

ARTICLES OF INCORPORATION  
OF  
SEVEN OAKS TOWNHOMES ASSOCIATION, INC.

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SECRETARY OF STATE  
NORTH CAROLINA

We, the undersigned natural persons of the age of twenty-one (21) years or more, do hereby associate ourselves into a non-profit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Non-Profit Corporation Act", and the several amendments thereto, do hereby make, sign, and acknowledge these Articles of Incorporation, and to that end do hereby set forth:

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ARTICLE I

The name of the corporation is SEVEN OAKS TOWNHOMES ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II

The principal and registered office of the Association is located at 5800 Faringdon Place, Raleigh, North Carolina, 27609.

ARTICLE III

F. L. Robuck, Jr., whose address is 5800 Faringdon Place, Raleigh, Wake County, North Carolina 27609 is hereby appointed the initial registered agent of this Association.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

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 residence Lots and Common Area within that certain tract or property described as follows:

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BEGINNING at a point in the northern side of a 70-foot right-of-way of Woodcroft Parkway designated as control corner on the hereinbelow described plat and also designated by the following grid coordinates: North 790839.8039 East 2017785.9836 and commencing from said point the following courses and distances; North 39-53-49 East 369.57; North 49-50-10 East 213.38; North 14-59-59 East 330.68 feet; South 30-11-28 East 211.61 feet; South 8-15-52 East 204.06 feet; South 5-00 West 396.59 feet to a stake in the northern edge of the 70-foot right-of-way of Woodcroft Parkway; thence along and with a curve in a counter clockwise direction; said curve having a radius of 860 feet, a distance of 128.34 feet to a stake; thence South 90-00 West 153.09 feet to a stake; thence along and with a curve in a clockwise direction, said curve having a radius of 1585 feet; a distance of 307.86 feet to the point and place of beginning and being all of the Seven Oaks Subdivision of Woodcroft, surveyed by Kimley-Horn Engineers and Planners, dated July 18, 1984, and containing 5.3409 acres.

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 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, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Durham County Register of Deeds and as to 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

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Association, including all licenses, taxes, governmental charges and/or assessments 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 the 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; provided, however, the rights of the holder of any such security interest shall be subordinate to the rights of the homeowners hereunder.

(e) dedicate, sell or transfer all or 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 nonprofit 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 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.

#### ARTICLE V

##### MEMBERSHIP

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 any may not be separated from ownership of any Lot which is subject to assessment by the Association.

#### ARTICLE VI

##### VOTING RIGHTS

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 each such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. No fractional vote shall be allowed.

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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 Class A membership equal the total votes outstanding in Class B. Class B. membership shall be reinstated if thereafter and before the time stated in Subparagraph (b) below, such additional lands are annexed to the Properties without the assent of Class A members on account of the development of such additional lands by the Declarant, all as provided for in Article VIII, Section 2 of the Declaration, or
- (b) on January 1, 1991.

## ARTICLE VII

### BOARD OF DIRECTORS

262 The affairs of this Association shall be managed by a Board of five (5) 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>
F. L. Robuck, Jr.,	5800 Faringdon Place, Raleigh, NC 27609
Floyd L. Hagan	5800 Faringdon Place, Raleigh, NC 27609
Gertrude B. Ferencze	5925 Falls of Neuse Road, Raleigh, NC 27609
Larry Marshall	5800 Faringdon Place, Raleigh, NC 27609
Cliff Thomas	5800 Faringdon Place, Raleigh, NC 27609

At the first annual meeting the members shall elect one director for a term of one year, three directors for a term of two years and one director for a term of three years; and at each annual meeting thereafter the members shall elect directors for a term of two years to fill the expired terms.

## ARTICLE VIII

### DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of

each class of members. 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 nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

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#### ARTICLE IX

##### DURATION

The corporation shall exist perpetually.

#### ARTICLE X

##### AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

#### ARTICLE XI

##### FHA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior written approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

ARTICLE XII

INCORPORATOR

NAME

ADDRESS

George L. Fletcher

1904 Front Street, Suite 420

Durham County, Durham, N.C.

27705

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IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of North Carolina, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 1 day of November, 1985.

A True Copy

Patsy Cawthorne

George L. Fletcher/Patsy Cawthorne (Seal)

George L. Fletcher

STATE OF NORTH CAROLINA

DURHAM COUNTY

THIS IS TO CERTIFY, that on the 1 day of November, 1985, before me, a Notary Public, personally appeared GEORGE L. FLETCHER, who I am satisfied is the person named in and who executed the foregoing Articles of Incorporation, and I having first made known to him the contents thereof, he did acknowledge that he signed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, this the 1 day of November, 1985.

Patsy Cawthorne  
Notary Public

My commission expires:

June 12, 1989