

# State of North Carolina



Department  
of the  
Secretary of State

To all to whom these presents shall come, Greeting:  
I, Thad Eure, Secretary of State of the State of  
North Carolina, do hereby certify the following and  
hereto attached ( 6 sheets) to be a true copy of

ARTICLES OF INCORPORATION

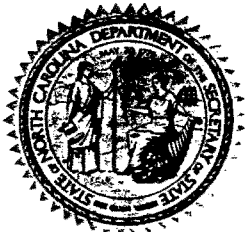
OF

CREEK'S EDGE TOWNHOMES ASSOCIATION, INC.,

and the probates thereon, the original of which was  
filed in this office on the 9th day of July, 19 84,  
after having been found to conform to law.

In Witness Whereof, I have hereunto set my hand  
and affixed my official seal.

Done in Office, at Raleigh, this 9th day  
of July, in the year of our Lord 19 84.



*Thad Eure*  
Secretary of State  
By *[Signature]*  
Deputy Secretary of State

JUL 9 1 57 PM '84

ARTICLES OF INCORPORATION

FILED  
THAD EURE  
SECRETARY OF STATE  
NORTH CAROLINA

OF

CREEK'S EDGE TOWNHOMES ASSOCIATION, INC.

I, the undersigned, being of legal age, do make and acknowledge these Articles of Incorporation for the purpose of forming a coproration not for profit under Chapter 55A, North Carolina General Statutes, and certify as follows:

ARTICLE I

NAME

The name of the corporation shall be CREEK'S EDGE TOWNHOMES ASSOCIATION, INC., hereinafter called the Association.

ARTICLE II

OFFICE AND AGENT

The address of the initial registered office in North Carolina is 593 South Reilly Road, Fayetteville, Cumberland County, North Carolina 28304; and the name of the initial registered agent at such address is ALEXANDER H. THOMAS.

ARTICLE III

PURPOSE

1. The purpose for which the Association is organized is to provide an entity for the presentation, maintenance and architectual control of the residence lots and common areas within CREEK'S EDGE TOWNHOMES, a townhouse development to be located upon the real property located in Seventy-First Township, Cumberland County, North Carolina, and presently owned by THOMAS FAMILY BUSINESS, INC. which property is located near the city of Fayetteville, North Carolina, and more particularly described in that certain plat of CREEK'S EDGE TOWNHOMES recorded in Book of Plats 55, Page 76, Cumberland County Public Registry.

2. The Association shall make no distributions of income to its members, directors or officers.

ARTICLE IV

POWERS

The powers of the Association shall include and be governed by the following provisions:

1. The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of these Articles.

2. The Association shall have all the powers and duties set forth in these Articles and the Declaration of Covenants, Conditions and Restrictions for each section of CREEK'S EDGE TOWNHOMES hereinafter developed, hereinafter called the Declarations, and all of the powers and duties reasonably necessary to operate the Association as set forth in these Articles and said Declarations as they may be amended from time to time, including but not limited to the following:

(a) To make and collect assessments against members to defray the costs, expenses and losses of the Association.

(b) To use the proceeds of assessments in the exercise of its powers and duties.

(c) To maintain, repair, replace and operate the Association's property as further described in the Declarations and its by-laws.

(d) To purchase insurance upon the Association's property and insurance for the protection of the Association and its members.

(e) To reconstruct improvements after casualty and to further improve the Association's property and the property of its members.

(f) To make and amend reasonable regulations respecting the use of the property in the CREEK'S EDGE TOWNHOMES development and the townhouses located thereon; provided, however, that all such regulations and amendments thereto shall be approved by not less than 66 2/3% of the votes of the members of the Association before such shall become effective.

(g) To approve and disapprove the transfer, mortgage and ownership of townhouse units, which maybe owned by the Association, as may be provided by the Declarations and the by-laws.

(h) To enforce by legal means the provisions of the Declarations, these Articles, the by-laws of the Association, and the regulations for the use of the property comprising the Creek's Edge Townhomes development.

(i) To contract for the management, maintenance, repair and upkeep of the property comprising the CREEK'S EDGE TOWNHOMES development and the townhouses located thereon, including the common areas and other property

owned by the Association, and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Declarations to have approval of the Board of Directors or the members of the Association.

(j) To employ personnel to perform the services required for proper operation of the Association, its property and the property comprising the CREEK'S EDGE TOWNHOMES development.

(k) To operate and manage the association and its property in accordance with the sense, meaning, direction, purpose and intent of these Articles and the Declarations as the same may be from time to time amended and to otherwise perform, fulfill and exercise the powers and privileges, options, rights, duties, obligations and responsibilities entrusted to or delegated to it by these Articles, the Declarations and the by-laws.

3. The Association shall have the power to purchase only: (1) at sales in foreclosure of liens for assessments for common expenses, at which sales the Association shall bid no more than the amount secured by its lien; and (2) units offered to the Association by the owners or the owners' agent.

4. All funds and the titles of all properties acquired by the Association and the proceeds thereof shall be held in trust for the members in accordance with the provisions of the Declarations, these Articles and the by-laws.

5. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declarations, these Articles and the by-laws.

ARTICLE V

MEMBERS

1. Every owner of a lot in CREEK'S EDGE TOWNHOMES for which a subdivision plat is recorded in Book of Plats 55, Page 76, in the Cumberland County Public Registry shall become a member of the Association on the date provided in the Declarations applicable to CREEK'S EDGE TOWNHOMES. Membership rights accorded thereby shall be appurtenant to and may not be separated from ownership of the member's lot.

2. The Association shall have one class of membership. The members shall be entitled to one certificate in the Association and to one vote for each lot or unit owned. When more than one person holds an interest in any

lot, all such persons shall be members, but the ownership of such lot shall be evidenced by one certificate in the Association and the vote for such lot and certificate shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot and share.

3. Change of membership in the Association shall be established by the recording in the Cumberland County Public Registry of a deed or other instrument establishing a record title to a lot in CREEK'S EDGE TOWNHOMES for which a subdivision plat has been recorded in Book of Plats 55, Page 76, in said Registry and the delivery to the Association of a certified copy of such instrument, the owner designated by such instrument thereby becoming a member of the Association. The membership rights and membership of the prior owner shall be thereby terminated.

4. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the lot which such member owns.

5. The manner of exercising voting rights shall be determined by the by-laws of the Association.

#### ARTICLE VI

#### DIRECTORS

1. The affairs of the Association will be managed by a Board consisting of the number of directors as shall be determined by the by-laws.

2. Directors of the Association shall be elected at the annual meeting of the membership in the manner determined by the by-laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the by-laws.

3. The first election of directors shall not be held until the happening of either of the following events, whichever shall first occur:

(a) When seventy-five (75%) percent of the lots in CREEK'S EDGE TOWNHOMES have been sold or otherwise disposed of by THOMAS FAMILY BUSINESS, INC..

(b) July 1, 1985.

The directors herein named shall serve until the first election of directors.

4. The names and addresses of the persons who are to serve as directors until their successors are elected and have qualified, or until removed are as follows:

ALEXANDER H. THOMAS	593 South Reilly Road Fayetteville, North Carolina 28304
R. CARROLL THOMAS	593 South Reilly Road Fayetteville, North Carolina 28304
H. DOLPH BERRY	216 N. McPherson Church Road Fayetteville, North Carolina 28303

ARTICLE VII

OFFICERS

The affairs of the Association shall be administered by officers elected by the Board of Directors in accordance with the by-laws of the Association, which officers shall serve at the pleasure of the Board of Directors.

ARTICLE VIII

INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, or any settlement thereof, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of wilful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such officer or director may be entitled.

ARTICLE IX

BY-LAWS

The first by-laws of the Association shall be adopted by the Board of Directors, and may be altered, amended or rescinded in the manner provided in the by-laws.

ARTICLE X

AMENDMENTS

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

1. Notice of the subject matter of a proposed amendment shall be included

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in the notice of any meeting at which a proposed amendment is considered.

2. A resolution approving a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meetings considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary at or prior to the meeting.

3. Approval of an amendment must be by not less than 66 2/3% of the entire membership of the Board of Directors and by not less than 66 2/3% of the votes of the entire certificate ownership of the Association.

4. No amendment shall make any changes in the qualifications for membership nor the voting rights of members, nor any change in Section 3 of Article III, without approval in writing by all members.

5. A copy of each amendment shall be certified by the Secretary of State and recorded in the office of the Register of Deeds, Cumberland County, North Carolina.

ARTICLE XI

TERM

The term of the Association shall be unlimited, unless the Association is terminated sooner by unanimous action of its members. The Association shall be terminated upon the termination of the Declarations.

ARTICLE XII

INCORPORATOR

The name and address of the incorporator is as follows:

ALEXANDER H. THOMAS 593 South Reilly Road  
Fayetteville, North Carolina

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 29th day of June, 1984.

*Alexander H. Thomas* (SEAL)  
ALEXANDER H. THOMAS

NORTH CAROLINA  
CUMBERLAND COUNTY

I, Ellen Gangway, a Notary Public in and for said County and State, do hereby certify that ALEXANDER H. THOMAS, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal, this 29th day of June, 1984.

*Ellen Gangway*  
NOTARY PUBLIC

My Commission expires: 8/19/86

North Carolina, Cumberland County  
Received 25 days July 1984 K: 20  
Recorded 25 day July 1984 Book Page 338  
*George B. Johnson* Register of Deeds