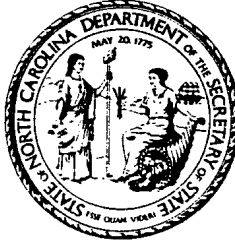


Nota for: David H. Shearon
Hall, Mil, O'Connell, et.



State of North Carolina

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Department
of the
Secretary of State

PRESENTED
FOR
REGISTRATION
APR 7 11 10 AM '87
HENRY C. WILKINS
REGISTER OF DEEDS
WAKE COUNTY

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 (7 sheets) to be a true copy of

ARTICLES OF INCORPORATION

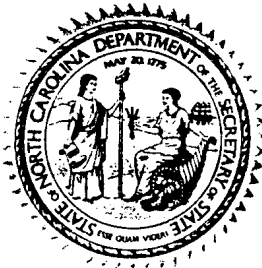
OF

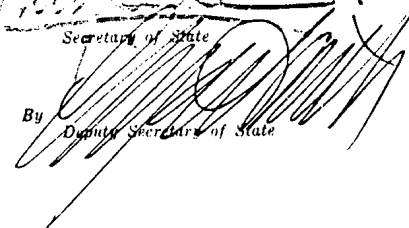
COTTONWOOD HOMEOWNERS ASSOCIATION, INC.

and the probates thereon, the original of which was
filed in this office on the 3rd day of April 19 87,
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 3rd day
of April in the year of our Lord 19 87.




Secretary of State
By 
Deputy Secretary of State

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ARTICLES OF INCORPORATION

OF

COTTONWOOD HOMEOWNERS ASSOCIATION, INC.

DOCUMENT #402675
DATE 04/03/07 TIME 08:42

The undersigned, being of the age of eighteen years of ^{FILED} ~~MAJURE~~
does hereby make and acknowledge these Articles of Incorporation ^{SECRETARY OF STATE}
for the purpose of forming a non-profit corporation under and by
virtue of the laws of the State of North Carolina.

ARTICLE I

NAME

The name of the corporation is Cottonwood Homeowners
Association, Inc., hereafter called the "Association".

ARTICLE II

DURATION

The Association's period of duration shall be concurrent
with the period during which that certain Declaration of
Covenants, Conditions and Restrictions for Cottonwood recorded in
the Wake County Registry (hereinafter referred to as the
"Declaration") shall affect or restrict the use of the Properties
described therein as more specifically set forth on Exhibit A
hereto which is incorporated herein by this reference or until
the Association shall be sooner terminated pursuant to these
Articles. All definitions set forth in Article I of the
Declaration shall have the same meanings as set forth therein in
these Articles of Incorporation.

ARTICLE III

REGISTERED OFFICE AND AGENT

The address of the initial registered office of the
Association is 4948-A Windy Hill Drive, Raleigh, Wake County,
North Carolina 27609. The name of this initial registered agent
at that address is Frank P. Lovick.

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 Lots and Common Area within that certain tract of property described on Exhibit A hereto, to which reference is made for a more complete description, and to promote the health, safety and welfare of the Owners within the above-described property and any additions thereto as may hereafter be made subject to the Declaration, and 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 that certain Declaration and as the same may be amended from time to time as therein provided:

(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.

(c) 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, which mortgage, pledge, deed of trust or hypothecation if the security is Common Area, shall be subject to the rights and easements of the Owners;

(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 Members, but 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;

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(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, or annex additional Properties and Common Area, provided that any such merger, consolidation or annexation shall be effected as provided in the Declaration;

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act of the State of North Carolina, G.S. 55A-1, et. seq., by law may now or hereafter have or exercise.

The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration.

ARTICLE V

NON-PROFIT ASSOCIATION

No part of the net earnings of the Association shall inure to the benefit of any officer, director or Member of the Association. All funds and property acquired by the Association and the proceeds therefrom shall be held only for the benefit of the Members of the Association in accordance with the provisions of the Declaration.

ARTICLE VI

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 sellers by installment contracts, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest in any Lot 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.

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ARTICLE VII

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 determine, but in no event shall more than one vote or a fractional vote be cast with respect to any Lot.

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 the Class A membership equal the total votes outstanding in the Class B membership; provided however, in the event the Class B membership shall cease and be converted to Class A membership because the Declarant no longer owns the number of Lots required to keep such Class B membership in effect, such Class B membership shall be reinstated by the recordation of a subdivision map of the Properties which creates additional Lots, but in no event shall such Class B membership extend beyond the time stated in subparagraph (b) of this Section; or

- (b) on December 1, 1995.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) 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 names and addresses of the persons who are to act in the capacity of the initial directors until the selection of their successors at the first meeting of the Association are:

<u>DIRECTOR</u>	<u>ADDRESS</u>
Frank P. Lovick	4948-A Windy Hill Drive Raleigh, North Carolina 27609
Faye G. Lovick	4948-A Windy Hill Drive Raleigh, North Carolina 27609
David R. Shearon	4080 Barrett Drive Raleigh, North Carolina 27609

At the first annual meeting the Members shall elect a director for a term of one year, a director for a term of two years and a director for a term of three years; and at each annual meeting thereafter the Members shall elect one director for a term of three years.

ARTICLE IX

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 first be offered to the public and thereafter if such offer is not accepted, 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 nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE X

AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five percent (75%) of each class of membership entitled to vote thereon.

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ARTICLE XI

FHA/VA/FNMA APPROVAL

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

ARTICLE XII

INCORPORATOR

The name and address of the incorporator of the Association is: David R. Shearon, 4080 Barrett Drive, Raleigh, Wake County, North Carolina 27609.

IN WITNESS WHEREOF, I have set my hand and seal this the 2nd day of April, 1987.

David R. Shearon (SEAL)
David R. Shearon

STATE OF NORTH CAROLINA

COUNTY OF WAKE

THIS IS TO CERTIFY that on the 2nd day of April, 1987, before me a Notary Public, personally appeared David R. Shearon, who I know to be the person named in and who executed the foregoing Articles of Incorporation of Cottonwood Homeowners Association, Inc., a corporation not for profit, and I have 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 WITNESS WHEREOF, I have hereunto set my hand and notarial seal this the 2nd day of April, 1987.

Carole Anne Tarr
Notary Public

My Commission Expires: 5/8/91

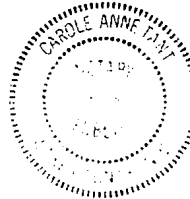


EXHIBIT A

BEGINNING at a R.R. nail in the eastern right-of-way line of Bethlehem Road (S.R. 2049), said nail marking the southwest corner of the R.T. Horton (now or formerly) land according to plat in Book of Maps 1982, Page 176, Wake County Registry; runs thence North 84 degrees 38 minutes 55 seconds East 231.57 feet along (the south line of R. T. Horton to another R.R. nail, the same marking the common corner of the R. T. Horton land and the G. T. Horton Land (Wake County Tax Map 585, Parcel 9); runs thence North 84 degrees 38 minutes 55 seconds East 397.68 feet along the south line of the G. T. Horton land to another R. R. nail; runs thence North 47 degrees 55 minutes 10 seconds East with the G. T. Horton line 1100.85 feet to an existing iron pipe, a corner of G. T. Horton land in the J. R. House line; runs thence South 06 degrees 51 minutes 18 seconds East 811.52 feet with the west line of J. R. House to an existing iron stake, the southwest corner of the J. R. House tract; runs thence South 85 degrees 49 minutes 38 seconds East 2344.27 feet with the south line of J. R. House to an existing iron pipe near the west bank of Poplar Creek, Reference Stake "A"; runs thence South 33 degrees 24 minutes 39 seconds East 734.69 feet to an iron stake in the North line of the Virginia C. Parrish land, Reference stake "B"; runs thence North 85 degrees 26 minutes 24 seconds West 3571.96 feet with the north line of Virginia C. Parrish and with the north line of lots in the W. F. Mobile Home Subdivision, Phase I, Section III (Book of Maps 1983, Page 689, Wake County Registry), to an iron stake in the east line of the W. F. Mobile Home Subdivision, Phase I - Section I (Book of Maps 1981, Page 56, Wake County Registry); runs thence along the east line of the said subdivision North 07 degrees 10 minutes 20 seconds West 365.86 feet to an existing pipe; thence continuing North 07 degrees 10 minutes 20 seconds West 15.01 feet to an existing iron pipe, the same being in the middle of a 30-foot private road; runs thence South 84 degrees 39 minutes 29 seconds West 654.21 feet along the center line of said 30-foot private road to an existing iron pipe in the eastern right-of-way line of Bethlehem Road; runs thence North 06 degrees 57 minutes 56 seconds West 208.60 feet along the eastern line of said Bethlehem Road right-of-way to an R. R. nail, the point and place of BEGINNING, containing 55.993 acres according to a plat entitled "Property of Frank P. Lovick, et al, St. Matthews Township, Wake County, NC" dated July 25, 1985 and prepared by J. Fred Davis, Jr., Inc., TOGETHER WITH all of the land bounded on the north by an extension of a line South 85 degrees 49 minutes 38 seconds East from Reference Stake "A" to the center line of Poplar Creek and on the South by an extension of a line South 85 degrees 26 minutes 24 seconds East from Reference Stake "B" to the center line of Poplar Creek and on the East by the meanders of Poplar Creek and on the West by the reference line of South 33 degrees 24 minutes 39 seconds East referred to above, connecting Reference Points A & B.