

FIVE OAKS - LAKE SIDE HOMEOWNERS ASSOCIATION, INC.

DOCUMENT #415816
DATE 10/23/87 TIME 09:47
FILED
THAS FLEURE
SECRETARY OF STATE
NORTH CAROLINA

The undersigned natural person of the age of eighteen (18) years or more, does hereby make and acknowledge these Articles of Incorporation for the purpose of forming a non-profit corporation under and by virtue of the laws of the State of North Carolina as contained in Chapter 55-A of the General Statutes of North Carolina entitled "Non-Profit Corporation Act" and the several amendments thereto, and to that end does hereby set forth:

ARTICLE I

The name of the corporation is Five Oaks - Lake Side Homeowners Association, Inc.

ARTICLE II

The period of duration of the corporation shall be perpetual.

ARTICLE III

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 residents' lots and common areas within the parcel or tract of land known as Five Oaks - Lake Side, Sections 1 and 2, located in Durham County, North Carolina, and of the owners and residents of such additional property as may hereinafter be brought within the jurisdiction of this corporation by annexation as provided in Article IV herein, all of such land being hereinafter referred to as "the Properties", 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 for the purpose 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, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Register of Deeds of Durham County 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 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;

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 each class of 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;

E. Dedicate, sell or transfer all of any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer:

F. Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that, except as stated in Article IV herein, any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members;

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.

H. In general, to have, exercise and carry on any activity which may seem to the corporation capable of being conveniently carried on or exercised in connection with the above or which may seem to be calculated directly or indirectly to further the purposes of the corporation and not forbidden by the laws of the State of North Carolina;

I. No part of the net earnings of the corporation shall inure to the benefit of any officer, director or member of the corporation, and upon dissolution of the corporation, the assets thereof shall, after all of its liabilities and obligations have been discharged or adequate provisions made therefor, be distributed to any association or associations organized for the purposes similar to those set forth above. No substantial part of the activities of the corporation shall be the carrying on or propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in any political campaign on behalf of any candidate for public office.

ARTICLE IV

Additions to the Properties described in Article III may be made only in accordance with the provisions of the recorded covenants and restrictions applicable to said Properties. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties and membership of this corporation to such Properties. Where the applicable covenants require that certain additions be approved by this corporation, the approval must have the assent of two-thirds (2/3) of the vote of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all members at least thirty (30) days in advance, and shall set forth the purpose of the meeting.

ARTICLE V

The corporation is to have no capital stock. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record 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. 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

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;
- or
- (b) on January 1, 1990.

ARTICLE VII

The address of the initial registered office of the corporation is 20 West Colony Place, Suite 120, Durham, Durham County, North Carolina 27705 and the name of the initial registered agent at such address in Durham County is S. Craig Morrison.

ARTICLE VIII

The number of directors constituting the initial board of directors shall be three (3), and the names and addresses of the persons who are to serve as directors until the first meeting of the members of the corporation or until their successors are elected and qualified are:

S. Craig Morrison	20 West Colony Place, Durham, Durham County, North Carolina 27705
Maureen E. Oakes	20 West Colony Place, Durham, Durham County, North Carolina 27705
Kathleen Williams	20 West Colony Place, Durham, Durham County, North Carolina 27705

Election of the Directors shall be as provided for in the Bylaws of the Association.

