

CERTIFICATE OF INCORPORATION

OF

ESTATES OF RED LION MAINTENANCE CORPORATION

FIRST: The name of this Corporation is the Estates of Red Lion Maintenance Corporation (hereinafter referred to as the "Corporation").

SECOND: The address of the Corporation's registered agent in this State is 2750 Wrangle Hill Road, Bear, New Castle County, Delaware 19701. The registered agent shall be the Corporation itself.

THIRD: The nature of the business of the Corporation is to provide for the maintenance of the common facilities and private open space at the subdivision now existing and as modified from time-to-time, situate along Route 71, Red Lion Hundred, New Castle County, State of Delaware and better known as the Estates of Red Lion Subdivision (the "Subdivision"). The Subdivision has been subdivided pursuant to the Record Major Subdivision Plan for Estates of Red Lion to be recorded in the Recorder of Deeds Office in and for New Castle County, Delaware (the "Plan"). The lots established from time-to-time in the Subdivision are hereinafter referred to each individually as the "Lot" and collectively as the "Lots." The maintenance of the Private Open Spaces (as defined in the Maintenance Declaration hereinafter identified) shall be in accordance with the applicable provisions of the New Castle County Code, and pursuant to the provisions and requirements of that certain Maintenance Declaration dated as of August 31, 2000, of record in the Office of the Recorder of Deeds in and for New Castle County, Delaware at Book 2886, Page 156 (the "Maintenance Declaration").

FOURTH: The said Corporation is not a corporation organized for profit, and it shall have no capital stock.

The members of the Corporation (the "Members") shall be the legal owners of the Lots in the Subdivision, but only for so long as they are and remain such legal owners. The members shall be required to pay such assessments as may, from time to time, be levied, as set from time to time by the Corporation's Board of Directors, for the purposes of the Corporation. At all of the meetings of the Corporation the owners of each Lot shall be entitled collectively to cast one (1) vote, or if any member or members own more than one (1) Lot, then they may collectively cast one (1) vote for each such Lot so owned, which vote may be cast in person or by proxy. When more than one person holds such interest or interests in any lot all such persons shall be members, and the vote for such lot shall be exercised as they among themselves determine, but in no event more than one total vote shall be cast with respect to any such lot.

At the regular annual meeting of the Corporation, the Board of Directors of the Corporation shall levy an annual assessment for the benefit of the Corporation in the amount set by a majority of the Corporation's members in good standing pursuant to Section 4 of the Maintenance Declaration upon the then-current property owners of each Lot. Said assessment shall be equally apportioned as between each Lot, and shall be payable annually in advance on the due date of each year established by the Board of Directors. Said assessment shall be subject to such discounts, if any, as the Board of Directors may fix from time to time. Said assessment shall, when due, become a lien on the Lot or Lots against which the assessment is made, subject and subordinate to the lien of any mortgage or mortgages of record against such Lot or Lots. If such assessment is not paid within thirty (30) days after the due date, it shall bear interest from the date of delinquency at the legal rate of interest then in effect, and may be recovered, together with costs and reasonable attorneys fees required therefor, by appropriate execution upon, and sale of, said Lot by the Corporation through its attorney, subject in lien to any recorded mortgage or mortgages. Notwithstanding the foregoing, by a two-thirds (2/3) affirmative vote of the Members in good standing voting in person or by proxy at the annual meeting, the Corporation may elect to make the assessment payable semi-annually, quarterly, or monthly. The Board of Directors may also elect to levy special assessments pursuant to the relevant provisions in the Bylaws.

Nothing herein shall be regarded as imposing, on the Members, personal liability to the Corporation's creditors. Nothing herein shall authorize the Corporation to make levies or assessments or create mortgages or other liens upon the private open spaces or common appurtenances located within the Subdivision and shown on the Plan (the "Common Facilities"), or to convey the Common Facilities, or any part thereof, except for a proper corporate purpose as set forth in this Certificate and unless such action has been authorized and approved by a two-thirds (2/3) vote of all Members, in accordance with the provisions of the Bylaws of the Corporation.

To the extent the Board of Directors of the Corporation do not specifically perform the covenants of the Corporation under the Maintenance Declaration, the individual Lot owners are specifically empowered to enforce those covenants, in order to carry out the purpose of the Corporation.

FIFTH: The name and mailing address of the incorporator is as follows:

John E. Tracey, Esquire
Young Conaway Stargatt & Taylor, LLP
1000 West Street, 17th Floor
P.O. Box 391
Wilmington, Delaware 19899-0391

SIXTH: The powers of said Incorporator shall terminate upon the filing of the Certificate of Incorporation. The business and affairs of the Corporation shall be carried on by a Board of Directors. The initial Board of Directors shall consist of three (3) Directors. Thereafter, upon the turnover of the Corporation to the Homeowners of the Subdivision, the Board of Directors shall consist of three (3) or more persons, not to

exceed eight (8) persons, elected for such term or terms as may be fixed by the Bylaws. The Board of Directors may be staggered. The Bylaws for the Corporation may only be amended by two-thirds (2/3) vote of the Members, as therein provided. Any vacancy occurring in the Board may be filled by a majority of the remaining members of the Board until the next annual meeting of the Members. The Board of Directors shall have the power to elect a President, one or more Vice-Presidents, a Secretary, a Treasurer, and such other officers as may be deemed desirable.

Until such time as successors are elected and qualified, the following person(s) is/are to serve as the Director(s) of the Corporation, with a mailing address as set forth opposite his name below:

Name	Address
1. Harrison B. Peoples	2750 Wrangle Hill Road, Bear, Delaware 19701
2. W. Thomas Peoples	2750 Wrangle Hill Road, Bear, Delaware 19701
3. Paul S. Manubay	2750 Wrangle Hill Road, Bear, Delaware 19701

The Corporation shall have the power to acquire by purchase, devise or donation, or in any other manner, and to dispose of, any property, or property rights, real or personal, and to enter into and perform any and all contracts and to mortgage, pledge, restrict the use of, or otherwise encumber any of its property and to draw, make, endorse and accept promissory notes and bills of exchange, provided that any such action by the Corporation shall be for the purpose of carrying out the objects for which it is incorporated, and provided that any such action is consistent with the foregoing provisions and the provisions of the Maintenance Declaration. Notwithstanding the foregoing, the Corporation shall have no power to mortgage or convey, or make levies or assessments upon, Common Facilities of the Subdivision owned by the Corporation without the approval of at least two thirds of the Members, excluding the developer of the Subdivision. In the event that the Corporation is dissolved, the assets of the Corporation shall be conveyed to New Castle County or its successors or as assigns as New Castle County shall provide.

SEVENTH: The Corporation shall be considered a "civic organization" as defined in 9 Del. C. §8109(a)(1) and is subject to the following provisions:

- (i) The Corporation is not organized for profit;
- (ii) No part of the net earnings of the Corporation shall inure to the benefit of any private shareholder, member or individual; and
- (iii) Upon liquidation or dissolution of the Corporation, or abandonment by the Corporation, none of the assets of the Corporation nor benefits from its property will inure to the benefit of any person or organization except a community

chest, public or nonprofit, foundation, government, governmental agency, civic organization, maintenance corporation or other nonprofit organization.

EIGHTH: A Director shall not be personally liable for monetary damages for a breach of a fiduciary duty as a director unless: (i) such breach constitutes a breach of the duty of loyalty to the corporation or its members; (ii) the act or omission was not in good faith or otherwise involved intentional misconduct or a knowing violation of law; or (iii) for any transaction from which the Director derived an improper personal benefit. A Director shall not be liable for a breach of the duty of loyalty for a self-interested transaction if the provisions of 8 *Del. C.* §144 are satisfied.

NINTH: This Certificate of Incorporation may not be amended except with the approval of at least two-thirds (2/3) of all Members. The power to make, alter or repeal Bylaws shall be in the members of the Corporation as provided in the Bylaws.

TENTH: If employees or agents of New Castle County enter upon property that is owned or titled under the name Estates of Red Lion Maintenance Corporation for the purpose of bringing such property into compliance with the New Castle County Code or State or federal law, members of the Corporation shall be personally liable for debts of the Corporation caused by such corrective action and assessed against said Corporation.

ELEVENTH: The election of the Directors of the Corporation need not be by ballot unless the Bylaws of the Corporation shall so provide.

TWELFTH: The Board of Directors must bring all matters relating to membership fees and land use to all members of the Corporation for voting thereon.

THIRTEENTH: The Corporation shall exist perpetually.

The undersigned, for the purpose of forming a corporation in pursuance of Title 8, Chapter 1, of the Delaware Code entitled "General Corporation Law", and the acts amendatory thereto and supplemental thereto, if any, makes and files this Certificate of Incorporation, hereby declaring and ratifying that the facts herein are true, and accordingly, has set his hand and seal the 31 day of JANUARY, 2003.

In the Presence of:

Incorporator:

Rita Moore

John E. Tracey, Esquire

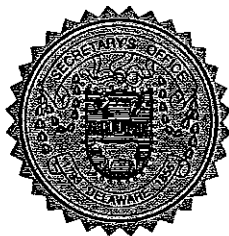
Delaware

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The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "ESTATES OF RED LION MAINTENANCE CORPORATION", FILED IN THIS OFFICE ON THE THIRTY-FIRST DAY OF JANUARY, A.D. 2003, AT 9 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

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AUTHENTICATION: 2238933

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DATE: 02-03-03