

ARTICLES OF INCORPORATION
OF
SHERIDAN PLACE HOMEOWNERS' ASSOCIATION, INC.

In compliance with the requirement of Chapter 55A of the General Statutes of North Carolina, the undersigned, who is a resident of the State of North Carolina and who is over the age of 18 years has this day voluntarily formed a corporation not for profit and hereby certifies:

ARTICLE I

NAME OF CORPORATION

The name of the corporation is Sheridan Place Homeowners' Association, Inc., hereafter called the "Association."

ARTICLE II

INITIAL REGISTERED OFFICE

The principal office and the registered office of the Association is located at 2613 Hickory Avenue, Burlington, Alamance County, North Carolina 27215.

ARTICLE III

INITIAL REGISTERED AGENT

John M. Hall, whose address is 2613 Hickory Avenue, Burlington, Alamance County, North Carolina 27215, 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 the members thereof, and the specific purposes for which it is formed are, consistent with the Declaration of Covenants, Conditions and Restrictions (the "Declaration") and the By-Laws of Sheridan Place Homeowners' Association, Inc. (the "By-Laws"), to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain property described in Exhibit A (attached to the Declaration), and to promote the health, safety and welfare of the residents within said property and any additions thereto as may hereafter be brought within the jurisdiction of this Association. To that end, the Association shall have the power and authority to pro-

mote 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.

(a) The Association shall have the power to exercise all of the powers and privileges, including, but not limited to, the power and authority subject to and consistent with the Declaration and By-Laws as the same may be amended from time to time, to collect funds from its membership by way of assessments and to pay out the same as it incurs debts in pursuit of its stated objectives, and to perform all of the duties and obligations of the Association as set forth in the Declaration and By-Laws. The Declaration and the By-Laws shall be recorded in the Office of the Register of Deeds of Alamance County, North Carolina.

(b) Notwithstanding anything to the contrary herein contained, this corporation shall have the power to do any and all acts and things and to exercise any and all other powers incident to carrying out its responsibilities, and shall possess such general and additional powers as are conferred by the laws of the State of North Carolina upon non-profit corporations.

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 to the Declaration and By-Laws, as they are or may be amended, 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 said Declaration.

ARTICLE VI

VOTING RIGHTS

Each member, including the Declarant, shall be entitled to one vote for each Lot owned. When more than one person hold an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed initially by a Board of three (3) Directors, who need not be members of the

R MICHAEL PIPKIN, P.A.
ATTORNEY AT LAW
SUITE 3000B PLAZA
P O BOX 2808
CHAPEL HILL, N C 27514

Association. The number of Directors shall be five effective with the first annual meeting of members. The number of directors may thereafter be changed by amendment of these Articles and the By-laws of the Association. The names and addresses of the persons who are to act in the capacity of the initial Board of Directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
Milton Lanphear, Jr.	600 Churchill Drive, Chapel Hill, North Carolina 27514
John M. Hall	2613 Hickory Avenue, Burlington North Carolina 27215
Mike Mayse	2613 Hickory Avenue, Burlington North Carolina 27215

At the first annual meeting the members shall elect three directors for a term of one year and two directors for a term of two years. Thereafter, Directors shall be elected for two year terms.

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 the 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, associated, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

DURATION

The corporation shall exist perpetually.

ARTICLE X

INCORPORATOR

The name and address of the incorporator is: Milton Lanphear, Jr., 600 Churchill Drive, Chapel Hill, North Carolina 27514.

ARTICLE XI

NON-PROFIT STATUS

Pursuant to North Carolina General Statute Section 105-130.11(11), and notwithstanding the merger, consolidation,

reorganization, termination, dissolution, or winding up of this corporation, voluntary or involuntary, or by operation of law, if any, Sheridan Place Homeowners' Association, Inc., shall not permit any part of the net earnings, current or accumulated, of the corporation at any time or under any circumstances to inure (other than through the performance of related services for the members of the corporation) to the benefit of any member of said corporation or other person. Further, no compensation, loan, or other payment shall be paid or made to any officer, director, incorporation, or any substantial contributor to it, unless such payment is permissible as a reasonable compensation for services rendered and/or as a reasonable allowance for authorized expenditures incurred on behalf of Sheridan Place Homeowners' Association, Inc.

ARTICLE XII

AMENDMENTS

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

ARTICLE XIII

FHA/VA APPROVAL


Until such time as the Declarant relinquishes control of the Association as provided in the Declaration, the following actions will require the prior approval of the Federal Housing Administration or the Veteran's Administration: annexation of additional properties, save and except for additional phases in Sheridan Place as set forth in the Declaration, mergers and consolidations, mortgaging of or dedication of Common Area, dissolution and amendment of these Articles.

ARTICLE XIV

LIABILITY

The members, directors, and officers of this corporation shall not be liable, individually or jointly, for the debts, defaults, contracts, torts or obligations of this corporation.

IN WITNESS WHEREOF, we have set out hands and seals, this the 3rd day of November, 1983.

 (SEAL)
Milton Lanphear, Jr.

R MICHAEL PIPKIN, P.A.
ATTORNEY AT LAW
SUITE 30 NCNB PLAZA
P O BOX 2806
CHAPEL HILL, N C 27514

NORTH CAROLINA

ORANGE COUNTY

I, R. Michael Pipkin, a Notary Public of the County and State aforesaid, certify that Milton Lanphear, Jr. appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and notarial seal this the 3rd day of November, 1983.

R. Michael Pipkin
Notary Public

My Commission expires October 19, 1987.



"FILMED 11-22-83"

STATE OF NORTH CAROLINA, COUNTY OF ALAMANCE

The foregoing certificate(s) of *R. Michael Pipkin*
a Notary (or Notaries) Public of the governmental units designated in (are) certified to be correct.
Filed for registration on the *10* day of *November*, 19*83* at *10:36* o'clock *A.*M.,
and duly recorded in the Office of the Register of Deeds of this County in Book of Deeds No. *487* page *686*.

Marian H. Pittman, Register of Deeds

By *Step J. Brewell* Assistant Deputy

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