

*ARTICLES
OF
INCORPORATION*

FOR INFORMATION ONLY

Not to be used in place of the HOA disclosure packet when purchasing a home

ARTICLES OF INCORPORATION

OF

HIGHLANDS DETACHED HOME OWNERS ASSOCIATION, INC.

The undersigned incorporator hereby adopts the following Articles of Incorporation for the HIGHLANDS DETACHED HOME OWNERS ASSOCIATION, INC. (the "Corporation") pursuant to the Virginia Nonstock Corporation Act (Title 13.1, Chapter 10 of the Code of Virginia of 1950, as amended):

FIRST: The name of the Corporation is: HIGHLANDS DETACHED HOME OWNERS ASSOCIATION, INC.

SECOND: The period of duration of the Corporation is perpetual.

THIRD: The Corporation is organized primarily for the purposes of carrying out the duties and responsibilities arising under the Declaration of Covenants, Conditions, Restrictions and Easements dated August 5, 1992 for the Highlands at Mechums River Detached Home subdivision in Albemarle County, Virginia, as amended and supplemented from time to time, (the "Covenants") which includes but is not limited to the owning, maintaining and administering the common areas of the aforesaid subdivision; administering and enforcing the Covenants; collecting and disbursing the assessments and charges created by the Covenants; and promoting the health, safety, common good and general welfare

of the residents of Highlands at Mechums River Detached Home subdivision.

FOURTH: The Corporation shall have two classes of members. Provisions designating the classes of members, stating the qualifications and rights of the members of each class and conferring, limiting or denying the right to vote are set forth in the bylaws of the Corporation. Both classes of new members shall have the right to vote for Directors as set forth in the bylaws of the Corporation.

FIFTH: Provisions for the regulation of the internal affairs of the Corporation shall be provided for in the bylaws of the Corporation.

SIXTH: The address of the initial registered office of the Corporation is 530 East Main Street, Charlottesville, Virginia, 22901, which is located within the jurisdictional limits of the City of Charlottesville.

The initial registered agent of the Corporation is David H. Pettit, a resident of Virginia and a member of the Virginia State Bar whose business office is the same as the registered office of the Corporation.

SEVENTH: The number of Directors constituting the initial Board of Directors is three (3). The names and addresses of the persons who are to serve as the initial Directors until their

successors are elected in accordance with the bylaws of the Corporation are:

Hunter E. Craig
338 Rio Road
Charlottesville, Virginia 22901

Samuel D. Craig, III
338 Rio Road
Charlottesville, Virginia 22901

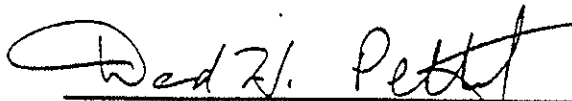
Robert M. Hauser
2788 Hydraulic Road
Charlottesville, Virginia 22901

EIGHTH: The Corporation shall indemnify and hold harmless any and all of its Directors or officers, former Directors or officers, employees, attorneys and agents, or their heirs, executors and administrators against expenses and liabilities (including but not limited to attorney's fees, judgments, fines and amounts paid in settlement) actually and reasonably incurred by them in connection with the defense or settlement of any actual or threatened action, suit or proceeding in which they, or any of them, are made or threatened to be made parties or a party, by reason of being or having been Directors or a Director, officer, attorney or agent of the Corporation, except in relation to matters as to which any such Director or officer or person shall be adjudged in such action, suit or proceeding to be liable for willful misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability. 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 engaged in willful misconduct or in conduct in any way opposed to the best interests of the Corporation. The provisions of this Article Eighth are severable, and, therefore, if any of its provisions shall contravene or be invalidated under laws of Virginia, such contravention or invalidity shall not invalidate the entire section, but it shall be construed as if not containing the particular provisions or provisions held to be invalid in Virginia, and the remaining provisions shall be construed and enforced accordingly. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director, officer, employee, attorney, agent or other person may be entitled under the provisions of Title 13.1, Chapter 10, Article 9 of the Code of Virginia of 1950, as amended, such similar statutes of Virginia as may be enacted in the future.

Furthermore, the Board of Directors may from time to time purchase insurance to assist the Corporation in carrying out its obligations under the provisions of this Article Eighth.

WITNESS the following signature on this 13th day of August, 1992.



David H. Pettit, Incorporator

UNANIMOUS CONSENT

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UNANIMOUS CONSENT

IN LIEU OF THE ORGANIZATIONAL MEETING
OF THE BOARD OF DIRECTORS OF
HIGHLANDS DETACHED HOME OWNERS ASSOCIATION

Pursuant to Section 13.1-685 of the Code of Virginia of 1950, as amended, the undersigned Directors of HIGHLANDS DETACHED HOME OWNERS ASSOCIATION, INC. hereby adopt the following resolutions by unanimous consent to this action without meeting in lieu of an organizational meeting.

1. RESOLVED, a conformed copy of the Articles of Incorporation and the Certificate of the State Corporation Commission certifying that the Certificate of Incorporation of the Corporation which was issued and admitted to record in that office on August 17, 1992, stating that the Corporation is authorized to transact its business subject to all the laws of the State applicable to the Corporation and its business is hereby directed to be filed in the minute book of the Corporation.

2. RESOLVED, the following officers are hereby elected to serve until the next annual meeting of the Corporation or until their successors shall have been elected and qualify:

<u>NAME</u>	<u>OFFICE</u>
Hunter E. Craig	President
Samuel D. Craig, III	Secretary/Treasurer

... bylaws attached hereto as Exhibit A is hereby adopted and a copy certified by the Secretary is directed to be spread in the minute book of the Corporation.

4. RESOLVED, the President of the Corporation is hereby authorized to enter into on behalf of the Corporation a Property Management Agreement with Godfrey Property Management, Inc. to provide various services to the Corporation, including but not limited to fiscal management, property maintenance and administrative assistance, upon such terms as he deems appropriate.

5. RESOLVED, the President of the Corporation is hereby authorized to engage counsel for the purpose of advising and assisting in the legal affairs of the Corporation and, if necessary, to engage an accounting firm for the purpose of preparing all necessary income tax returns and other tax filings for the Corporation.

WITNESS the following signatures, all to be effective as of the date of the last of the following Directors to sign this unanimous consent:

1-22-93
Date of Signature


Hunter E. Craig, Director

1/22/93
Date of Signature


Samuel D. Craig, III, Director

1/25/93
Date of Signature


Andrea Craig, Director