

FILED

SEP 20 5 25 PM '83
ARTICLES OF INCORPORATION
OF
CEDAR HILL HOMEOWNERS ASSOCIATION

THAD EURE
SECRETARY OF STATE
NORTH CAROLINA

324860

In accordance with the requirements of Chapter 55A of the North Carolina General Statutes, the undersigned 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

The name of the corporation is "CEDAR HILL HOMEOWNERS ASSOCIATION", hereinafter called "the Corporation".

ARTICLE II

The principal and registered office of the Corporation is 212 W. Millbrook Road, Raleigh, Wake County, North Carolina.

ARTICLE III

Harold E. Russell, Jr., whose address is 212 W. Millbrook Road, Raleigh, Wake County, North Carolina, is hereby appointed the Initial Registered Agent of the Corporation.

ARTICLE IV

The Corporation does not contemplate pecuniary gain or profit to the members thereof, and no part of the Corporation's net income shall inure to the benefit of any of its officers, directors, members, or any other private individual. The purposes and objects of the Corporation shall be to administer the operation and management of CEDAR HILL CONDOMINIUMS (hereinafter called "the Condominium"), a condominium to be established in accordance with the laws of the State of North Carolina upon the property situate, lying, and being in Wake County, North Carolina, and more particularly described in Exhibit "A" of the formal Declaration of Condominium which will be recorded in the Public Records of Wake County, North Carolina, said Exhibit and Declaration of Condominium being incorporated herein by reference; to undertake the performance of the acts and duties incident to the administration of the operation and management of said Condominium in accordance with the terms, provisions, conditions, and authorization contained in these

Articles of Incorporation and the Declaration of Condominium at the time said property, and the improvements now or hereafter situate thereon, are submitted to the Plan of Condominium Ownership; and to own, operate, lease, sell, trade, and otherwise deal with such property, whether real or personal, as may be necessary or convenient in the administration of said Condominium.

ARTICLE V

The corporation shall have the following powers:

1. The Corporation shall have all of the powers and privileges granted to non-profit corporations under the law pursuant to which this corporation is chartered and all of the powers and privileges which may be granted unto said Corporation under any other applicable laws of the State of North Carolina, including the Unit Ownership Act.

2. The Corporation shall have all the powers reasonably necessary to implement and effectuate the purposes of the Corporation including, but not limited to, the following:

(a) To make and establish reasonable rules and regulations governing the use of Condominium Units and Common Property in the condominiums as said terms may be defined in said Declaration of Condominium to be recorded.

(b) To levy and collect assessments against members of the Corporation to defray the common expenses of the Condominium as may be provided in said Declaration of Condominium and in the By-Laws of this corporation which may be hereafter adopted, including the right to levy and collect assessments for the purposes of acquiring, operating, leasing, managing, and otherwise trading and dealing with such property, whether real or personal, including Condominium Units in the Condominium, which may be necessary or convenient in the operation and management of the Condominium and in accomplishing the purposes set forth in said Declaration of Condominium.

(c) To maintain, repair, replace, operate, and manage the Condominium and the property comprising the same, including the right to reconstruct improvements after casualty and to make further improvements of the Condominium property and to make and enter into any and all contracts necessary or desirable to accomplish said purposes.

(d) To contract for the management of the Condominium and to delegate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration of Condominium to have approval of the Board of Directors or membership of the Corporation.

(e) To acquire and enter into, now or at any time hereafter, leases and agreements whereby the Association acquires leaseholds, memberships, and other possessory or use interests in land or facilities including, but not limited to, swimming pools, tennis courts, and other recreational facilities, whether or not contiguous to the lands of the Condominium to provide enjoyment, recreation, or other use or benefit to the owners of the Condominium Units.

(f) To enforce the provisions of the Declaration of Condominium, these Articles of Incorporation, the By-Laws of the corporation which may be hereafter adopted, and the rules and regulations governing the use of the Condominium as the same may be hereafter established.

(g) To exercise, undertake, and accomplish all of the rights, duties, and obligations which may be granted to or imposed upon the Corporation pursuant to the Declaration of Condominium aforementioned.

ARTICLE VI

The qualification of the members, the manner of their admission to membership, and termination of such membership and voting by members shall be as follows:

1. The Owners of all Condominium Units in the

Condominium shall be members of the Corporation, and no other persons or entity shall be entitled to membership, except as provided in Item 5 of this Article VI.

2. Membership shall be established by the acquisition of fee title to a Condominium Unit in the Condominium or by acquisition of a fee ownership interest therein, whether by conveyance, devise, judicial decree, or otherwise, and the membership of any party shall be automatically terminated upon his being divested of all title to or his entire fee ownership interest in any Condominium Unit, except that nothing herein contained shall be construed as terminating the membership of any party who may own two or more Condominium Units or who may own a fee ownership interest in two or more Condominium Units, so long as such party shall retain title to or a fee ownership interest in any Condominium Unit.

3. The interest of a member in the funds and assets of the Corporation cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to his Condominium Unit. The funds and assets of the Corporation shall belong solely to the Corporation subject to the limitation that the same be expended, held, or used for the benefit of the membership and for the purposes authorized herein, in the Declaration of Condominium, and in the By-Laws which may be hereafter adopted.

4. On all matters which the membership shall be entitled to vote, each Condominium Unit shall have votes equal to its appurtenant undivided interest in the Common Areas and Facilities as set forth in Exhibit "B" of the Declaration of Condominium. The vote of each Unit may be cast or exercised by the Owner or Owners of each Condominium in such manner as may be provided in the By-Laws hereafter adopted by the Corporation. Should any member own more than one Condominium Unit, such member shall be entitled to exercise or cast the votes associated with each Condominium Unit owned in the manner provided by said By-Laws.

5. The initial Board of Directors shall be comprised of the three (3) individuals named in Article XI hereof as the

Initial Board of Directors of the Corporation, and each such individual shall be entitled to cast one vote on all matters on which the membership shall be entitled to vote.

ARTICLE VII

The Corporation shall have perpetual existence.

ARTICLE VIII

The affairs of the Corporation shall be managed by the President of the Corporation, assisted by the Vice-President, Secretary, and Treasurer, subject to the directions of the Board of Directors. The Board of Directors or the President, with the approval of the Board of Directors, may employ a Managing Agent and/or such other managerial and supervisory personnel or entities to administer or assist in the administration of the operation and management of the Condominium and the affairs of the Corporation, and any such person or entity may be so employed without regard to whether such person or entity is a member of the Corporation or a Director or Officer of the Corporation, as the case may be.

ARTICLE IX

The number of the members of the first Board of Directors of the Corporation shall be three (3). The number of members of succeeding Boards of Directors shall be as provided from time to time by the By-Laws of the Corporation. Notwithstanding the foregoing, so long as BWIT Fifty-Fifth Street, Inc., d/b/a The Lexington Group, owns fifty-eight (58) or more Condominium Units in the Condominium, but in any event not later than December 31, 1984, BWIT Fifty--Fifth Street, Inc., d/b/a The Lexington Group, shall have the right to designate and select a majority of the persons who shall serve as members of each Board of Directors of the Corporation. 37

ARTICLE X

The Board of Directors shall elect a President, a Vice-President, Secretary, and Treasurer. The President shall be elected from among the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided,

however, that the office of the President and Vice-President shall not be held by the same person, nor shall the office of President and Secretary or Secretary and Assistant Secretary be held by the same person.

ARTICLE XI

The names and addresses of the Initial Board of Directors, who, subject to the provisions of these Articles of Incorporation, the By-Laws, and the laws of the State of North Carolina, shall hold office until the first Annual Meeting of the Membership (or until their successors are elected and qualified) are as follows:

Don Ward
Post Office Box 221214
2101E Rexford Road, Suite 256
Charlotte, North Carolina 28211

Gail Marlin
Post Office Box 221214
2101E Rexford Road, Suite 256
Charlotte, North Carolina 28211

Mary V. Crowder
Post Office Box 221214
2101E Rexford Road, Suite 256
Charlotte, North Carolina 28211

ARTICLE XII

The original By-Laws of the corporation shall be adopted by a majority vote of the members of the Corporation present at a meeting of members at which a majority of the membership is present, and thereafter, such By-Laws may be altered or rescinded only in such manner as said By-Laws provide.

ARTICLE XIII

Every Director and every Officer of the Corporation shall be indemnified by the Corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or Officer of the Corporation, whether or not he is a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, in the event of any claim for reimbursement or indemnification hereunder

based upon a settlement by the Director or Officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interest of the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights which such Director or Officer may be entitled, and the indemnification specifically does not relieve the liability a director may have which results from ownership of a unit or units.

ARTICLE XIV

An amendment or amendments to these Articles of Incorporation shall require the affirmative vote of Unit Owners owning at least seventy-five percent (75%) of the aggregate undivided interest in the Common Areas and Facilities of the Condominium. (If a larger vote is required to take or refrain from taking a specific action, no amendment shall be valid until the members owning such larger percentage execute the amending instrument.) No modification or amendment to the By-Laws shall be valid unless set forth in an amendment to the Declaration of Condominium and duly recorded in the Wake County Public Registry.

No amendment to these Articles of Incorporation which shall abridge, amend, or alter the right of BWIT Fifty-Fifth Street, Inc. d/b/a The Lexington Group, Inc., to designate and select members or each Board of Directors of the Corporation, as provided in Article IX hereof, may be adopted or become effective without the prior written consent of BWIT Fifty-Fifth Street, Inc. d/b/a The Lexington Group, Inc.

ARTICLE XV

The name and address of the Incorporator is as follows:

Harold E. Russell, Jr.
212 W. Millbrook Road
Raleigh, North Carolina 27609

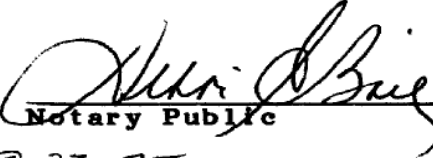
IN TESTIMONY WHEREOF, I, being the incorporator, have hereunto set my hand and seal, this 27th day of September, 1983.

Harold E. Russell, Jr.
Harold E. Russell, Jr.

NORTH CAROLINA
WAKE COUNTY

I, the undersigned Notary Public, hereby certify that Harold E. Russell, Jr. personally appeared before me and being by me first duly sworn, declared that he signed the foregoing instrument in the capacity indicated and that the statements therein contained are true.

WITNESS my hand and notarial seal, this 27th day
of September, 1983.



Notary Public

My Commission Expires: 9-23-85