

ARTICLES OF INCORPORATION
OF
HAMSTEAD CROSSING HOMEOWNER'S ASSOCIATION

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I, the undersigned natural person of the age of eighteen (18) years of age or more, do hereby form a non-profit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Non-profit Corporation Act" and the several amendments thereto, do hereby make, sign, and acknowledge these Articles of Incorporation, and to that end do hereby set forth:

ARTICLE I

The name of the corporation is Hamstead Crossing Homeowners Association, Inc., hereinafter called the "Association".

ARTICLE II

The principal and registered office of the Association is located at 6014 Duraleigh Road, Wake County, Raleigh, North Carolina.

ARTICLE III

John D. Bullock, whose address is 6014 Duraleigh, Raleigh, Wake County, North Carolina 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 or property described as follows:

BEGINNING at a point in the East right of way line of the 100' right of way of Duraleigh Road, the northwest corner of the property of Hinson, now or formerly thence along the East right of way line of Duraleigh Road along a radius of 1482.40 feet on a curve to the left a distance of 282.79 feet to a point; thence a new line through the property of Tri-City Builders, Inc. the following courses and distances: North 78° 12' 45" East 30.88 feet to a point, North 08° 10' East 74.33 feet to a point, South 81° 50' East 120.0 feet to a point, South 76° 10' East 177.0 feet to a point, South 03° 44' 37" West 77.0 feet to a point, South 120° 45' 46" East 123.06 feet to a point, South 87° 55' East 30.0 feet to a point, South 02° 05' West 101.0 feet to a point in the North line of the property of Tri-City Builders, Inc. as recorded in Book Of Maps 1976, Page 77, Wake County Registry; thence along the North line of Tri-City Builders, Inc. and Hinson North 86° 32' 38" West 349.98 feet to the point End place of BEGINNING, according to a map entitled "Hamstead Crossing Townhouse Community, Section One, developed by Tri-City Builders, Inc., Raleigh, Wake County, North Carolina" dated March 29, 1982, prepared by Bass, Nixon and Kennedy, Inc Consulting Engineers and recorded in Book of Maps 1982, Page __, Wake County Registry, North Carolina, and containing a total area of 2.4141 acres.

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 Jurisdiction of this Association for this Purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the 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 Wake County Register of Deeds and as to the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) 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;

(a) 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) borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) 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 matters. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) 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 or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members;

(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.

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 for any Lot which is subject to assessment by the Association.

ARTICLE VI: VOTING RIGHTS

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 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 shall not be permitted.

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 votes outstanding in 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, such additional lands are annexed to the Properties without the assent of Class A members on account of the development of such additional lands by the Declarant, all as provided for in Article II, Section 2 of the Declaration, or

(b) on January 1, 1989.

ARTICLE VII: BOARD OF DIRECTORS

Until the first annual meeting of the members, the affairs of the Association shall be managed by a Board of five (5) directors, who need not be members 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:

<u>NAME</u>	<u>ADDRESS</u>
John D. Bullock	6014 Duraleigh Road, Raleigh, N.C. 27612
George M. Womble, III	4504 Avent Ferry Road, Raleigh, N.C. 27606
Philip C. Warlick	4904 Waters Edge Drive, Raleigh, N.C. 27606
Harold G. Hall	3901 Barrett Drive, Raleigh, N.C. 27619
Jane P. Walker	5207 Hawkesbury Lane, Raleigh, N.C. 27609

At the first annual meeting the members shall elect two directors for a term of one year, two directors for a term of two years and one director for a term of three years; and at each annual meeting thereafter the members shall elect one or two directors (depending on the numbers of director positions open) for a term of three years.

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 each class of 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, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX: DURATION

The corporation shall exist perpetually.

ARTICLE X: AMENDMENTS

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

ARTICLE XI: FHA/VA APPROVAL

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

ARTICLE XII: INCORPORATOR

John D. Bullock

6014 Duraleigh Road, Raleigh, N.C.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of North Carolina, I, the undersigned, being the incorporator of this Association, have executed these Articles of Incorporation this 1st day of April, 1982.

STATE OF NORTH CAROLINA

COUNTY OF WAKE

THIS IS TO CERTIFY, that on the 1st day of April, 1982, before me a Notary Public, personally appeared John D. Bullock, who I am satisfied is the person named in and who executed the foregoing Articles of Incorporation, and I, having first made known to him the contents thereof, he did acknowledge that he signed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

IN TESTAMONY, I have hereunto set my hand and affixed my official seal, this 1st day of April, 1982.

Lynn V. Jones
Notary Public

My commission expires
August 18, 1986