

**ARTICLES OF INCORPORATION**  
**OF**  
**THE VILLAGES AT WESTMINSTER**  
**HOMEOWNERS ASSOCIATION, INC.**

In compliance with the requirements of Chapter 10 of Title 13.1 of the Code of Virginia of 1950, as amended, the undersigned, who is a resident of the Commonwealth of Virginia and is of full age, has this day voluntarily formed a corporation not for profit and does hereby certify:

**ARTICLE I**

The name of the Corporation is THE VILLAGES OF WESTMINSTER HOMEOWNERS ASSOCIATION, INC., hereafter called the "Association."

**ARTICLE II**

The principal office of the Association, which is the initial registered office of the Association is 301 Hiden Boulevard, Suite 200, Newport News, Virginia 23606.

The name of the city in which the initial office is located is Newport News, Virginia.

**ARTICLE III**

The name of its initial registered agent is Barbara Hays Kamp, who is a resident of Virginia and a member of the Virginia State Bar, and whose business office is the same as the registered office, namely 301 Hiden Boulevard, Suite 200, Newport News, Virginia 23606.

## ARTICLE IV

### PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purpose for which it is formed is to provide for maintenance, preservation and architectural control of the residence Lots, Common Area, Open Space, Conservation Areas, Natural Open Space Easements and/or Recreation Areas within that certain tract of property located in James City County, Virginia, known as The Villages at Westminster, Phase I, Section I, as shown on that certain plat entitled "THE VILLAGES AT WESTMINSTER, PHASE I, SECTION I, BERKELEY DISTRICT, JAMES CITY COUNTY, VIRGINIA," dated December 12, 1996, Rickmond Engineering, Inc., Engineers and Surveyors, recorded in Plat Book 67 at pages 23 through 26 in the Clerk's Office of the Circuit Court of James City County, Virginia, (the "Clerk's Office"), to be developed into approximately 89 lots, and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association 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 that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the office of the Clerk of the Circuit Court for James City County, Virginia;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; 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 assent of more than two-thirds (2/3) of the members (excluding the Declarant), mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; provided that, so long as there is a Class B membership, no Common Area shall be mortgaged, pledged, deeded in trust or hypothecated without the prior approval of the US Department of Housing & Urban Development and the Secretary of Veterans Affairs (hereinafter referred to as HUD and VA, respectively), as applicable;

(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, and subject to such laws or ordinances as may restrict same, provided, however, that so long as there is a Class B membership, no such dedication, sale or transfer shall occur without the prior approval of HUD and/or VA, as applicable;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purpose or annex additional residential property and Common Area, provided that, so long as there is a Class B membership, no such merger, consolidation or annexation shall occur without the prior approval of HUD and/or VA, as applicable, and provided further that any such merger, consolidation or annexation (other than annexations provided for in the Declaration which shall be made at the sole discretion of the Declarant) shall have the assent of more than two-thirds (2/3) of each class of members; and

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the Commonwealth of Virginia by law may now or hereafter have or exercise.

## ARTICLE V

### MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject to the Declaration, including Lots in additional phases which are annexed by the Declarant pursuant to the Declaration, and including contract sellers, shall be a member of and have voting rights in 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. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

## ARTICLE VI

### VOTING RIGHTS

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 shall be entitled to one (1) vote for each Lot 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 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 as defined in the Declaration and shall be entitled to two (2) votes for each Lot owned now or in any section which may be hereafter annexed. Class B membership shall cease and be converted to Class A membership and, thereafter, all members shall be entitled to one (1) vote for each Lot owned upon the earliest of the following:

(a) Seventy-five percent (75%) of the Lots are deeded by the Declarant to Owners other than the Declarant.

(b) Five (5) years from the date of the most recently recorded annexation document.

## ARTICLE VII

### BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) directors who need not be members of the Association. The number of directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of the Directors until the selection of their successors are:

Willard W. Morris  
2 Eaton Street, Suite 1101  
Hampton, Virginia 23669

Kenneth L. Allen  
2 Eaton Street, Suite 1101  
Hampton, Virginia 23669

Joseph P. Byrne  
2 Eaton Street, Suite 1101  
Hampton, Virginia 23669

At the first annual meeting, the members shall elect one (1) director for a term of three (3) years; one (1) director for a term of two (2) years; and one (1) director for a term of one (1) year; and at each annual meeting thereafter, the members shall elect directors to serve in place of directors whose terms expire, each such director to serve for a term of three (3) years.

#### ARTICLE VIII

#### DISSOLUTION

The Association may be dissolved by the members, but only upon compliance with all of the provisions of Section 13.1-902, et. seq., of the Code of Virginia of 1950, as amended, or any amendment thereto, and, so long as there is a Class B membership, only with the prior approval of HUD and/or VA, as applicable. 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 IX**

**DURATION**

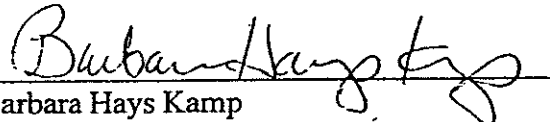
The Association shall exist perpetually.

**ARTICLE X**

**AMENDMENTS**

Amendment of these Articles shall require the approval by not less than seventy-five percent (75%) of the Lot owners and fifty-one percent (51%) of first mortgagees, such vote to include at least a majority of the votes of all Members present, in person or by proxy, and voting at any meeting of the Association properly called for the purpose of acting on such amendment, and, so long as there is a Class B membership, the prior approval of HUD and/or VA, as applicable.

**IN WITNESS WHEREOF**, for the purpose of forming this Association under the laws of the Commonwealth of Virginia, I, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this 12th of February, 1998.

  
Barbara Hays Kamp