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STATE OF NORTH CAROLINA



Department of The
Secretary of State

PREPARED
FOR
REGISTRATION

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REGISTER OF DEEDS
WAKE COUNTY

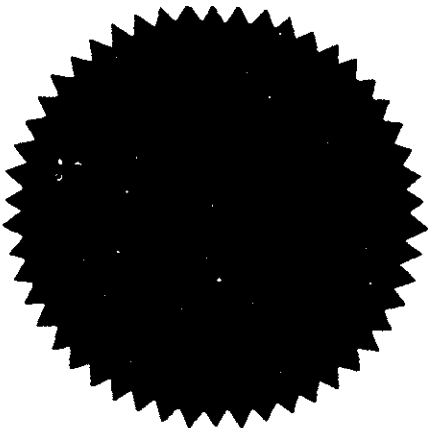
To all whom these presents shall come, Greetings:

I, **Rufus L. Edmisten**, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF INCORPORATION OF HOMEOWNERS ASSOCIATION OF AMHERST, INC.

the original of which was filed in this office on the 27th day of January, 1995.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 27th day of January, 1995.



Rufus L. Edmisten

Secretary of State

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ARTICLES OF INCORPORATION
OF
HOMEOWNERS ASSOCIATION OF AMHERST, INC.

EFFECTIVE
RUFUS L. EDMISTEN
SECRETARY OF STATE
NORTH CAROLINA

The undersigned natural person of the age of eighteen (18) years or more, does hereby execute these Articles of Incorporation pursuant to 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, and does hereby make, sign, and acknowledge these Articles of Incorporation, and to that end does hereby set forth:

ARTICLE I

NAME

The name of the corporation is "HOMEOWNERS ASSOCIATION OF AMHERST, INC.," hereinafter called the "Association".

ARTICLE II

REGISTERED OFFICE

The principal and registered office of the Association is located at 106 Holleman Street, Post Office Box 1600, Apex, Wake County, North Carolina 27502.

ARTICLE III

REGISTERED AGENT

Paul Stam, Jr., whose address is Post Office Box 1600, 106 Holleman Street, Apex, Wake County, North Carolina 27502 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 Lots and Common Elements within that certain tract or property (herein referred to as "Property") described in that certain Declaration of Covenants, Conditions and Restrictions for Amherst recorded contemporaneously with these Articles in the Office of the Register of Deeds of Wake

County, 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 and for those purposes 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 of Covenants, Conditions and Restrictions for Amherst, hereinafter called the "Declaration", applicable to the Property and recorded, or to be recorded, in the Office of the Wake County, North Carolina, Register of Deeds 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) 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 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 the 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; provided, the rights of any such mortgage shall be subordinate to the rights of the Lot Owners in the Common Elements;
- (e) dedicate, sell or transfer all or any part of the Common Elements or grant an easement or right of way across the Common Elements to any public agency, authority, utility, or to any other person for such purposes and subject to such conditions as may be agreed to by the members. No such dedication, sale or transfer shall be effective unless it has been approved by two-thirds (2/3) of the members, and an instrument properly executed by the Association has been recorded.

On any instrument of loan, dedication, sale, transfer, easement, lease right of way, mortgage, pledge, deed in trust or other hypothecation or other disposition of real or personal property, the Secretary of the Association shall certify that two-thirds (2/3) of the members have approved the action evidenced by the instrument, and that certificate shall be conclusive that the execution and delivery of such instrument was properly authorized by the Association and its members and shall be relied upon and binding as to any third party or as to any grantee, its successor

and assigns: provided, however, conveyances for general service utility purposes as specified in the Declaration may be made without consent of the members, and the Association may execute an instrument of conveyance therefor without such certification:

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property and Common Elements, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the members, except that annexation of additional property by Declarant may be done without the consent of the members 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 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 Declaration 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 or trustees under a security instrument. 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

VOTING RIGHTS

The Corporation shall have one class of members who shall be all owners. Each member shall be entitled to one vote for each lot owned; provided, however, when more than one person holds an interest in any Lot, all such persons shall be members and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote or any fraction of a vote be cast with respect to any lot.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of not less than three (3) nor more than nine (9) Directors, who shall be qualified as set forth in the Bylaws.

The initial Board shall be comprised of three (3) members. 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 directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
Arthur H. Steckler President	3 Colchester Road Hampstead, Quebec H3X 4V9
Andre' J. Poupart Vice-President	600 Place Juge Desnoyers, #805 Pont-Viau, Laval, Quebec H7G 4X3
Claude St-Pierre Secretary	11, de Montebello Blainville, Quebec J7B 1L2
Jean Gauthier Treasurer	1545, boul. Labelle Chomedey, Laval, Quebec H7V 2W4

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 the 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 members; provided that should additional property later be brought within the jurisdiction of this Association, pursuant to the Declaration, it shall not be necessary to amend these Articles to reflect such additional property.

ARTICLE XI

TERMS

The terms used herein shall have those meanings as defined in the Declaration.

ARTICLE XII

EARNINGS

No part of the net earnings of the Association shall inure to the benefit of, or be distributable to, its Directors, Officers or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and expenses incurred and to make payment and distribution in furtherance of the purposes as set forth herein.

ARTICLE XIII

INDEMNIFICATION

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 him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being, or having been, a Director or Officer of the Association, whether or not he is a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudged liable or 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 approves such settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights of indemnification to which such Director or Officer may be entitled by law or otherwise. The Board of Directors by Bylaw provision is authorized to establish further criteria for indemnification of Officers or Directors.

No Director of the Association shall have personal liability arising out of an action whether or in the right of the Association or otherwise for monetary damages for breach of any duty as a Director; provided, however, that the foregoing shall not limit or eliminate the personal liability of a Director with respect to (i) acts or omissions that the Director at the time of such breach knew or believed were clearly in conflict with the best interest of the Association, (ii) any liability under Section 55A-8-33 of the North Carolina General Statutes or any successor provision, (iii) any transaction from which the Director derived an improper personal benefit, or (iv) acts or omissions occurring prior to the date of the effectiveness of these Articles of Incorporation. As used in this Article, the term "improper personal benefit" does not include a Director's reasonable compensation or other reasonable incidental benefit for or on account of his service as a Director, officer, employee, independent contractor, attorney or consultant of the Association.

Furthermore, notwithstanding the foregoing provision, in the event that Section 55A-2-02(b)(3) or any other provision of the North Carolina General Statutes is amended or enacted to permit further limitation or elimination of the personal liability of the Association's Director such liability shall be limited or eliminated to the fullest extent permitted by the applicable law.

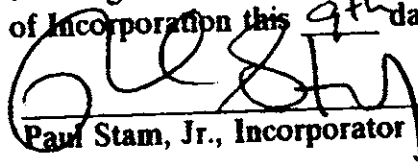
This Article shall not affect a charter or bylaw provision or contract or resolution of the Association indemnifying or agreeing to indemnify a Director against personal liability. Any repeal or modification of this Article shall not adversely affect any limitation hereunder on the personal liability of the Director with respect to acts or omissions occurring prior to such repeal or modification.

ARTICLE XIV

INCORPORATOR

<u>Name</u>	<u>Address</u>
Paul Stam, Jr.	106 Holleman Street P.O. Box 1600 Apex, NC 27502

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of North Carolina, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this 9th day of January, 1995.

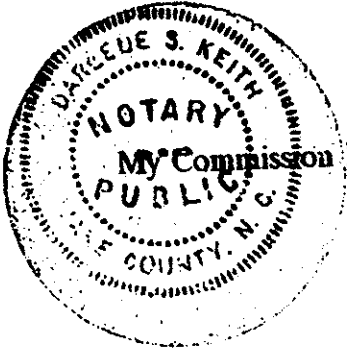

Paul Stam, Jr., Incorporator

STATE OF NORTH CAROLINA
COUNTY OF WAKE

This is to certify that on the 9 day of January, 1995, before me, a Notary Public, personally appeared Paul Stam, Jr. 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 TESTIMONY WHEREOF, I have hereunto set my hand and affixed by official seal, this the 9 day of January, 1995.

Darlene S. Keith
Notary Public



Expires: 8-5-97