

# ARTICLES OF INCORPORATION OF GHENT SQUARE COMMUNITY ASSOCIATION

In compliance with the requirements of Chapter 2 of Title 13.1 of the Code of Virginia of 1950, as amended, the undersigned have this day voluntarily associated themselves together for the purpose of forming a non-stock, non-profit corporation and do hereby certify:

## ARTICLE I. NAME

The name of the corporation is Ghent Square Community Association, hereinafter called the "Association."

## ARTICLE II. PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purpose for which it is formed is to provide for the ownership, maintenance, preservation, and operation of the Common Area and Common Area Easements as defined in the Declaration, hereinafter mentioned; to provide architectural control of the individual properties, the Common Area and Common Area Easements; and to promote the health, safety and social welfare of the residents within the properties described in the Declaration, hereinafter mentioned, and for this purpose to:

- (a) exercise all of the powers and privileges and perform all of the duties and obligations of the Association, as set forth in that certain "Declaration of Covenants, Conditions and Restrictions," hereinafter called the "Declaration," made by Norfolk Redevelopment and Housing Authority, a political subdivision of the Commonwealth of Virginia, applicable to the Properties, therein defined and described, and recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, and, as the same may be amended from time to time as therein provided, said Declaration being, by this reference, incorporated herein as if set forth at length;
- (b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses incurred in connection with the performance of the Association's responsibilities under the Declaration and all office and other expenses incident to the conduct of the business of the Association, including the payment of all licenses, taxes or governmental charges levied or imposed against the property of the Association;
- (c) 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 Association;
- (d) participate in mergers and/or consolidations with other non-profit corporations organized for similar purposes, or annex additional residential property and Common Area;
- (e) dedicate, sell or transfer all or any part of the Common Area or Common Area Easements to any municipality, public agency, authority or utility for such purposes and subject to such terms as may be agreed to by the members, as set forth in ARTICLE X hereof;
- (f) borrow money, and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and
- (g) have and exercise any and all powers, rights and privileges which a corporation organized under the aforesaid statutes of the Commonwealth of Virginia by law may now or hereafter have or exercise.

## ARTICLE III. DEFINITIONS

As used herein, the following terms shall have the following meanings:

- (a) "Declaration" shall mean that certain "Declaration of Covenants, Conditions and Restrictions" made by Norfolk Redevelopment and Housing Authority applicable to the Properties, therein defined and described, and duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia, in Deed Book 1354, at page 731, as the same may be amended from time to time.
- (b) "Declarant" shall mean the Norfolk Redevelopment and Housing Authority.
- (c) "Owner" shall mean the record owner of a fee simple title to any Site or Parcel of land which is part of the Properties described in the Declaration.
- (d) "Site" and "Parcel" mean all of the pieces or lots of real property to be conveyed for development as homesites within the Properties constituting the Ghent Square community in Norfolk, Virginia, all as more particularly defined in the Declaration.

## ARTICLE IV. MEMBERSHIP

Every person or entity who is a record Owner of a fee or undivided fee interest in any Site or Parcel shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Site or Parcel as defined in the Declaration. Ownership of such Site or Parcel shall be the sole qualification for membership.

## ARTICLE V. VOTING RIGHTS

The Association shall have two (2) classes of voting membership:

**Class A.** Class A Members shall be all Owners except that the Declarant shall not be a Class A Member until the Class B membership terminates. Class A Members shall be entitled to one vote for each Site in which they hold the interest required for membership by ARTICLE IV above. When more than one (1) person holds such interest in any Site, all such persons shall be Members, and shall execute and deliver to the Secretary of the Association a Certificate duly executed by all of such Owners designating the person who shall be authorized to cast the vote allocated to the Owners of said Site. Said Certificate shall be valid until revoked by a subsequent Certificate. Unless and until said Certificate is filed with the Secretary of the Association, the vote of such Owners shall not be considered for the purpose of determining a quorum or for any other purpose.

**Class B.** The Class B Member shall be the Declarant. The Class B Member shall be entitled to one (1) vote for so long as the Class B membership exists. The Class B membership shall cease and/or be converted to Class A membership (a) upon written notice of the Association, or (b) when the Declarant no longer owns a Site or Parcel within the Properties (as defined in the Declaration), or (c) on December 31, 1995, whichever shall first occur.

Class A Members shall be entitled to vote only after their Site has been improved with a dwelling unit certified for occupancy by the City of Norfolk or as "completed" by the Declarant.

## ARTICLE VI. ANNEXATION OF ADDITIONAL PROPERTIES

**Section 1.** The Association may, subject to the limitations contained in the Declaration, annex additional residential property and Common Areas to the Property described in the declaration, or any amendment thereto, and so add to its membership under the provisions of ARTICLE IV, hereof.

**Section 2.** For so long as the Class B membership exists, the Declarant may in its sole discretion annex any additional lands within the boundaries of Granby Street, Twentieth Street, Colonial Avenue and Olney Road in the City of Norfolk, Virginia, by an amendment to the Declaration, executed by the Declarant and recorded in the appropriate Clerk's Office as set forth in ARTICLE II (a) hereof, or by recordation of a Supplementary Declaration.

## ARTICLE VII. BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors, who need not be Members of the Association. The number of Directors shall be fixed by, and may be changed by amendment of, the Bylaws of the Association. In the absence of a Bylaw fixing the number of Directors, the number shall be seven (7).

As long as the Class B membership exists, the Board of Directors (hereinafter "Board") shall consist of Directors appointed by the Class B Member to serve at the pleasure of the Class B Member, and Directors elected by the Class A Members. The number of appointed and elected Directors shall be determined as set forth below. Upon termination of the Class B membership, all Directors shall be elected by the Class A Members.

The initial Board shall be as designated herein and shall serve until the first Annual Meeting of Members. At and after the first Annual Meeting the Directors shall be appointed and/or elected in accordance with the following procedures:

**1. Composition.** The apportionment of the Board between appointed and elected Directors shall be as follows: At the first Annual Meeting of Members, five (5) Directors shall be appointed by the Class B Member and one (1) Director elected for a term of one (1) year and one (1) Director elected for a term of two (2) years by the Class A Members. Thereafter, elected Directors shall be elected by the Class A Members for two (2) year terms. In the event the Association has fewer than ten (10) Members on the date of the first or any subsequent Annual Meeting, all Directors for the Association's

forthcoming year of operation shall be appointed by the Class B Member.

Six (6) weeks prior to subsequent Annual Meetings the Board shall determine the number of Directors to be elected by the Class A Members at the next Annual Meeting so that the number of elected director seats shall be equivalent to one (1) seat for each seventy (70) Class A votes outstanding and entitled to be voted as of sixty (60) days prior to the Annual Meeting date, but in no event shall the number of elected director seats be less than two (2) or more than five (5) so long as the Class B membership exists, unless the Association has fewer than ten (10) Members, in which case there shall be no elected Directors, as provided above. The remainder of the Directors shall be appointed by the Class B Member.

**2. Method of Nomination.** Candidates for election to the Board shall file a petition of candidacy, signed by not less than ten (10) Members, with the Elections Committee at least four (4) weeks before the Annual Meeting. The Elections Committee shall mail or otherwise provide to all Members a ballot containing the names of all bona fide candidates for elective seats who have so filed not less than ten (10) days before the Annual Meeting.

**3. Method of Election.** Election shall be by secret written ballot or proxy at the Annual Meeting or by ballot or proxy delivered to the Chairman of the Elections Committee prior to the start of the Annual Meeting. The Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. Cumulative voting is not permitted. Those persons receiving the largest number of votes shall be elected.

#### **ARTICLE VIII. AUTHORIZED INDEBTEDNESS**

The highest amount of indebtedness, direct or indirect, which this Association may incur at any one time, shall not exceed one hundred fifty percent (150%) of its income for the previous fiscal year, provided that additional amounts may be authorized by the assent of the Class B Member, if any, and more than two-thirds (2/3) of the Class A membership.

#### **ARTICLE IX. AUTHORITY TO MORTGAGE**

Any mortgage by the Association of any property owned by the Association shall require the assent of the Class B Member, if any, and more than two-thirds (2/3) of the Class A membership.

#### **ARTICLE X. AUTHORITY TO DEDICATE**

The Association shall have the power to dedicate, sell or transfer all or any part of the real estate owned by the Association to any municipality, public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless and until it shall have the assent of the Class B Member, if any, and more than two-thirds (2/3) of the Class A members who are voting in person or by proxy at a meeting duly called for this purpose written notice of which shall be sent to all Members not less than twenty-five (25) days nor more than fifty (50) days in advance of the meeting, setting forth the purpose of the meeting. At such meeting, the presence of Members or proxies entitled to cast the Class B vote, if any, and sixty percent (60%) of all of the outstanding votes of the Association's Class A membership shall constitute a quorum.

Additionally, no such dedication or transfer shall be effective unless an instrument, signed by the Class B Member, if any, and by Members entitled to cast more than two-thirds (2/3) of the votes of the Class A membership has been recorded, agreeing to such dedication or transfer, and unless a certificate of the Secretary of the Association also be recorded stating that written notice of the proposed action was sent to every Member not less than twenty-five (25) days in advance of such effective date of such dedication or transfer.

#### **ARTICLE XI. REGISTERED OFFICE AND AGENT**

The post office address of the initial registered office of the Association is 1640 Virginia National Bank Building, Norfolk, Virginia, 23510. The name of the city or county in which the initial registered office is located in the City of Norfolk, Virginia. The name of the Association's initial registered agent is Francis N. Crenshaw, who is a resident of Virginia, a member of the Virginia State Bar and a Director of the Association, and whose business office is the same as the registered office.

#### **ARTICLE XII. INITIAL BOARD OF DIRECTORS**

The number of Directors constituting the initial Board of Directors shall be seven (7), and the names and addresses of the persons who are to serve as the initial Directors, until the selection of their successors, are as follows

NAME	ADDRESS
David H. Rice	P. O. Box 968 Norfolk, Virginia 23501
Francis N. Crenshaw	1640 Virginia National Bank Building Norfolk, Virginia 23510
Howard W. Martin, Jr.	1640 Virginia National Bank Building Norfolk, Virginia 23510
Dennis Richardson	P.O. Box 968 Norfolk, Virginia 23501
J. Robert Draper	P. O. Box 968 Norfolk, Virginia 23501
Carl M. Hall	1107 First & Merchants Bank Building Norfolk, Virginia 23510
Wesley Wright, Jr.	269 Boush Street Norfolk, Virginia 23510

**ARTICLE XIII. DISSOLUTION**

The Association may be dissolved in the manner prescribed by the applicable statutes of the Commonwealth of Virginia, but only with the assent of the Class B Member, if any, and more than two-thirds (2/3) of the Class A Members. Upon dissolution of the Association, the assets, both real and personal, of the Association, shall be dedicated to an appropriate public agency to be devoted, as nearly as practicable, to the same purposes as those to which they were required to be devoted by the Association. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization, to be devoted to purposes and uses to which they were required to be devoted by the Association. In no event shall any of the assets of the Association inure to the benefit of any individual or Member upon dissolution. Dissolution shall not in any way affect or impair the binding effect of the covenants and restrictions contained in the Declaration.

**ARTICLE XIV. DURATION**

The Association shall exist perpetually.

**ARTICLE XV. MEETINGS OF MEMBERS**

Written notice of meetings of Members shall be given as required by the applicable statutes of the Commonwealth of Virginia. The presence of Members or of proxies entitled to cast the Class B vote, if any, and sixty percent (60%) of the votes of the Association’s Class A membership shall constitute an initial quorum.

**ARTICLE XVI. AMENDMENTS**

Amendment to these Articles may be made in the manner prescribed by the applicable statutes of the Commonwealth of Virginia, provided however, that no such amendment shall be effective without the assent of the Class B Member, if any, and more than two-thirds (2/3) of the Class A Members.

**ARTICLE XVII. FHA / VA APPROVAL**

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration, as the case may be, should either have an interest in the Properties.

- (a) Annexation of additional properties;
- (b) Mergers or consolidations;
- (c) Mortgaging the Common Area or real estate of the Association;
- (d) Dissolution of the Association; or
- (e) Amendment of these Articles

Should such approval (or disapproval) not be received within thirty (30) days after submission by the Association of a written request for approval, such approval shall be deemed granted.

DATED this 25th day of May, 1976.

/s/ David H. Rice	(SEAL)
/s/ Francis N. Crenshaw	(SEAL)
/s/ Howard W. Martin, Jr.	(SEAL)
/s/ Dennis Richardson	(SEAL)
/s/ J. Robert Draper	(SEAL)
/s/ Carl M. Hall	(SEAL)
/s/ Wesley Wright, Jr. (Incorporators)	(SEAL)

STATE OF VIRGINIA  
CITY OF NORFOLK, to-wit:

I, Geoffrey F. Birkhead, a Notary Public in and for the City and State aforesaid, certify that David H. Rice, Francis N. Crenshaw, Howard W. Martin, Jr., Dennis Richardson, J. Robert Draper, Carl M. Hall, and Wesley Wright, Jr. whose names as incorporators are signed to the foregoing Articles of Incorporation, bearing date on the 25th day of May, 1976 have acknowledged the same before me in my City and State aforesaid. Given under my hand this 25th day of May, 1976.

/s/ Geoffrey F. Birkhead  
Notary Public

My commission expires: September 17, 1976