

22 350 9060

ARTICLES OF INCORPORATION

OF

GRANVIEW HOMEOWNERS ASSOCIATION, INC.

These Articles of Incorporation are made and acknowledged for Granview Homeowners Association, Inc. and shall govern a nonprofit corporation under and by virtue of the laws of the State of North Carolina.

Article 1. Name and Address. The name of the corporation is Granview Homeowners Association, Inc. For convenience, the corporation shall be referred to in this instrument as the "Association."

The initial principal office of The Association is:

3949 Browning Place
Raleigh, North Carolina 27609
Wake County

Article 2. Duration. The Association shall have perpetual duration.

Article 3. Applicable Statute. The Association is organized pursuant to the provisions of the North Carolina Nonprofit Corporation Act.

Article 4. Definitions. All capitalized terms used herein which are not defined shall have the meaning set forth in the Declaration of Protective Covenants for Granview Subdivision, recorded or to be recorded in the Office of the Register of Deeds of Orange County, North Carolina, as amended from time to time ("Declaration").

Article 5. Purposes and Powers. The Association does not contemplate pecuniary gain or benefit, direct or indirect, to its members. In way of explanation and not of limitation, the purposes for which it is formed are:

(a) to be and constitute the Association to which reference is made in the Declaration, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as set forth in the Declaration, the By-Laws, and as provided by law; and

(b) to provide an entity for the furtherance of the interests of the Owners of property subject to the Declaration.

In furtherance of its purposes, the Association shall have the following powers, which, unless indicated otherwise by the Declaration or By-Laws of the Association, may be exercised by the Board of Directors:

(a) all of the powers conferred upon nonprofit corporations by common law and the North Carolina statutes in effect from time to time;

(b) all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the By-Laws, and the Declaration, including, without limitation, the following:

(i) to fix, levy, collect, and enforce payment of all charges or assessments authorized by the Declaration by any lawful means; to pay all expenses in connection therewith and all administrative 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;

(ii) to manage, control, operate, maintain, repair, and improve the common areas and facilities, and any property subsequently acquired by the Association, or any property owned by another for which the Association, by rule, regulation, declaration, or contract, has a right or duty to provide such services;

(iii) to enforce covenants, conditions, or restrictions affecting any property to the extent the Association may be authorized to do so under the Declaration;

(iv) to engage in activities which will actively foster, promote, and advance the common interests of all Owners of property subject to the Declaration;

(v) to buy or otherwise acquire, sell, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Association;

(vi) to borrow money for any purpose subject to such limitations as may be contained in the By-Laws;

(vii) to enter into, make, perform, and enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other corporation, or other entity or agency, public or private;

(viii) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals;

(ix) to adopt, alter, and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the Association's affairs, provided that such By-Laws may not be inconsistent with or contrary to any provisions of the Declaration; and

(x) to provide any and all supplemental municipal services to the Community as may be necessary or desirable.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article 5 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provision of this Article 5.

Article 6. Membership. The Association shall be a membership corporation without certificates or shares of stock. The members shall be entitled to vote in accordance with the Declaration and the By-Laws.

Article 7. Board of Directors. The business and affairs of the Association shall be conducted, managed, and controlled by a Board of Directors. The Board may delegate its operating authority to such companies, individuals, or committees as it, in its discretion, may determine.

The Board shall consist of an odd number of directors as set forth in the By-Laws. The method of election and removal of directors and filling of vacancies and the term of office of directors shall be as set forth in the By-Laws. The initial directors are as follows:

Britt Spivey
3949 Browning Place
Raleigh, North Carolina 27609

John Shay
3949 Browning Place
Raleigh, North Carolina 27609

Stephanie Ware
3949 Browning Place
Raleigh, North Carolina 27609

Article 8. Liability of Directors. No person who is serving or who has served as a director of the Association shall be personally liable to the Association or any of its members for monetary damages for breach of duty as a director, except for liability with respect to (a) acts or omissions that the director at the time of such breach knew or believed were clearly in conflict with the best interests of the Association, (b) any transaction from which the director derived an improper personal benefit or (c) acts or omissions with respect to which the North Carolina Nonprofit Corporation Act does not permit the limitation of liability. As used herein, 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. No amendment or repeal of this Article, nor the adoption of any provision to these Articles of Incorporation inconsistent with this Article, shall eliminate or reduce the protection granted herein with respect to any matter that occurred prior to such amendment, repeal, or adoption.

Article 9. Dissolution. The Association may be dissolved only as provided in the Declaration, By-Laws, and by the laws of the State of North Carolina. If the Association is

dissolved and any mortgage on any portion of the property subject to the Declaration is held, insured, or guaranteed by the Department of Housing and Urban Development ("HUD") or the Veterans Administration ("VA"), then if so required by either HUD or VA, the net assets of the Association shall be dedicated to a public body or conveyed to another nonprofit organization with a purpose similar to that of the Association.

In addition, as long as the Association has responsibility for the maintenance and upkeep of the Disposal System, the Association may not voluntarily dissolve without first having transferred the Disposal System to an entity approved by the North Carolina Environmental Management Committee in writing.

Article 10. Merger and Consolidation. The Association may merge or consolidate only upon a resolution duly adopted by the Board of Directors and the affirmative vote of not less than two-thirds (2/3) of the Total Association Vote.

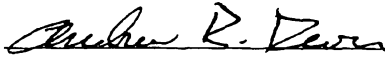
Article 11. Amendments. These Articles may be amended by the approval of at least two-thirds (2/3) of the Total Association Vote, provided that no amendment shall be in conflict with the Declaration, and provided further that no amendment shall be effective to impair or dilute any rights of members that are governed by such Declaration.

Article 12. HUD/VA Approval. So long as the Declarant may appoint and remove a majority of the Board and so long as HUD and/or VA is holding, insuring, or guaranteeing any loan secured by property subject to the Declaration, the following actions shall require the prior approval of HUD and/or VA, respectively: annexation of additional property other than that described on Exhibit "B" of the Declaration, any dedication or mortgage of the Common Property, any merger or consolidation in which the Association is a participant, dissolution of the Association, or material amendment of these Articles.

Article 13. Registered Agent and Office. The initial registered agent of the Association is Stephen D. Leach and the initial registered office of the Association is 3949 Browning Place, Raleigh, North Carolina 27609.

Article 14. Incorporator. The incorporator of the Association is Andrew R. Devin, Esquire, Hyatt & Stubblefield, P.C., 225 Peachtree Street, N.E., Suite 1200, Atlanta, Georgia 30303.

IN WITNESS WHEREOF, the undersigned Incorporator has executed these Articles of Incorporation.


Andrew R. Devin, Incorporator
Hyatt & Stubblefield, P.C.
225 Peachtree Street, N.E., Suite 1200
Atlanta, GA 30303