

DOCUMENT #A0251
DATE 04/13/07 TIME 16:05
FILED
THOMAS LURE
SECRETARY OF STATE
NORTH CAROLINA

ARTICLES OF INCORPORATION
OF
THE HARBOR ASSOCIATION, INC.

In compliance with the requirements of Chapter 55A of the North Carolina General Statutes, the undersigned, a natural person of full age, has this day executed these Articles of Incorporation for the purpose of forming a non-profit corporation and hereby certifies:

ARTICLE I

The name of the corporation is The Harbor Association, Inc., hereinafter called the "Association."

ARTICLE II

The principal office of the Association is located at One Southern Life Center, 301 N. Elm Street, Greensboro, North Carolina 27402.

ARTICLE III

M. Jay DeVaney, whose address is One Southern Life Center, 301 North Elm Street, Greensboro, North Carolina, is hereby appointed the initial registered agent of this Association. The initial registered office of the Association is located at One Southern Life Center, 301 N. Elm Street, Greensboro, North Carolina 27402.

ARTICLE IV
PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the Lots and Common Area within that certain tract of property more particularly described on Exhibit "A" attached hereto and incorporated herein by reference, and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and for this purpose to:

- (a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions (whether one or more), hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the

Office of the Register of Deeds of Guilford County, North Carolina, and as the same may be amended from time to time as therein provided, said Declaration being 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 in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including 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) borrow money, and with the assent of two-thirds (2/3) of each class of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area to any 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 an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of each class of members; and

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Law of the State of North Carolina by law may now or hereafter have or exercise.

ARTICLE V

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, 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. Membership shall be

appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE VI

VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A Members shall be (i) the Declarant (as defined in the Declaration), its successors and assigns, as to Lots once rented or leased by it to single-family occupants and as to Lots retained by it upon termination of Class B membership; and (ii) all Owners other than the Declarant. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote or votes for such Lot shall be exercised as the holders of an interest therein among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Members(s) shall be the Declarant (except as to Lots owned by the Declarant, its successors and assigns, and once rented or leased to single-family occupants), and shall be entitled to four (4) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;
- (b) upon the expiration of four (4) months next following the conveyance of seventy-five percent (75%) of the Lots within that section of the real property described in the Declaration;
or
- (c) upon the expiration of five (5) years next following the conveyance of the first Lot within that section of the real property described in the Declaration.

Notwithstanding the above, Class B membership shall continue as to other sections which may be annexed in accordance with the provisions of Article XI, Section 5 of the Declaration, and the recording of each new plat of a new section of the Properties shall operate to create new Class A and Class B members.

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 initial Board of Directors shall be three (3) in number. Thereafter the Board of Directors shall be composed of nine (9) members. The number of directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of the Initial Directors until the selection of their successors are:

| | |
|----------------|---|
| Bill Phipps | One Southern Life Center 301 N. Elm Street Greensboro, NC 27402 |
| Wayman Merrill | One Southern Life Center 301 N. Elm Street Greensboro, NC 27402 |
| Betty Smith | One Southern Life Center 301 N. Elm Street Greensboro, NC 27402 |

At the first annual meeting, the Members shall elect three (3) Directors for a term of one (1) year, three (3) Directors for a term of two (2) years and three (3) Directors for a term of three (3) years and at each annual meeting thereafter the Members shall elect three (3) Directors for a term of three (3) years or until their respective successors are properly chosen.

ARTICLE VIII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. 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 such similar purposes.

ARTICLE IX

DURATION

The existence of the corporation shall be perpetual.

ARTICLE X

AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five per cent (75%) of the entire membership.

ARTICLE XI

FHA/VA APPROVAL

As long as there is Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties except as permitted by Article XI, Section 5(b) of the Declaration, mergers and consolidations, mortgaging of Common Area, dissolution, and amendment of these Articles.

ARTICLE XII

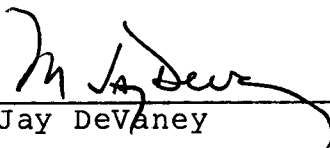
INCORPORATOR

The name and address of the incorporator are as follows:

M. Jay DeVaney

One Southern Life Center
301 North Elm Street
Greensboro, N. C. 27402

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal, this 9th day of April, 1987.



M. Jay DeVaney

NORTH CAROLINA

GUILFORD COUNTY

This is to certify that on this 9th day of April, 1987, before me, Peggy D. Huff, a Notary Public of said County and State, personally appeared M. JAY DEVANEY, who, I am satisfied, is the person named in and who executed the foregoing Articles of Incorporation of THE HARBOR ASSOCIATION, INC., and I, having first made known to him the contents thereof, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed for the purpose therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 9th day of April, 1987.

PEGGY D. HUFF

NOTARY PUBLIC

RANDOLPH COUNTY, NC

My Commission Expires 10-28-91

My Commission Expires:

10-28-91

Peggy D. Huff
Notary Public

EXHIBIT A

certain lot or parcel of land situated ^{near} ~~in~~ the City of Greensboro, Center Grove Township, Guilford County, North Carolina and more particularly described as follows:

BEGINNING at an iron marking the intersection of the eastern margin of Lake Brandt Road (SR 2305) with the southern margin of Air Harbor Road and running thence along the southern margin of Air Harbor Road the following courses and distances: South 79° 17' 47" East 360.70 feet to a point, along a curve to the left having a radius of 947.78 feet a chord bearing and distance of North 88° 14' 54" East 408.70 feet to a point and North 75° 46' 30" East 1128.24 feet to an iron, a corner with the City of Greensboro; thence with the City of Greensboro South 06° 53' 23" East 1334.87 feet to an iron in the northern line of North Oaks Subdivision as per plat thereof recorded in Plat Book 73, Page 80, Guilford County Registry; thence with said subdivision South 68° 02' 02" West 527.26 feet to a point; thence with the line of Lawndale Estates as per plat thereof recorded in Plat Book 28, Page 15, Guilford County Registry, South 84° 07' 59" West 2165.93 feet to a point in the eastern margin of Lake Brandt Road; thence with the margin of Lake Brandt Road the following courses and distances: North 30° 41' 32" East 627.23 feet to a point, along a curve to the left having a radius of 676.96 feet and a chord bearing and distance of North 26° 16' 23" East 104.33 feet to a point, North 21° 51' 56" East 415.97 feet to a point, along a curve to the left having a radius of 2463.16 feet and a chord bearing and distance of North 14° 00' 36" East 303.30 feet to a point and along a curve to the left having a radius of 13788.50 feet and a chord bearing and distance of North 08° 47' 42" East 210.35 feet to the point and place of Beginning, the same containing 69.396 acres, more or less according to a survey by Evans Engineering, Inc. dated 20 March 1986 revised 7 April 1986.