

**ARTICLES OF INCORPORATION
OF
EVERWOOD HOME OWNERS ASSOCIATION, INC.**

The undersigned, being of the age of eighteen 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 Chapter 55A of the General Statutes of North Carolina and the laws of the State of North Carolina.

**ARTICLE I
NAME**

The name of the corporation is **EVERWOOD HOME OWNERS ASSOCIATION, INC.**

**ARTICLE II
DURATION**

The period of duration of the corporation is perpetual.

**ARTICLE III
PURPOSES AND POWERS**

The purposes and powers for which the corporation is organized are as follows:

A. To undertake the performance of, and carry out the acts and duties incident to the administration of the operation and management of, Everwood Home Owners Association in accordance with the terms, provisions, conditions and authorization contained in both these Articles and in the Declaration of Covenants, Conditions and Restrictions for Everwood Home Owners Association, Inc. recorded in Book 5267, Page 868, Durham County, North Carolina Registry.

B. To own and/or maintain and to make, establish and enforce reasonable rules and regulations governing the use of the Common Areas of the property encumbered by the Declaration, and any other real and personal property which may be owned by the Association itself.

C. To make, levy and collect assessments against Members in accordance with the Declaration to provide the funds to pay for operating expenses of the Association as provided in the Declaration and to use and expend the proceeds of assessments in the exercise of the powers and duties of the Association; to use said assessments to promote the improvement and maintenance of the Common area; to provide services and facilities devoted to this purpose and related to the use of the Common Area, including but not limited to the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials, management, supervision thereof, the payment of taxes and

maintenance of insurance as determined appropriate by the Directors, including the employment of attorneys to represent the Association when necessary for such other needs as may arise.

D. To maintain, repair, replace and operate the properties for which the Association is responsible.

E. To enforce by any legal means, the provisions of the Declaration, the Bylaws of the Association, and the rules and regulations for the use of the Association property.

F. To dedicate or transfer all or any part of the Common Area to a public agency, authority or utility as determined appropriate by the Directors.

G. To have all of the common law and statutory powers of a non-profit corporation and also those powers as set out in the Declaration and all powers reasonably necessary to implement the purposes of the Association.

ARTICLE IV MEMBERSHIP

A. The membership of the Association shall consist of the owners of property in Everwood which is encumbered by the Declaration. Membership shall be established by acquisition of fee title to any such property whether by conveyance, devise, descent or judicial decree. A new owner designated in such deed or other instrument shall thereupon become a Member of the Association, and the membership of the prior owner as to the property conveyed shall be terminated. Each new owner shall deliver to the Association a true copy of such deed or instrument of acquisition of title.

B. Neither owner's membership in the Corporation nor a Member's share in the funds and assets of the Corporation may be assigned, hypothecated or transferred in any manner except as an appurtenance to the Everwood property conveyed.

C. As stated herein, the term "Declarant" shall mean Village Custom Homes Company, its successors or assigns.

ARTICLE V BOARD OF DIRECTORS

A. The number of members of the Board of Directors and the method of election of same shall be fixed by the Declaration and Bylaws; however, the number of Board members shall not be less than three (3) nor more than seven (7). Board members shall be selected as provided in the Declaration.

B. Except as provided by North Carolina General Statute Section 55A-28.1A, no officer of the Corporation or member of the Board of Directors shall be personally liable for money damages as a result of any action for breach of his duty as an officer or as a member of the Board of Directors, whether by or in the right of the Corporation or otherwise.

C. The provisions of North Carolina General Statute Section 55A-17.1 shall fully apply without restriction or limitation as to indemnification of members of the Board of Directors and officers, employees or agents of the Corporation.

**ARTICLE VI
INITIAL BOARD OF DIRECTORS**

The number of members constituting the initial Board of Directors shall be three and the names and addresses of the persons who are named by the incorporators to serve as the initial Board of Directors are as follows:

<u>Name</u>	<u>Address</u>
DAVID H. DANIEL	721 Mt. Carmel Church Road Chapel Hill, North Carolina 27517
WALKER HARRIS	721 Mt. Carmel Church Road Chapel Hill, North Carolina 27517

**ARTICLE VII
TAX STATUS**

The Corporation shall have all the powers granted non-profit corporations under the laws of the State of North Carolina. Notwithstanding any other provision of these Articles, this Corporation hereby elects tax-exempt status under Section 528 of the Internal Revenue Code of 1986. This Corporation shall not carry on any activities prohibited by a Corporation electing tax-exempt status under Section 528, or any corresponding sections or provisions of any future United States Internal Revenue law. It is further provided that no distributions of income of the Corporation are to be made to members, directors or officers of the corporation provided, however, that members of the Corporation may receive a rebate of any excess dues and assessments previously paid. Upon the dissolution or liquidation of the Corporation, the assets thereof shall, after all of its liabilities and obligations have been discharged or adequate provision made therefor, be distributed to any association or associations organized for purposes similar to those set forth in Article III hereinabove, as may be more particularly provided in the bylaws of the Corporation.

PRINCIPAL OFFICE OF THE CORPORATION

The street address and county of the principal office of the corporation is:

**721 Mt. Carmel Church Road
Chapel Hill, Chatham County, North Carolina 27517**

The mailing address of the corporation is the same as the principal office address.

