

State of North Carolina

Department 115
of the
Secretary of State



0158 0614

PAGE CORPORATION BOOK

PRESENTED FOR REGISTRATION
OCT 31 10 28 AM '86
CHARLES E. CROWDER
REGISTER OF DEEDS
MECKLENBURG CO., N.C.

To all to whom these presents shall come, Greeting:
I, Thad Eure, Secretary of State of the State of
North Carolina, do hereby certify the following and
hereto attached (6 sheets) to be a true copy of

ARTICLES OF INCORPORATION

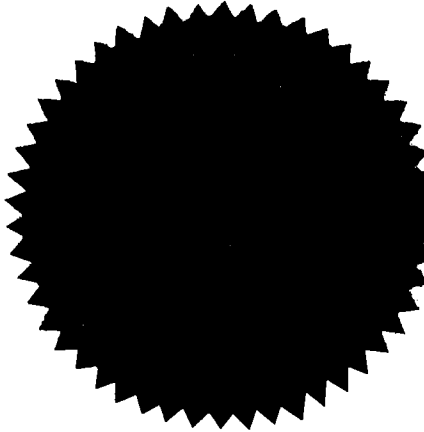
OF

SARDIS PLANTATION HOMEOWNERS ASSOCIATION

and the probates thereon, the original of which was
filed in this office on the 22nd day of October 19 86,
after having been found to conform to law.

In Witness Whereof, I have hereunto set my hand
and affixed my official seal.



Done in Office, at Raleigh, this twenty-second day
of October in the year of our Lord 19 86.



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10/31/86

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Secretary of State
By  Deputy Secretary of State

ARTICLES OF INCORPORATION
OF
SARDIS PLANTATION HOMEOWNERS ASSOCIATION

DOCUMENT NUMBER
DATE 10/22/04 TIME 11:17
FILED
HALL COUNTY
SECRETARY OF STATE
NORTH CAROLINA

In compliance with the requirements of the laws of the State of North Carolina as contained in Chapter 55A, North Carolina General Statutes, entitled "Nonprofit Corporation Act," the undersigned, a resident of Mecklenburg County, North Carolina, and of the age of eighteen (18) years or more, hereby forms a corporation not for profit and to that end does hereby certify:

ARTICLE I

Name of Corporation

The name of the corporation is:

SARDIS PLANTATION HOMEOWNERS ASSOCIATION

hereafter called the "Association."

ARTICLE II

Principal Office

The principal office of the Association is located at 1221 East Morehead Street, P. O. Box 35269, Mecklenburg County, Charlotte, North Carolina 28235.

ARTICLE III

Registered Office and Agent

The address of the initial registered office of the corporation is:

1329 East Morehead Street
Charlotte, Mecklenburg County
North Carolina 28204

and the name of the initial registered agent at such address is:

Return to Neal G. Helms

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 residential Lots and Common Areas within that certain tract of property lying, being, and situated in Providence Township, Mecklenburg County, North Carolina, and being more particularly described in Schedule A attached hereto and incorporated herein by reference, said parcel to be commonly referred to as "Sardis Plantation," and to promote the health, safety, and welfare of the residents within the above-described property and such additions thereto as may hereafter be brought within the jurisdiction of this Association.

The Association shall have the following powers:

- (a) To 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 Mecklenburg Public Registry and as the same may be amended from time to time as therein provided, said Declaration being expressly incorporated herein by reference;

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- (b) To 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 levied or imposed against the property of the Association;
- (c) To 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) To borrow money and, with the assent of two-thirds (2/3) of each 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;
- (e) To 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; provided, however, that a simple majority of the Board of Directors may authorize and execute utility, cablevision, or other such easements.
- (f) To 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 assent of two-thirds (2/3) of each class members;
- (g) To enforce the provisions of the Declaration of Restrictions, these Articles of Incorporation, the Bylaws of the Corporation, and the Rules and Regulations governing the use of property within Sardis Plantation, and to exercise, undertake, and accomplish all the rights, duties, and obligations which may be granted to or imposed upon the Association pursuant to the Declaration;
- (h) To annex additional residential property in Common Area pursuant to the provisions of Article VIII, Section 4, of the Declaration; and
- (i) To have and to exercise any and all powers, rights, and privileges which a corporation organized under Chapter 55A of the General Statutes of North Carolina may now or hereafter have or exercise, and to have and exercise all powers necessary to effect any or all of the purposes for which the Association is organized.

ARTICLE V

Membership in the Association

Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot which is subjected 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 and obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE VI

Classes of Membership and Voting Rights

The Association shall have two classes of voting membership which are described in the Declaration as follows:

1. Class A. Class A members shall be all Owners with the exception of the Developer of Sardis Plantation, William Trotter Company and William Trotter Development Company, its successors, and assigns, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any

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Lot, all such persons shall be members. The vote for 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.

2. Class B. The Class B member(s) shall be William Trotter Company and William Trotter Development Company, 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 in the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) On December 1, 1991; provided, however, Class B membership will be reinstated if at any time prior to December 1, 1991, William Trotter Company and William Trotter Development Company annexes additional property to be developed as a part hereof and said annexed property will acquire Class B status for the number of Lots to be developed.

ARTICLE VII

Board of Directors

The affairs of this Association shall be managed by a Board of seven (7) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the Bylaws 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 described on Schedule "B" attached hereto and made a part hereof.

At the first annual meeting of the Association, as prescribed by the Bylaws of the Association, the members shall elect three (3) directors for a term of one (1) year, two (2) directors for a term of two years, and two (2) directors for a term of three years, and at each annual meeting thereafter, the members shall elect a sufficient number of directors for a term of three years to succeed previously elected directors as their terms expires.

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 a consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those 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 IX

Period of Duration

The Association shall exist perpetually.

ARTICLE X

Amendments

Amendment of these Articles shall require the assent of seventy-five percent (75%) of each class of members.

ARTICLE XI

HUD/VA Approval

As long as there is a Class B membership, the following actions will require the prior approval of the Department of Housing and Urban Development or

the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, and dissolution and amendment of these Articles.

ARTICLE XII

Indemnification of Officers and Directors

To the extent permitted by law, the Association shall indemnify and save harmless any director or officer, or former director or officer of the Corporation, against expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceeding in which he is made a party by reason of being or having been such director or officers, except in relation to matters as to which he shall be adjudged in such action, suit, or proceeding to have acted in bad faith or to have been liable or guilty by reason of willful misconduct in the performance of duty.

ARTICLE XIII

Name and Address of Incorporator

The name and address of the incorporator of the Association is:

Neal G. Helms
1329 East Morehead Street
Charlotte, Mecklenburg County
North Carolina 28204

IN WITNESS WHEREOF, the incorporator of this Association has set his hand and seal to these Articles of Incorporation this 13 day of August, 1986.

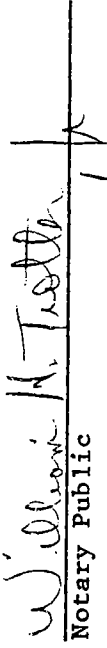

Neal G. Helms (SEAL)

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, William H. Foster, Jr., a Notary Public in and for said County and State aforesaid, do hereby certify that NEAL G. HELMS personally appeared before me this day and duly acknowledged the execution of the foregoing instrument.

WITNESS my hand and Notarial seal, this 13th day of August, 1986.


Notary Public

My Comm. Expires: 7/9/86

SCHEDULE A

BEGINNING at a point in the Southerly right of way line of the Pineville-Matthews Road (NC Highway 51, 100 foot right of way) said point being located 432.42 feet as measured along said right of way in a Northeasterly direction from an iron located at the intersection of the Easterly line of M. E. Funderburk (Deed Book 3670, Page 712) and the Southerly right of way line Pineville-Matthews Road, and running thence from said BEGINNING point with said right of way line of Pineville-Matthews Road in a Northeasterly direction with the arc of a circular curve to the left having a radius of 1959.86 feet a distance of 212.22 feet to a iron; thence S. 25-22-10 E. 1934.99 feet to a point; thence S. 04-48-15 E. 1870.41 feet to a point; thence S. 05-03-27 E. 888.24 feet to a point; thence S. 79-10-13 W. 666.37 feet to a point; thence S. 62-24-59 W. 1164.74 feet to a point; thence N. 05-04-50 E. 683.24 feet to a point; thence N. 05-13-00 E. 1719.42 feet to a point, the Northeasterly corner of A. G. Kritchman (Deed Book 3498, Page 417) thence with Kritchman's line N. 89-48-30 W. 648.84 feet to a point in the Northeasterly right of way line of Elizabeth Lane (60 foot right of way) thence with said right of way line in a Northwesterly direction with the arc of a circular curve to the left having a radius of 343.0 feet a distance of 156.75 feet to a point; thence continuing with said right of way line N. 48-06-18 W. 71.81 feet to a point on the Southerly line of M. E. Funderburk; thence with Funderburk's Southerly line N. 86-21-42 E. 769.23 feet to a point; thence S. 04-00 E. 155.74 feet; thence N. 78-30 E. 111.17 feet; thence N. 05-00 W. 134.82 feet; thence S. 88-32-29 E. 510.72 feet; thence N. 67-31-23 E. 164.79 feet; thence N. 49-01-41 E. 201.32 feet; thence N. 16-31-04 E. 151.24 feet; thence N. 04-02-08 W. 326.81 feet; thence N. 30-37-06 W. 113.88 feet; thence N. 80-52-11 W. 56.72 feet; thence N. 10-37-51 W. 314.40 feet; thence N. 25-22-10 W. 922.30 feet; thence N. 35-15-25 W. 174.68 feet; thence N. 51-45-58 W. 126.04 feet; thence N. 22-22-48 E. 73.54 feet; thence N. 21-31-07 W. 127.97 feet to a point; thence N. 68-28-53 E. 133.41 feet; thence N. 25-22-10 W. 93.26 feet to a point in the Southerly right of way line of Pineville-Matthews Road, the point and place of BEGINNING, containing 99.083 acres designated as single-family tracts on that survey of WILLIAM TROTTER COMPANY dated February 10, 1986, last updated August 26, 1986 prepared by Robert E. Rembert, R.L.S.

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SCHEDULE B

1. William H. Trotter	1221 E. Morehead Street Charlotte, North Carolina	28204
2. Stoney E. Motsinger	1221 E. Morehead Street Charlotte, North Carolina	28204
3. Marie B. Smith	1221 E. Morehead Street Charlotte, North Carolina	28204
4. William Overhultz	1221 E. Morehead Street Charlotte, North Carolina	28204
5. Mary Mathews	1221 E. Morehead Street Charlotte, North Carolina	28204
6. Paul H. Trotter	1221 E. Morehead Street Charlotte, North Carolina	28204
7. Terry Presley	1221 E. Morehead Street Charlotte, North Carolina	28204