

ARTICLES OF INCORPORATION  
OF  
CEDAR PARK TOWNHOMES ASSOCIATION

The undersigned incorporator hereby adopts the following Articles of Incorporation pursuant to the Virginia Nonstock Corporation Act (Sections 13.1-201 et seq., Code of Virginia):

1. The name of the corporation is Cedar Park Townhomes Association.

2. The purposes for which the corporation is formed, and the businesses or objectives to be carried on and promoted by it, are to provide for the maintenance, preservation and architectural control of the residential lots and common area within that certain tract of land (hereinafter called the "Property") consisting of 6.4874 acres located in the Gainesville Magisterial District of Prince William County, Virginia, and known as "Cedar Park," and to promote the health, safety and welfare of the residents of the Property and any additions thereto as may hereafter be brought within the jurisdiction of the corporation. For such purposes the corporation shall have the power:

A. to exercise all of the powers and privileges and to perform all of the duties and obligations of the corporation as set forth in that certain Declaration of Covenants, Conditions and Restrictions (hereinafter called the "Declaration") applicable to certain portions of the Property and recorded or to be recorded among the land records of Prince William County, Virginia, as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

B. to fix, levy, collect and enforce payment by any lawful means of 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 corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the corporation;

C. to 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 corporation;

D. to borrow money and, with the assent of more than two-thirds of each class of members, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

E. to 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, provided that no such dedication or transfer shall be effective unless approved by more than two-thirds of each class of members, agreeing to such decision, sale or transfer;

F. to participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall have the assent of more than two-thirds of each class of members; and

G. to have and to exercise any and all powers, rights and privileges which a corporation organized under the Virginia Nonstock Corporation Act by law may now or hereafter have or exercise.

3. Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessments by the corporation shall be a member of the corporation. 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 corporation.

4. The corporation shall have two classes of voting membership:

Class A. Class A members shall be all owners of lots comprising the Property, with the exception of the Declarant, and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

Class B. The Class B member shall be the Declarant (as defined in the Declaration) and shall be entitled to three votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) on January 1, 1988.

5. A. The affairs of the corporation shall be managed initially by a board of three directors, who need not be members of the corporation. The number of directors may be changed by amendment of the bylaws of the corporation, provided that the number of directors shall not be less than three or an even number. The names and addresses of the persons who are to act in the capacity of directors until the election of their successors are:

Alan H. Silverstein	7297-L Lee Highway Falls Church, Virginia 22042
---------------------	--

Stephen M. Zimpel	7297-L Lee Highway Falls Church, Virginia 22042
-------------------	--

John A. Strothman	7297-L Lee Highway Falls Church, Virginia 22042
-------------------	--

B. At the first annual meeting the members shall elect one director for a term of one year, one director for a term of two years and one director for a term of three years; and, except for directors elected to complete an unexpired term, at each annual meeting thereafter the members shall elect one director for a term of three years. In the event the number of directors shall be increased, the bylaws of the corporation shall, as nearly as possible, provide for the election of one-third of the directors at each annual meeting for terms of three years.

6. The address of the initial registered office of the corporation is 7297-L Lee Highway, Falls Church, Virginia 22042, in the County of Fairfax, Virginia. The initial registered agent of the corporation is Alan H. Silverstein, who is a resident of Virginia and a director of the corporation, and whose business address is the same as the address of the initial registered office.

7. The corporation may be dissolved with the assent of more than two-thirds of each class of members. Upon dissolution of the corporation, other than incident to a merger or consolidation, the assets of the corporation shall be dedicated to an appropriate public agency to be used for purposes similar

to those for which the corporation was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

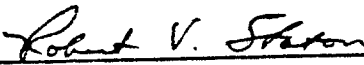
8. The corporation shall indemnify to the full extent permitted by the laws of Virginia any director or officer of the corporation who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer of the corporation, or is or was serving another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fee), judgments, fines and amounts paid in settlement and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. A determination that indemnification of a director or officer is proper in the circumstances may be made by (i) the Board of Directors, by a majority vote of a quorum which consists of directors who were not parties to the proceeding, or (ii) the members or (iii) if a quorum of disinterested directors so directs, independent legal counsel. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as authorized in the particular case, upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this Article 8. Agents and employees of the corporation who are not directors or officers of the corporation may be indemnified in the discretion of the board of directors of the corporation. Any indemnification pursuant to this Article 8 is not exclusive of any other rights to which those indemnified may be entitled and shall continue as to a person who has ceased to be a director or officer and shall inure to

the benefit of the heirs, executors and administrators of such a person.

9. The corporation is organized as a residential real estate management association within the meaning of Section 528(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States internal revenue law). No part of the earnings of the corporation shall inure to the benefit of, or be distributable to, its members, officers, directors or other private persons, except that the corporation shall be authorized and empowered to rebate excess membership fees or assessments to members and to pay reasonable compensation for services rendered and materials or property supplied.

10. These Articles of Incorporation may be amended only with the approval of 75 percent of the entire membership.

Signed by the incorporator the 8th day of October 1985.

  
\_\_\_\_\_  
Robert V. Staton