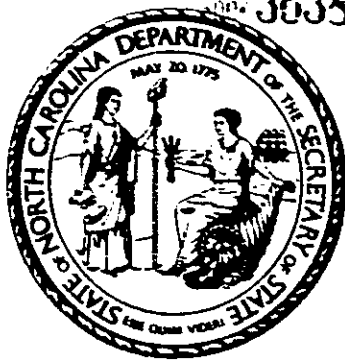


*State of North Carolina, Department of the Secretary of State*

3638 PAGE 739

# State of North Carolina



Department  
of the  
Secretary of State

PRESENTED  
FOR  
REGISTRATION  
JAN 14 3 43 PM '86  
KIMBERLY A. WILKINS  
REGISTER OF DEEDS  
WAKE COUNTY, NC

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 ( 8 sheets) to be a true copy of

ARTICLES OF INCORPORATION

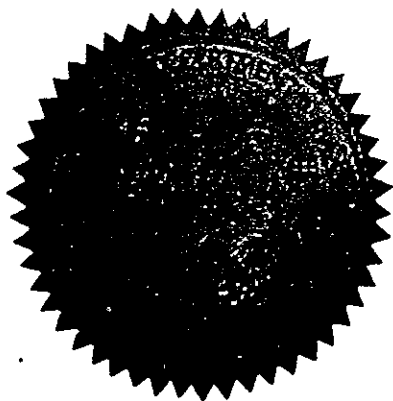
OF

CIMMARON HOMEOWNERS ASSOCIATION

and the probates thereon, the original of which was filed in this office on the 10th day of January 19 86, 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 10th day of January in the year of our Lord 19 86.



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

ARTICLES OF INCORPORATION

OF

CIMMARON HOMEOWNERS ASSOCIATION

In compliance with the requirements of the laws of the State of North Carolina, the undersigned, all of whom are residents of Wake County, North Carolina, and of full age, does this day form a corporation not for profit and does hereby certify:

DOCUMENT #372916  
DATE 02/10/86 TIME 10:  
FILED  
THAD EURE  
- SECRETARY OF STATE  
NORTH CAROLINA

ARTICLE I

The name of the corporation is CIMMARON HOMEOWNERS ASSOCIATION, hereafter called the "Association".

ARTICLE II

The principal office of the Association is located at 2035 Millbrook Road, Raleigh, Wake County, North Carolina 27658.

ARTICLE III

*Registered Office and Registered Agent*

W. Thurston Debnam, Jr., whose address is 1014 N. Arendell Avenue, Zebulon, North Carolina 27597, 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 to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property as shown on the map recorded in Book of Maps 1986, Page 34, Wake County Registry, and any other properties which may be subsequently annexed thereto, and to promote the health, safety and welfare of the residents within the above-described property. The Association shall have the following general powers

and any other impliedly arising therefrom, to be exercised in the manner provided and in conformity with applicable laws, the Declaration hereinafter referred to, the Bylaws of the Association, and those Articles:

(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 Wake 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;

(b) To fix, levy, collect and enforce payments 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, subject always to the provisions and requirements of the Declaration;

(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, subject always to the provisions and requirements of the Declaration and limitations imposed by law.

(d) To borrow money, to 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 always to the provisions and requirements of the Declaration; 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

Every person or entity who 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. Ownership of such Lot shall be the sole qualification for membership.

ARTICLE VI

VOTING RIGHTS

Section 1. The Association shall have two classes of voting membership:

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 Lots shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot, and in no event shall fractional votes be allowed. Class A membership shall be divided into three classifications: Class A-1 members who shall be Owners of detached single family lots, and Class A-2 members who shall be Owners of Clusterhome Lots and Class A-3 members who shall be Owner of Townhouse Lots.

Class B. The Class B Member(s) 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 earlier.

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in Class B membership, but provided that the Class B membership shall be reinstated if thereafter and before the time stated in subparagraph (b) below, additional lands are annexed to the Properties without the assent of Class A Members on account of development of such additional lands by the Declarant, as provided for in Article IX, Section Two of the Declarations, or;

(b) on December 31, 1987.

Class B membership shall be divided into three classifications: Class B-1 shall entitle the Declarant to three (3) votes for each detached single family dwelling lot owned, Class B-2 shall entitle the Declarant to three (3) votes for each Clusterhome lot owned and Class B-3 shall entitle the Declarant to three (3) votes for each Townhouse Lot owned.

Fractional votes may not be cast with respect to any Lot.

Section 2. The right of any member to vote may be suspended by the Board of Directors for just cause pursuant to its rules and regulations.

#### ARTICLE VII

##### BOARD OF DIRECTORS

The affairs of this 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 name and address of the person who is to act in the capacity of directors until the selection of his successors is:

| <u>NAME</u>             | <u>ADDRESS</u>                                                                      |
|-------------------------|-------------------------------------------------------------------------------------|
| W. Thurston Debnam, Jr. | 1014 N. Arendell Avenue<br>Zebulon, North Carolina 27597                            |
| Hugh A. Williams        | <i>2305 Millbrook Rd.</i><br>Post Office Box 58499<br>Raleigh, North Carolina 27658 |
| William E. Parrish      | Post Office Box 1128<br>Zebulon, North Carolina 27597                               |
| Beth M. Williams        | <i>2305 Millbrook Rd.</i><br>Post Office Box 58640<br>Raleigh, North Carolina 27658 |
| C. Terry Perry          | <i>2305 Millbrook Rd.</i><br>Post Office Box 58640<br>Raleigh, North Carolina 27658 |

At the first annual meeting the members shall elect five directors for a term of one year, voting shall be by secret ballot and those persons who receive the highest number of votes shall be deemed to have been elected.

#### ARTICLE VIII

##### EXCHANGE OF COMMON AREA

The Association, acting through its Board, from time to time may exchange with Declarant or any member a portion of the Common Area for a portion of the real property owned by such member within the real estate shown on the aforesaid map, provided that the real property acquired by the Association in the exchange: (a) is free and clear of all encumbrances except the Declaration, and easements for drainage, utilities, and sewers; (b) is contiguous to other portions of the Common Area; and (c) has approximately the same area and utility as the portion of the Common Area exchanged. The real property so acquired by the Association shall be a part of the Common Area, and, without further act of the Association or membership, shall be released from any provisions of the Declaration except those applicable to the Common Area. The portion of the Common Area so acquired by Declarant or a member, without further act of the Association or

membership, shall cease to be Common Area and shall be subject to those provisions of the Declaration that were applicable to the real property conveyed to the Association by the member.

#### ARTICLE IX

##### MERGERS AND CONSOLIDATIONS

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

#### ARTICLE X

##### AUTHORITY TO MORTGAGE

Any mortgage by the Association of the Common Area defined in the Declaration shall have the assent of members entitled to cast two-thirds (2/3) of the votes of the entire Class A membership and the assent of members entitled to cast two-thirds (2/3) of the votes of the entire Class B membership.

#### ARTICLE XI

##### AUTHORITY TO DEDICATE

The Association shall have power to 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. 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.

As to lenders and purchasers for value, the certification by the Secretary of the Association that the required number of members have

executed instruments in conformity with this Article, shall be conclusive as to the fact recited by such certification and shall be binding upon the Association and all of its members.

#### 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. Upon dissolution of the Association, a dedication of the Common Areas as they exist for public use for purposes as similar to those to which they were required to be devoted by the Association, shall be offered to the appropriate unit of local government and the area thus dedicated shall be conveyed to the local governmental unit, provided that such dedication shall be subject to the superior right of the owner of each Lot to an easement for reasonable ingress and egress between his lot and the public street as well as an easement for the exclusive use of limited Common Area assigned to such owner's Lot and for reasonable off-street parking area to accompany his Lot; and provided further, that the Association may in its discretion designate the boundaries of said egress which shall accompany each Lot. In the event that the local governmental unit refuses to accept such dedication and conveyance, 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. This corporation shall have no capital stock. In the event of dissolution, no member, director or officer of the Corporation or any private individual shall be entitled to share in the distribution of the assets of this Corporation.

ARTICLE XIII

500 3538 PAGE 747

DURATION

The corporaion shall exist perpetually.

ARTICLE XIV

AMENDMENTS

Section 1. Amendment by Membership. Except as herein provided, any amendment of these Articles shall require the assent of members or proxies entitled to cast seventy-five percent (75%) of the entire vote of the Class A membership and Class B membership. In the event that the Class B membership has been converted to Class A membership, such amendment shall require the assent of members or proxies entitled to cast seventy-five percent (75%) of the entire Class A membership.

The name and address of the incorporator is W. Thurston Debnam, Jr., 1014 N. Arendell Avenue, Zebulon, Wake County, North Carolina 27597.

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 this Association, have executed these Articles of Incorporation this the 31 day of Dec., 1985.

W. Thurston Debnam, Jr. (SEAL)  
W. Thurston Debnam, Jr.

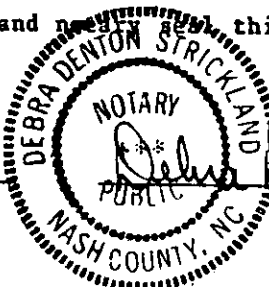
North Carolina  
Wake County

I, Debra Denton Strickland a Notary Public in and of said county and state do hereby certify that W. Thurston Debnam, Jr. personally appeared before me and acknowledged the due execution of the foregoing Articles.

Witness my hand and ~~notary seal~~ this the 31 day of Dec., 1985.

My Commission Expires:

1-17-89



Debra Denton Strickland  
Notary Public