

ARTICLES OF INCORPORATION
OF
STONEY GLEN SOUTH ASSOCIATION, INC

I hereby form a non-stock corporation under the provisions of Chapter 2 of Title 13.1 of the Code of Virginia of 1950, as amended, and to that end set forth the following:

ARTICLE I

The name of the Corporation is STONEY GLEN SOUTH ASSOCIATION, INC.

ARTICLE II

The purposes and powers of the Corporation are as follows:

(a) To manage, maintain and care for the Common Properties and Intended Common Properties in the planned community development known as Stoney Glen South located in Chesterfield County, Virginia, and to assess, collect and disburse the charges due the Corporation from its Members, as hereinafter provided.

(b) To acquire (by gift, purchase or otherwise), 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, but only in accordance with the purposes of the Corporation.

(c) To do any and all things and acts that the Corporation, from time to time, in its discretion, may deem to be for the benefit of the Properties 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.

(d) To possess the powers, rights and privileges to conduct any and all business that a Corporation organized under the Virginia Nonstock Corporation Act by law may now or hereafter have or exercise and that are not required to be specifically set forth in these Articles; provided, however, that notwithstanding any other provisions of these Articles, the Corporation shall not carry on activities not permitted to be carried by a homeowners' association exempt from federal income tax under Section 528 of the Internal Revenue Code of 1954 or the corresponding provision of any future Internal Revenue law.

(e) The Corporation is not organized for 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 inure to the benefit of or be distributed, upon dissolution or otherwise, to any Member of the Corporation, Director Officer or other private person. The Corporation may enter into contracts with the Developer or with any other person (including any Member, Officer, or Director), and may pay compensation in reasonable amounts for services rendered.

ARTICLE III

Provisions relating to Members of the Corporation are:

(a) The Developer, any Creditor who acquires title to the Properties or any portion thereof pursuant to foreclosure of any other proceeding or deed in lieu of foreclosure, and every owner shall be a Member of the Corporation. The Corporation may issue to each Member a membership card which shall expire upon sale by an owner of his property in Stoney Glen South. Tenants shall not be Members of the Corporation. Every Owner shall be required to submit the name(s) of this Tenant(s) and the duration of their tenancy to the Secretary of the Corporation.

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

(1) TYPE "A": Type "A" Members shall be all owners, including the Developer, of Residential Lots, and shall be entitled to one (1) vote for Each Residential Lot which a Member owns.

(2)TYPE "B": The Type "B" Member shall be the Developer, which shall be entitled to elect a portion of the Board of Directors as set out in Article IV.

(c) Payment of Special Assessments shall not entitle Type "A" Members to additional votes.

(d) When any Property entitling the Owner to membership as a Type "A" Member of the corporation is owned of record in the name of two (2) or more persons or entities, whether fiduciaries joint tenants, tenants in common, tenants in partnership or in any other manner of joint or common ownership, or if two (2) or more persons or entities have the same fiduciary relationship respecting the same Property, then unless the instrument or order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the Secretary of the Corporation, their acts with respect to voting shall have the following effect:

- (1) if only one (1) votes, in person or by proxy, his act shall bind all;
- (2) if more than one. (1) votes, in person or by proxy, each fraction shall be entitled to its proportionate share of the vote or votes.

The principles of this paragraph shall apply, insofar as possible to the execution of proxies, waivers, consents or objections, and for the purpose of ascertaining the presence of a quorum.

(e) The Members of the Corporation shall have the right to vote for the election and removal of directors and upon such other matter's with respect to which a vote of Members is required under the Covenants, these Articles of Incorporation or under the provisions of Chapter 2 of Title 13.1 of the Code of Virginia, as amended.

ARTICLE IV

The affairs of the Corporation shall be managed by a three (3) member Board of Directors; provided that the Board may change the number of Directors to five (5), seven (7), or nine (9) members of the Directors deem appropriate, but the vacancies occurring by reason of such increase shall only be filled by vote of the Members of the Corporation at a meeting expressly called for this purpose, such meeting being subject to the quorum requirements of

the Covenants. The number of Directors may be changed only by amendment of these Articles of Incorporation. There shall be two (2) classes of Directors. The Class I Directors shall serve for two-year terms, and the Class II Directors shall serve for a one-year term.

Class I Directors shall be elected by the Type "A" Members, and Class II Directors shall be elected by the Type "B" Member according to the following formula:

(a) Each Type "A" Member may cast the total number of votes to which he is entitled for each vacancy to be filled by a Class I Director. Cumulative voting shall not be allowed.

(b) At any time that the total number of Residential Lots placed on the Registration List of the Corporation is Less than eighty (80%) percent of the maximum number of Residential Lots-authorized in the Properties by the Zoning ordinance of the County of Chesterfield, Virginia, the majority of the Board of Directors fifty-one (51%) percent of the total number of Directors, rounded to the nearest whole number) shall be the Class II Directors and shall be elected by the Type "B" Member. The remaining Directors shall be the Class I Director(s) and shall be elected by the Type "A" Members.

(c) At any time that the total number of Residential Lots placed on the Registration List of the Corporation is equal to or greater than eighty (80%) percent of the maximum number of Residential Lots authorized in the Properties by the Zoning ordinance of the County of Chesterfield, Virginia, the majority of the Board of Directors (fifty-one (51%) percent of the total number of Directors, rounded to the nearest whole number) shall be the Class I Directors and shall be elected by the Type "A" Members. The remaining Directors shall be the Class II Director(s) and shall be elected by the Type "B" Member.

(d) For the purposes of this formula, the total number of Residential Lots placed on the Registration List of the Corporation and the maximum number of Residential Lots authorized in the Properties shall be determined by the Board of Directors as of the date on which notice of the meeting of the Members at which the Board of Directors is to be elected is mailed.

(e) The Board of Directors shall have the power to provide for the staggered election of the Class I Directors. The terms of this Article IV, notwithstanding, the Board of Directors at any duly called meeting may from time to time effect this "staggered term" by passing a resolution directing that one (1) year; provided, however, any such action by the Board of Directors shall become effective only upon the unanimous vote of all Class I and Class II Directors.

(f) A Class I Director may be removed from office, with or without cause, by a majority vote of the Members cast at a meeting of the members of the Corporation expressly called for this purpose, such meeting being subject to the quorum requirements of the Covenants.

ARTICLE V

The names and addresses of those persons who are to constitute the initial Board of Directors until the election of their successors are:

NAME	ADDRESS
J. K. Timmons	878 Huguenot Trail Midlothian, VA 23113
Eugene C. Autry	13902 Mount Hill Circle Midlothian, VA 23113
Oliver D. Rudy	12672 Winfree Street Chester, VA 23831

ARTICLE VI

The address of the initial registered office of the Corporation is 9910 Wagners Way, P.O. Box 58, Chesterfield, Virginia 23832. The name of the initial registered agent is Oliver D. Rudy, whose business address is 9910 Wagners Way, P.O. Box 58, Chesterfield, Virginia 23832, which is in Chesterfield County. Mr. Rudy is a resident of Virginia and a member of the Virginia State Bar.

ARTICLE VII

The Corporation shall have perpetual existence.

ARTICLE VIII

To the extent provided by law, the Corporation may participate in mergers and consolidation with other non-profit associations organized for the same purpose, provided, however, that any such mergers or consolidation shall require approval by the vote of more than two-thirds (2/3) of the type "A" Members at a meeting duly called for such purpose and, for so long as the Type "B" Member is entitled to elect a majority of the Board of Directors, the Type "B" Member must consent to said merger or consolidation.

ARTICLE IX

Upon dissolution of the Corporation, the assets, both real and personal, shall be transferred in the manner set forth in the Covenants for the transfer of the Common Properties in the event the Covenants are declared void, invalid, illegal or otherwise unenforceable. In the event of such a dissolution and transfer, the assets shall continue to be used and maintained for the purposes set out herein.

ARTICLE X

The name and address of the incorporator is Oliver D. Rudy, whose business address is: 9910 Wagners Way, P.O. Box 58, Chesterfield, VA 23832, which is located in Chesterfield County, Virginia.

ARTICLE XI
INDEMNIFICATION

(1) The Corporation shall indemnify any person 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, arbitrative or investigative (including a judgment in its favor) by reason of the fact that he is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against judgments, fines, amounts paid in settlement, and expenses (including attorneys' fees) actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in the manner he reasonably believed to be in or not 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 the manner 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 reasonable cause to believe that his conduct was unlawful.

(2) Notwithstanding the provisions of section (1) of this Article, no indemnification shall be made in an action or suit by or in the right of: the Corporation to procure a judgment in its favor with respect to any claim, issue or matter as to which such person shall have been finally adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the Corporation unless, and only to the extent that, the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification.

(3) To the extent that any such person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in section (1) of this Article, or in the defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(4) Any indemnification under sections (1) and (2) of this Article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of any such person is proper in the circumstances because he had met the applicable standard of conduct set forth in such sections (1) and (2). Such determination shall be made either (i) by the Board of a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; or (ii) if a quorum is not obtainable, or even if obtainable, and a majority of disinterested directors so directs, by independent legal counsel in a written opinion; or (iii) by the Members. If the determination is to be made by the Board, it may rely, as to all questions of the law, on the advice of independent counsel.

(5) Expenses (including attorneys' fees) incurred in defending an action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided by section (4) of this Article, upon receipt of an undertaking by or on behalf of such person to repay such amount unless it shall ultimately be

determined that he is entitled to be indemnified by the Corporation as authorized in the Article.

(6) The Board is hereby empowered, by majority vote of a quorum of disinterested directors, to cause the Corporation to indemnify or contract in advance to indemnify any person not specified in section (1) 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, arbitratve or investigative, by reason of the fact that such person is or was an employee or agent of the Corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, to the same extent as if such person were specified as one to whom indemnification is granted in section (1). The provisions of sections (2) through (5) of this Article shall be applicable to any indemnification provided hereafter pursuant to this section (6).

(7) The Corporation may purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Article and may also procure insurance, in such amounts as the Board may determine, on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article.

(8) Every reference herein to director, officer, employee or agent shall include: former directors, officers, employees and agents and their respective heirs, executors and administrators. The indemnification hereby provided and provided hereafter pursuant to the power hereby conferred on the Board shall not be exclusive of any other rights to which any person may be entitled, including any right under policies of insurance that may be purchased and maintained by the Corporation or others. With respect to claims, issues or matters in relation to which the Corporation would not have the power of indemnify such person under the provisions of this Article.

ARTICLE XII

The following words and terms when used in these Articles of Incorporation (unless the context shall clearly indicate otherwise) shall have the following meanings:

(a) "Covenants" shall mean and refer to (a) the Declaration of Covenants and Restrictions of the Stoney Glen South Community Association, Inc. and The Reed's Landing Corporation and (b) Declaration of Rights, restrictions, Affirmative Obligations and Conditions Applicable to All Property in Stoney Glen South as the same are duly recorded in the Clerk's Office of the Circuit Court of Chesterfield County, Virginia (Clerks Office")

(b) "Stoney Glen South" shall mean and refer to the lands in Chesterfield County, Virginia, which are shown as a part of Stoney Glen South on the Developer's Master Plan as revised from time to time, a legal description of which is recorded as Exhibit "A" to the Declaration of Rights, restrictions, Affirmative Obligations and Conditions, and any Amendment thereto

Applicable to All Property in Stoney Glen South.

(c) "Developer" shall mean The Reed's Landing Corporation, its successors and assigns.

(d) The "Properties" shall mean and refer to the real property described in Exhibit "A" to the Covenants, together with such additions as the Developer may from time to time, and any other parcels of real property subjected to the Covenants from time to time pursuant to Article II, Section (2) of said Covenants.

(e) "Residential Lot" shall mean any subdivided parcel of land located within the Properties which parcel is intended for use as a site for a Single Family Detached Dwelling as shown upon any recorded final subdivision map of any part of the Properties. No parcel shall, however, be classified as a Residential Lot for the purpose of calculating votes or assessments, nor placed upon the Registration List, until the first day of the quarter of the year following (i) the date of recording of the Plat in the Clerk's Office showing such lot, and (ii) the date of placement of such lot on the Developer's inventory list of lots available for sale to purchasers.

(f) "Registration List" shall mean and refer to the official index prepared by the Corporation of all Residential Lots within the Properties. The Developer shall submit to the Corporation a listing of any parcel or parcels of land which shall become eligible to be added to the Registration List no later than one (1) day prior to the commencement of the quarter of the year during which said parcel or parcels of land shall be classified as a Residential Lot.

(g) "Family Dwelling Unit" shall mean and refer to any Single Family Detached Dwelling constructed upon any Residential Lot located within the Properties.

(h) "Owner" shall mean and refer to the Owner as shown by the real estate records in the Clerk's office, whether it be one (1) or more persons, firms, associations, corporations, or other legal entities, of fee simple title to any Residential Lot or parcel of land situated upon the Properties, but notwithstanding any applicable theory of a deed of trust, shall not mean or refer to the mortgagee or holder of a deed of trust, its successors or assigns, unless and until such mortgagee or holder of a deed of trust has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure, nor shall the term "Owner" mean that there is recorded in the Clerk's Office a long-term contract of sale covering any Residential Lot or parcel of land within the Properties, the owner of such Residential Lot or parcel of land shall be the Purchaser under said contract and not the fee simple title holder. A long-term contract of sale shall be one where the Purchaser is required to make payments for Property for a period extending beyond nine (9) months from the date of the contract and where the Purchaser does not receive title to the Property until all such payments are made, although the Purchaser is given the use of said Property.

(i) "Tenant" shall mean and refer to the lessee under a written agreement for the rent and hire of a Family Dwelling Unit in Stoney Glen South.

(j) "Member" shall mean and refer to all those Owners who are Members of the Corporation as defined in section (a) of Article III herein.

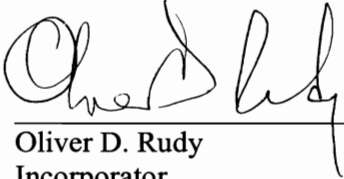
(k) "Master Plan" shall mean and refer to the drawing which represents the conceptual plan for the future development of Stoney Glen South. Since the concept of the future development of Stoney Glen South is subject to continuing revision and change by the Developer, present and future references to the "Master Plan" shall be references to the latest revision thereof.

(l) "Intended for Use" shall mean the use intended for various parcels within the Properties shown on the Master Plan, or the use to which any particular parcel of land is restricted by covenant expressly set forth or incorporated by reference in deeds by which the Developer has conveyed the property.

(m) "Common Properties" shall mean and refer to those tracts of land with any improvements thereon which are deeded or leased to the Corporation and designated in said deed or lease as "Common Property and any personal property acquired or leased by the Corporation if said property is designated a "Common Property". All Common Properties are to be devoted and intended for the common use and enjoyment of the members of the Corporation, their guests, tenants and visiting members of the general public (to the extent permitted by the board of Directors of the Corporation), subject to the fee schedules and operating rules adopted by the Corporation, provided, however, that any lands or personal property which are leased by the Corporation for use as Common Properties shall lose their charm as Common Properties upon Expiration of such lease.

(n) "Intended Common Property" shall mean and refer to those tracts of land and any improvements thereon committed to the Corporation through express written notification by the Developer to the Corporation of intent to convey said property to the Corporation as a Common Property.

DATED: February 14, 2005



Oliver D. Rudy
Incorporator