

STATE CORPORATION COMMISSION

Phichmond, April 1, 1999

This is to Certify that the certificate of incorporation of

VALLEY SPRINGS HOMEOWNERS ASSOCIATION

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:

April 7, 1999



State Corporation Commission

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ARTICLES OF INCORPORATION OF VALLEY SPRINGS HOMEOWNERS ASSOCIATION

In compliance with the requirements of Chapter 10 of Title 13.1 of the <u>Code of Virginia</u> (the "Act"), the undersigned hereby forms a non-stock corporation, not for profit, and certifies:

ARTICLE I

The name of the corporation is Valley Springs Homeowners Association (the "Association").

ARTICLE II

The principal office of the Association is located at 3701 Pender Drive, Suite 200, Fairfax, Virginia, 22030, in Fairfax County, Virginia.

ARTICLE III

The Association's initial registered office is located at 8221 Old Courthouse Road, Suite 300, Vienna, Virginia, 22182, in Fairfax County, Virginia. Sara T. O'Hara, who is a resident of Virginia and a member of the Virginia State Bar and whose business address is the same as that for the registered office, is the initial registered agent of the Association.

ARTICLE IV PURPOSE AND POWERS OF THE ASSOCIATION

The Association does not contemplate pecuniary gain or profit to its members, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of residential lots, and to own, improve, maintain and preserve the Common Area within the Valley Springs of Purcellville Subdivision in the Town of Purcellville, Virginia, and to promote the health, safety and welfare of the owners and residents within such areas as may come within the jurisdiction of the Association and any additions thereto as may be brought within the jurisdiction of the Association by annexation, as provided for herein, and for these purposes shall have the power:

1. to exercise all of the powers, rights and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration of Covenants, Conditions and Restrictions for the Association, recorded or to be recorded in the Office of the Clerk of the Circuit Court of Loudoun County, Virginia, and as the same may be

amended from time to time (the "Declaration"), and as set forth in the By-Laws of the Association, said Declaration and By-Laws being incorporated herein by reference;

- 2. to fix, levy, collect, and enforce payment of, by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses including all licenses, taxes, or governmental charges levied or imposed against the Association or the property of the Association;
- 3. to acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, encumber, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property;
 - 4. to borrow money;
 - 5. to build facilities upon land owned or controlled by the Association;
 - 6. to create subsidiary corporations in accordance with Virginia law; and
- 7. to have and to exercise any and all powers, rights and privileges which a corporation organized under the Act may now or hereafter have or exercise.

ARTICLE V MEMBERSHIP

Every Owner (as defined in the Declaration) of a Lot (as defined in the Declaration) which is subject by covenants of record to assessment by the Association shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership. No Owner shall have more than one (1) membership in the Association for each Lot it owns.

ARTICLE VI VOTING RIGHTS

Section 1. The Association shall have two (2) classes of voting membership:

Class A: Class A Members shall be all Members with the exception of the Class B Member. A Class A Member shall be entitled to one (1) vote for each Lot in which it holds the interest required for membership by Article V.

Class B: The Class B Member(s) shall be the "Declarant" (as defined in the Declaration). A Class B Member shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership by Article V. Class B membership

shall cease and a Class A membership with one (1) vote for each Lot in which it holds an interest shall issue on the happening of any of the following events, whichever occurs first:

- (a) within four (4) months after the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) seven (7) years from the date of recordation of the Declaration; or
- (c) sixty (60) days after the Declarant abandons construction (i.e., no new dwelling construction has been initiated for a period of ten (10) months, unless there is evidence of continuing construction).
- Section 2. Upon annexation of additional properties pursuant to the Declaration and in the event that Class B membership shall have ceased as hereinabove provided, Class B membership shall be revived with respect to all Lots owned by the Declarant, which Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs first:
 - (a) within four (4) months after the total votes outstanding in the Class A membership in the annexed property equals the total votes outstanding in the Class B membership in such annexed property; or
 - (b) five (5) years from the date of recordation of the document annexing such property; or
 - (c) sixty (60) days after the Declarant abandons construction (i.e., no new dwelling construction has been initiated for a period of ten (10) months, unless there is evidence of continuing construction).
- Section 3. Multiple ownership interests. If more than one (1) person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as the Owners of the Lot among themselves determine, and may be exercised by any one (1) of the people or entities holding such ownership interest, unless any objection or protest by any other holder of such ownership interest is made prior to the completion of a vote, in which case the vote for such membership shall not be counted, but the Member whose vote is in dispute shall be counted as present at the meeting for quorum purposes if the protest is

lodged at such meeting. In no event shall more than one (1) vote be cast with respect to any Lot.

ARTICLE VII BOARD OF DIRECTORS

The affairs of the Association shall be managed by a board of directors, who need not be members of the Association. The initial number of directors shall be three (3), which number may be increased to as many as five (5) or to another number pursuant to the Association's By-Laws. The names of the persons who are to act in the capacity of the initial board of directors of the Association until the selection of their successors are Robert C. Wessel, A. G. McKay and Gail L. Harrison.

At the first annual meeting of Members after the termination of the Class B membership, the Members shall select one (1) director for a term of one (1) year; one (1) director for a term of two (2) years; and one (1) director for a term of three (3) years; and as the terms of such directors expire, new directors shall be elected by the Members at each annual meeting thereafter for terms of three (3) years each.

ARTICLE VIII DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by at least two-thirds (2/3 of each class of Members and in accordance with Article 13 of the Act. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association, both real and personal, shall be offered to an appropriate public agency to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the Association. In the event that such offer of dedication is refused, such assets shall be then offered to be granted, conveyed or assigned to any non-profit corporation, trust or other organization devoted to similar purposes and in accordance with Virginia law. Any such dedication or transfer of the Common Area shall not be in conflict with then-governing zoning ordinances or the designation of the Common Area as "open space".

ARTICLE IX DURATION

The Association shall exist perpetually.

ARTICLE X AMENDMENTS

Amendment of these Articles shall require the assent of at least seventy-five percent (75%) of the Members in accordance with the statutory requirements of the Act and any approvals required by these Articles.

ARTICLE XI SPECIAL AMENDMENTS

Notwithstanding anything herein to the contrary, the Declarant may unilaterally amend these Articles for any reason prior to the conveyance of the first Lot to an Owner other than the Declarant, and thereafter may make any amendment required by any of the federal mortgage agencies such as the Veterans Administration, the Federal Housing Administration, Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation, or by the Town of Purcellville, Virginia, as a condition of the approval of these Articles, by the filing of Articles of Amendment with the Virginia State Corporation Commission following notice to all Members.

ARTICLE XII FHAVA APPROVAL

If any of the Lots are security for a loan guaranteed or insured by the Federal Housing Administration or the Veterans Administration and if there is a Class B Member, the following actions will require the prior approval of the FHA or the VA: annexation of additional properties other than by the Declarant as provided in these Articles, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution of the Association and amendment of these Articles.

ARTICLE XIII CONFLICT

In the case of any conflict between the Declaration and these Articles or the By-Laws and these Articles, these Articles shall control.

4/Z/99 Date Sara T. O'Hara, Incorporator

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COMMONWEALTH OF VIRGINIA



Uniter Sporing Sec 1 & Dechartin

19/1/ sec 1 DAW E-375- page 2+3

OFFICIAL RECEIPT LOUDS: CIRCUIT DEED RECEIPT

DATE: 06/28/99 TIME: 15:11:18 ACCOUNT: 107CLR990031510 RECEIPT: 99000035664 CASHIER: THB REG: LJ41 TYPE: DV PAYMENT: FULL PAYMENT INSTRUMENT: 990051510 BOOK: 1690 PAGE: 1866 RECORDED: 06/28/99 AT 16:09 ENNITR: PURCELLVILL-TOWN OF EX. N LDC: CD EX: N LOC: CD EX: N PCT: 100X GRANTEE: Y AND ADDRESS : X
RECEIVED OF : RICHMOND AMERICAN
CHECK : \$98.00 DESCRIPTION 1: ASSUNE/VAL: HAP: CONSIDERATION: .00 PAID CODE DESCRIPTION 84.00 145 VSLF CODE DESCRIPTION PAID 3.00 301 DEEDS 106 TECHNOLOGY FUND FEE 9.00 TENDERED : ANGUNT PAID: CHANGE AMT : 98.00 98.00 .00

CLERK OF COURT: RICHARD KIRK