

ARTICLES OF INCORPORATION

OF

SUGARLAND RUN HOMEOWNERS ASSOCIATION, INC.

We, the undersigned, being natural persons acting as incorporators of a non-stock corporation under the provisions of Chapter 2 of Title 13.1 of the Code of Virginia, adopt the following Articles of Incorporation for such corporation:

(a) The name of the corporation is SUGARLAND RUN HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the "Corporation.").

(b) The purposes for which the Corporation is organized are:

(1) To maintain, operate and administer the common areas and community facilities (except the common areas and community facilities designated for townhouse use) on certain property located in Broad Run Magisterial District, Loudoun County, Virginia, and more particularly described in Exhibit "A" attached to a Declaration made by Boise Cascade Building Company (hereinafter referred to as the "Developer"), dated February 11, 1971 and recorded among the Land Records of Loudoun County in Book 524, Page 140 (such Declaration, as the same may be amended from time to time, being hereinafter referred to as the "Declaration"), and such property which may from time to time be annexed in accordance with the Declaration (all of such property being hereinafter referred to as the "Property"); to enforce the covenants, restrictions, easements, charges and liens provided in the Declaration to be enforced by the Corporation; to assess, collect, and disburse the charges created under the Declaration, all in the manner set forth in, and subject to the provisions of, the Declaration; and to exercise all powers and privileges and to perform all duties and obligations of the Corporation under the Declaration.

(2) To acquire (by gift, purchase or otherwise), to 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.

(3) To do any and all lawful things and acts that the Corporation, from time to time, in its discretion, may deem to be for the benefit of the Property and the owners and inhabitants thereof or advisable, proper, or convenient for the promotion of the peace, health, comfort, safety, or general welfare of the owners and inhabitants thereof.

(c) Provisions relating to the members of the Corporation are:

(1) The members of the Corporation shall be every Owner of a lot or Multifamily Structure (as such terms are defined in the Declaration) which is subject to assessment, provided, however, that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a member.

(2) There shall be the following two classes of membership in the Corporation:

(A) The Class A members shall be all Lot Owners (with the exception of the Developer and Owners of Multifamily Structures) and shall be entitled to two (2) votes for each Lot owned. When more than one person holds an interest in any Lot, all persons shall be members. The votes for such Lot shall be exercised by such persons as they themselves determine, but in no event shall more than two (2) votes be allowed with respect to any such Lot.

(B) The Class B members shall be the Owners of Multifamily Structures and each Owner shall be entitled to one (1) vote for each Living Unit in a Multifamily Structure so owned provided that the vote of the Class B members shall not have a weight in excess of forty-nine percent (49%) of the total vote cast in any matter.

(3) The Board of Directors of the Corporation may suspend any person from membership in the Corporation during any period of time when such person is in default of any of his obligations under the Declaration (including, without limitation, the failure to pay any assessment), provided that such default has continued uncured for a period of ten (10) days after written notice thereof to such member.

(4) The members of the Corporation shall have the right to vote for the ejection and removal of directors and upon such other matters with respect to which a vote of members is required under the Declaration or under the provisions of Chapter 2 of Title 13.1 of the Code of Virginia.

(d) Provisions for the regulation of the internal affairs of the Corporation are:

(1) The Corporation is not organized for pecuniary profit, nor shall it have any power to issue certificates of stock or pay dividends, and no part of the net earnings or assets of the Corporation shall be distributed, upon dissolution or otherwise, to any member of the Corporation. No compensation may be paid to any officer or director of the Corporation other than reimbursement for expenses actually incurred in the performance of duties.

(2) The Corporation may enter into contracts with any other person for the performance of any of the powers, duties, or functions of the Corporation, provided that the Corporation may not enter into any contract with any officer or director of the Corporation.

(3) The Board of Directors of the Corporation may make such regulations as they deemed advisable for any meeting of the members, including, but not limited to, proof of membership in the Corporation, evidence of the right to vote and the appointment and duties of inspectors of votes.

(4) Deleted in Abridged version. Pertains only to Class C.

(5) The Corporation may be dissolved pursuant to law. Except as provided by law, upon dissolution of the Corporation, the assets, both real and personal of the Corporation, shall be dedicated to an appropriate governmental body or agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Corporation. 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 purposes as nearly as practicable the same as those to which they were required to be devoted by the Corporation. No such disposition of the Corporation's properties shall be effective to divest or diminish any right or title of any member vested in him under the Declaration applicable to the Property unless made in accordance with the provisions of such Declaration.

(e) The address of the registered office of the Corporation is Hanes, Sevilla, Saunders and McCahill, P.C., 30 North King Street in Leesburg, Virginia. The registered agent, whose business address is the same as above and who is a resident of Virginia and a member of the Virginia State Bar, is Robert E. Sevilla.

(f) The business and conduct of the Corporation shall be regulated by a Board of Directors comprised of nine (9) members, who need not be members of the Corporation. At each annual meeting the members shall elect three Directors for a term of three years.

(g) The Corporation shall have perpetual existence.

(h) The Corporation may indemnify any director or officer, or former director or officer, or any person who may have served at its request as a director or officer of another corporation in which it owns shares of capital stock or of which it is a creditor, and the personal representatives of any of the foregoing, against the reasonable expense, including attorneys' fees, judgments, fines, and amounts paid in settlement, whether or not with court approval, actually and necessarily incurred by him in connection with the defense or settlement of any civil or criminal claim, action, suit, or proceeding, including one to impose a fine or penalty, brought or threatened to be brought against him by reason of his, or his testator, or intestate, being or having been such a director or officer, or in connection with an appeal therein, unless he, or his testator, or intestate shall be finally adjudged, in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of duty. No amount shall be paid in settlement without court approval unless independent legal counsel shall advise the Corporation that, in the opinion of such counsel, the matters involved in such action, suit, or proceeding did not constitute negligence or misconduct in the performance of duty by such director or officer, or by his testator or intestate. A conviction or judgment (whether based on a plea of nolo contendere or its equivalent or after trial) shall not of itself be deemed an adjudication that such director or testator or intestate has been negligent or guilty of misconduct in the performance of his duties. An application for indemnification pursuant to this section shall be made to the Board of Directors of the Corporation. Upon receipt of any such application, the Board shall determine whether, under the circumstances of such claim, action suit, or proceeding, any indemnity payments should be made and the amount thereof, if any. Such determination shall be made by resolution adopted by a majority of a quorum of the Board of Directors without counting in such majority or quorum any interested director or, in the event that no quorum of disinterested directors is available, adopted by a majority of a group of three or more persons appointed by a majority of the disinterested members of the Board. Any determination under this section that a payment by way of indemnity should be made shall be binding upon the Corporation and its members.

IN WITNESS WHEREOF, we have signed these Articles of Incorporation on the 22nd day of February 1971.

WITNESS:

elaine renewed

Joseph M. Fries
Joseph M. Fries

elaine renewed

Richard B. Abramson
Richard B. Abramson

elaine renewed

Jack L. Lewis
Jack L. Lewis