

ARTICLES OF INCORPORATION OF  
CAROLINA POINTE I OWNERS' ASSOCIATION, INC.  
(A Non-Profit Corporation)

The undersigned, a natural person of full age, has this day executed these Articles of Incorporation for the purposes of forming a non-profit corporation under Chapter 55A of the North Carolina General Statutes and hereby certifies:

ARTICLE I

The name of the corporation ("Association" or "Corporation" herein) is CAROLINA POINTE I OWNERS' ASSOCIATION, INC.

ARTICLE II

The registered office and principal office of the corporation is located at 312 Cloister Court, Chapel Hill, Orange County, North Carolina 27514.

ARTICLE III

The initial registered agent of this corporation is Louis P. Gonzalez, whose address is 312 Cloister Court, Chapel Hill, Orange County, North Carolina 27514.

ARTICLE IV

The purposes for which the corporation is formed are as follows:

- (a) To operate, maintain and administer the affairs of the Condominium known as CAROLINA POINTE I located in the City of Durham, Durham County, North Carolina in accordance with the requirements for an association of unit owners charged with the administration of property under Chapter 47C of the General Statutes of North Carolina known as the North Carolina Condominium Act as amended.

(b) To enter into and perform any contract and to exercise all powers that may be necessary or convenient to the operation, management, maintenance and administration of the affairs of CAROLINA POINTE I in accordance with the Declaration and Bylaws of the Condominium recorded or to be recorded in the Office of the Register of Deeds of Durham County, as amended from time to time.

(c) To retain counsel, auditors, accountants, appraisers, management companies, and other persons or services that may be necessary for or incidental to any of the activities herein described.

(d) To do and perform or cause to be performed all such other acts and services that may be necessary, suitable or incidental to any of the foregoing purposes and objects to the fullest extent permitted by law and to acquire, sell, mortgage, lease or encumber any real or personal property for the purposes aforesaid.

(e) To do any and all acts and things permitted to be done by, and to have and to exercise any and all powers, rights and privileges which are granted to an Association under the North Carolina Condominium Act, the Declaration, the Bylaws, and to a non-profit corporation under the laws of the State of North Carolina.

The foregoing statement of purpose shall be construed as a statement both of purposes and of powers, and purposes and powers in each clause shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. The Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Association.

#### ARTICLE V

The duration of the Association shall be perpetual.

## ARTICLE VI

The Association shall be a non-profit corporation, without shares of stock.

## ARTICLE VII

The Association shall have members. The authorized number and qualifications of members of the Association, the different classes of membership, if any, the property, voting and other rights and privileges of members, and their liability for dues and assessments and the method of collection thereof, shall be as set forth in the Bylaws and Declaration.

## ARTICLE VIII

The initial Executive Board shall consist of three (3) persons, and said number may be changed by a duly adopted amendment to the Bylaws, except and in no event may the number of Directors be less than three (3). The names and addresses of the persons who shall serve as Directors until their successors, shall be elected and qualified are as follows:

Louis P. Gonzalez  
312 Cloister Ct.  
Chapel Hill, NC 27514

Christopher R. Howlett  
16122 Morehead  
Chapel Hill, NC 27517

Richard B. Williams  
210 Telluride Trail  
Chapel Hill, NC 27514

## ARTICLE IX

No director of the corporation shall have personal liability arising out of an action whether by or in the right of the corporation 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 such directors at the time of such breach knew or believed were clearly in conflict with the best interests of the corporation, (ii) any liability under Section 55A-8-32 or 55A-9-33 of the North Carolina General Statutes or any successor provision, (iii) any transaction from which such director derived an improper personal benefit, or (iv) acts or omissions occurring prior to the date of the effectiveness of this Article. 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 or her services as a director, officer, employee, independent contractor, attorney or consultant of the corporation.

Furthermore, notwithstanding the foregoing provision, in the event that Section 55A-2-02 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 director the personal liability of the corporation's directors shall be limited or eliminated to the fullest extent permitted by the applicable law.

This Article shall not affect a provision permitted under the North Carolina General Statutes in the Articles of Incorporation, Bylaws or contract or resolution of the corporation 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 X

Upon dissolution of the Association, the assets thereof shall be distributed in the following order:

First, all liabilities and obligations of the Association shall be paid, satisfied and discharged, or adequate provision shall be made therefor.

Second, assets held by the Association upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements.

Third, all remaining assets of the Association shall be transferred or conveyed to one or more domestic or foreign corporations, societies, or organizations engaged in activities and having purposes substantially similar to those of the Association, which are exempt from taxation as organizations described in Section 501(c)(3) of the Internal

Revenue Code of 1986.


ARTICLE XI

Amendment of these Articles shall require the assent of at least fifty-one percent ( 51%) of the Units owners of all Condominium Units in the project as shown in the Declaration.

ARTICLE XII

The name and address of the incorporator is as follows: Louis P. Gonzalez, 312 Cloister Court, Chapel Hill, Orange County, North Carolina 27514.

IN WITNESS WHEREOF, the undersigned incorporator has hereunto set his hand and seal this 17<sup>th</sup> day of June, 2004.

  
\_\_\_\_\_(SEAL)  
Louis P. Gonzalez  
Incorporator

NORTH CAROLINA  
COUNTY OF DURHAM

I, David H. Cribben Jr. a Notary Public for said County and State, do hereby certify that Louis P. Gonzalez did personally appear before me this day and acknowledge the due execution of the foregoing instrument.

WITNESS my hand and official seal this the 17<sup>th</sup> day of June, 2004.

DLJ

Notary Public

My Commission Expires: 10.10.04

