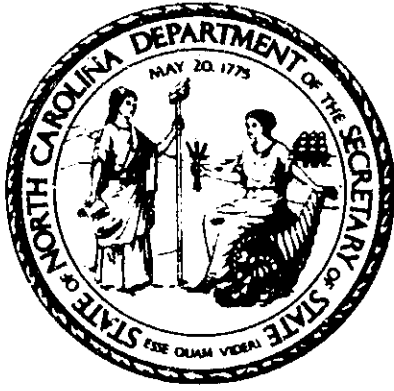


Pick up: Steve Gibson



# State of North Carolina

Department of the Secretary of State

FORM 9 383 #0001450

To all to whom these presents shall come, Greeting:

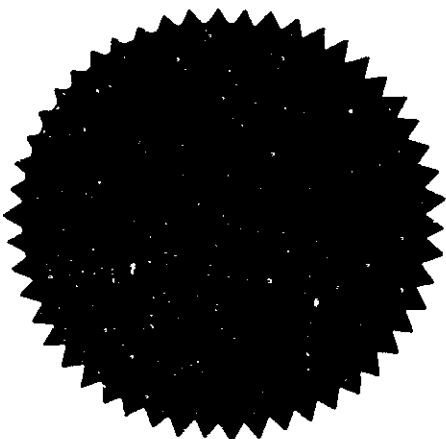
I, Thad Eure, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached ( 6 sheets) to be a true copy of

ARTICLES OF INCORPORATION  
OF  
FOXCROFT ASSOCIATION INC.

and the probates thereon, the original of which was filed in this office on the 26th day of June 19 85, 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 26th day of June in the year of our Lord 19 85.



133453

RECORDED  
KAY F. PATSEAVOURAS  
REGISTER OF DEEDS  
GUILFORD COUNTY NC  
JUL 9 11 56 AM '85

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

BK3450 PG0642

ARTICLES OF INCORPORATION

OF

FOXCROFT ASSOCIATION INC.

DOCUMENT #360699  
DATE 06/26/85 TIME 08:3

FILED  
THAT CLARE  
SECRETARY OF STATE  
NORTH CAROLINA

In compliance with all the requirements of G.S. seq., the undersigned, all of whom are residents of the State of North Carolina and all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation, not for profit, and do hereby certify:

ARTICLE I

NAME OF CORPORATION

The name of the corporation is FOXCROFT ASSOCIATION INC. hereinafter called the "Association".

ARTICLE II

REGISTERED OFFICE

The principal and registered office of the Association is located in Forsyth County at 2200 Silas Creek Parkway, Suite 2-A Winston-Salem, North Carolina 27103

ARTICLE III

REGISTERED AGENT

Harris B. Gupton, whose address is 2200 Silas Creek Parkway, Suite 2-A, Winston-Salem, North Carolina 27103, is hereby appointed the initial registered agent of this Association.

ARTICLE IV

PURPOSE OF 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 residence Lots and Common Areas within that certain tract of property described as:

All of that certain parcel of land shown on the plat entitled "FOXCROFT TOWNHOMES" which will appear of record in the Office of the Register of Deeds of Guilford County, North Carolina, and such other land as may be annexed hereto in the coordinated development of the area.

and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereby be brought within the jurisdiction of this Association by annexation, as provided in Article VII herein, and for this purpose:

- (a) To 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 (hereinafter called the "Declaration") applicable to the property and recorded, or to be recorded, in the Office of the Register of Deeds of Forsyth 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;

RECORD OF POOR QUALITY  
DUE TO CONDITION  
OF THE ORIGINAL DOCUMENT  
AMENDED G. S. 161-14

BK3450 PG0643

- (b) To 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) 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 Association;
- (d) To borrow money, mortgage, pledge by deed of trust, or hypothecate any or all of its real or personal property as security for money borrower or debts incurred, subject to approval by two-thirds (2/3) of each Class of members of the Association; and
- (e) To 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 by law may now or hereafter have or exercise.

#### ARTICLE V

##### MEMBERSHIP AND VOTING RIGHTS

Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

The Association shall have two classes of voting membership :

- (a) Class A: Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one person or entity holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they, among themselves, determine but in no event shall more than one vote be cast with respect to any Lot; and
- (b) Class B: Class B members shall be the Declarant and shall be entitled to three (3) 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 first:
  - (1) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
  - (2) on December 31st, 1989.

#### ARTICLE VI

##### BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of five (5) directors who need not be members of the Association. 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 Directors until the selection of their successors are:

RECORD OF POOR QUALITY  
DUE TO CONDITION  
OF THE ORIGINAL DOCUMENT  
AMENDED G. S. 161-14

8K3450 PG0646

Samie E. Gupton, 2200 Silas Creek Parkway, Suite 2-A  
Winston-Salem, North Carolina  
Harris B. Gupton, 2200 Silas Creek Parkway, Suite 2-A  
Winston-Salem, North Carolina  
Linda B. Adolph, 5025 Selena Street, Winston-Salem, North  
Carolina  
Bryon Hobson, 3740-E Moss Drive, Winston-Salem, North Carolina  
Archie Smith, 4061 Arden Street, Clemmons, North Carolina

The directors shall be classified with respect to time for which they shall severally hold office by dividing them into two (2) classes, with one class of two (2) and a second class of three (3). At the first annual meeting, the members shall elect the Directors of the first class for a term of one (1) year and the Directors of the second class for a term of two (2) years, and at each annual meeting thereafter, the members shall elect successors to the class of Directors whose term or terms shall expire that year for a term of two (2) years.

#### ARTICLE VII

##### LIABILITIES

The highest amount of indebtedness or liability, direct or contingent, to which the Association may be subject at any one time shall not exceed \$75,000 while there is a Class B membership, and thereafter shall not exceed one hundred fifty percent (150%) of its income for the previous fiscal year, provided that additional amounts may be authorized by the assent of two-thirds (2/3) of the membership.

#### ARTICLE VIII

##### ANNEXATION OF ADDITIONAL PROPERTIES

The Association may, at any time, annex additional residential properties and common areas to the Property described in Article IV and so add to its membership under the provisions of Article V, provided that any such annexation shall have the assent of two-thirds (2/3) of the entire Class A membership and two-thirds (2/3) of the entire Class B membership, if any.

If within four (4) years from the date of incorporation of the Association, the Declarant should develop additional lands within the area described in Deed Book 3410 at Page 903 in the office of the Register of Deeds of Guilford County, North Carolina, such additional lands may be annexed to said Property without the assent of the Class A members; provided, however, the development of the additional lands described in this Section shall be in accordance with a general plan submitted to the Federal Housing Administration and the Veterans Administration with the processing papers for the first section. Detailed plans for the development of additional lands must be submitted to the Federal Housing Administration and the Veterans Administration prior to such development. If either the Federal Housing Administration or the Veterans Administration determine that such detailed plans are not in accordance with the general plan on file and such agency or agencies so advise the Association and the Declarant, the development of additional lands must have the assent of two-thirds (2/3) of the Class A members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting.

RECORD OF POOR QUALITY  
DUE TO CONDITION  
OF THE ORIGINAL DOCUMENT  
AMENDED G. S. 161-14

BK3450 PG0645

At this meeting, the presence of the members or of proxies entitled to cast sixty percent (60%) of all of the votes of the Class A membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirement set forth above, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

#### ARTICLE IX

##### MERGERS AND CONSOLIDATION

To the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit corporations organized for the same purposes; provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the entire Class A membership and two-thirds (2/3) of the Class B membership, if any.

#### ARTICLE X

##### AUTHORITY TO MORTGAGE

Any mortgage by the Association of the Common Area defined in the Declaration shall have the assent of two-thirds (2/3) of the entire Class A membership and two-thirds (2/3) of the Class B membership, if any.

#### ARTICLE XI

##### AUTHORITY TO DEDICATE

The Association shall have the power to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed by the members. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to cast two-thirds (2/3) of the votes of the entire Class A membership and two-thirds (2/3) of the votes of the entire Class B membership, if any, agreeing to such dedication, sale or transfer.

#### ARTICLE XII

##### DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the entire Class A membership and two-thirds (2/3) of the entire Class B membership, if any. Upon dissolution of the Association, the assets, both real and personal, of the Association shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. 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 purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the Association.

#### ARTICLE XIII

##### DURATION

This corporation shall exist perpetually.

RECORD OF POOR QUALITY  
DUE TO CONDITION  
OF THE ORIGINAL DOCUMENT  
AMENDED G. S. 161-14

RECORD OF POOR QUALITY  
DUE TO CONDITION  
OF THE ORIGINAL DOCUMENT  
AMENDED G. S. 161-14

ARTICLE XIV

MEETINGS FOR ACTIONS GOVERNED  
BY ARTICLES VII THROUGH XII

In order to take action under Articles VII through XII, there must be a duly held meeting. Written notice, setting forth the purpose of the meeting, shall be given to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. The presence of members or of proxies entitled to cast sixty percent (60%) of the votes of each Class of membership shall constitute a quorum, except for Article III, Paragraph 2, where the quorum requirement is specifically set forth. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirements set forth above, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. In the event that two-thirds (2/3) of the Class B membership, if any, are not present in person or by proxy, members not present may give their written assent to the action taken thereat.

ARTICLE XV

AMENDMENTS

Amendments of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

ARTICLE XVI

FHA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration and the Veterans Administration: Annexation of additional properties; mergers and consolidations; mortgaging of the Common Area; dedication of the Common Area; dissolution; and amendment of these Articles.

ARTICLE XVII

INCORPORATORS

The names and addresses of all of the incorporators are as follows:

Harris B. Gupton, 2200 Silas Creek Parkway, Suite 2-A, Winston-Salem,  
North Carolina  
Samie E. Gupton, 2200 Silas Creek Parkway, Suite 2-A, Winston-Salem,  
North Carolina

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of North Carolina, we, the undersigned, constituting the incorporators of the Association, have executed these Articles of Incorporation.

This the 30<sup>TH</sup> day of MAY, 1985.



A TRUE AND ACCURATE COPY

Alice Gibson  
Notary Public

Commission Expires: 3-15-88

CF

HARRIS B. GUPTON

CF

SAMIE E. GUPTON

ACKNOWLEDGEMENT

NORTH CAROLINA

GUILFORD COUNTY

I, Alice Gibson, a Notary Public of the County of Guilford, State of North Carolina, do hereby certify that Harris B. Gupton and Samie E. Gupton personally appeared before me this 30th day of May, 1985, and acknowledged the execution of the foregoing Articles of Incorporation of Foxcroft Association, Inc.

Witness my hand and official seal this 30th day of May, 1985.

  
\_\_\_\_\_  
Alice Gibson, Notary Public

My Commission Expires:  
3-15-88



# State of North Carolina

NOTICE  
The issuance of a certified copy in any connection with the issuance of a certificate of title to any corporation or individual in this State shall be subject to the rights of any party who may be entitled to such rights under the Federal Tax Lien Act of 1966, and the issuance of such certificate of title shall not be a defense to an action for violation of any such rights.

Certified Copy  
from  
The Department of The  
Secretary of State  
to be Recorded  
with the  
Register of Deeds  
of County of  
Registered Office

BK3450 PG0649