

**ARTICLES OF INCORPORATION**  
**OF**  
**CHATHAM SQUARE PROPERTY OWNERS' ASSOCIATION, INC.**  
**(a Virginia Non-stock Corporation)**

The undersigned, pursuant to Chapter 10 of Title 13.1 of the Code of Virginia, the undersigned hereby establishes a non-stock corporation (hereinafter the "Association") and states as follows:

**ARTICLE I**

**NAME**

The name of the Association is: CHATHAM SQUARE PROPERTY OWNERS' ASSOCIATION, INC.

**ARTICLE II**

**MEMBERS**

The Association is to have two (2) classes of members, comprised of the following persons or entities and having the following voting rights:

Class A. Class A members shall be comprised of those persons or entities which own a fee simple interest (or an undivided fee simple interest) in, and are the record owners of title to, any lot in the Association's development of Chatham Square; provided, however, that Class A members shall not include: (i) persons or entities holding such an interest solely as security for the performance of an obligation, or (ii) the Developer, Chatham Land Company, a Virginia corporation, its successor or assignee. Class A members shall be entitled to one (1) vote for each Lot in which they hold an interest required for membership. When more than one (1) person holds such interest in any Lot, all such persons shall be members; provided, however, that they shall vote as a group so that in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The sole Class B member shall be Chatham Land Company, a Virginia corporation, the developer of Chatham Square, or its successor or assignee. The Class B member shall be entitled to nineteen (19) votes for each Lot owned by it. The Class B membership shall automatically terminate and be converted into a Class A membership (with no action being required on the part of any person or entity) on the date when the last unit is deeded to homeowners.

Every person or entity who is a record owner of any Lot is entitled to membership and voting rights in the Association. Membership is appurtenant to, and inseparable from, ownership of the Lot.

### **ARTICLE III**

#### **DISSOLUTION**

If the Association is dissolved, the assets shall be dedicated to a public body, or conveyed to a nonprofit organization with similar purposes.

### **ARTICLE IV**

#### **AMENDMENT**

Amendment of the Articles of Incorporation requires the approval of at least two-third (2/3) vote of the Class A members (13 of 19 votes), and the unanimous consent of the Class B member(s), if any.

### **ARTICLE X**

#### **DIRECTORS**

The Association shall be managed by a Board of Directors, the number, term, qualification, and meetings of which shall be as provided in the Bylaws of the Association. Until such Board of Directors is duly elected and qualified, an initial Board of Directors shall serve which shall consist of the following persons:

<u>Name(s)</u>	<u>Address</u>
Robert G. Beck	1323 Jamestown Road, Suite 101, Williamsburg, VA 23185

The initial Board of Directors shall consist of those persons so designated in the Articles of Incorporation, as appointed by the Developer. Members of the initial Board of Directors shall hold office until the first annual meeting of the directors and until their successors shall have been elected and qualified. All other directors shall be elected by the members at each annual members' meeting; provided however, that the Developer shall appoint all of the Directors until such time as the last Lot has been sold.

**ARTICLE VI**

**REGISTERED AGENT**

The Association's initial registered agent is: Todd C. Rhea.

The initial registered agent is an individual who is a resident of the Commonwealth of Virginia, and is a member of the Virginia State Bar.

**ARTICLE VII**

**REGISTERED OFFICE**

The Association's initial registered office address which is the business address of the initial registered agent is: 92 North Liberty Street, Harrisonburg, Virginia 22802.

The registered office is physically located in the City of Harrisonburg, Virginia.

**ARTICLE VIII**

**NO AUTHORITY TO ISSUE CAPITAL STOCK**

In compliance with Section 13.1-814 of the Code of Virginia, as amended, the Association shall not issue shares of stock.

**ARTICLE IX**

**PURPOSE**

1. The Association is organized for the purpose of: acquiring, constructing, managing, maintaining, and caring for property held by the Association or commonly held or used by the members of the Association; and promoting the recreation, health, safety and welfare of Association members and residents of Chatham Square.

2. The Association shall have all powers and authority:

a. of a property owners' association under the Virginia Property Owners' Association Act, Title 55, Chapter 26 of the Code of Virginia, as amended (hereinafter the "Property Owners' Association Act");

b. of a non-stock corporation under the Virginia Non-stock Corporation Act, Chapter 10, Title 13.1 of the Code of Virginia, as amended (hereinafter the "Non-stock Act"); and

c. described in the Declaration, as amended, setting forth covenants, conditions, and restrictions applicable to the Chatham Square.

3. Consistent with the Non-stock Act, the Property Owners' Association Act, and the Declaration as amended setting forth covenants, conditions, and restrictions applicable to Chatham Square, the Association shall have the power and authority to:

a. acquire, construct, own, operate, and maintain the common areas, facilities, amenities and other property within Chatham Square;

b. fix assessments to be levied against Association members for the purpose of operation and maintaining common areas, facilities, and other property owned or controlled by it in Chatham Square; and

c. administer and enforce the covenants, conditions, and restrictions provided for in the Declaration.

4. In addition, the Association is being organized to carry on the exempt functions of a non-stock, not-for-profit corporation under the Non-stock Act and a homeowners association within the meaning of Section 528 of the Internal Revenue Code of 1986, as amended, and no part of the net earning 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 private individual. The Association shall have the power to carry on business of any character whatsoever that is not prohibited by law or required to be stated in these Articles.

## ARTICLE X

### EFFECTIVE DATE

These Articles of Incorporation shall be effective upon filing.

11/17/09  
Date

INCORPORATOR:

Todd C. Rhea  
Todd C. Rhea, Incorporator

# Commonwealth of Virginia

COPY



## STATE CORPORATION COMMISSION

*Richmond, November 23, 2009*

*This is to certify that the certificate of incorporation of*

**CHATHAM SQUARE PROPERTY OWNERS' ASSOCIATION, INC.**

*was this day issued and admitted to record in this office and that the said corporation is authorized to transact its business subject to all Virginia laws applicable to the corporation and its business.*

*Effective date: November 23, 2009*

*State Corporation Commission*

*Attest:*

*Joel H. Peck*  
Clerk of the Commission

