



# NORTH CAROLINA

## Department of The Secretary of State

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To all whom these presents shall come, Greetings:

I, **ELAINE F. MARSHALL**, 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

**HALL'S CREEK NORTH SECTION I HOA, INC.**

the original of which was filed in this office on the 1st day of June, 2006.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 1st day of June, 2006

*Elaine F. Marshall*

Secretary of State

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Elaine F. Marshall  
North Carolina Secretary of State  
C200615200494

ARTICLES OF INCORPORATION  
OF  
HALL'S CREEK NORTH SECTION I HOA, INC.  
(A NONPROFIT CORPORATION)

I, the undersigned individual, here by do make and acknowledge these Articles of Incorporation ("Articles") for the purpose of forming a nonprofit corporation under and by virtue of the laws of the State of North Carolina as contained in Chapter 55A of the General Statutes of North Carolina, entitled "North Carolina Nonprofit Corporation Act," and the several amendments thereto, and to that end do hereby set forth:

1. Name: The name of the Corporation is Hall's Creek North Section I HOA, Inc. (the "Corporation").

2. Duration: The period of duration of the Corporation shall be perpetual.

3. Definitions: As used in these Articles, the following definitions shall apply:

(a) Capitalized terms shall have the same meaning specified for such terms as more particularly set forth in the Declaration of Hall's Creek North Section I, and any amendments thereto (collectively, the "Declaration") recorded or to be recorded in the office of the Register of Deeds of Onslow County, North Carolina, unless such terms otherwise are specifically defined herein; and,

(b) References to the "North Carolina Nonprofit Corporation Act" shall mean Chapter 55A of the General Statutes of North Carolina; and,

(c) References to the "North Carolina Planned Community Act" shall mean Chapter 47F of the General Statutes of North Carolina; and,

(d) References to the "Code" shall mean the Internal Revenue Code of 1986, as amended; and,

(e) References to "Person" or "Persons" means any individual, group of individuals, corporation, partnership, limited liability company, or any other entity, including any combination thereof.

4. Purpose: The Corporation is organized and will be operated as a planned community under the North Carolina Planned Community Act for the following specific

purpose: To undertake and perform any and all activities, responsibilities, and obligations applicable to the Corporation set forth in the Declaration, the Corporation's Bylaws, and these Articles.

In order to achieve the foregoing purpose, the Corporation shall have the following power and authorities:

(a) To exercise all powers and rights and perform all of the acts and duties and obligations of the Corporation as more particularly described in the Declaration, the Bylaws and these Articles; and,

(b) To undertake any activity whatsoever that is in furtherance, directly or indirectly, of the purposes of the Corporation set forth above; and

(c) To take any and all action necessary and appropriate to qualify the Corporation under Code Section 528 and to elect that the Corporation be taxed under Code Section 528, if such qualification and election is determined by the directors of the Corporation to be in the best interests of the Corporation; and,

(d) To take any and all action necessary and appropriate to qualify the Corporation under Sections 105-125(a)(8) and 105-130.11(a)(11) of the General Statutes of North Carolina, if such Sections are applicable.

Provided, however, and notwithstanding any power or authority set forth above in this Article, the Corporation shall have the power and authority to engage only in activities that meet each of the following requirements:

(aa) Such activities are not broader than those activities that may be undertaken by a nonprofit corporation pursuant to the North Carolina Nonprofit Corporation Act; and,

(bb) Such activities are not broader than those activities that may be undertaken by the Corporation pursuant to the Declaration; and,

(cc) Such activities are not broader than those activities that may be undertaken by a planned community pursuant to the North Carolina Planned Community Act.

5. Initial Directors: The number of directors constituting the initial board of directors shall be three (3), and the names and addresses of the persons who shall serve as directors until successors shall be elected and qualified, are as follows:

- (a) Dewey L. Bordeaux, III  
2409 North Marine Boulevard  
Jacksonville, North Carolina 28546
- (b) Michelle Pelo  
2409 North Marine Boulevard  
Jacksonville, North Carolina 28546
- (c) James E. McCotter  
2409 North Marine Boulevard  
Jacksonville, North Carolina 28546

Subsequent Boards of Directors, the number of directors, their terms of office, and the method of their selection shall be provided for and determined as is set forth in the Bylaws of the Corporation.

6. Nonprofit Issues: The Corporation is not organized and shall not be operated for pecuniary gain or profit. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, directors, officers, or any other individuals, other than (A) reasonable compensation paid by the Corporation for services actually rendered or other value received, (B) by acquiring or providing management, maintenance, and care of any property as may be set forth in the Declaration and by undertaking any other responsibilities of the Corporation as set forth in the Declaration, the Bylaws, and these Articles, and (C) by rebating excess membership dues, fees, or assessments, if applicable, pursuant to Section 55A-13-02(b)(3) of the North Carolina Nonprofit Corporation Act.

7. Members: The Corporation shall have members, and the qualifications and rights of members shall be set forth in the Bylaws of the Corporation.

8. Dissolution: In the event of dissolution of the Corporation, any net assets remaining after the satisfaction of the Corporation's liabilities shall be transferred and delivered (A) to one (1) or more nonprofit corporations formed under the North Carolina Nonprofit Corporation Act, as shall be selected by the Board of Directors of the Corporation, that are organized generally for purposes similar or related to those set forth in Article 4 hereof, or (B) as otherwise permitted or required by law. The Corporation may be dissolved at any time, if such dissolution is undertaken consistent with the North Carolina Nonprofit Corporation Act and the North Carolina Planned Community Act, and with the required affirmative consent of not less than an eighty-five percent (85%) vote of all members of the Corporation entitled to vote.

9. Registered Office and Agent: The street address of the initial registered office of the Corporation is 1001 College Court, New Bern, Craven County, North Carolina 28562; the mailing address of the initial registered office of the Corporation is Post Office Box 867, New Bern, Craven County, North Carolina 28563; and the name of the initial registered agent at such address is WASLAW, LLC.

10. Principal Office: The street address of the Corporation's principal office is 2409 North Marine Boulevard, Jacksonville, Onslow County, North Carolina 28546; and the mailing address of the Corporation's principal office is PO Box 7287, Jacksonville, Onslow County, North Carolina 28540.

11. Limitation on Personal Liability: To the fullest extent provided by law, no director of the Corporation shall be personally liable for monetary damages arising out of an action, whether by or in the right of the Corporation or otherwise, for breach of any duty as a director.

12. Duty and Obligation of Corporation to accept Transfers: Notwithstanding any other provision of these Articles and the Corporation's Bylaws, the Corporation shall have the duty and obligation to perform the following acts:

Subject to the terms and conditions of applicable provisions in the Declaration regarding the Permit and Stormwater Management Facilities, or the Permit itself: (a) to accept transfer of (i) the Permit from the Declarant and (ii) Declarant's responsibilities under the Permit upon tender of the transfer of such responsibilities by Declarant to the Corporation, (b) to take any and all actions necessary to be done by the Corporation regarding the Permit (including without limitation, amending these Articles or the Corporation's Bylaws), and (c) to execute all documents required to be executed by the Corporation in order to allow such transfers to occur.

13. Architectural Control Committee: The Declaration sets forth the appointment and the members of the Architectural Control Committee of the Corporation ("Committee"). The Committee shall have the powers as set forth in the Declaration. Amendment of the provisions of the Declaration dealing with the Committee shall be done as provided in the Declaration.

14. Disapproval Power of Declarant: Pursuant to the authority granted in Section 55A-8-01(c) of the North Carolina Nonprofit Corporation Act, the Declarant shall have disapproval power over all actions taken by the Board of Directors of the Corporation or by any

committee of the Corporation as may have been appointed by the Board or established by the Bylaws or the Declaration. The Declarant's disapproval power shall begin as of the incorporation date of the Corporation and shall end on the earlier to occur of: (a) the date that is fifteen (15) years after the date of incorporation of the Corporation, or (b) the date such right is relinquished by Declarant by a signed document recorded in the office of the Register of Deeds of Onslow County, North Carolina. During such time as the Declarant's disapproval power is in effect as set forth above, the Board of Directors and any committee of the Corporation shall communicate in writing by certified mail, return receipt requested, to the Declarant any and all action taken by the Board or committee, as applicable, within twenty-four (24) hours of taking action, and the Declarant shall have ten (10) business days after receipt of such communication in which to disapprove such action by delivering written notice of the Declarant's disapproval to the Secretary of the Corporation.

15. Declarant Approval of Changes to Articles of Incorporation and Bylaws:

No Amendment to these Articles and the Bylaws shall be effective and enforceable until approved in writing by the Declarant. This requirement of written approval by the Declarant of any proposed changes to the Articles or Bylaws shall begin as of the incorporation date of the Corporation and shall terminate on the earlier to occur of: (a) the date that is fifteen (15) years after the date of incorporation of the Corporation, or (b) the date such right is relinquished by Declarant by a signed document recorded in the office of the Register of Deeds of Onslow County, North Carolina.

16. Amendments to Articles of Incorporation: Amendment of these Articles may only be undertaken consistent with the applicable provisions of the North Carolina Nonprofit Corporation Act, and with the required affirmative consent of not less than a seventy-five percent (75%) vote of all of the members of the Corporation entitled to vote; subject, however, (a) to the Declarant's power to amend these Articles set forth below in Article 17 hereof, and (b) certain limitations on the voting rights of members of the Corporation on amendments to these Articles set forth in the Bylaws.

17. Declarant Power to Amend Articles of Incorporation and Bylaws: Until the amendment power of the Declarant terminates as is provided in this Article 17, the Declarant shall have the authority, instead of the Board of Directors having such authority as provided as is permitted in Section 55A-8-01(c) of the North Carolina Nonprofit Corporation Act, to amend the

Articles of Incorporation and the Corporation's Bylaws without the joinder or consent of any other Person if such amendment is required by any governmental agency for governmental approval, including, but not limited to, (a) compliance with any requirements imposed by any agency of the State of North Carolina with respect to the Permit or North Carolina Sedimentation and Erosion Control Permits; or (b) compliance with any rule or regulation of the Department of Housing and Urban Development, the Veterans Administration, or their successors. The Board of Directors shall not have the authority for such period either to amend these Articles to preempt Declarant's authority or to amend these Articles to preempt any action taken by Declarant in the exercise of Declarant's authority. The aforementioned right of the Declarant shall begin as of the incorporation date of the Corporation and shall terminate on the earlier to occur of: (aa) the date that is fifteen (15) years after the date of incorporation of the Corporation, or (bb) the date such right is relinquished by Declarant by a signed document recorded in the office of the Register of Deeds of Onslow County, North Carolina.

18. Incorporator: The name and address of the incorporator are: Adam M. Beaudoin, 1001 College Court, New Bern, North Carolina 28562.

IN TESTIMONY WHEREOF, I have hereunto set my hand, this the 31st day of May, 2006.



Adam M. Beaudoin

INCORPORATOR

Please Return To:

Adam M. Beaudoin  
Ward And Smith, P.A.  
1001 College Court  
New Bern, North Carolina 28562

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