(vii) To participate in mergers and consolidations with other nonprofit organizations, organized for the same purpose, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the members of each class of the membership in the Corporation, voting separately thereon;

(viii) To annex to Ilchester Landing, at any time, and from time to time, within a period of seven (7) years from and after the date of the Declaration, other and additional residential property, open space and common area; and

(ix) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Maryland by law may now or hereafter have or exercise.

(b) The Corporation is formed under the articles, conditions and provisions expressed herein and the general laws of this State. In no event, however, shall the Corporation: (i) carry on any propoganda or otherwise attempt to influence any legislation or any public administrative action; (ii) participate or intervene in any political campaign on behalf of any candidate for any political campaign on behalf of any candidate for public office, by any means, including the publication or distribution of any statement for or against any candidate; (iii) carry on any activity not permitted to be carried on by a corporation exempt from Federal Income Tax under Sections 501 (c) or 528 of the Internal Revenue Code of 1986, as amended to date, or under any corresponding provision of any future United States Internal Revenue Law; or (iv) invest in or use any property in such a manner as to jeopardize the exemption of the Corporation from taxation under the aforesaid Sections 501(c) or 528 of the Internal Revenue Code of 1986, as now in force or hereafter amended.

FOURTH: The post office address of the principal office of the Corporation in this State is 8307 Main Street, Ellicott City, Maryland 21043. The name and post office address of the resident agent of the Corporation in this State is Donald R. Reuwer, Jr., 8307 Main Street, Ellicott City, Maryland 21043.

FIFTH: (a) The Corporation is not authorized to issue any capital stock. Each member of the Corporation ("Member" or "Members") shall be a Record Owner (as hereinafter defined) of a Lot (as hereinafter defined) now or hereafter laid out or established in Ilchester landing, or in any part of such additional property that may be brought within the jurisdiction of the Corporation. Each Member shall be designated either a Class A Member or a Class B Member. A description of each class of membership, with voting rights and powers of each class, is as follows:

(i) Class A Member: Except for Ilchester Road Property Partnership (the "Developer"), who shall initially be a Class B Member, a Class A Member shall be a Record Owner holding title to one or more Lots in Ilchester Landing, or in any part of such additional property that may be brought within the jurisdiction of the Corporation. Each Class A Member shall be entitled

to one vote per Lot, for each such lot owned by such Member, in all proceedings in which action shall be taken by Members of the Corporation.

(ii) Class B Member: The Class B Member shall be the Developer. The Class B Member shall be entitled to five (5) votes per Lot, for each such Lot owned by such Member, in all proceedings in which action shall be taken by Members of the Corporation.

(iii) Conversion: The Class B Member shall be converted to a Class A Member on December 31, 1999, or at such earlier time as the total number of votes entitled to be cast by Class A Members of the Corporation equals or exceeds the total number of votes entitled to be cast by the Class B Member of the Corporation. After such conversion, if additional property is annexed to Ilchester Landing, then the Class B membership of the Class B Member shall be reinstated until December 31, 1999 or such earlier time as the total number of votes entitled to be cast by Class A Members again equals or exceeds the total number of votes entitled to be cast by the Class B Member.

(b) As used herein, the term "Lot" means a piece or parcel of land within Ilchester Landing or any part of such additional property that may be brought within the jurisdiction of the Corporation, intended for the construction of a single family dwelling thereon. The "Record Owner" as used herein, means and includes each person, firm, corporation, trustee, or legal entity, or the combination thereof, including contract sellers, holding the record title to a Lot regardless of whether title is held in his, her, or its own name, or as joint tenants, tenants in common, tenants by the entirety, or tenancy in co-partnership.

(c) If more than one person, firm, corporation, partnership, trustee, or other legal entity, or any combination thereof, hold the record title to any one Lot, then such multiple owners, as a unit, shall be deemed a single Record Owner and shall be or become a single Member of the Corporation by virtue of Ownership of such Lot. The term "record owner" shall not include any contract purchaser, nor the owner of any redeemable ground rent issuing out of any Lot, nor shall it include any mortgagee, trustee or other grantee named in any mortgage, deed of trust or other security instrument covering any Lot, designed solely for the purpose of securing performance of any obligation or payment of a debt. Membership in the Corporation shall be appurtenant to and may not be separated from the ownership of any Lot, and every Record Owner of a Lot shall become and be a Member of the Corporation.

(d) If any single Class A Membership in the Corporation is comprised of two or more persons, firms, corporations, trustees or other legal entities, or any combination thereof, then the vote of such Class A Member shall be cast one (1) vote for each Lot for which it is a Record Owner.

SIXTH: (a) The number of directors of the Corporation shall be three (3), which number may be increased or decreased pursuant to the By-Laws of the Corporation, but shall never be less than the lesser of (a) three (3) or (b) the number of Members. The names of the directors who shall act until the first annual meeting or until their successors are duly chosen and qualified are Donald R. Reuwer, Jr., John C. Reuwer and Duane E. Zentgraf. No director need be a Member of the Corporation.

(b) At the first annual meeting of the Members of the Corporation, the Members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years, and one (1) director for a term of three (3) years. At each annual meeting thereafter the Members shall elect one (1) director for a term of three (3) years.

SEVENTH: Amendment of these Articles of Incorporation shall require the assent of Seventy-Five percent (75%) of the votes entitled to be cast thereon.

EIGHTH: The duration of the Corporation shall be perpetual. The Corporation, however, may be dissolved under and in accordance with the laws of the State of Maryland, provided such dissolution is authorized, in writing, by not less than two thirds (2/3) of each class of Members of the Corporation, computed separately. Upon any dissolution of the Corporation, after discharge of all corporate liabilities, the Board of Directors shall dispose of all assets of the Corporation by dedication thereof to any appropriate public agency to be used for purposes similar to those for which the Corporation was formed. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned, if practicable, to any nonprofit corporation, association, trust, semi-public agency or other organization as shall at the time qualify as an organization or organizations exempt from taxation under Sections 501(c) or 528 of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue Law, as the Board of Directors may determine such assets to be used in furthering, facilitating or effectuating purposes similar to those for which the Corporation was formed.

NINTH: (a) The Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws;

(b) The Corporation shall not engage in any acts of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1986, as amended or corresponding provisions of any subsequent federal tax laws;

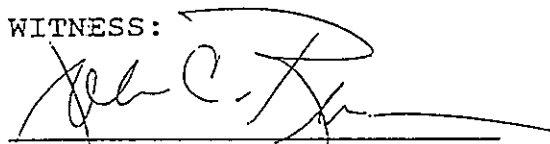
(c) The Corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1986, as amended or corresponding provisions of any subsequent federal tax laws;

(d) The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; and

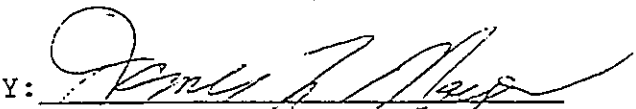
(e) The Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax law".

IN WITNESS THEREOF, I have signed these Articles of Incorporation this 1st day of September, 1989, and I acknowledge the same to be my act.

WITNESS:



realest.ate\ilchester.inc

BY: 

JAMES L. MAYER
Sole Incorporator