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State of North Carolina



Department
of the
Secretary of State

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GEORGE E. TATUM
REGISTER OF DEEDS
CUMBERLAND 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 (4 sheets) to be a true copy of

ARTICLES OF INCORPORATION

OF

HIGHLAND PLACE OWNERS' ASSOCIATION, INC.

and the probates thereon, the original of which was filed in this office on the 22nd day of December 19⁸⁷, 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 22nd day
of December in the year of our Lord 19⁸⁷.




Secretary of State

Prepared by Richard M. Lewis, Jr.

ARTICLES OF INCORPORATION
OF
HIGHLAND PLACE OWNERS' ASSOCIATION, INC.

I, the undersigned, being a natural person of full age, make these Articles of Incorporation for the purpose of forming a nonprofit corporation pursuant to the provisions of Chapter 55A of the North Carolina General Statutes.

ARTICLE I
NAME

The name of the corporation is Highland Place Owners' Association, Inc.

ARTICLE II
DURATION

The period of duration of the corporation shall be perpetual.

ARTICLE III
PURPOSES

The purposes for which the corporation is organized are:

(a) To provide for the management, maintenance, preservation, administration and operation of Highland Place Office Condominium, a condominium organized pursuant to Chapter 47C of the North Carolina General Statutes, the North Carolina Condominium Act, as set forth in that certain Declaration of Condominium to be recorded in the Office of the Register of Deeds for Cumberland County, North Carolina (the "Declaration").

(b) To promote the health, safety and welfare of the "Owners" (as defined in the Declaration) within the jurisdiction of this corporation.

(c) To engage in any and all lawful activities incidental to the foregoing purposes, except as restricted herein.

ARTICLE IV
POWERS

In order to carry out the purposes for which this corporation has been formed, the corporation shall have all of the powers set forth in Chapter 55A and Chapter 47C of the North Carolina General Statutes including, but not by way of limitation, the power:

(a) To exercise all of the privileges and powers and to perform all of the duties and obligations of the corporation as set forth in the Declaration and the By-Laws attached thereto;

(b) To fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration and Chapter 47C of the North Carolina General Statutes, the North Carolina Condominium Act; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the corporation;

(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 corporation;

(d) To borrow money, and with the consent of eighty percent (80%) of the allocated interest of the membership, to mortgage, pledge, grant a deed of trust or hypothecate any or all of the Common Elements as security for money borrowed or debts incurred subject to the property rights of the members of the corporation as provided in the Declaration and the By-Laws attached thereto;

(e) To dedicate, sell or transfer all or any part of the Common Elements (as defined in the Declaration) to any public agency, authority or utility for

such purposes and subject to such conditions as may be agreed upon by the members of the corporation as provided in the Declaration and the By-Laws attached thereto.

ARTICLE V NO PECUARY GAIN

This corporation is a nonprofit corporation, and no part of the net earnings (if any) of the corporation shall inure to the pecuniary benefit of its members, officers, or directors.

ARTICLE VI MEMBERSHIP AND VOTING RIGHTS

Membership in the corporation shall be limited to the owners (the "Owners") of condominium units (the "Units") in the Highland Place Office Condominium, and every Owner of a Unit shall automatically be a member of the corporation. Members shall not include persons or entities who hold an interest merely as security for the payment or performance of an obligation. Membership in the corporation shall be appurtenant to and may not be separated from Unit ownership.

Each Member shall be entitled to cast that number of votes for each Unit owned by such Member equal to the percentage interest in the Common Elements allocated to such Unit by the Declaration. In the event fee simple title to a Unit is owned of record by more than one person or entity, all such persons or entities shall be Members of the Association, but the votes with respect to any such jointly owned Unit shall be cast as hereinafter provided.

If the fee simple title to any Unit is owned of record by two or more persons or entities (whether individually or in a fiduciary capacity), the votes with respect to any such jointly owned Unit may be cast by any one of the joint Owners in person or by proxy, except that the holder or holders of a life estate in a Unit shall have the sole right to cast the votes allocated to the Unit. If more than one of the joint Owners vote or more than one life estate holder in a Unit vote, the unanimous action of all joint Owners or joint life estate holders voting shall be necessary to effectively cast the votes allocated to the particular Unit. Such unanimous action shall be conclusively presumed if any one of such multiple Owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other of such joint Owners.

In no event may the votes which may be cast with respect to any Unit be divided among joint Owners of the Unit or cast in any manner other than as a whole, it being the intention that there be no "splitting" of votes that may be cast by any Member or Members.

ARTICLE VII REGISTERED AGENT AND OFFICE

The address of the initial registered office in the State of North Carolina is 330 Dick Street, Fayetteville, Cumberland County, North Carolina, 28301, and the name of the initial registered agent at such address is Richard M. Lewis, Jr.

ARTICLE VIII EXECUTIVE BOARD

The affairs of the corporation shall be managed by an Executive Board of five (5) members who need not be members of the corporation. The number of members of the Executive Board may be changed by amendment of the By-Laws of the corporation. The number of persons constituting the initial Executive Board is three (3) and the names and address of the persons who are to act as initial members of the Executive Board until the first annual meeting of the members or until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
Graham A. Bell	425 Charlotte Drive Fayetteville, North Carolina 28305
William A. Maxwell	100 Bradford Avenue Fayetteville, North Carolina 28305

Richard M. Lewis, Jr.

330 Dick Street
Fayetteville, North Carolina 28301

The initial Board shall serve until their successors are elected or appointed at the first Annual Membership Meeting. Each Director elected by the Membership to replace an initial Director upon the expiration of his term of office shall serve for a term of office ending with the third Annual Meeting of members following his election or until his successor shall be elected and qualify. The Executive Board shall be appointed by the Declarant until the earlier to occur of (i) one hundred twenty (120) days after conveyance of Units, to which seventy-five percent (75%) of the total percentage of the ownership appertain; or (ii) two years after the Declarant ceases to offer any Units for sale in the ordinary course of business; or (iii) two years after any development right to add new units was exercised, at which time, the Unit Owners shall elect at least five (5) Directors, three (3) of whom must be Unit Owners. Provided however, that no later than sixty (60) days after conveyance of Units to which twenty-five percent (25%) of the total percentage of ownership appertain to Unit Owners other than the Declarant, at least one (1) Member, and not less than twenty-five percent (25%) of the Directors shall be elected by Unit Owners other than the Declarant. Provided further that not later than sixty (60) days after conveyance of Units to which fifty percent (50%) of the total percentage of ownership appertain to Unit Owners other than the Declarant, not less than thirty-three percent (33%) of the Directors shall be elected by Unit Owners other than the Declarant. At such time as the Membership controls the election of a majority of the Executive Board, the number of Directors shall become at least five (5). The two (2) additional Directors shall be initially elected for terms not to exceed three (3) years which shall best give balance to the Board for staggered terms. Thereafter, each Director shall serve staggered terms of three (3) years each.

ARTICLE IX AMENDMENTS

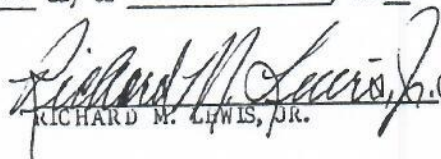
These Articles may be amended only by the vote of the Owners of Units to which at least fifty percent (50%) of the ownership of the Association is allocated. Provided, however, where a larger vote in the Association is required for the Association to take or refrain from taking a specific action, as set forth in the Condominium Documents, no amendment of these Articles shall be made unless and until the Owners holding such larger percentage of the vote in the Association approve said amending instrument. No amendment to these Articles shall be adopted or passed which shall impair or prejudice the rights and priorities of any Mortgagee without the consent of such Mortgagee. No amendment to these Articles shall be adopted or passed which shall impair or prejudice the rights of Declarant provided for in the Condominium Documents, without the consent of Declarant.

No amendment of these Articles, By-Laws and Declaration shall be effective until prepared, executed and certified on behalf of the Association by any officer designated for that purpose by the Executive Board or, in the absence of designation, by the President of the Association, and recorded in the Office of the Register of Deeds of Cumberland County, North Carolina.

ARTICLE X INCORPORATOR

The name and address of the incorporator is: Richard M. Lewis, Jr., 330 Dick Street, Fayetteville, North Carolina, 28301.

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal, this 17th day of December, 1987.

 (SEAL)
RICHARD M. LEWIS, JR.

NORTH CAROLINA

CUMBERLAND COUNTY

This is to certify that on this 17th day of December, 1987, before me Jacqueline S. Wolfe, a Notary Public of Cumberland County, North Carolina, personally appeared RICHARD M. LEWIS, JR., who executed the foregoing Articles of Incorporation of Highland Place Owners' Association, Inc., and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this 17th day of December, 1987.

Jacqueline S. Wolfe
NOTARY PUBLIC

MY COMMISSION EXPIRES: 8/13/90

NORTH CAROLINA

CUMBERLAND COUNTY

The foregoing or annexed certificate of _____
Notary Public is certified to be correct.

This instrument was presented for registration and recorded in this Office
at Book _____, Page _____.

This, the _____ day of _____, 1987, at _____ o'clock _____ m.

GEORGE B. TATUM
Register of Deeds

BY: _____
Deputy Register of Deeds

North Carolina: Cumberland County

Received 12 day of Jan 1988 at 2 PM

Recorded 12 day of Jan 1988 Book 3350 Page 654

George B. Tatum, Register of Deeds