

Prepared by and mail to: Steve
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ARTICLES OF INCORPORATION
OF
RIVERBLUFF PLANNED COMMUNITY HOMEOWNERS ASSOCIATION, INC.

The undersigned corporation hereby submits these Articles of Incorporation for the purpose of forming a non-profit corporation pursuant to the provisions of Chapter 55A of the North Carolina General Statutes.

ARTICLE I
NAME

The name of the corporation is RiverBluff Planned Community Homeowners Association, Inc.

ARTICLE II
DURATION

The period of duration of the corporation shall be perpetual.

ARTICLE III
PURPOSES

The purposes for which the corporation is organized are:

- a. To provide for the management, maintenance, preservation, administration and operation of a planned community development known as "RiverBluff", as set forth in that certain Declaration of Covenants, Conditions and Restrictions to be recorded in the Office of the Register of Deeds for Cumberland County, North Carolina (the "Declaration")
- b. To promote the health, safety and welfare of the "Owners" (as defined in the Declaration) within the jurisdiction of this corporation.
- c. To engage in any and all lawful activities incidental to the foregoing purposes, except as restricted herein.

ARTICLE IV
POWERS

In order to carry out the purposes for which this corporation has been formed, the corporation shall have all of the powers set forth in Chapter 55A of the North Carolina General Statutes including, but not by way of limitation, the power:

a. To exercise all of the privileges and powers and to perform all of the duties and obligations of the corporation as set forth in the Declaration and the By-Laws attached thereto;

b. To fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration, to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the corporation;

c. To 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 corporation;

d. To borrow money, and with the consent of eighty percent (80%) of the allocated interest of the membership, to mortgage, pledge, grant a deed of trust or hypothecate any or all of the Common Area as security for money borrowed or debts incurred subject to the property rights of the members of the corporation as provided in the Declaration and the Bylaws attached thereto;

e. To dedicate, sell or transfer all or any part of the Common Area (as defined in the Declaration) to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the members of the corporation as provided in the Declaration and the Bylaws attached thereto.

f. To exercise all of the privileges and powers as set forth in N.C. General Statute § 47F-3-102.

ARTICLE V NO PECUNIARY GAIN

This corporation is a nonprofit corporation, and no part of the net earnings (if any) of the corporation shall inure to the pecuniary benefit of its members, officers or directors.

ARTICLE VI MEMBERSHIP AND VOTING RIGHTS

Membership in the corporation shall be limited to the owners of fee simple interests (the "Owners") in lots (the "Lots") or duplex or condominium units located on lots (the "Units") in RiverBluff, and every Owner of a Lot or Unit shall automatically be a member of the corporation. Members shall not include persons or entities who hold an interest merely as security for the payment of performance of an obligation. Membership in the corporation shall be appurtenant to and may not be separated from Lot or Unit

ownership.

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

Class A: Class A members shall be all Owners of Lots or Units, with the exception of River Bluff Partners, LLC (the "Declarant"), and shall be entitled to votes allocated one to each Lot and Unit. When more than one person holds an interest in any Lot or Unit, all such persons shall be members and the one vote for each such Lot or Unit shall be exercised by a majority in interest of the persons holding an interest in the Lot or Unit. The Declarant reserves the irrevocable right, power and authority for as long as there exists a Class B membership to amend the Declaration to reflect the addition or creation of any Lots or Units or Common Area or the withdrawal of any Lot or Unit and the changes necessitated thereby to include changes in the expense responsibilities of each Lot or Unit Owner in and for said Common Area and voting rights in the corporation of each Lot or Unit Owner; provided, however, that such changes in the voting rights shall be based upon the aforesaid ratio based upon one (1) vote for each Lot or Unit.

Class B: The Class B member shall be the Declarant and shall be entitled to the vote allotted to each Lot or Unit owned by the Declarant. The Class B membership shall cease and be converted to a Class A membership respectively upon the happening of either on the following events, whichever occurs earlier:

- (a) Declarant no longer owns a Lot or Unit in RiverBluff; or
- (b) on January 1, 2025.

In the event fee simple title to a Lot or Unit is owned of record by more than one person or entity, all such persons or entities shall be Members of the corporation, but the vote with respect to any such jointly owned Lot or Unit shall be cast as hereinabove and hereinafter provided. If the fee simple title or a leasehold interest to any Lot or Unit is owned of record by two or more persons or entities (whether individually or in a fiduciary capacity), the vote with respect to any such jointly owned Lot or Unit may be cast by any one of the joint Owners in person or by proxy, except that the holder or holders of a life estate in a Lot or Unit shall have the sole right to cast the vote allocated to the Lot or Unit. If more than one of the joint Owners vote or more than one life estate holder in a Lot or Unit vote, the action of a majority in interest of all joint Owners or joint life estate holders voting shall be necessary to effectively cast the vote allocated to the particular Lot or Unit. Such majority action shall be conclusively presumed if any one of such multiple Owners casts the vote allocated to that Lot or Unit without protest being made promptly to the person presiding over the meeting by any of the other of such joint Owners.

In no event may the vote which may be cast with respect to any Lot or Unit be divided among joint Owners of the Lot or Unit or cast in any manner other than as a whole, it being the intention that there be no "splitting" of votes that may be cast by any Member or Members.

ARTICLE VII
REGISTERED AGENT AND OFFICE

The address of the initial registered office in the State of North Carolina is 726 Ramsey Street, Suite 10, Fayetteville, Cumberland County, North Carolina, 28301 and the name of the initial registered agent at such address is Mark A. Stout. The initial principal office is the same as the initial registered office.

ARTICLE VIII
EXECUTIVE BOARD

The affairs of the corporation shall be managed by an Executive Board of five (5) members at least one of which board members shall be an owner of a Lot and at least one of which board members shall be appointed by the Declarant (subject to the Declarant's right to waive or release this right). The number of members of the Executive Board may be changed by amendment of the By-Laws of the corporation. The number of persons constituting the initial Executive Board is five (5) and the names and address of the persons who are to act as initial members of the Executive Board until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
Mark A. Stout	726 Ramsey Street, Suite 10 Fayetteville, NC 28301
Menno Pennink	726 Ramsey Street, Suite 10 Fayetteville, NC 28301
James Soffe	726 Ramsey Street, Suite 10 Fayetteville, NC 28301
Richard Soffe	726 Ramsey Street, Suite 10 Fayetteville, NC 28301
Anthony Cimaglia	726 Ramsey Street, Suite 10 Fayetteville, NC 28301

The initial Board shall serve until their successors are elected or appointed at the first Annual Membership Meeting after the Declarant's right to appoint the entire

Executive Board expires as set out below. Each Director elected by the Membership to replace an initial Director upon the expiration of his term of office shall serve for a term of office ending with the second Annual Meeting of members following his election or until his successor shall be elected and qualify. The Executive Board shall be appointed by the Declarant until the earlier of (i) the sale of all the Lots and Units; or (ii) the date

upon which Declarant voluntarily surrenders control of the subdivision.

ARTICLE IX AMENDMENTS

These Articles may be amended only by a vote of the Owners of Lots or Units to which at least sixty-seven percent (67%) of the ownership of the corporation is allocated. Provided, however, where a larger vote in the corporation is required for the corporation to take or refrain from taking a specific action, as set forth in the Declaration, no amendment of these Articles shall be made unless and until the Owners holding such larger percentage of the vote in the corporation approve said amending instrument. No amendment to these Articles shall be adopted or passed which shall impair or prejudice the rights and priorities of any Mortgagee without the consent of such Mortgagee. No amendment to these Articles shall be adopted or passed which shall impair or prejudice the rights of Declarant provided for in the Declaration of Covenants, Conditions and Restrictions of RiverBluff, including all amendments, without the consent of Declarant. Notwithstanding anything contained herein to the contrary, the Declarant shall have the unfettered right to amend these Articles without the consent of the Class A membership so long as Class B membership exists.

No amendment of these Articles, Bylaws and Declaration shall be effective until prepared, executed and certified on behalf of the corporation by any officer designated for that purpose by the Executive Board or, in the absence of designation, by the President of the corporation, and recorded in the Office of the Register of Deeds of Cumberland County, North Carolina.

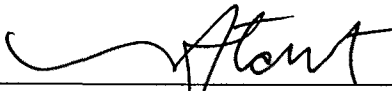
ARTICLE X INCORPORATOR

The name and address of the incorporator is: Mark A. Stout, 726 Ramsey Street, Suite 10, Fayetteville, North Carolina 28301.

ARTICLE XI DISSOLUTION

Upon the dissolution of the corporation, the Executive Board shall, after paying or making provision for the payment of all of the liabilities of the corporation, and the return, transfer or conveyance of all assets held by the corporation upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, subject to these articles and the bylaws, distribute the remaining assets of the corporation as provided in the plan of dissolution.

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal this 8 day of MARCH, 2007.

By: 
Mark A. Stout, Incorporator

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