

STATE OF
NORTH
CAROLINA



Department of The
Secretary of State

To all whom these presents shall come, Greetings:

I, Rufus L. Edmisten, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

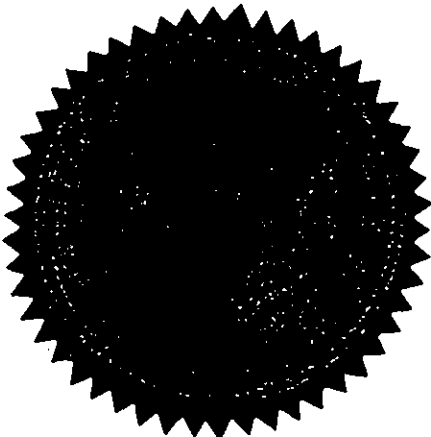
ARTICLES OF INCORPORATION

OF

MCCONNELL HOMEOWNERS ASSOCIATION, INC.

the original of which is now on file and a matter of record in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 7th day of June, 1994.



Rufus L. Edmisten

Secretary of State

0-0303785

FILED

9:00 AM

APR 8 1992

ARTICLES OF INCORPORATION

OF

McCONNELL HOMEOWNERS ASSOCIATION, INC.

RUFUS L EDMISTEN
SECRETARY OF STATE
NORTH CAROLINA

92 091 9017

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 McConnell Homeowners Association, Inc., hereinafter called the "Association".

ARTICLE II

REGISTERED OFFICE AND INITIAL AGENT

The registered office of the Association is located at 227 North Tryon Street, Charlotte, Mecklenburg County, North Carolina 28202. The location of the registered office may be changed by a majority vote of the Board of Directors. The name of the initial registered agent at the above address is Saxby M. Chaplin.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate a 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 residence Lots and Common Area within that certain tract of property described as:

Being all of that certain parcel of land lying and being in the Town of Davidson, DeWeese Township, Mecklenburg County, North Carolina, and being more particularly described in the Declaration of Covenants, Conditions and Restrictions for McConnell recorded in the Mecklenburg Public Registry.

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, and for this 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 recorded in or to be recorded in the Mecklenburg Public Registry, and as set forth in any Supplementary Declaration filed pursuant to Article II, Section 2 of said Declaration, applicable to the above described property, and as the same may be amended from time to time; said Declaration and any such Supplementary Declaration (hereinafter jointly and individually referred to as "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 members entitled to at least two-thirds (2/3) of the votes appurtenant to each Class A Lot and Class B Lot, mortgage, pledge, deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the property rights of the members of the Association as provided in Article IV of the Declaration;

(e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, utility for such purposes and subject to such conditions as may be agreed to by the members. Except as otherwise provided in the Declaration, no such dedication or transfer shall be effective unless an instrument has been signed by members entitled to at least two-thirds (2/3) of the votes appurtenant to each Class A Lot and Class B Lot, 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 any such merger, consolidation or annexation shall have the consent of the members as provided in paragraph (d) above;

(g) annex additional residential property and Common Area pursuant to the provisions of Article II, Section 2, of the Declaration; and

(h) 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.

ARTICLE IV

FINANCE

This corporation is a non-stock corporation and no part of the profits (if any) of the corporation shall inure to the pecuniary benefit of its members or to any other person.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

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, except in the case of a lease of any such lot for a term of no less than twenty (20) years, in which case, the Owner thereof may assign pursuant to the provisions of such ground lease the rights privileges and obligations, including but not limited to, membership in the Association, associated with such lot.

The voting rights of the membership shall be provided in the Declaration and By-Laws of the Corporation.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of this Association shall be managed by an initial Board of three (3) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Robert S. Sutton	102 North Main Street Davidson, North Carolina 28036
Robert C. Williams	102 North Main Street Davidson, North Carolina 28036

John D. Kelton

102 North Main Street
Davidson, North Carolina 28036

At the first annual meeting, the members shall elect one (1) director for a term of one year, two (2) directors for a term of two (2) years, and two (2) directors for a term of three (3) years. At each annual meeting thereafter, the members shall elect the number of directors needed to replace the directors whose terms have just expired.

ARTICLE VII

DISSOLUTION

The Association may be dissolved only upon the signed written consent of the members entitled to not less than three-fourths (3/4) of the votes appurtenant to each Class A and Class B Lot. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust, or other organization to be devoted to such similar purposes.

ARTICLE VIII

DURATION

The period of existence of this corporation is unlimited.

ARTICLE IX

AMENDMENTS

Amendment to these Articles shall require the assent of the members entitled to at least three-fourths (3/4) of the entire vote of the membership.

ARTICLE X

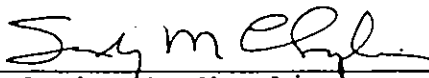
INCORPORATION

The name and address of the incorporator is as follows:

Saxby M. Chaplin

227 N. Tryon Street
Charlotte, North Carolina 28202

IN WITNESS WHEREOF, I, the undersigned incorporator have hereunto set my hand and seal this 30th day of March, 1992.



Saxby M. Chaplin

STATE OF NORTH CAROLINA

COUNTY OF ~~MECKLENBURG~~ IREDELL

I, Linda J. Bryant, a Notary Public for said County and State do hereby certify that Saxby M. Chaplin, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS, my hand and notarial seal, this 30th day of March, 1992.

Linda J. Bryant
Notary Public

My Commission Expires:

January 29, 1995