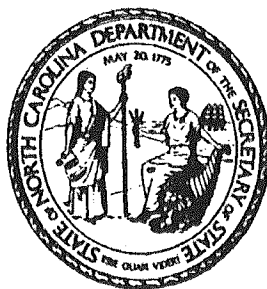


SEP 6 11 34 AM '85

# State of North Carolina



Department  
of the  
Secretary of State

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 ( 9 sheets) to be a true copy of

ARTICLES OF INCORPORATION

OF

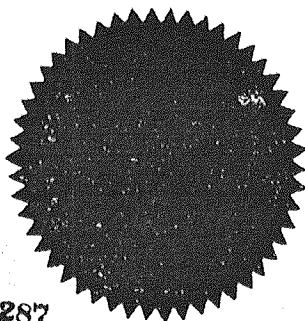
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SAVANNAH COURT CONDOMINIUM HOMEOWNER'S ASSOCIATION


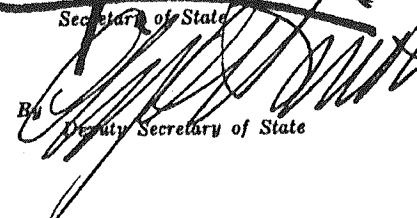
and the probates thereon, the original of which was filed in this office on the 20th day of August 19 85 , after having been found to conform to law.

In Witness Whereof, I have hereunto set my hand and affixed my official seal.

Done in Office, at Raleigh, this 20th day of August in the year of our Lord 19 85.



045287

  
Secretary of State  
By   
Deputy Secretary of State

DOCUMENT #364024  
DATE 08/20/85 TIME 15:22

FILED  
THAD EURE  
SECRETARY OF STATE  
NORTH CAROLINA

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ARTICLES OF INCORPORATION  
OF  
SAVANNAH COURT CONDOMINIUM HOMEOWNER'S ASSOCIATION

Pursuant to the requirements of Chapter 55-A of the General Statutes of the State of North Carolina the undersigned, a natural person of full age, has this date executed these Articles of Incorporation for the purpose of forming a non-profit corporation and hereby certifies as follows:

ARTICLE I

The name of the corporation is Savannah Court Condominium Homeowner's Association, hereinafter referred to as "The Association".

ARTICLE II

The principal and registered office of the association is located at McCaskill Road, Post Office Box 83, Pinehurst, Moore County, North Carolina 28374.

ARTICLE III

The initial registered agent of the corporation is Suzanne E. Carter, McCaskill Road, Post Office Box 83, Pinehurst, Moore County, North Carolina 28374.

ARTICLE IV

The association does not contemplate pecuniary gain or profit for the members thereof and no part of the association's net income shall inure to the benefit of any of its officers, directors or members, or any other private individual. The purposes and objects of the association shall be to administer the operation and management of Savannah Court Condominiums, if any, Savannah Court Condominiums being a condominium development upon the property situate, lying and being in New Hanover County, North Carolina, and more particularly described in Exhibit A, attached hereto and incorporated by reference herein.

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The association shall also undertake the performance of the acts and duties incidental to the administration of the operation and management of said condominium project, in accordance with the terms, provisions, conditions and authorizations contained in these Articles of Incorporation and which may be contained in the public records of New Hanover County, North Carolina at the time said property and the improvements now or hereafter situate thereon are submitted to the operation of the Declaration of Covenants, Conditions and Restrictions for Savannah Court Condominiums and to own, operate, lease, sell, trade and otherwise deal with such property, whether real or personal, as may be necessary or convenient in the administration of said project.

ARTICLE V

1. The association shall have all the powers and privileges granted to non-profit corporations under the laws pursuant to which this association is chartered and all powers and privileges which may be granted unto said association under any other applicable laws of the State of North Carolina.

2. The association shall have all the powers reasonably necessary to implement and effectuate the purposes of the association, including but not limited to the following:

a. To make and establish reasonable rules and regulations governing the use of condominium units and the common areas and facilities in the condominium development as said terms may be defined in the Declaration of Covenants, Conditions and Restrictions for Savannah Court Condominium.

b. To levy and collect assessments against the members of the association, to defray the common expenses of the project as may be provided in the Declaration of Covenants, Conditions and Restrictions and in the By-Laws of this association, which may be hereafter adopted, including the right to levy and collect assessments for the purpose of acquiring, operating, leasing, managing and otherwise trading and dealing with such property, whether real or personal, including

condominium units, which may be necessary or convenient in the operation and management of the condominium project and in accomplishing the purposes set forth in the Declaration of Covenants, Conditions and Restrictions.

c. To maintain, repair, replace, operate and manage the townhouse project and the property comprising the same, including the right to reconstruct improvements after casualty and to make further improvements of the condominium property, and to make and enter into any and all contracts necessary or desirable to accomplish said purposes.

d. To contract for the management of the condominium project and to delegate to such contractor all the powers and duties of the association except those matters which may be required to have approval of the Board of Directors or membership of the association.

e. To enforce the provisions of the Declaration of Covenants, Conditions and Restrictions of Savannah Court Condominiums, these Articles of Incorporation, the By-Laws of the association which may be hereafter adopted, and the rules and regulations governing the use of the condominiums as the same may be hereafter established.

f. To exercise, undertake and accomplish all the rights, duties and obligations which may be granted to or imposed upon the association pursuant to the Declaration of Covenants, Conditions and Restrictions for Savannah Court Condominiums.

#### ARTICLE VI

The qualification of the members, the manner of their admission to membership and the termination of such membership, and voting by members shall be as follows:

1. The owners of all condominium units shall be members of the association and no other person or entities shall be members, except as provided in paragraph 5 of this Article.

2. Membership shall be established by acquisition of fee simple title to a unit as defined in the Declaration of Covenants, Conditions and Restrictions of Savannah Court Condominiums, whether by conveyance,

devise, judicial decree or otherwise. The membership of any party shall be automatically terminated upon being divested of all title or ownership in any unit, except that nothing herein shall be construed as terminating the membership of any party who may own two or more units, or who may own a fee ownership interest in two or more units, so long as such parties retain title to or a fee ownership in any condominium unit.

3. The interest of a member and the funds and assets of the association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to his or her condominium unit. The funds and assets of the association shall belong solely to the association subject to the limitation that the same must be expended, held or used for the benefit of the membership and for the purposes authorized herein, in the Declaration of Covenants, Conditions and Restrictions and in the By-Laws which may be hereafter adopted.

4. On all matters upon which the membership shall be entitled to vote, each unit shall have one vote. The vote of each unit may be cast or exercised by the owner or owners of each lot in such manner as may be provided by the By-Laws hereafter adopted by the association. Should any member own more than one condominium unit, such member shall be entitled to exercise or cast the votes associated with each condominium unit owned, in the manner provided by said By-Laws.

5. Until such time as the property described herein is made subject to the Declaration of Covenants, Conditions and Restrictions of Savannah Court Condominiums, the membership of the association shall be comprised of the three individuals named in Article XI hereof, as the initial Board of Directors of the association, and each such individual shall be entitled to cast one vote on all matters which the membership shall be entitled to vote.

#### ARTICLE VII

The association shall have perpetual existence.



ARTICLE VIII

The affairs of the association shall be managed by the President of the association, assisted by the Vice-President, Secretary, Treasurer and, if any, the Assistant Secretary and Assistant Treasurer, subject to the directions of the Board of Directors. The Board of Directors, or the President, with the approval of the Board of Directors, may employ a managing agent and/or such other managerial supervisory personnel or entities to administer or assist in the administration of the operation and management of the condominium, and the affairs of the association, and any such person or entity may be so employed without regard to whether such person or entity is a member of the association or a director or officer of the association, as the case may be.

ARTICLE IX

The number of members of the first board of directors of the association shall be 3. The number of members of succeeding boards of directors shall be as provided from time to time by the By-Laws of the association. The members of the board of directors shall be elected by the members of the association at the annual meeting of the membership as provided by the By-Laws of the association, and at least a majority of the board of directors shall be members of the association or shall be authorized representatives, officers or employees of a corporate member of the association. Notwithstanding the forgoing, until such time as 100% of the lots within the development have been sold and deeded to purchasers, but in any event, not later than December 31, 1985, Stone Builders, a North Carolina partnership, shall have the right to designate and select persons who shall serve as members of the board of directors of the association. Stone Builders, may designate and select a person or persons to serve as a member or members of said board of directors in the manner provided in the By-Laws of the association, and such person or persons so designated and selected need not be a resident or owner of a unit in the condominium project.

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ARTICLE X

The board of directors shall elect a President, Vice-President, Secretary and Treasurer and as many Assistant Secretaries and Assistant Treasurers as the board of directors shall determine. The President shall be elected from among the membership of the board of directors, but no other officer need be a director. The same person may hold two offices, the duties of which are not incompatible, provided, however, that the President and Vice-President shall not be held by the same person, nor shall the office of the President and Secretary or Assistant Secretary be held by the same person.

ARTICLE XI

The names and addresses of the initial board of directors who, subject to the provisions of these Articles of Incorporation, the By-Laws, and the laws of the State of North Carolina, shall hold office until the first annual meeting of the membership or until their successors are elected and qualified are as follows:

Dwight Stone  
1201 Hammel Road  
Greensboro, North Carolina 27405

Thomas L. White  
408 State Street  
Greensboro, North Carolina 27405

Edward M. Harrington  
408 State Street  
Greensboro, North Carolina 27405

ARTICLE XII

The original By-Laws of the association shall be adopted by a majority vote of the members of the association present at a meeting of members at which a majority of the membership is present and, thereafter, such By-Laws may be altered or rescinded in such manner as said By-Laws may provide.

ARTICLE XIII

Every director and every officer of the association shall be indemnified by the association against all expenses and liabilities,

including counsel fees, reasonably incurred by or imposed upon said director or officer in connection with any proceeding which said person may be a party, or in which said person may become involved, by reason of being or having been a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, provided, that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the board of directors approve such settlement and reimbursement as being in the best interest of the association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

#### ARTICLE XIV

Any amendment to these Articles of Incorporation shall require the assent of 75% of the members of the association.

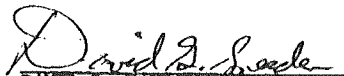
No amendment of these Articles shall abridge, amend or alter the rights of Stone Builders, to designate and select members of the board of directors of the association as provided in Article IX above.

#### ARTICLE XV

The name and address of the incorporator is as follows:

DAVID G. SNEEDEN  
212 PRINCESS STREET  
POST OFFICE BOX 4  
WILMINGTON, NORTH CAROLINA 28401

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and affixed my seal, this <sup>August</sup> ~~15th~~ day of ~~March~~, 1985.

 (SEAL)  
DAVID G. SNEEDEN



STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

I, CATHERINE SKIPPER SLOOP, a Notary Public in and for the State of North Carolina, County of Brunswick, hereby certify that DAVID G. SNEEDEN, personally appeared before me this day and acknowledged the due execution of the foregoing and annexed instrument.

Witness my hand and notarial seal, this 15th day of August, 1985.

Catherine Skipper Sloop  
NOTARY PUBLIC

My Commission expires:

Sept 14, 1987

## EXHIBIT A

BEGINNING at a point at the southwestern corner of the Drayton Square tract, said point being located North 84 degrees 04 minutes West 240.2 feet thence North 84 degrees 02 minutes West 225.36 and North 5 degrees 56 minutes West from a concrete monument marking the Southwest corner of Lot 9, Section 9, Highland Hills, map of same being recorded in Map Book 17, at Page 40, in the New Hanover County Registry; Running thence with the Northern line of a 60 foot easement dedicated in Book 963, at Page 911, of the New Hanover County Register of Deeds Office, North 84 degrees 02 minutes West 247.88 feet to an iron pipe; continuing with the northern line of the aforescribed easement North 84 degrees 4 minutes West 257.93 feet to an iron pipe; running thence North 5 degrees 56 minutes East 200 feet to an iron pipe in the southern line of the R.A. Shew Tract, running thence with the R.A. Shew Southern line, South 84 degrees 04 minutes East 505.81 feet to a point in the western line of the Drayton Square tract; Running thence South 05 degrees 56 minutes West 200.14 feet to the point of beginning. Being the same property as conveyed to Lionel L. Yow, Trustee for the Larry K. Neal, D.D.S., P.A. Profit Sharing Plan, by deed recorded in Book 1157, at Page 924, of the New Hanover County Registry.