

ARTICLE OF INCORPORATION  
OF  
CHESHIRE FOREST HOMEOWNERS ASSOCIATION, INC.

We hereby form a non-stock, non-profit corporation under the provisions of Chapter 2 of Title 13.1 of the Code of Virginia of 1950, as amended, and to that end set forth the following:

ARTICLE I

NAME; DEFINITIONS

Section 1. Name. The name of the corporation is CHESHIRE FOREST HOMEOWNERS ASSOCIATION, INC. (hereinafter called the "Associaton").

Section 2. Definitions.

(b) "Association" shall mean and refer to Cheshire Forest Homeowners Association, Inc., its successors and assigns.

(b) "Builder" or "Builders" shall mean and refer to any person, partnership, corporation or other entity which purchases any Building Site (hereinafter defined) from Declarant (hereinafter defined) for the purpose of constructing thereon, and the selling in the ordinary course of business to owners, detached single family dwellings.

(c) "Building Site" shall mean and refer to any portion of the Property which is a numbered or lettered building site upon which an attached single family dwelling is constructed, but shall not include any plot otherwise designated or any Common Area.

(d) "Common Areas" shall mean all Property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners.

(e) "Declaration" shall mean and refer to that certain Declaration of Covenants, Conditions, Restrictions and Easements made by the Declarant, dated as of January , 1987, and intended to be recorded in the Clerk's Office of the Circuit Court of the City of Chesapeake, Virginia.

(f) "Declarant" shall mean and refer to Parker Road Associations, a Virginia limited partnership, its successors and assigns, if such successors or assigns should acquire from Declarant its remaining interest in the property referred to in Article III hereof for the purposes of development. Development shall mean and refer to the orderly subdivision of such Property and the construction thereon of private and/or public water facilities, sewer facilities, streets and

drainage facilities to serve said Property for the purpose of selling same in the ordinary course of business to "Builders".

(g) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Building Site which is a part of the Property, including contract sellers, but excluding those persons or entities having such interest merely as security for the performance of an obligation.

(h) "Property" shall mean and refer to the real property described in Article III hereof.

## ARTICLE II

### REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Association is One Columbus Center, Tenth Floor, Virginia Beach, Virginia 23462. The name of the City in which the initial registered office is located is Virginia Beach, Virginia. The name of the initial registered agent of the Association is David N. Reda, who is a resident of the State of Virginia and a member of the Virginia State Bar and whose business office is the same as the initial registered office of the Association.

## ARTICLE III

### PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to its Members, and the specific purpose for which it is formed is to provide for the ownership, maintenance, preservation, and operation of certain real property (the "Common Areas") and the architectural control of the Building Sites within the Property, more particularly described as follows:

ALL THOSE certain lots, pieces or parcels of land with the buildings and improvements thereon, situate, lying and being in the City of Chesapeake, Virginia, and being known, numbered and designated as Parcel HA-1 and Lots 1 through 34, inclusive, as shown on that certain plat entitled "Subdivision Plat of Cheshire Forest, Phase I", Pleasant Grove Borough, Chesapeake, Virginia, which plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Chesapeake, Virginia, in Map Book 85, at Pages 105 and 105A; reference to said plat is hereby made for a more particular description of said property,

and to promote the health, safety and welfare of the residents within the Property and, for this purpose, to:

(a) exercise all of the powers and privileges, and to perform all of the duties and obligations, of the Association as set forth in the Declaration applicable to the Property and recorded in the aforesaid Clerk's Office, as the same may be amended and/or supplemented from time to time; and, subject to any limitations set forth in the Declaration, to exercise its powers hereinafter enumerated;

(b) fix, levy, collect, and enforce payment by any lawful means, all charges or assessments provided for under the terms of the Declaration, and 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 affirmative vote of more than two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for such purpose, mortgage, pledge, deed in trust, or hypothecate any and 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 Areas 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, sale or transfer shall be effective unless the same should have been approved by an affirmative vote of more than two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for such purpose;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purpose;

(g) have and to exercise any and all powers, rights and privileges which a non-stock corporation organized under the laws of the Commonwealth of Virginia may now or hereafter have or exercise.

Notwithstanding anything contained in these Articles to the contrary, no part of the net earnings of the Association shall inure (other than by acquiring, constructing, or providing management, maintenance, and care of Association property, and other than by a rebate of excess membership dues, fees or assessments) to the benefit of any member or individual, within the meaning of Section 528 of the Internal Revenue Code of 1954 and corresponding provisions of any future law.

## ARTICLE IV

### MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Building Site (as said terms are defined above), including contract sellers, which is subject by the Declaration to assessment by the Association, 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 an obligation. No owner shall have more than one membership. Membership shall be appurtenant to, and may not be separated from, ownership of any Building Site which is subject to assessment, as aforesaid, by the Association. Ownership of such Building Site shall be the sole qualification for membership.

## ARTICLE V

### VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A Members shall be all those Owners as defined in Article IV, with the exception of the Declarant and Builders prior to and during the course of construction. Class A Members shall be entitled to one vote for each Building Site in which they hold the interest required for membership by Article IV. When more than one person holds such interest in any Building Site, all such persons shall be Members, and the vote or votes for such Building Site shall be exercised as the majority of such persons among themselves determine. At any meeting of the Members, a representation by any of such persons that a majority of such persons have agreed as to the vote or votes for such Building Site shall be conclusive unless another of such persons contest such representation at such meeting prior to the casting of such vote or votes.

Class B. Class B members shall be the Declarant and Builders. Class B Members shall be entitled to three (3) votes for each Building Site in which it (they) hold(s) the interest required for membership by Article IV, provided that the class membership shall cease and be converted to Class A membership (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or (b) on December 31, 1993, whichever shall first occur. Notwithstanding anything herein contained to the contrary, if the Declarant shall, at any time or from time to time, convey one or more undeveloped Building Site(s) to any person, firm or corporation, including Builders, the Declarant shall continue to have and exercise voting rights with respect to each such Building Site to the same extent as if it continued to own such Building Sites, until such Building Sites

are developed and either conveyed to a purchaser for occupancy, or occupied as a dwelling.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors of either five (5) or seven (7) directors who need not be Members of the Association. The number of directors (within the numerical limits stated above) shall be fixed, from time to time, by resolution of the Board of Directors of the Association.

The number of directors constituting the initial Board of Directors shall be five (5), each of whom shall serve for a one (1) year term, or until their successors are elected and take office; and the names and addresses of the persons who are to serve as the initial directors are as follows:

<u>Name</u>	<u>Address</u>
Roxanne Miller	1001 Autumn Woods Lane Virginia Beach, Virginia 23454
Bruce Galvin	416 Maryland Court Virginia Beach, Virginia
Daniel Gordon	6831 Meadow Lawn Drive Norfolk, Virginia 23518
Allan Gibbs	4069 Saw Pen Point Circle Virginia Beach, Virginia 23455
Bill Evans	965 Coqliandro Drive Chesapeake, Virginia 23320

At the first annual meeting, the Members shall elect two (2) of the Directors for a term of one (1) year, two (2) of the Directors for a term of two (2) years and one (1) of the Directors for a term of three (3) years, and at each annual meeting thereafter the Members shall elect Directors as needed to fill vacancies for a term of two (2) years.

## ARTICLE VII

### MERGERS AND CONSOLIDATIONS

To the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit corporations organized for the same purposes as the Association, provided that any such merger or consolidation shall have the affirmative vote of more than three-fourths (3/4) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be mailed to all Members not less than twenty-five (25) nor more than fifty (50) days in advance and shall set forth the purpose of the meeting. Upon a merger or consolidation of the Association with another association, its property, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or alternatively, the property, rights and obligations of another association may, by operation of law, be added to the property, rights and obligations of the Association as a surviving corporation pursuant to a merger or consolidation. The surviving or consolidated association may administer the covenants, conditions, restrictions and easements established by the Declaration within the Property, together with the covenants, conditions, restrictions and easements established upon any other properties, as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants, conditions, restrictions and easements established by the Declaration within the Property, except as herein provided.

## ARTICLE VIII

### DISSOLUTION

The Association may be dissolved upon an affirmative vote of more than three-fourths (3/4) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for such purpose. 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 the Association was created. In the event 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 Association shall exist perpetually.

ARTICLE X

AMENDMENTS

Amendments to these Articles may be made in the manner prescribed by the applicable statutes of the Commonwealth of Virginia.

ARTICLE XI

FHA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of either the Federal Housing Administration or the Veterans Administration: Dedication of any Common Area to a public authority; mortgaging of any Common Area; mergers and consolidations; and amendment of these Articles.

DATED this 15<sup>th</sup> day of January, 1987.

CHESHIRE FOREST HOMEOWNERS  
ASSOCIATION, INC.

By [Signature]  
Incorporator

COMMONWEALTH OF VIRGINIA  
AT LARGE

The foregoing instrument was acknowledged before me this 15<sup>th</sup>  
day of January, 1987, by H. Allen Childs.

[Signature]  
Notary Public

My Commission Expires: 11/4/88

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