



NORTH CAROLINA

Department of The Secretary of State

To all whom these presents shall come, Greetings:

I, **ELAINE F. MARSHALL**, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF INCORPORATION

OF

PARKER FALLS HOMEOWNERS ASSOCIATION, INC.

the original of which was filed in this office on the 29th day of August, 2005.



IN WITNESS WHEREOF, I have hereunto
set my hand and affixed my official seal at the
City of Raleigh, this 29th day of August, 2005

Elaine F. Marshall
Secretary of State

ARTICLES OF INCORPORATION

OF

PARKER FALLS HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of Chapter 55A of the North Carolina general Statutes as may be amended from time to time, 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 as follows:

ARTICLE I

NAME

The name of the corporation is PARKER FALLS HOMEOWNERS ASSOCIATION, INC. (being hereinafter referred to as the ("Association")).

ARTICLE II

REGISTERED OFFICE AND INITIAL AGENT

The principal office and the registered office of the Association is located at 8368 Six Forks Road, Suite 204, Raleigh, Wake County, North Carolina 27615. The mailing address of the principal office and the registered office is the same address as the street address. The location of the principal office and the registered office may be changed by a majority vote of the Board of Directors of the Association. The name of the initial registered agent at such address is Charles W. Teague, Jr.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

The Association does not contemplate a pecuniary gain or profit to the Members thereof. The specific purposes for which the Association is formed are to own and maintain the "PERMANENT OPEN SPACE", "OPEN SPACE", "20' LANDSCAPE AND SIGN EASEMENT" and other "COMMON AREAS" (hereinafter referred to as the ("Common Areas")), as those terms are defined in those certain instruments entitled "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE PARKER FALLS NORTH SUBDIVISION" recorded in the Office of the Register of Deeds of Wake County, North Carolina, in Book 11425, Page 2690, as amended in Book 11533, Page 892, and "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE PARKER FALLS SOUTH SUBDIVISION" recorded in the Office of the Register of Deeds of Wake County, North Carolina, in Book 11425, Page 2666, as amended in Book 11533, Page 897, all of the Wake County Registry, North Carolina, and as said instruments may from time to time hereafter be supplemented and/or amended (said documents, together with all present and future amendments and supplements thereto, being hereinafter referred to collectively as the "Declaration"), within those certain subdivisions located in the Township of Barton's Creek, in the County of Wake, State of North Carolina, known as PARKER FALLS NORTH SUBDIVISION and PARKER FALLS SOUTH SUBDIVISION (hereinafter referred to collectively as the "Subdivisions"), and for these purposes, to:

- (a) exercise all powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration and the Bylaws of this Association; and
- (b) fix, levy, collect and enforce payment by any lawful means, including but not limited to, the right to levy fines in accordance with the North Carolina General Statutes, all charges and/or assessments made pursuant to the terms of the Declaration and the Bylaws of this Association.

- (c) pay all expenses, costs and charges incurred in connection with collection of the charges and/or assessments set for the in subparagraph (b) above, including but not limited to all accounting fees and attorney fees incurred; and
- (d) pay all office, management and other expenses incident to the conduct of the business of the Association, including but not limited to all taxes, licenses, other governmental charges levied or imposed against property owned by the Association, insurance premiums, management fees to any homeowners association management company hired by the Association to manage the affairs of the Association, maintenance, repair and upkeep expenses and costs, legal fees and expenses, and accounting fees; and
- (e) acquire (by gift, purchase or otherwise), own hold, improve, build upon, operate, maintain and, subject to the provisions of subparagraph (g) below, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association; and
- (f) borrow money and, subject to the provisions of ARTICLE X hereof and with the written assent of at least two-thirds (66-2/3%) of the Lot Owners in 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, subject to the property rights of the Members as provided in ARTICLE VI of the Declaration; and
- (g) subject to the provisions of ARTICLE X hereof, dedicate, sell or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such terms and conditions as may be agreed upon by the Members. Notwithstanding the foregoing and subject to the provisions of ARTICLE X hereof, for so long as the Declarant, to wit: TEAGUE-HANKINS DEVELOPMENT, CORP., a North Carolina corporation, its successors and/or assigns, shall be a Class B Member as defined in Article IV of the Declaration, no such dedication or sale or transfer shall be effective unless and until a document has been signed by Declarant and by at least seventy-five percent (75%) of the Lot Owners in the Subdivision agreeing to such dedication, sale or transfer. After Declarant shall cease to be a Class B Member of the Association, such dedication, sale or transfer shall require the written assent of at least seventy-five percent (75%) of the Lot Owners in the Subdivision to be effective. Nothing herein shall be deemed to prohibit the Board of Directors of the Association, without the consent of the Members, from granting easements over and across the Common Areas to any public agency, authority or utility for the installation, maintenance and upkeep of sewerage, utility or drainage facilities when, in the opinion of the Board of Directors, such easements are necessary for the convenient use and enjoyment of properties within the Subdivision. Nothing herein shall prohibit the Board of Directors of the Association, without the consent of the Members, from exchanging and/or trading Common Areas with the Declarant named in the Declaration, its successors and/or assigns, for similar Common Areas to be conveyed to the Association by the Declarant, its successors and/or assigns. Notwithstanding anything herein to the contrary, the Common Areas in the Subdivision shall be preserved to the perpetual benefit of the Lot Owners within the Subdivision and shall not be conveyed except to the Town of Wake Forest, North Carolina, or the County of Wake, North Carolina, or another nonprofit corporation organized for the same or similar purposes; and
- (h) subject to the provisions of ARTICLE X hereof, participate in mergers or consolidations with other non-profit corporations organized for the same or similar purposes to the purposes for which this Association was formed, provided that any such merger or consolidation shall have the written assent of at least seventy-five percent (75%) of the Lot Owners in the Subdivision; and
- (i) have and exercise any and all powers, rights and privileges which a corporation organized

under the Non-Profit Corporation Act of the State of North Carolina by law may now or hereafter have or exercise.

ARTICLE IV

FINANCE

The Association is a non-stock corporation and no part of the profits, if any, of the Association shall inure to the pecuniary benefit of its Members, or any of them, or to any other person.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

Every person or entity who is a record owner of a fee or undivided interest in any Lot which is subject by the Declaration 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 any obligation. Membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

The voting rights of the Members of the Association shall be provided in the Declaration and by Laws of the Association.

ARTICLE VI

MANAGEMENT OF THE ASSOCIATION

The affairs of the Association shall be managed by an Initial Board of two (2) Directors who need not be Members of the Association. The persons who are to act in the capacity as the Initial Directors of the Association until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Thomas C. Hankins	8368 Six Forks Road, #202, Raleigh, NC 27615
Charles W. Teague, Jr.	8368 Six Forks Road, #204, Raleigh, NC 27615

The number of Directors of the Association shall be two (2) (the "Initial Directors") and the number of Directors shall remain at two (2) for so long as the Declarant shall be a Class B Member of the Association as defined in ARTICLE IV of the Declaration. For so long as the Declarant shall be a Class B Member in the Association, the Declarant shall have the right to appoint the two (2) Initial Directors and to fill any vacancy in the Board of Directors with such person(s) as Declarant shall, in its sole and absolute discretion, deem proper. Such Initial Directors need not be Members of the Association. Upon and after the date upon which Declarant shall cease to be a Class B Member in the Association, the number of Directors of the Association shall be increased to three (3) said three (3) Directors to be elected by Members of the Association at a special meeting of the Members of the Association to be called by the Declarant within one hundred twenty (120) days next immediately following the date upon which Declarant shall cease to be a Class B Member. At such special meeting of the Members of the Association the Members shall elect one (1) Director to serve a term of one (1) year and one (1) Director to serve a term of two (2) years and one (1) Director to serve a term of three (3) years. The annual meeting of the Members of the Association shall be held each year thereafter on the anniversary of the aforescribed special meeting, unless such date shall fall on a legal holiday, and in such case, on the next business day immediately following such legal holiday.

At each annual meeting of the Association thereafter, the Members shall elect the number of Directors needed to fill the vacancy or vacancies created by the Director or Directors whose term (s) is (are) expiring, to serve for a term of three (3) years (except in the case of the initial election of a Director, in which case the term of that Director may be shortened to provide for the staggering set forth in this

Article, or in the case of the filling of a vacancy, in which case the Director elected to fill the vacancy shall be elected for the unexpired term of the of the Director whose vacancy is being filled).

The term of office of the Directors shall be staggered so that, except for an election to fill a vacancy or to fill a newly created directorship, the terms of not less than one nor more than two Directors shall expire at each annual meeting of the Members of the Association. Each Director shall hold office until his death, resignation, retirement, removal or disqualification, or until his successor is elected and qualified, whichever event shall first occur. Directors need not be Members of the Association.

After the date upon which the Declarant shall no longer be a Class B Member as aforescribed in this Article, the Members of the Association may, by a majority of the votes cast at any duly called annual or special meeting of the Members at which a quorum is present, increase or decrease the number of directors of the Association, provided, however, that the number of directors shall not be increased to more than five (5) or decreased to less than three (3) without amendment of the By-Laws of the Association.

ARTICLE VII

DISSOLUTION

Subject to the provisions of ARTICLE X hereof, the Association may be dissolved only upon the written assent of at least seventy-five percent (75%) of the Lot Owners in both of the Subdivisions. Upon dissolution, 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 the Association was created. In the event that such dedication is not accepted, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization devoted to purposes the same or similar to the purposes for which this Association was formed. Notwithstanding anything herein to the contrary, the Common Areas shall be preserved to the perpetual benefit of the owners of Lots within the Subdivisions and shall not be conveyed except to the City of Raleigh, North Carolina, or the County of Wake, North Carolina, or another nonprofit corporation or association organized for similar purposes.

ARTICLE VIII

DURATION

The period of existence of the Association is perpetual.

ARTICLE IX

AMENDMENTS

Subject to the provisions of ARTICLE X hereof, any amendment or modification or revision of these Articles shall require the written assent of at least two-thirds (66-2/3%) of the Lot Owners in both of the Subdivisions.

ARTICLE X

For so long as there is a Class B membership in the Association, as Class B membership is defined in the Declaration and in the Bylaws of the Association, the following actions shall require the prior written approval of the Declarant before such action can be effective: (1) the annexation of additional properties into the Subdivision and or the Common Areas in the Subdivisions and/or this Association; (2) the merger and/or consolidation of the Association into or with another entity; (3) the dedication of additional

Common Areas; (4) the mortgaging of any Common Areas owned by the Association; (5) the dissolution of the Association; and (6) the amendment of these Articles of Incorporation.

ARTICLE XI

INCORPORATOR

The name and address of the incorporator is as follows:

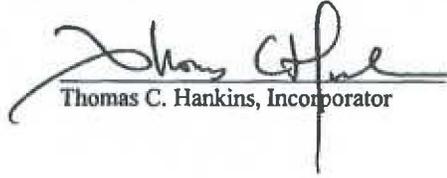
Name

Thomas C. Hankins

Address:

8368 Six Forks Road, #202, Raleigh, Wake County, NC 27615

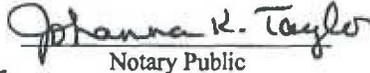
IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal, this the 24th day of August, 2005.

 (SEAL)
Thomas C. Hankins, Incorporator

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, the undersigned, a Notary Public for said County and State, do hereby certify that THOMAS C. HANKINS, the Incorporator, personally appeared before me this day and acknowledged the due execution of the foregoing instrument. WITNESS my hand and official stamp or seal, this the 24th day of August, 2005.


Notary Public

My commission expires: 10/31/2005

