



MARYLAND

State Department of Assessments and Taxation

8301185

THE

ARTICLES OF INCORPORATION

OF

CLOISTERS HOMEOWNERS ASSOCIATION, INC.

HAVE BEEN RECEIVED AND APPROVED BY THE STATE DEPARTMENT OF ASSESSMENTS  
AND TAXATION THIS 26th DAY OF August, 1982 at 2:00 P.M.  
AND WILL BE RECORDED.

BY:.....

*S. Smith*

RECEIVED

SEP - 7 1982

ARTICLES OF INCORPORATION

OF

CLOISTERS HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of Corporations and Associations of the Annotated Code of Maryland, and any amendments thereto, the undersigned, Earl L. Segal, whose post office address is 8720 Georgia Avenue, Fifth Floor, Silver Spring, Maryland 20910, being at least eighteen (18) years of age, has this day, by execution of these Articles, voluntarily declared himself to be an incorporator for the purpose of forming a non-stock, non-profit corporation pursuant to the general laws of Maryland, and does hereby certify:

ARTICLE I  
NAME OF CORPORATION

The name of the Corporation is CLOISTERS HOMEOWNERS ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II  
PRINCIPAL OFFICE

The post office address of the principal office of the Association is 6101 Montrose Road, Fourth Floor, Rockville, Montgomery County, Maryland 20852.

ARTICLE III  
RESIDENT AGENT

The name of its resident agent is Larry A. Goldstein, whose post office address is 6101 Montrose Road, Fourth Floor, Rockville, Montgomery County, Maryland 20852.

ARTICLE IV  
POWERS AND PURPOSES

This Association does not contemplate pecuniary gain or profit, direct or indirect, to the members thereof, and the specific purposes for which it is formed are to provide for or assure maintenance, preservation and architectural control of the Lots and Common Area within the Property described on Exhibit "A" attached hereto and made a part hereof, including such additions thereto as may be hereafter brought within the jurisdiction of the Association, and to promote the health, safety and welfare of the Owners within the Property and any additions thereto as may hereafter be brought within the jurisdiction of this Association. For this purpose, the Association shall have the power and authority to:

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(a) Exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in the Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the Property and recorded or to be recorded among the Land Records of Montgomery County, Maryland, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length and made a part hereof;

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

(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 the real or personal property owned by the Association 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, and unless the Maryland National Capital Park and Planning Commission, or its successor or assigns, has given its prior written approval thereof, which approval shall not be unreasonably withheld or delayed.

(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, unless the Declaration or Bylaws provides otherwise.

(g) Have and exercise any and all powers, rights and privileges which a non-stock, non-profit corporation organized under the laws of the State of Maryland by law may now or hereafter have or exercise.

#### ARTICLE V NO CAPITAL STOCK

This Association is not authorized to issue any capital stock and shall not be operated for profit. The Association does not anticipate distributing dividends, gains or profits to its members. No member shall have any personal liability for the debts or obligations of the Association.

ARTICLE VI  
MEMBERSHIP

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 Class A members shall be entitled to one (1) vote for each Lot (as such term is defined in the Declaration) owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast by a Class A member with respect to any Lot.

Class B: All of the Class B memberships shall be initially held by the Declarant (as defined in the Declaration) who shall be the Class B member(s) and shall be entitled to three (3) votes for each Lot owned by it. Each Class B membership shall cease and become a nullity upon the happening of any of the following events, whichever occurs earliest:

(i) when the total authorized and outstanding Class A memberships equal the total votes outstanding in the Class B membership; or

(ii) three (3) years from the date of recordation of the Declaration; provided, however, that if the Declarant is 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 Declarant's control, then the aforesaid three (3)-year period shall be extended by a period of time equal to the length of the delays or three (3) years, whichever is less.

(iii) Upon the surrender of said Class B memberships by the then holders thereof for cancellation on the books of the Association.

Upon the lapse or surrender of any of the Class B memberships as provided for in this Article, the Declarant shall thereafter remain a Class A member of the Association as to each and every Lot in which the Declarant then holds the interest otherwise required for such Class A membership.

The members of the Association shall have no preemptive rights, as such members, to acquire any memberships of this Association that may at any time be issued by the Association except as may be specifically provided in these Articles of Incorporation or the Bylaws of the Association.

ARTICLE VII  
VOTING RIGHTS

Every person or entity who is a record owner of a fee or undivided fee interest of any Lot, including contract sellers, shall be a member of the Association; provided that any such person or entity who or which holds such interest merely as security for the performance of an obligation shall not be a member. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE VIII  
RIGHT OF ENJOYMENT

Every Owner shall have a right and easement of enjoyment in and to the Common Area, including the private streets and parking lots and walkways included therein, which shall be appurtenant to and shall pass with the title to every Lot, for purposes of ingress and egress to and from his Lot.

ARTICLE IX  
BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board initially consisting of three (3) directors whose names and addresses are hereinafter listed. Commencing with the first annual meeting of the Association, the Board shall consist of not less than three (3) nor more than five (5) directors. The names and addresses of the persons who are to initially act in the capacity of directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Larry A. Goldstein	6101 Montrose Road, Fourth Floor Rockville, Maryland 20852
Robert Woodbridge	6101 Montrose Road, Fourth Floor Rockville, Maryland 20852
Margaret O'Reilly	6101 Montrose Road, Fourth Floor Rockville, Maryland 20852

The number, qualifications, powers, duties and tenure of the office of the directors and the manner by which directors are to be chosen shall be as prescribed and set forth in the Bylaws of the Association. Officers of the Association shall be elected and shall serve as provided for in said Bylaws.

ARTICLE X  
DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members, and with the written approval of the Maryland-National Capital Park and Planning Commission, or its successors or assigns, which approval shall not be unreasonably withheld or delayed. Written notice of a proposal to dissolve, setting forth the reasons therefor and the disposition to be made of the assets (which shall be consonant with this ARTICLE X), shall be mailed to every member not less than ten (10) days nor more than fifty (50) days in advance of any action to be taken. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for 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 XI  
DURATION

This Association shall exist perpetually.

ARTICLE XII  
AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

ARTICLE XIII  
FHA/VA APPROVAL

As long as there is a Class B membership and any Lot subject to the Declaration is then encumbered by a deed of trust or mortgage which is insured by the Federal Housing Administration or guaranteed by the Veterans Administration, the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration (as applicable): annexation of additional properties, not in conformance with the Development Plan (and amendments thereto) as approved by FHA and/or VA, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

ARTICLE XIV  
MISCELLANEOUS

Unless it is plainly evident from the context that a different meaning is intended, all terms used herein shall have the same meaning as they are defined to have in the Declaration.

IN WITNESS WHEREOF, Earl L. Segal has signed, sealed and delivered these Articles of Incorporation as his own free act and deed on this 26th day of August, 1982

WITNESS:

Josephine DeLaValle Earl L. Segal (L.S.)  
Earl L. Segal

District of Columbia  
STATE OF MARYLAND  
COUNTY OF MONTGOMERY

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to wit:

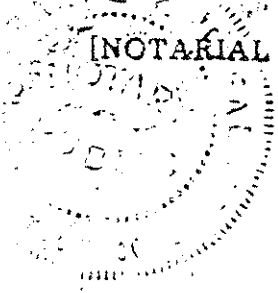
On this 26<sup>th</sup> day of August, 1982, before me, a Notary Public in and for the above ~~County and State~~ District personally appeared Earl L. Segal and acknowledged that he signed the foregoing Articles of Incorporation for the purposes therein stated.

WITNESS my hand and notarial seal.

Suzanne S. McNeal  
Notary Public

My Commission Expires: 7/31/87

[NOTARIAL SEAL]



Lots 50 through 69 inclusive in Block "J" as recorded on October 30, 1981, in Plat Book 115, Plat #13669 on Plat #15 for Timberlawn, as well as Parcel "U" on said Plat 15 for Timberlawn.