

ARTICLES OF INCORPORATION

OF

VICTORIA'S GRANT HOMEOWNERS ASSOCIATION, INC.

STATE DEPARTMENT OF ASSESSMENTS
AND TAXATION

APPROVED FOR RECORD

THIS IS TO CERTIFY:

9-10-96 at 8:32 .m.

That, I, the subscriber, RODNEY GERTZ, whose address is 65 Duke Street, P. O. Box 587, Prince Frederick, Maryland 20678, being at least twenty one (21) years of age, do hereby declare myself as incorporator with the intention of forming a corporation under and by virtue of the General Laws of the State of Maryland, and for such purposes do hereby make, execute and adopt the following Articles of Incorporation.

ARTICLE I

The name of the Corporation is **VICTORIA'S GRANT HOMEOWNERS**

ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II

The principal office of the Association is located at 65 Duke Street, P. O. Box 587, Prince Frederick, Maryland 20678.

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ARTICLE III

The name and post office address of the Resident Agent of the Association in the State of Maryland shall be: Karen H. Abrams, 41620 Fenwick Street, P. O. Box 605, Leonardtown, Maryland 20650.

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ARTICLE IV

The corporation shall have no authority to issue capital stock.

ARTICLE V

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residential Lots and Recreation Area within that certain tract of real property located in the Eighth Election District of St. Mary's County, and more particularly described as follows:

Lots One (1) through One Hundred Twelve (112) and all land areas designated as "Recreation Area" and Parcel "A", as shown on the Plats of Victoria's Grant, to be recorded among the Plat Records of St. Mary's County, Maryland, and conveyed by Deed dated June 2, 1995 to Quality Built Homes, Inc., and recorded among the Land Records of St. Mary's County, Maryland at Liber EWA 974, Folio 209.

And to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

(A) Exercise all of the powers and privileges and to perform all the duties and obligations of the Association as set forth in the certain Declaration of

Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the property and recorded among the Land Records of St. Mary's County, Maryland, and as the same may be amended from time to time as herein provided, said Declaration being incorporated herein as if set forth at length;

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(B) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(C) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or

otherwise dispose of real or personal property in connection with the affairs of the Association;

(D) Borrow money, and with the assent of two-thirds (2/3) of each class of members, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(E) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(F) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes; or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members;

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(G) Have and exercise any and all powers, rights, and privileges which a corporation organized under the Non-Stock Corporation Law of the State of Maryland may now or hereafter have or exercise;

(H) In the event an owner of any property shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors of the Association, after two-thirds (2/3) vote of the Board of Directors, have the right, through its agents or employees, to enter upon said parcel and to repair, maintain and restore the property and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become a part of the assessment to which such property is subject.

ARTICLE VI

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. The Association shall not be authorized to issue capital stock.

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ARTICLE VII

VOTING RIGHTS

The Association shall have two (2) classes of voting membership:

CLASS A: Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they may among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

CLASS B: The Class B member(s) shall be the Declarant (as defined in the Declaration) , and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(A) When the total votes outstanding in Class A membership equals the total votes outstanding in Class B membership; or

(B) On December 31, 2000.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of not less than three (3) nor more than nine (9) Directors, who need not be members of the Association. The number of Directors may be changed by Amendment of the By-Laws of the Association. The number of Directors consisting of the original Board

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of Directors shall be three (3) and the names and addresses of the persons who are to serve as the initial Directors are as follows:

1. Robert Dale Gertz
1461 St. Stephens Church Road
Crownsville, MD 21032

2. Rodney Neal Gertz
P. O. Box 316
Huntingtown, MD 20639

Huntingtown, MD 20886

3. Grace C. Anastasi
4065 Willows Road
Chesapeake Beach, MD 20732

At the first annual meeting the members shall elect one-third (1/3) of the directors for a term of one (1) year, one-third (1/3) of the directors for a term of two (2) years and one-third (1/3) of the directors for a term of three (3) years; and at each annual meeting thereafter, the members shall elect three (3) directors for a term of three (3) years. At the expiration of the initial term of office of each respective director, his or her successor shall be elected to hold office until his or her successor has been elected and holds his or her first meeting.

ARTICLE IX

DISSOLUTION

The Association may be dissolved upon the recommendation of the Board of Directors and the affirmative vote of not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate

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public agency to be used for the purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

DURATION

The Corporation shall exist perpetually.

ARTICLE X

AMENDMENTS

This Association reserves the right to amend, alter or repeal any provision


contained in these Articles in the manner now or hereafter prescribed by statute for the amendment of Articles of Incorporation, but only with the assent of seventy-five percent (75%) of the votes entitled to be cast by the entire membership.

ARTICLE XI

FHA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration, as appropriate: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

IN WITNESS WHEREOF, for the purpose of forming this Corporation under the laws of the State of Maryland, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation, this 9th day of August, 1996.

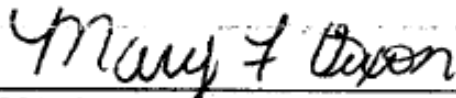


RODNEY NEAL GERTZ

STATE OF MARYLAND, County of Calvert, to wit:

I **HEREBY CERTIFY**, that on this 26 day of AUGUST, 1996, before me, a Notary Public of the State and County aforesaid, personally appeared **RODNEY NEAL GERTZ** and he made oath in due form of law that the matters and facts contained in the foregoing Articles of Incorporation are true and correct to the best of his knowledge, information and belief, and he further acknowledged the foregoing Articles of Incorporation to be his act.

WITNESS my hand and Notarial Seal.



NOTARY PUBLIC
My Commission Expires: July 16, 2000

MARY F. DIXON
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires: _____

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