

0-0436499
FILED
2:40pm
SEP 03 1997

ARTICLES OF INCORPORATION
OF

THE COTTAGES AT CAROLINA BEACH LAKE HOA, INC.

EFFECTIVE
ELAINE F MARSHALL
SECRETARY OF STATE
NORTH CAROLINA

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

ARTICLE I

NAME

The name of the Corporation is THE COTTAGES AT CAROLINA BEACH LAKE HOA, INC., hereinafter call the "Corporation".

ARTICLE II

REGISTERED OFFICE

The principal and registered office of the Corporation is located at 109 Flat Rock Pastures, Gaston County, Cramerton, North Carolina, 28032.

ARTICLE III

REGISTERED AGENT

David Kelly, whose address is 109 Flat Rock Pastures, Gaston County, Cramerton, NC 28032, is hereby appointed the initial Registered Agent of this Corporation.

ARTICLE IV

NO PECUNIARY GAIN

This Corporation does not contemplate pecuniary gain or profit to the members thereof, and no part of the Corporation's net income

shall inure to the benefit of any of its officers, directors or members or any other private individual.

ARTICLE V

PURPOSES

The purposes for which the Corporation is organized are to engage in any lawful act or activity for which Corporations may be organized under Chapter 55A of the General Statutes of North Carolina.

ARTICLE VI

POWERS AND PRIVILEGES

The Corporation shall have all the powers and privileges granted to non-profit corporations under the law pursuant to which this Corporation is chartered.

ARTICLE VII

DURATION

The Corporation shall have perpetual existence.

ARTICLE VIII

MEMBERS

Until such time as the initial corporate meeting is held, the membership of the Corporation shall be comprised of the individuals named in hereof as the initial Board of Directors of the Corporation, and each such individual shall be entitled to cast one (1) vote on all matters on which the membership shall be entitled to vote.

ARTICLE IX

BOARD OF DIRECTORS

The number of members of the initial Board of Directors of the

Corporation, also referred to as the Executive Board, shall be two (2). The number of members of succeeding Boards of Directors shall be as provided from time to time by the By-Laws. The members of the Board of Directors shall be elected by the members of the Corporation at the annual meeting of the membership as provided by the By-Laws.

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 have qualified, are as follows:

<u>NAMES</u>	<u>ADDRESSES</u>
DAVID KELLY	109 Flat Rock Pastures Cramerton, NC 28032
TIM PLYLER	109 Flat Rock Pastures Cramerton, NC 28032

ARTICLE X

OFFICERS

The Board of Directors shall elect a President, a Secretary, and a Treasurer and as many Vice Presidents, 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 (2) offices, the duties of which are not incompatible; provided, however, that the offices of President and Vice President or President and Secretary or Assistant Secretary shall not be held by the same person.

ARTICLE XI

CORPORATE AFFAIRS

The affairs of the corporation shall be managed by the President of the Corporation assisted by the Vice Presidents, Secretary and Treasurer, and, if any, the Assistant Secretaries and Assistant Treasurers, subject to the direction of the Board of Directors.

ARTICLE XII

BY-LAWS

The original By-Laws of the Corporation shall be adopted by a majority vote of the initial Board of Directors, and thereafter such By-Laws may be altered or rescinded only in such manner as said By-Laws may provide.

ARTICLE XIII

INDEMNIFICATION

Every Director and every Officer of the Corporation shall be indemnified by the Corporation 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 Corporation, whether or not he is a Director or Officer at the time such expenses or liabilities 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 approves such settlement and reimbursement as being in the best interest of the Corporation. 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

AMENDMENT TO ARTICLES

Any amendment to these Articles of Incorporation shall require the assent of one hundred (100%) of the membership.

ARTICLE XV

DISSOLUTION OF CORPORATION

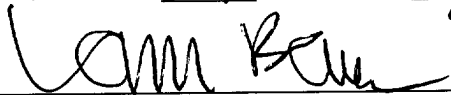
Upon dissolution of the corporation, the assets of the corporation shall be used to pay all debts and liabilities of the corporation, any remaining funds shall be paid pro-rata to the corporate members.

ARTICLE XVI

INCORPORATOR

The name and address of the Incorporator is NED M. BARNES, A-3 Pleasure Island Plaza, Carolina Beach, New Hanover County, North Carolina.

IN WITNESS WHEREOF, I, the undersigned Incorporator, have hereunto set my hand and seal, this 29 day of August, 1997.



NED M. BARNES (SEAL)
INCORPORATOR

STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

This is to certify that on this 29 day of August, 1997, before me, V. A. Beury-Helms, a Notary Public of said County and State, personally appeared NED M. BARNES who I am satisfied is the person named in and who executed the foregoing ARTICLES OF INCORPORATION of THE COTTAGES AT CAROLINA BEACH LAKE HOA, INC., who acknowledged that he signed, sealed 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 official stamp or seal, this 29 day of August, 1997.

V. A. Beury-Helms
NOTARY PUBLIC

My Commission Expires:

8/5/98

f:\wp51\corp\cottages.hoa

