

ARTICLES OF INCORPORATION

FOR

CARSON COVE HOMEOWNERS ASSOCIATION, INC., a nonprofit corporation

Pursuant to § 55A-2-02 of the General Statutes of North Carolina, the undersigned does hereby submit these Articles of Incorporation for the purpose of forming a nonprofit corporation.

**ARTICLE I
NAME**

The name of the nonprofit corporation is CARSON COVE HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association".

**ARTICLE II
DURATION**

The Association shall have perpetual duration.

**ARTICLE III
INCORPORATOR**

J. Scott Flowers is the incorporator of the Association. Mr. Flowers' address is 4317 Ramsey Street, Fayetteville, North Carolina, 28311.

**ARTICLE IV
REGISTERED AGENT**

The initial registered agent of the Association is Michael P. Williams. The initial registered mailing address of the Association is 6713 Newland Circle, Fayetteville, North Carolina, 28314. The initial registered office of the Association is located in Cumberland County, North Carolina.

**ARTICLE V
PRINCIPAL OFFICE**

The initial principal office of the Association is located 6713 Newland Circle, Fayetteville, North Carolina, 28314, Cumberland County, North Carolina.

**ARTICLE VI
MEMBERS**

The members of the Association and their voting rights are as specified in the Declarations of Covenants and Restrictions for Carson Cove Subdivision to be recorded with the Cumberland County Register of Deeds and attached hereto as Exhibit A. No certificates or shares of stock shall be issued to the Association's members.

**ARTICLE VII
PURPOSES**

The Association does not contemplate any pecuniary gain or benefit, direct or indirect, to its members. The Association does not contemplate having any income which will be distributable to its members. Without limitation, the specific purpose for which the Association is formed is as follows:

(a) To fulfill all obligations, duties, and rights of the Association as set forth in the Declarations of Covenants and Restrictions for Carson Cove Subdivision (the "Declarations") attached hereto as Exhibit A, the Bylaws for the Association (the "Bylaws") attached hereto as Exhibit B, the provisions of N.C. Gen. Stat. § 47F-3-102, and other applicable North Carolina Law; and

(b) To protect and provide for the interests of the owners of Carson Cove Subdivision ("Carson Cove") as depicted on the certain plat map recorded on Book 136 at Page 195 of the Cumberland County Registry.

ARTICLE VIII POWERS

The Association shall have the following powers:

(a) All powers conferred upon the Association by the Declaration, the Bylaws, the provisions of N.C. Gen. Stat. § 47F-3-102, and other applicable North Carolina law; and

(b) All powers necessary to fulfill the Association's obligations and duties as set forth in these Articles, the Declarations, and the Bylaws, including, without limitation, as follows:

i. To take all actions necessary to enforce the provisions and conditions of the Declarations;

ii. To establish and impose all assessments and charges authorized by the Declarations;

iii. To collect and enforce payment of all assessments and charges authorized by the Declarations;

iv. To pay all administrative expenses incurred by the Association which are necessary for the fulfillment of the Association's duties and incurred in the regular course of the Association's business, including, without limitation, attorney fees, governmental fees, taxes, assessments, and professional fees;

v. To maintain, repair, and control all common areas of Carson Cove and to make any improvements to the common areas of Carson Cove which the Association deems necessary or desirable;

vi. To improve, repair, and control all properties which the Declarations and the Bylaws require the Association to maintain;

vii. To perform all activities which simulate, enhance, and foster the interests of all property owners within Carson Cove in accordance with the provisions of the Declarations and Bylaws;

viii. To acquire, hold, own, improve, maintain, sell, mortgage, lease, dedicate for public use, operate, or otherwise deal with all real and personal property of any kind which furthers the rights and responsibilities of the Association as set forth in the Declarations and Bylaws;

ix. To borrow money for any purpose permitted by the Declarations and Bylaws;

x. To enter into contracts with any individual or entity which is necessary, convenient, or desirable for the operation of the Association's business;

xi. To be responsible for all the maintenance and repair of all streets located within Carson Cove Subdivision until and unless said streets are accepted by the North Carolina Department of Transportation; and

xii. To dedicate property for public use, or to sell, transfer, or convey any interest in property to any public agency, authority or utility in order to fulfill the Association's duties and responsibilities as set forth in the Declaration and the Bylaws.

This Article shall in no way limit or restrict the Associations rights or powers which are currently or may hereafter be permitted by applicable North Carolina law or the requirements of the Declarations and the Bylaws.

ARTICLE IX INDEMNIFICATION

To the fullest extent permitted by N.C. Gen. Stat. §§ 55A-8-51, 55A-8-52, 55A-8-54, 55A-8-55, 55A-8-56, 55A-8-57, and all other applicable provisions of the NORTH CAROLINA NONPROFIT CORPORATION ACT, as the same now exists or may hereafter be amended, the Association shall indemnify all persons serving as officers or directors of the Association or in both such capacities, against all liability and litigation expense, including but not limited to reasonable attorneys' fees, arising out of their status as such or their activities in any of the foregoing capacities, regardless of when such status existed or activity occurred and regardless of whether or not they are officers or directors of the Association at the time such indemnification is sought or obtained. Without limiting the generality of the foregoing indemnity, such persons may also recover from the Association all reasonable costs, expenses, and attorneys' fees in connection with the enforcement of rights to indemnification granted by this Paragraph. The provisions of this Paragraph are in addition to and not in limitation of the power of the Association with respect to, and the rights of any officer, director, employee or agent of the Association to receive the benefits of, any other or further indemnification, insurance, elimination of liability or other right or benefit which is either required by the NORTH CAROLINA NONPROFIT CORPORATION ACT or permitted thereby and duly adopted by the Association in accordance therewith.

ARTICLE X BOARD OF DIRECTORS

The Association shall be controlled by a Board of Directors. The Board of Directors shall initially consist of Castle Hayne Homes, LLC, P.O. Box 549, Holly Springs, North Carolina 27540. Castle Hayne Homes, LLC shall be the only member of the Association's Board of Directors so long as Castle Hayne Homes, LLC owns any lot within Carson Cove.

When Castle Hayne Homes, LLC no longer owns any lots within Carson Cove, the members of the Association shall appoint no less than 3 and no more than 5 members of the Association to serve as

the Board of Directors, as more particularly set forth in the Declarations and Bylaws. The length of the term of each such board member is set forth in the Declarations.

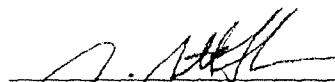
**ARTICLE XI
AMENDMENT**

As long as Castle Hayne Homes, LLC owns any lot within Carson Cove, these Articles of Incorporation may only be amended by Castle Hayne Homes, LLC. When Castle Hayne Homes, LLC no longer owns any lots within Carson Cove, these Articles of Incorporation may be amended only by a two-thirds vote of the members of the Board of Directors. No such amendments shall contradict or conflict with the terms of the Declarations or dilute the voting rights of any members of the Association.

**ARTICLE XII
DISSOLUTION**

The Association may be dissolved as provided for by applicable North Carolina law and the terms of the Declarations and Bylaws; provided that, prior to any such dissolution, the Association must first fulfill all requirements of federal, state, and local laws and ordinances. If the Association is dissolved, its assets shall either be dedicated to a local public authority or transferred to another similarly situated nonprofit association.

This the 4 day of February, 2016.



J. Scott Flowers
Hutchens Law Firm
4317 Ramsey Street
Fayetteville, NC 28311