

ARTICLES OF INCORPORATION

OF

THE TRINITY LOFTS HOMEOWNERS ASSOCIATION, INC.

Pursuant to §55A-2-02 of the General Statutes of North Carolina, the undersigned does hereby submit these Articles of Incorporation for the purpose of forming a North Carolina non-profit corporation and hereby certifies:

ARTICLE I

NAME

The name of the corporation shall be **The Trinity Lofts Homeowners Association, Inc.**

ARTICLE II

NONPROFIT QUALIFICATIONS AND APPLICABILITY OF NORTH CAROLINA PLANNED COMMUNITY ACT

This corporation does not contemplate pecuniary gain or profit to the members thereof and it is organized for nonprofit purposes. It is intended that this corporation (i) qualify as an exempt organization under the provisions of Chapter 55A of the North Carolina General Statutes (the "Non-Profit Corporation Act"), (ii) qualify as a homeowners' association under the provisions of Section 528 of the Internal Revenue Code, and (iii) be bound by and comply with the terms and provisions of Chapter 47F of the North Carolina General Statutes (the "PCA"). No part of the net earnings of this corporation shall inure to the benefit of any private member or individual.

ARTICLE III

PURPOSE AND POWERS

This corporation is a not for profit corporation organized under the Non-Profit Corporation Act. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the Non-Profit Corporation Act, subject to the terms and limitations of the PCA. Its specific and primary purposes are to provide for the enforcement of the Declaration of Covenants, Conditions and Restrictions for The Trinity Lofts Townhomes to be recorded in the Durham County Public Registry (the "Declaration") relating to, and the care, maintenance, preservation and architectural control of, certain real property in or about the planned development to be known as **The Trinity Lofts Townhomes** which will be located in Durham County, North Carolina (the "Development"), and to promote the health, safety and welfare of persons residing in said Development. In furtherance of these purposes, but subject to the PCA, any restrictions in the Declaration to be recorded upon the real property

comprising the Development and in the duly adopted bylaws of this corporation, this corporation shall have all powers granted and permitted pursuant to the terms of the Non-Profit Corporation Act, including the following:

- (a) to exercise all of the powers and privileges and to perform all of the duties and obligations of this corporation as set forth in the aforesaid Declaration;
- (b) to manage, maintain, operate, care for and administer the Development, including but not limited to the Common Area, as said term is defined in the Declaration, as more particularly set forth in the Declaration;
- (c) to enforce the covenants, restrictions, easements, charges, fines and liens as provided in the Declaration and to fix, levy, assess, collect, enforce and disburse the fines, charges and assessments created under the Declaration, all in the manner set forth in and subject to the provisions of the Declaration;
- (d) to pay all expenses of the business of this corporation, including all license and permit fees, taxes and other governmental charges levied or imposed against this corporation or the property of this corporation;
- (e) to do any and all other things and acts that the corporation from time to time, in its discretion, may deem to be for the benefit of the Development and the owners and inhabitants thereof or advisable, proper or convenient for the promotion of the peace, health, comfort, safety and general welfare of the owners and inhabitants of the Development;
- (f) to enforce the provisions of the Declaration, these articles of incorporation, the bylaws of the corporation which may be hereafter adopted, and the rules and regulations governing the use of the Common Area and the Development as the same may be hereafter established;
- (g) to 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 this corporation;
- (h) to borrow money, and mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (i) to compromise, settle, release and otherwise adjust claims, demands, causes of actions and liabilities in favor of the corporation and the owners, or on behalf of the corporation and owners, as the case may be, provided any such claim, demand, causes of action or liability arises out of or relates to a condition or defect common to all or a majority of the lots or improvements constructed thereon, or to the development, design, construction, condition, repair or maintenance of or damage or injury to or defect in the common area of the development or part thereof, and to make and receive all payment or other consideration necessary therefor or in connection therewith; and

- (j) to have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act and the PCA by law may now or hereafter have or exercise.

No substantial part of the activities of this corporation shall consist of carrying on propaganda, or of otherwise attempting to influence legislation, and this corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

ARTICLE IV

FINANCE

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purpose of this corporation.

ARTICLE V

REGISTERED AGENT AND REGISTERED/PRINCIPAL OFFICE

The name of the corporation's initial agent for service of process is Michael F. King, and the street address of the registered and principal office of the corporation shall be 4350 Lassiter at North Hills Avenue, Suite 300, Raleigh, North Carolina 27609. The mailing address of the registered and principal office of the corporation shall be PO Box 17047, Raleigh, North Carolina 27619-7047.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of the corporation shall be managed by an initial board of three (3) directors appointed by Declarant, and directors shall thereafter be elected as provided in the bylaws of the association. Each director shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualifies.

The names and addresses of the persons who are to act in the capacity of the initial directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
1. Barbara Wilks	127 W 25th Street, 12th Floor New York, NY 10001
2. Alexandros Washburn	127 W 25th Street, 12th Floor

New York, NY 10001

3. **Laurie Wilson**

501 Washington Street, Suite C
Durham, NC 27701

ARTICLE VII

MEMBERS, VOTING RIGHTS AND ASSESSMENTS

This is a non-stock corporation. The authorized number and qualifications of members of this corporation, the different classes of membership, if any, the property, voting rights and privileges of members, the liability of members for assessments, and the method of collection thereof shall be as set forth in the Declaration referenced in Article III hereof and in bylaws to be adopted by the directors of this corporation. Every person who is a record owner of any lot is entitled to membership and voting rights in the association, as more particularly set forth in the bylaws and Declaration. Membership is appurtenant to, and may not be separated from, ownership of a lot.

ARTICLE VIII

BYLAWS

The original bylaws of the association shall be adopted by a majority vote of the initial board of directors of the association present at a meeting of the directors or by written consent in lieu thereof, and at which a majority of the directors are present, and thereafter, such bylaws may be altered and rescinded only in such manner as said bylaws provide.

ARTICLE IX

DURATION

The term of existence of this corporation shall be perpetual.

ARTICLE X

DISSOLUTION AND AMENDMENT

This corporation may be dissolved only in strict compliance with the provisions of the PCA. Any amendment of these Articles of Incorporation shall require the approval of the board of directors and the vote or written consent of two-thirds (2/3) of the votes appurtenant to all of the Lots. Upon dissolution of this corporation, other than incident to a merger or consolidation,

the residual assets of the Corporation shall be distributed to the members of this corporation in proportion to the assessments collected from the members.

ARTICLE XI

PERSONAL LIABILITY; INDEMNIFICATION; INSURANCE

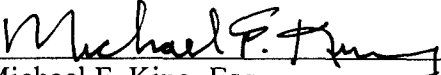
To the fullest extent permitted by applicable law, no director or officer of the corporation shall have any personal liability arising out of any action whether by or in the right of the corporation or otherwise for monetary damages for breach of any duty as a director or as an officer. Any repeal or modification of this Article XI shall be prospective only and shall not adversely affect any limitation hereunder on the personal liability of a director or an officer with respect to acts or omissions occurring prior to such repeal or modification. This Article XI shall not impair any right to indemnity from the corporation that any director or officer may now or hereafter have, and, to the fullest extent permitted by the Non-Profit Corporation Act, (i) the corporation shall indemnify and hold harmless the directors and officers of the corporation who may be made a party to a proceeding because the individual is or was a director or officer of the corporation; and (ii) the corporation shall purchase and maintain directors' and officers' insurance on behalf of any person who is a director or officer of the corporation against any liability asserted against him and incurred by him in such capacity, or arising out of his status as such. The provisions of Sections 55A-8-50 through 55A-8-58 of the Non-Profit Corporation Act are hereby incorporated by reference and such provisions shall be deemed amended to conform with any subsequent amendments to Sections 55A-8-50 through 55A-8-58 of the Non-Profit Corporation Act.

ARTICLE XII

INCORPORATOR

The name and address of the incorporator is Michael F. King, Esq., 4350 Lassiter at North Hills Avenue, Suite 300, Post Office Box 17047, Raleigh, North Carolina 27619-7047.

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal this 25th day of October, 2007.



Michael F. King, Esq. [SEAL]

INCORPORATOR