

ARTICLES OF INCORPORATION
OF
YORKTOWN POINTE HOMEOWNER'S ASSOCIATION

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
Name

The name of the corporation is: "Yorktown Pointe Homeowner's Association" (the "Association").

ARTICLE II
Registered Office

The initial registered office of the Association is located at 1400 Battleground Avenue, Suite 122, Greensboro, Guilford County, North Carolina, 27408.

ARTICLE III
Registered Agent

M. Lee McAllister, whose address is 1400 Battleground Avenue, Suite 122, Greensboro, Guilford County, North Carolina, 27408, is hereby appointed the initial registered agent of this Association.

ARTICLE IV
Purpose and Powers of the Association

This Association does not contemplate pecuniary gain or profit to its members. The specific purposes for which the Association is formed is to provide for maintenance, preservation and architectural control of the lots ("Lots") and common area ("Common Area") within that certain tract of property which is more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "Property") and to promote the health, safety, and welfare of the residents within the 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 for Yorktown Pointe to be recorded in the Office of the Register of Deeds of Guilford County, North Carolina, and in any and all additional declarations of covenants, conditions or restrictions, applicable to the Property which may subsequently 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 (collectively hereinafter referred to as the "Declarations"), said Declarations being incorporated herein as if set forth at length:

(b) fix, levy, collect, and enforce payment, by any lawful means, of all charges or assessments pursuant to the terms of the Declarations; to pay all expenses in connection therewith; and to pay 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 or 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 not less than two-thirds ($2/3$) of each class of voting members of the Association, 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 of the Association. No such dedication, sale, or transfer shall be effective unless and until an instrument has been signed by not less than two-thirds ($2/3$) of each class of voting members of the Association, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same, or similar, purposes as the Association, provided, however, that any such merger or consolidation shall have the assent of not less than two-thirds ($2/3$) of each class of voting members of the Association;

(g) annex additional residential property and Common Area pursuant to the provisions of the Declarations; and

(h) have and to exercise any and all powers, rights, and privileges which a corporation organized under the Non-Profit Corporation Law of the State of North Carolina law may now or hereafter have or be entitled to exercise.

ARTICLE V
Membership

Every person or entity who or which is a record owner of a fee or undivided fee interest in any Lot which is subject by declarations, conditions, or covenants of record to assessment by the Association, including contract sellers, shall be a voting 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. Such 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 Member(s) shall be (i) the Declarant, its successors, and assigns as to Lots retained by the Declarant upon the termination of the Class B membership, and (ii) all Owners other than the Declarant. Class A members shall be entitled to cast one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members; however, the vote for such Lot shall be exercised as such members among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot, and no fractional votes may be cast.

Class B. The Class B member shall be the Declarant, and shall be entitled to cast three (3) votes for each Lot owned as to which the Declarant is not a Class A member. The Class B membership shall cease to exist, and shall be converted to Class A membership, on the happening of either of the following events, whichever occurs earlier:

- (a) the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) seven (7) years after the date hereof.

With the recording of new sections of Yorktown Pointe, and the annexation of additional lands subject to the jurisdiction of the Association, new Class A and Class B memberships shall be created, and the conversion of Class B memberships to Class A memberships shall be made separately with respect to each such section of Yorktown Pointe.

ARTICLE VII
Board of Directors

The affairs of this Association shall be managed by a Board of Directors, the number of directors to be determined in accordance with the Bylaws of the Association, who may, but need not be, members of the Association. The name and address of the person who is to act in the capacity of director until the selection of any successors is:

<u>NAME</u>	<u>ADDRESS</u>
M. Lee McAllister	1400 Battleground Avenue Suite 122 Greensboro, North Carolina, 27408 (Guilford County)
Robert C. Rapp	1400 Battleground Avenue Suite 122 Greensboro, North Carolina, 27408 (Guilford County)
Tom C. Hall	1400 Battleground Avenue Suite 122 Greensboro, North Carolina, 27408 (Guilford County)

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 voting members of the Association. 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 duration of the Association shall be perpetual.

ARTICLE X
Amendments

Amendments to these Articles of Incorporation shall require the written assent of not less than two-thirds (2/3) of the each class of voting members of the Association.

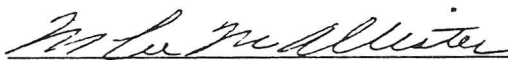
ARTICLE XI
Indemnification

The Association hereby agrees to indemnify each director and officer, and each former director and officer, to the fullest extent permissible under N.C.Gen.Stat. §§ 55A-17.1, 55A-17.2, and 55A-17.3.

ARTICLE XII
Incorporator

The name and address of the incorporator is as follows: M. Lee McAllister, 1400 Battleground Avenue, Suite 122, Greensboro, Guilford County, North Carolina, 27408.

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal, this the 26 day of July, 1993.


M. Lee McAllister, Incorporator

NORTH CAROLINA

GUILFORD COUNTY

This is to certify that on the 26 day of July, ¹⁹⁹³~~1986~~, before me, Calvin P. Sharp, a Notary Public of said County and State, personally appeared Mr. Lee McAllister, who, I am satisfied is the person named in and who executed the foregoing Articles of Incorporation of Yorktown Pointe Homeowner's Association, 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 uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 26 day of July, 1993.

Calvin P. Sharp
Notary Public

My Commission Expires:

January 19, 1995