

ARTICLES OF INCORPORATION

The Hampton Park Community Association, Inc.

ARTICLES OF INCORPORATION OF
HAMPTON PARK COMMUNITY ASSOCIATION, INC.

The undersigned hereby forms a non-stock corporation under the provisions of Chapter 10 of Title 13.1 of the Code of Virginia (1950), as amended, and to that end adopts the following Articles of Incorporation for such corporation.

ARTICLE I: NAME

The name of the Corporation is Hampton Park Community Association, Inc.

ARTICLE II: PURPOSES

The sole purposes and powers of the Corporation are:

(a) To manage, maintain, and care for the Common Properties in the development known as Hampton Park, located in Chesterfield County, Virginia, and to assess, collect and disburse the charges due the Corporation from its Members, as hereinafter provided.

(b) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, sell, lease, transfer, mortgage, encumber, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation.

(c) To do any and all things and acts that the Corporation, from time to time, in its discretion, may deem to be for the benefit of the Common Properties and the Members, or advisable, proper or convenient for the promotion of the peace, health, comfort, safety or general welfare of such Members, and to conduct any and all business that a Corporation organized under the Virginia Nonstock Corporation Act by law may now or hereafter conduct and have or exercise all powers rights and privileges that are not required to be specifically set forth in these Articles.

Notwithstanding any other provisions of these Articles, the Corporation shall not carry on any activities not permitted to be carried on by a homeowners association exempt from federal income tax under Section 501 of the Internal Revenue Code of 1986 or the corresponding provision of any future Internal Revenue law.

ARTICLE III: MEMBERS AND VOTING

Until the first to occur of (i) conveyance of seventy-five percent (75%) of the Residential Lots by Hampton Park Associates, L.L.C., a Virginia limited liability company ("Developer") or any successor Developer to unrelated parties, or (ii) January 1, 2007, there shall be the following two (2) classes of membership in the Corporation:

TYPE "A": Type "A" members shall be all Owners or Tenants of Owners to whom such Owners have assigned their rights as Type "A" members.

TYPE "B": The Type "B" member shall be the Developer.

Thereafter, there shall be only one (1) class of membership in the Corporation, to wit, the Type "A" membership. Each Type "A" member shall be entitled to one (1) vote for each Residential Lot which he owns. The Members shall vote as classes on all matters submitted to the membership for a vote.

When a Residential Lot is owned of record in any manner in the name of two (2) or more persons or entities, or if two (2) or more persons or entities have the same fiduciary relationship respecting a Residential Lot, then, unless the instrument or order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the Secretary of the Corporation, their acts with respect to voting shall have the following effect:

- (1) if only one (1) votes his act shall bind all;
- (2) if more than one (1) vote the act of the majority so voting shall bind all;
- (3) if more than one (1) vote, but the vote is evenly split on any particular matter, each fraction shall be entitled to its proportionate share of the vote or votes; and
- (4) if the instrument or order filed with the Secretary of the Corporation shows that any such tenancy is held in unequal interest, a majority or even split under subparagraphs (2) and (3) immediately above shall be a majority or even split in interest in the property to which the vote(s) is attributable.

The principles of this Article shall apply, insofar as possible, to execution of proxies, waivers, consents or objections, and for the purpose of ascertaining the presence of a quorum.

The voting rights of any Owner attributable to property actually leased to a Tenant may be assigned by such Owner to his Tenant.

The Members of the Corporation shall have the right to vote for the election and removal of directors and upon such other matters with respect to which a vote of Members is required under the Covenants, these Articles of Incorporation or under the provisions of Chapter 10 of title 13.1 of the Code of Virginia (1950), as amended.

Except as set forth below, where specifically approved by the Board of Directors, the Members may approve or reject actions proposed to be taken by the Association by referendum. At any time that the Type "A" Members have the ability to elect a majority of the Board of Directors, the Members may require a referendum on any action of the Board of

Directors by presenting to the Secretary of the Board within thirty (30) days of the taking of such action or ratification by the Board of its intent to take such action a petition signed by not less than fifty percent (50%) of the Members. Notwithstanding the foregoing, these Articles of Incorporation may only be amended with the approval of at least sixty-seven percent (67%) of the Members present in person or by proxy at a duly called meeting and (so long as there is a Type "B" Member), the approval of the United States Department of Housing and Urban Development.

ARTICLE IV: MANAGEMENT OF CORPORATION

The affairs of the Corporation shall be managed by a Board of Directors having no fewer than three (3) and no more than nine (9) members. The initial Board of Directors shall have three (3) members. The Board of Directors may change the number of Directors to five (5), seven (7), or nine (9) members as the Directors deem appropriate, but the vacancies occurring by reason of such increase shall only be filled by vote of the Members of the Corporation. There shall be two (2) classes of Directors. The Class I Directors shall serve for two-year terms, and the Class II Directors shall serve for one-year terms.

Class I Directors shall be elected by Type "A" Members, and Class II Directors shall be elected by the Type "B" Member. So long as there are Class II Directors,, a majority of the Directors shall be Class II Directors.

A Class I Director may be removed from office, with or without cause, by majority vote of the Members cast at a meeting of the Members of the Corporation expressly called for such purpose, provided the notice of such meeting shall state that the purpose, or one of the purposes, of the meeting is removal of the director. A Class II Director may be removed from office, with or without cause, at the election of the Type "B" Member.

ARTICLE V: INITIAL BOARD OF DIRECTORS

The names and addresses of those persons who are to constitute the initial Board of Directors are:

<u>NAME</u>	<u>ADDRESS</u>
Gary W. Fenchuk	13704 Beechwood Point Road Midlothian, Virginia 23112
H. Clem Carlisle, III	5200 Watercrest Road Midlothian, Virginia 23112

Frances S. Powell

212 Randolph Square Lane
Richmond, Virginia 23233

ARTICLE VI: REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Corporation is 1100 Boulders Parkway, Suite 650, Richmond, Virginia 23225. The name of the initial registered agent is Thomas E. Carr, whose business address is 1100 Boulders Parkway, Suite 650, Richmond, Virginia, 23225, which is located in Chesterfield County. Mr. Carr is a resident of Virginia and a member of the Virginia state bar.

ARTICLE VII: LOANS

The Board of Directors shall have the power and authority to mortgage the property of the Corporation and to pledge the revenues of the Corporation as security for loans made to the Corporation which loans shall be used by the Corporation in performing its authorized functions; provided that any such mortgage is with the prior consent of at least sixty-seven percent (67%) of the Members (excluding the Corporation) present in person or by proxy at a duly called meeting. Notwithstanding anything in the Covenants to the contrary, without the express written consent of the Company, the Corporation shall not be allowed to reduce the level of the Annual Assessment at any time there are outstanding any amounts due the Company as repayment of any such loans made by the Company to the Corporation.

ARTICLE VIII: DISPOSITION OF ASSETS IN DISSOLUTION

So long as there is a Type "B" Member, the Corporation shall not participate in a merger or consolidation or dissolve without the consent of the United States Department of Housing and Urban Development. Upon dissolution of the Corporation, its assets, both real and personal, shall be dedicated to a public body or conveyed to a nonprofit organization with similar purposes to those of the Corporation. In the event of such a dissolution and transfer, the assets shall continue to be used and maintained for the purposes set out herein.

ARTICLE IX: INDEMNIFICATION

The Corporation shall indemnify an individual who entirely prevails in the defense of any proceeding to which he was a party because he is or was a director of the Corporation against reasonable expenses incurred by him in connection with the proceeding. The Corporation shall also indemnify an individual made a party to a proceeding because he is or was a director against liability incurred in the proceeding if:

- (1) he conducted himself in good faith; and
- (2) he believed:

(a) in the case of conduct in his official capacity with the Corporation, that his conduct was in its best interests; and

(b) in all other cases, that his conduct was at least not opposed to its best interests; and

(3) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful.

The termination of a proceeding by judgment, order, settlement or conviction is not, of itself, determinative that the director did not meet the standard of conduct described in this Article IX.

Notwithstanding the foregoing, the Corporation shall not indemnify a director under this Article IX:

(1) in connection with a proceeding by or in the right of the Corporation in which the director is adjudged liable to the Corporation; or

(2) in connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he is adjudged liable on the basis that personal benefit was improperly received by him.

Indemnification granted under this Article IX in connection with a proceeding by or in the right of the Corporation is limited to reasonable expenses incurred in connection with the proceeding. The definitions as set forth in Section 13.1-875 of the Code of Virginia (1950), as amended, shall apply with respect to this Article IX.

The Corporation shall pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding if:

(1) the director furnishes the Corporation a written statement of his good faith belief that he has met the standard of conduct described in this Article IX;

(2) the director furnishes the Corporation a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he did not meet the standard of conduct (which undertaking shall be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make repayment); and

(3) a determination is made that the facts then known to those making the determination would not preclude indemnification under Article 10 of the Virginia Nonstock Corporation Act or this Article IX.

The Corporation shall not indemnify a director under this Article IX unless authorized in the specific case after a determination has been made that indemnification of the director is required under this Article IX because he has met the standard of conduct set forth hereunder. The determination shall be made:

(1) by the Board of Directors by a majority vote of a quorum consisting of directors not at the time parties to the proceeding; or

(2) if such a quorum cannot be obtained, by majority vote of a committee duly designated by the Board of Directors (in which directors who are parties may participate in such designation), consisting solely of two or more directors not at the time parties to the proceeding; or

(3) by special legal counsel:

(a) selected by the Board of Directors or its committee in the manner prescribed in subsection (1) or (2) above;

(b) if such a quorum of the Board of Directors cannot be obtained, and such a committee cannot be designated, selected by a majority vote of the full Board of Directors, in which directors who are parties may participate in such selection; or

(4) by the Members, but shares owned by or voted under the control of directors who are at the time parties to the proceeding may not be voted on the determination.

Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled under this Article IX.

Each officer, employee and agent of the Corporation shall be entitled to indemnification and advance of expenses to the same extent as a director.

The Corporation, at the discretion of the Board of Directors, may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee or agent of the Corporation, or who, while a director, officer, employee or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against liability asserted against or incurred by him in that capacity or arising from his status as a director, officer, employee or agent, whether or not the Corporation would have power to indemnify him against the same liability under this Article IX.

The Corporation shall have power to make any further indemnity, including advance of expenses, to any director, officer, employee or agent that may be authorized by any resolution

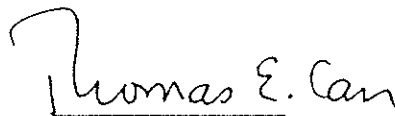
adopted, before or after the event, by the Members, except an indemnity against his knowing violation of a criminal law or willful misconduct. Any determination as to any further indemnity shall be made in accordance with this Article IX. Each such indemnity may continue as to a person who has ceased to have the capacity referred to above and may inure to the benefit of the heirs, executors and administrators of such a person.

No right provided to any person pursuant to this Article IX may be reduced or eliminated by any amendment of these Articles of Incorporation with respect to any act or omission occurring before such amendment.

ARTICLE X: DEFINITIONS; CONFLICTS

All capitalized terms used in these Articles of Incorporation and not defined herein shall have the meaning given to them in the Declaration of Covenants and Restrictions of the Hampton Park Community Association, Inc. and Hampton Park Associates, L.L.C., a Virginia limited liability company, which will be recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia following incorporation of the Corporation. In the event of a conflict between these Articles of Incorporation and the foregoing Covenants, the Covenants shall govern.

Dated: February 10, 1997



Thomas E. Carr
Incorporator