

STATE OF NORTH CAROLINA  
DEPARTMENT OF THE SECRETARY OF STATE

ARTICLES OF INCORPORATION  
OF  
ISLAND WALK AT SNOWS CUT HOMEOWNERS ASSOCIATION  
A NORTH CAROLINA NONPROFIT CORPORATION

Pursuant to § 55A-2-02 of the General Statutes of North Carolina, the undersigned corporation does hereby submit these Articles of Incorporation for the purpose of forming a nonprofit corporation.

ARTICLE I  
NAME

The name of the Corporation is ISLAND WALK AT SNOWS CUT HOMEOWNERS ASSOCIATION, hereinafter called the "Association".

ARTICLE II  
INITIAL REGISTERED OFFICE

The street address and county of the initial registered office of the Association is:

1951 Clark Avenue, Raleigh, North Carolina 27605

County: Wake County

ARTICLE III  
INITIAL REGISTERED OFFICE MAILING ADDRESS

The mailing address of the initial registered office of the Association is:

Post Office Box 10669, Raleigh, North Carolina 27605

ARTICLE IV  
INITIAL REGISTERED AGENT

The name of the initial registered agent of the Association is Henry W. Jones, Jr.

ARTICLE V  
INCORPORATOR

Henry W. Jones, Jr., at 1951 Clark Avenue, Raleigh, Wake County, North Carolina 27605, is the incorporator of the Association.

**ARTICLE VI**  
**PRINCIPAL OFFICE**

The street address, mailing address and county of the principal office of the Association is:

46 Oxtan Circle, Pinehurst, North Carolina 28374

County: Moore County

**ARTICLE VII**  
**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 residence Lots and Common Area within those certain Properties more particularly described in that certain "Exhibit A", which is attached to the Declaration of Covenants, Conditions and Restrictions recorded at Book 4527, Page 677, New Hanover County, North Carolina, Registry, and other properties as may be annexed thereto, and to promote the health, safety, and welfare of the residents within the above described property and any additions or annexations thereto as may hereafter be brought within the jurisdiction of this Association for these purposes 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 applicable to the residence Lots and Common Area of the property and recorded in Book 4527, Page 677, in the Office of the Register of Deeds of New Hanover County, North Carolina (hereinafter, "Declaration"), and as the same may be amended from time to time as therein provided, said Declaration being incorporated as if fully set forth herein;

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments; to pay all 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 property in connection with affairs of the Association and subject to the laws of the Town of Carolina Beach, North Carolina;

(d) Borrow money, and with the assent of two-thirds (2/3) of the 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 that the rights of such mortgages in said properties shall be subordinate to the rights of the members;

(e) Dedicate, sell or transfer all or any part of the Community Common Properties 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 it has been approved by two-thirds (2/3) of each class of members and an instrument properly executed by the Association has been recorded, and upon such instrument the Secretary of the Association shall certify that two-thirds (2/3) of each class of members have approved the dedication, sale or transfer and that certificate shall be conclusive as to any grantee or its assigns; provided,

however, conveyances for general utility purposes as specified herein may be made without consent of the members;

(f) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or to annex additional residential property and Common Area, as provided for in the Declaration;

(g) Have and to exercise any and all powers, rights, and privileges which a corporation organized under the Nonprofit Corporation law of the State of North Carolina by law may now or hereafter have or exercise.

This corporation is organized and shall be operated exclusively as a homeowners association and not for profit. No part of the earnings of this corporation or the funds contributed by any person or corporation shall inure to the benefit of any director, officer, or Member of the corporation, or any private individual (other than by acquiring, constructing, or providing management, maintenance, and care of the Association property, and other than by a rebate of excess membership dues, fees, or assessments), except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes.

In order to properly prosecute the objects and purposes set forth herein, this corporation shall have all the powers vested in corporations by the laws of the State of North Carolina, Chapter 55A, and other laws relating to corporations which may appear in the General Statutes of North Carolina, together with all amendments thereto, past and future, which powers shall include, but shall not be limited by nor shall such powers be deemed as exclusive of other powers vested in the corporation, the foregoing powers stated above.

#### **ARTICLE VIII** **MEMBERSHIP**

Every person or entity which is a record owner of a fee or undivided interest in any Lot that is subject by the Declaration 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 that is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

#### **ARTICLE IX** **VOTING RIGHTS**

Section 1. Classes of Voting Membership. The Association shall have two classes of voting membership.

Class A. Class A Members shall be all those Owners of Lots as defined in ARTICLE V of the Declaration with the exception of the Declarant (as defined in the Declaration). Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by ARTICLE IV of the Declaration. When more than one person holds such interest in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as the majority of such persons among themselves determine; however in no event may more than one vote be cast with respect

to any one Lot. Fractional voting shall be prohibited. At any meeting of the Members, a representation by any of such persons that a majority of such persons have agreed as to the vote for such Lot shall be conclusive unless another of such persons contests such representation at such meeting prior to the casting of such vote.

Class B. The Class B Member(s) shall be the Declarant (as defined in the Declaration). The Class B Member(s) 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 equals the total votes outstanding in Class B membership; but provided that the Class B membership shall be reinstated if thereafter, and before the time stated in Sub-paragraph (b) below, such additional lands are annexed to the Property without the assent of Class A Members because of development of such additional lands by the Declarant, as provided for in Article III of the Declaration; or
- (b) Ten (10) years following the date of incorporation of the Association.

**ARTICLE X**  
**BOARD OF DIRECTORS**

The affairs of this Association shall be managed by a Board of Directors. The number of members of the first Board of Directors of the Association shall be three (3), who need not be members of the Association. Thereafter the number of directors of succeeding Board of Directors shall be as provided from time to time by the By-Laws of the Association. The name and post office address of the initial members of the Board of Directors who, subject to the provisions of the By-Laws of the Association, shall hold office until the first Annual Meeting of the Membership (or until their successors are elected and qualified) are as follows:

<u>Name</u>	<u>Address</u>
Bernard Capstick	46 Oxtan Circle Pinehurst, Moore County, NC 28374
Marcel O. Goneau	36420 US #1 S Aberdeen, Moore County, NC 28315
Donald Johnson	340 Clearfield Lane Southern Pines, Moore County, NC 28387

**ARTICLE XI**  
**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, provided, any Community Common Properties designated as "open space" pursuant to

the ordinances of the Town of Carolina Beach shall be dedicated to the Town of Carolina Beach. 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 XII  
DURATION**

The corporation shall exist perpetually.

**ARTICLE XIII  
AMENDMENTS**

Amendment to these Articles shall require the assent of seventy-five (75%) percent of the vote of each class of members at a duly called meeting of the Association at which a quorum is present approves the change.

**ARTICLE XIV  
EFFECTIVE DATE**

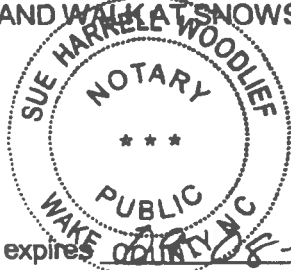
These articles will be effective upon filing.

*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, has executed these Articles of Incorporation this 18th day of October, 2004.

By: Henry W. Jones, Jr. (SEAL)  
HENRY W. JONES, JR., INCORPORATOR

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

On this 18th day of October, 2004, personally appeared before me the said named HENRY W. JONES, JR., to me known and known to me to be the person described in and who before me executed the foregoing instrument as Incorporator of ISLAND WALK AT SNOWS CUT HOMEOWNERS ASSOCIATION and he acknowledged that he executed the same, and being duly sworn by me, made oath that the statements in the foregoing instrument are true and made on behalf of ISLAND WALK AT SNOWS CUT HOMEOWNERS ASSOCIATION.

(SEAL) 

Sue Harrell Woodlie  
NOTARY PUBLIC

My commission expires 08-08-08