

ARTICLES OF INCORPORATION OF
MILL RUN AT LAKE ANNA PROPERTY OWNERS ASSOCIATION, INC.

WHEREAS, a part of Louisa County, Virginia, is now being developed as a residential community known as "Mill Run" and is hereinafter sometimes referred to as "the Subdivision"; and

WHEREAS, it is desirable that an association be established, governed and operated by the owners of the residential lots in the Subdivision in such a manner as to promote the creation and preservation of peaceful enjoyment of the property and the protection of property values in the Subdivision; and

WHEREAS, plat restrictions and Declarations of Covenants, Conditions and Restrictions, commonly known as Protective Covenants, shall be recorded with respect to the Subdivision by the Declarant, Mill Run, Inc., a Virginia Corporation.

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, who is a citizen of the United States, does hereby undertake to form a not-for-profit corporation without capital stock under the provisions of The Virginia Non-Stock Corporation Act, as amended.

ARTICLE I

The name of the Corporation is MILL RUN AT LAKE ANNA PROPERTY OWNERS ASSOCIATION, INC. and it is hereinafter referred to as "The Association".

ARTICLE II

The general objects and purposes and powers of the Association are:

1. To further and promote the community welfare of property owners in the Subdivision and to exercise the powers and functions granted to it in, or pursuant to, the Protective Covenants applicable to the Subdivision, or any portions thereof, and any other restrictive covenants that have heretofore or may hereafter be recorded in respect to the Subdivision or any part thereof
2. To provide for the maintenance of the common area, recreational facilities, and other community features of such land in the Subdivision and to provide for the upkeep or maintenance of certain vacant or unkempt lots and applicable appurtenances.
3. To provide for the payment of taxes and assessments, if any, that may be levied by any governmental authority upon any property that may be conveyed to the Association.
4. To promulgate and enforce charges, easements, restrictions, conditions, covenants, and servitudes existing upon and created for the benefit of the property over which the Association may have jurisdiction; to pay all expenses incidental thereto; to enforce the decisions and rulings of the Association; to pay all expenses in connection

therewith; and to establish interest and/or late charges for the failure of a member to pay when due any sums owed to the Association, together with reasonable attorney's fees and costs incurred in collecting same.

5. To appoint such committees as may be necessary to, or convenient in, the Association's discharging the duties entrusted to it.

6. To acquire by gift, purchase or other means, to own, hold, enjoy, lease, operate, maintain, convey, sell, lease, transfer, mortgage or otherwise encumber, or dedicate for public use, real or personal property in connection with the business of this Association.

7. To expend the money collected by the Association from assessments or charges, and other sums received by the Association, for the payment and discharge of all proper costs, expenses and obligations incurred by the Association in carrying out all or any of the purposes for which the Association is formed.

8. To do any and all lawful things and acts, and to have any and all lawful powers, which a corporation organized under and by virtue of The Virginia Non-Stock Corporation Act, as amended, may do and have, and in general to do all things necessary and proper to accomplish the foregoing purposes, including the specific power to appoint any person or corporation as its fiscal agent to collect all assessments and charges levied by the Association and to enforce the Association's liens for unpaid assessments and charges or any other lien owned by the Association.

ARTICLE III

The period during which the Association shall continue as a corporation shall be perpetual.

ARTICLE IV

The name of the initial Registered Agent of the Association is R. Jefferson Garnett, a resident of Virginia and a member of the Virginia State Bar, whose business office is identical with the registered office. The physical address of the Registered Agent and the Registered Office is:

R. Jefferson Garnett, Attorney at Law
109 Elm Avenue & Courthouse Square
P.O. Box 936
Louisa, Virginia 23093
(Louisa County, Virginia)

ARTICLE V

1. The members of the Association shall be persons or corporations who, at any time, are owners of record within the Clerk's Office of the Circuit Court of Louisa County, Virginia, of residential lots in the Subdivision. Each lot shall be entitled to one vote.

2. Membership in the Association shall lapse and terminate when any member shall cease to be the owner of a residential lot in the Subdivision.

3. Meetings of members may be held at such place within this State, as may be provided in the By-Laws, or where not inconsistent with the By-Laws, in the notice of the meeting.

Annual meetings of the members shall be held at such times as may be provided in the By-Laws. Meetings of the members may be called by the President or by the Board of Directors.

4. No member may be expelled from membership in the Association for any reason whatsoever; provided, however, that the Board of Directors of the Association shall have the right to suspend the voting rights and the right to use the common area and other recreational facilities of the Association of any member: (a) for any period during which any Association charge owed by the member remains unpaid; (b) during the period of any continuing violation of the protective covenants of the Subdivision, after the existence of the violation shall have been declared by the Board of Directors of the Association; and (c) for a period to be determined by the Board of Directors not to exceed one (1) year for repeated violations of the By-laws or the rules and regulations of the Association.

5. The Association may have non-voting Associate Members, as may be provided in the Declaration or By-Laws, who need not be owners of residential lots in the Subdivision.

ARTICLE VI

The affairs and business of the Association shall be managed by a Board of Directors, the exact number to be stated in the By-Laws of the Association, but shall not be less than two (2) nor more than five (5) in number. The Board of Directors of the Association shall be selected by the Declarant until such time as seventy-five percent (75%) of the lots within the Subdivision have been sold and conveyed, at which time the Board of Directors shall be elected by the lot owners. The Declarant, may, however, terminate earlier the Declarant's right to select the Directors.

The Board of Directors of the Association shall have power to adopt by-laws of the Association, and to amend the same, not inconsistent with these Articles or with the laws of the State of Virginia. Pursuant to the By-Laws, the Board of Directors shall elect a President, a Secretary and a Treasurer. The offices of Secretary and Treasurer may be filled by one (1) person. The officers shall have such qualifications, powers and duties, and shall be elected in such a manner, at such time and place, and shall serve for such terms as may be provided in the By-Laws of the Association.

ARTICLE VII

The number of Directors constituting the initial Board of Directors is two (2), and the names and addresses of the persons who are to serve as the initial Directors are:

Name Mr. Jeff C. Bane, Jr.
Address 11055 Wychwood Drive
Mechanicsville, Virginia 23116
(County of Hanover)

Name Mr. Jeff C. Bane
Address 641 Riverside Drive
Deltaville, Virginia 23043
(County of Middlesex)

ARTICLE VIII

The name and address of the incorporator is as follows:

R. Jefferson Garnett
Attorney at Law
P. O. Box 936
Louisa, Virginia 23093

ARTICLE IX

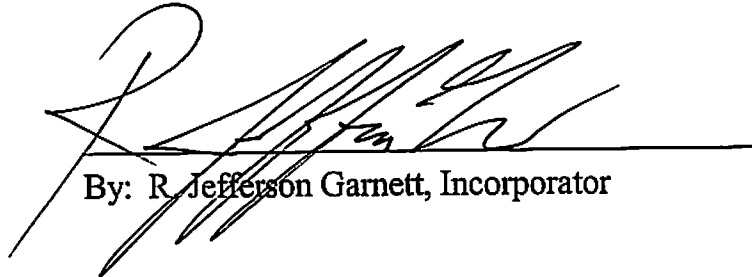
No property is to be taken over by the Association at or upon its incorporation, but this fact shall in no manner restrict the Association in respect to its later receiving property by donation, grant, purchase or other means.

ARTICLE X

No part of the net earnings of the Association shall inure to the benefit of or be distributable to its members, Directors, Officers or other private person, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation. No substantial part of the activities of the Association shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Association shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the Association shall not carry on any activities not permitted to be carried on by a corporation exempt from Federal

Income Tax under Section 501(c)(7) of the Internal Revenue Code of 1954, or the corresponding provisions of any future United States Internal Revenue Law.

In witness whereof, this instrument is executed by R. Jefferson Garnett, this 18th day of JUNE, 2009.



By: R. Jefferson Garnett, Incorporator