

**ARTICLES OF INCORPORATION  
OF  
WATER'S EDGE PROPERTY OWNERS ASSOCIATION, INC.**

The undersigned incorporator, for the purpose of forming a nonstock corporation under and by virtue of the Virginia Nonstock Corporation Act, Chapter 10 of Title 13.1 of the 1950 Code of Virginia, does hereby certify and set forth the following:

**ARTICLE I  
NAME**

The name of the corporation is: WATER'S EDGE PROPERTY OWNERS ASSOCIATION, INC. (hereinafter referred to as the "**Association**").

**ARTICLE II  
PURPOSES AND POWERS OF THE ASSOCIATION**

The Association is formed to perform all functions reserved to be performed by the Association, including but not limited to the following powers and duties:

(i) to maintain the common areas and facilities, perform all architectural review functions, collect assessments and pay all Association maintenance, insurance and other operational and administrative expenses, under that certain Declaration of Covenants, Conditions and Restrictions, Water's Edge Property Owners Association, Inc., to be recorded in the Office of the Clerk of the Circuit Court for Franklin County, Virginia (as amended from time to time, the "**Declaration**");

(ii) to borrow money;

(iii) to build facilities upon land owned or controlled by the Association;

(iv) to establish rules and regulations for the use of property subject to the Declaration;

(v) to employ, enter into contracts with, delegate authority to, and supervise such persons or entities as may be appropriate to operate, manage, and perform the business obligations and duties of the Association;

(vi) to regulate the external design and appearance of property and improvements subject to the Declaration in such a manner as to preserve and enhance values and to maintain a harmonious relationship among such structures and the natural vegetation and topography;

(vii) to exercise any and all powers, rights and privileges that a corporation organized under the Virginia Nonstock Corporation Act by law now or hereafter has or is entitled to exercise; and

(viii) to exercise any and all powers, rights and privileges under the Property Owners' Association Act as codified under § 55.1-1800, et. seq., of the Code of Virginia.

ARTICLE III  
MEMBERSHIP

The Association shall have three classes of voting members, as set forth below, and will not issue shares of capital stock. Every owner of fee simple title to any portion of the real property subject to the Declaration (the "**Property**"), including those who have contracted to sell their interest in the Property to another but who have not yet conveyed such interest, is eligible to become a member of the Association. Membership shall be exercised by the execution and recording of a Joinder Agreement amongst the land records of Franklin County, Virginia. Membership is appurtenant to and cannot be separated from ownership of an interest in the Property, and ownership of such interest is the sole qualification for membership once a Joinder Agreement has been executed. A mortgagee-in-possession of an interest in any portion of the Property is entitled to exercise the rights of a member of the Association with respect to such portion of the Property. Additional qualifications and rights of membership are or will be set forth in the By-Laws of the Association.

- (a) Class A Members shall include any Member who owns one or more Developed Lots.
- (b) Class B Members shall include any Member who owns a single Undeveloped Lot.
- (c) Class C Members shall include any Class A Member who also owns one or more Undeveloped Lot(s), and any Class B Member who owns more than one Undeveloped Lot. For purposes of clarification, an Owner of one or more Developed Lot(s) *and* one or more Undeveloped Lot(s) shall be a Class A Member with regard to the Developed Lot(s) and a Class C Member with regard to the Undeveloped Lot(s). Similarly, an Owner of two or more Undeveloped Lots shall be a Class B Member with regard to a single Undeveloped Lot and a Class C member with regard to the additional Undeveloped Lot(s).

ARTICLE IV  
BOARD OF DIRECTORS

The affairs of the Association will be conducted by the Board of Directors, which is composed initially of the five (5) natural persons named below. The names and addresses of the individuals who are to serve as the initial Directors of the Association are:

K. Clark Childers  
117 Bridleridge Rd.  
Penhook, VA 24137

Evelyn Vaden  
523 Old Pocket Road  
Lynch Station, VA 24571

Kim Thompson  
8106 Britains Field Rd.  
Oak Ridge, NC 27310

Joan Peppers  
40 Saddleridge Drive  
Penhook, Va. 24137

Scott Kula  
10 Blackwater Circle  
Penhook, Va. 24137

The number of directors may be changed by a majority vote of the membership held at duly called meeting at which quorum is present. The terms of the directors shall be staggered. The Board of Directors shall be and is divided for purposes of staggering terms into three classes, as nearly equal in number as possible, designated: Class I, Class II and Class III. In case of any increase or decrease, from time to time, in the number of directors, the number of directors in each class shall be apportioned as nearly equal as possible. No decrease in the number of directors shall shorten the term of any incumbent director.

Each director elected shall serve a three year term. Each director shall serve for a term ending on the date of the third annual meeting following the annual meeting at which such director was elected; provided, that each director initially appointed to Class I shall serve for an initial term expiring at the Association's first annual meeting following the effectiveness of this provision; each director initially appointed to Class II shall serve for an initial term expiring at the Association's second annual meeting following the effectiveness of this provision; and each director initially appointed to Class III shall serve for an initial term expiring at the Association's third annual meeting following the effectiveness of this provision; provided further, that the term of each director shall continue until the election and qualification of a successor and be subject to such director's earlier death, resignation or removal.

#### ARTICLE V INDEMNIFICATION

The Association shall indemnify its directors, officers, employees and agents, and all persons who at any time served as directors, officers, employees or agents of the Association, to the fullest extent permitted by the Virginia Nonstock Corporation Act, as amended, or any successor or additional provisions. The Association has the power to make any other or further indemnity permitted under the laws of the Commonwealth of Virginia.

#### ARTICLE VI LIMITATION OF LIABILITY

The liability of directors and officers of the Association for damages is eliminated with respect to any proceeding brought by or in the right of the Association, except that such liability is not and will not be eliminated if the director or officer engaged in willful misconduct or a knowing violation of the criminal law.

#### ARTICLE VII REGISTERED OFFICE AND REGISTERED AGENT

The initial registered office of the Association is located in Fairfax County at 3190 Fairview Park Drive, Suite 800, Falls Church, Virginia 22042 at which office the initial registered agent of the Association is ResAgent, Inc., a Maryland corporation which meets the

requirements of Section 13.1-833 of the Act by reason of the fact that it is a foreign corporation authorized to transact business in the Commonwealth of Virginia whose business address is identical with that of the registered office.

ARTICLE VIII  
DURATION

The duration of the Association shall be perpetual.

ARTICLE IX  
AMENDMENT

These Articles of Incorporation may be amended at a meeting of the Board of Directors upon receiving the vote of at least two-thirds of the Directors then in office. The Board may adopt one or more amendments at any one meeting.

IN WITNESS WHEREOF, the incorporator of the Association has signed these Articles of Incorporation on July 16, 2020.

Edward J. O'Connell, III  
Edward J. O'Connell, III, Incorporator