

280-190

ARTICLES OF INCORPORATION
OF
MANGUM FARMS HOMEOWNERS ASSOCIATION, INC.

SOSID: 1039309
Date Filed: 4/18/2008 11:25:00 AM
Elaine F. Marshall
North Carolina Secretary of State
C200810802090

In compliance with the requirements of Chapter 55A of the General Statutes of North Carolina, 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

The name of the corporation is MANGUM FARMS HOMEOWNERS ASSOCIATION, INC. hereinafter called the "Association."

ARTICLE II

The principal and registered office of the Association is located at 2014 South Main Street, Suite 606, Wake Forest, Wake County, NC 27587.

ARTICLE III

James R. Latvala, whose address is 2014 South Main Street, Suite 606, Wake Forest, Wake County, NC 27587 is hereby appointed the initial registered agent of this Association.

ARTICLE IV

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 residential Lots and Common Area within that certain tract of property described as Mangum Farms - including any additions thereto, 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

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 four-fifths (4/5) of each class of Members, agreeing to such dedication, sale or transfer.

(f) 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 four-fifths (4/5) of each class of Members and is approved by the Town of Stem. There will be no annexations for this development.

(g) 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.

This corporation is organized and shall be operated exclusively as a homeowners association and not for profit. No part of the earnings of this corporation or the funds contributed by any person or corporation shall inure to the benefit of any director, officer, or Member of the corporation, other than reimbursement for actual expenses, and other than by a rebate of excess membership dues, fees, or assessments), except that reasonable compensation may be paid to private individuals for services rendered to or for the corporation affecting one or more of its purposes. In the event of liquidation or dissolution of the corporation, either voluntary or involuntary, no director or officer of the corporation or any private individual shall be entitled to any distribution or division of its remaining property or its proceeds, and the balance of all money and other property received by the corporation from any source, after the payment of all debts and obligations of the corporation, shall be used or distributed exclusively to an entity or entities whose purposes are substantially similar to those set forth in this Article IV and within the intentment of

generally to perform all acts which may be deemed necessary - all in accordance with the laws and ordinances of the Town of Stern, expedient or proper by the corporation for the successful carrying out of the objects and purposes for which the corporation is formed.

ARTICLE V

Every person or entity which 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

The Association shall have two classes of voting memberships:

Class A Class A Members shall be all owners with the exception of the Declarant and shall be entitled to one vote for each lot owned. When more than one person 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. Fractional voting with respect to any lot is hereby prohibited.

Class B The Class B Member(s) shall be the Declarant (as defined in the Declaration), 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 earlier:

- (a) When the total vote outstanding in the Class A Membership equals the total votes

similar purposes.

ARTICLE IX

The corporation shall exist perpetually.

ARTICLE X

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

ARTICLE XI

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

ARTICLE XII

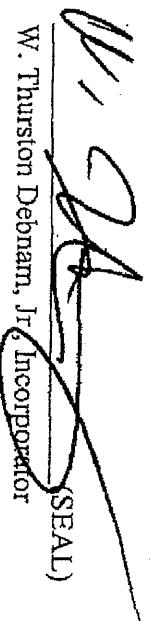
The name and address of the incorporator is as follows:

W. Thurston Debnam, Jr.

4601 Six Forks Rd., Suite 400

Raleigh, NC 27609

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal
this the __ day of April, 2008.


(SEAL)
W. Thurston Debnam, Jr. Incorporator