

**ARTICLES OF INCORPORATION
OF
SHADOWCREEK HOMEOWNERS ASSOCIATION, ~NC.**

CYNTHIA HITT KENT, whose post office address is Watermark Press Building, 3600 Crondall Lane, Suite 105, Owings Mills, Maryland 21117, being at least eighteen (18) years of age, does hereby act 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 purpose, does hereby make, execute, and adopt the following Articles of Incorporation:

ARTICLE I. The name of the Corporation shall be:

SHADOWCREEK HOMEOWNERS ASSOCIATION, INC.

ARTICLE II. The post office address of the principal place of business of the Corporation shall be located in Baltimore County, 11836 Belair Road, P.O. Box 216, Kingsville, Maryland 21087.

ARTICLE III. The resident agent of the Corporation shall be Cynthia Hitt Kent, whose post office address is Watermark Press Building, 3600 Crondall Lane, Suite 105, Owings Mills, Maryland 21117. Said resident agent is a citizen and actual resident of the State of Maryland.

ARTICLE IV. The Corporation is formed to provide for the preservation, enhancement, protection, management, maintenance of the Corporation's H.O.A. Common Areas and other real and personal property, if any; and for the architectural control of certain Lots and Dwellings located in the 11th Election District of Baltimore County, Maryland; and to promote the health, safety and general welfare of the Owners of the Lots; and for those purposes, the Corporation shall have the following powers:

(a) to exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in that certain Declaration of Covenants, Conditions and Restrictions, dated _____, 2001, recorded in the Land Records of Baltimore County, Maryland, (hereinafter referred to as the "Declaration"), as may be amended from time to time, said Declaration being incorporated by reference herein (capitalized terms in these Articles shall have the same meaning as set forth in the Declaration);

(b) to fix, levy, collect and enforce payment of all Assessments or permitted

charges pursuant to the terms of the Declaration; to pay all expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the Corporation;

(c) to acquire (by gift, purchase or otherwise), own, hold, improve, build on, 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 Corporation;

(d) to borrow money, and with the assent of two thirds (2/3rds) 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) to dedicate, sell or transfer all or any part of the H.O.A. Common Areas, if any, to any public agency, authority, or utility upon the terms and conditions set forth in the Declaration;

(f) to participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional property and H.O.A. Common Areas, if any, upon the terms and conditions set forth in the Declaration;

(g) insofar as permitted by law, to do any other thing that, in the judgment of the Board of Directors, will promote the business of the Corporation or the common benefit of its Members.

The foregoing enumeration of specific powers shall not be deemed to limit or restrict in any manner the general powers of this Corporation, and the enjoyment or the exercise thereof, as conferred by the General Laws of the State of Maryland.

ARTICLE V. Every person or entity who is an Owner of a fee simple interest in any Lot, including contract sellers, shall be a Member of the Corporation. The foregoing is not intended to include persons, institutions or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

ARTICLE VI. The Corporation shall have two (2) classes of voting Membership:

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

CLASS B. The Class B Members shall be the Declarant, and its grantees, successors and assigns who acquire more than 1 lot prior to completion of a Dwelling thereon. The Class B Members 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:

(1) when the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership, or

(2) the expiration of the Development Period (as that term is defined in the Declaration); provided, however, that if the Class B Members are delayed in the improvement and development of the Property on account of a sewer, water or building permit moratorium or any other cause or event beyond the Class B Members' control, then the aforesaid Development Period shall be extended by a period of time equal to the length of the delays or three (3) years, whichever is less.

Provided, however, the Class B Membership shall be revived (and the Class B Members shall again be entitled to three (3) votes for each Lot owned by any Class B Members), during any periods of time occurring before December 31, 2011, when by reason of the annexation, additional Lots owned by the Class B Members exist which, when added to the other Lots already in the Property owned by the Class B Members, would result in the Class B Members having more than fifty percent (50%) of the votes of the Corporation, were the Class B Members to have three (3) votes for each Lot owned by the Class B Members instead of only a single vote for each Lot owned by the Class B Members.

ARTICLE VII. The Corporation shall have a lien on each Lot owned in order to secure payment of any sums which shall be due or become due from the Owners for any Assessments or permitted charges. Owners and the Lots shall be assessable as provided in the Declaration.

ARTICLE VIII. In the event any Class A Member sells, assigns, or otherwise transfers of record the fee simple interest in any Lot in which he holds the interest required for Membership, such Member shall be deemed to have contemporaneously assigned the Membership appurtenant to said Lot to the transferee of the Lot. The foregoing requirement shall not apply in the event a Lot is transferred as aforesaid merely as security for the performance of an obligation.

ARTICLE IX.

(a) This Corporation will not operate for profit and does not contemplate the distribution of gains, profits or dividends to any of the Members nor shall any part of the income of the Corporation be distributed to its Board of Directors or officers. In the event there are any excess receipts over disbursements as a result of performing services, such excess shall be applied against future expenses. After the Development Period (as defined in the Declaration), the Corporation may pay compensation to its Members, Directors and officers for services rendered, only upon approval of two thirds (2/3rds) of the entire Membership. During the Development Period, the Corporation may pay compensation to the Directors constituting the original Board of Directors, upon an affirmative vote of a

majority of the original Board. Upon dissolution or final liquidation, the Corporation may make distribution to its Members as is permitted by the Court having jurisdiction thereof, and no such payment, benefit or distribution shall be deemed to be a dividend or distribution of income.

(b) This Corporation shall issue no shares of stock of any kind or nature whatsoever. The Members of this Corporation shall not be personally liable for the debts, liabilities or obligations of this Corporation. The voting rights of the Members shall be as set forth in the Declaration and By-Laws.

ARTICLE X. The affairs of the Corporation shall be managed by a Board of Directors. The number of Directors shall be not less than three (3) nor more than seven (7) persons. The number of Directors may be increased or decreased in accordance with the By-Laws. In no event shall the number of Directors be an even number. The number of Directors constituting the original Board of Directors shall be three (3) and the names and addresses of the persons who are to serve until the first annual meeting of Members and until their successors are duly chosen and qualified are as follows:

NAME	ADDRESS
Gary S. Houston	All
Paul Amirault	11836 Belair Road, P.O. Box 216
Doug Magill	Kingsville, Maryland 21087

The qualifications, powers, duties, and tenure of the Directors and the manner by which they are to be chosen shall be as set forth in the By-Laws of the Corporation. Officers of this Corporation shall be elected by the Directors and shall serve as provided in the By-Laws.

ARTICLE XI.

(a) The Corporation shall indemnify every officer and Director of the Corporation against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or Director in connection with any action, suit or other proceeding (including settlement of any such suit or proceeding if approved by the then Directors) to which he may be made a party by reason of being or having been an officer or Director at the time such expenses are incurred. The officers and Directors of the Corporation shall not be liable to the Members of the Corporation for any mistake in judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of the Corporation shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Corporation and the Corporation shall indemnify and forever hold each such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall

not be exclusive of any other rights to which any officer or Director of the Corporation, or former officer or Director of the Corporation, may be entitled.

(b) The Directors shall exercise their powers and duties in good faith and with a view to the best interests of the Corporation. No contract or other transaction between the Corporation and one or more of its Directors, or between the Corporation and any other corporation, firm or association in which one or more of the Directors of this Corporation are Directors and officers or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board or any committee thereof which authorizes or approves the contract or transaction, or because his or their votes are counted for such purpose, if any of the conditions specified in any of the following paragraphs exist:

(1) the fact that the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the minutes, and the Board authorizes, approves, or ratifies such contract or transaction in good faith or by a vote sufficient for the purpose; or

(2) the fact of the common directorate or interest is disclosed or known to the Members, or a majority thereof, and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

(3) the contract or transaction is commercially reasonable to the Corporation at the time it is authorized, ratified, approved or executed.

(c) Common or interested Directors may be counted in determining the presence of a quorum of any meeting of the Board or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize any contract or transaction with like force and effect as if he were not such Director or officer of such other corporation, or not so interested.

ARTICLE XII. The Corporation shall exist perpetually.

ARTICLE XIII. The Corporation reserves the right to amend, alter or repeal any provision of these Articles in the manner prescribed by law for the amendment of corporate charters, provided, however, that such amendment shall require the approval of at least fifty one percent (51 %) of each class of Members. During the Development Period, any amendment shall require the approval of the Developer.

ARTICLE XIV. The Corporation may be dissolved with the prior written approval of at least seventy five percent (75%) of each class of Members. Upon dissolution of the Corporation, other than incident to a merger or consolidation, the assets of the Corporation shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Corporation was created. In the event that such dedication is refused, such assets shall be granted, conveyed, and assigned to any

nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation and acknowledge the same to be my act on _____, 2001.

WITNESS:

CYNTHIA HITT KENT