

STATE OF NORTH CAROLINA
DEPARTMENT OF THE SECRETARY OF STATE

ARTICLES OF INCORPORATION
OF
HERITAGE SPRING HOMEOWNERS ASSOCIATION, INC.

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 HERITAGE SPRING HOMEOWNERS ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II
INITIAL REGISTERED OFFICE

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

327 Hillsborough Street, Raleigh, North Carolina 27603 County: Wake County

ARTICLE III
INITIAL REGISTERED OFFICE MAILING ADDRESS

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

327 Hillsborough Street, Raleigh, North Carolina 27603

ARTICLE IV
INITIAL REGISTERED AGENT

The name of the initial registered agent of the Association is Corporation Service Company.

ARTICLE V
INCORPORATOR

Henry W. Jones, Jr. at P. O. Box 10669, Raleigh, Wake County, North Carolina 27615, 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:
1951 Clark Avenue, P. O. Box 10669, Raleigh, North Carolina 27615 County: Wake 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 12187, Page 1392, Wake 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 12187, Page 1392, in the Office of the Register of Deeds of Wake 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 Wake Forest, 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 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 it has been approved by two-thirds (2/3) of each class of 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 Owners of Lots, with the exception of Declarant until such time as Declarant's Class B Membership is converted to Class A Membership as provided in this Article. A Class A Member shall be entitled to one (1) vote for each Lot owned by such Class A Member at the time notice is given of the particular meeting at which Class A membership votes are eligible to be cast. Provided, when two (2) or more Persons own or hold interests in any Lot, all such Persons shall be Class A Members, and the one (1) vote for such Lot shall be exercised as they, among themselves determine (including the division thereof into fractional votes), but in connection with any

particular vote no more than one Class A membership (1) vote shall be cast with respect to each Lot.

Class B. Class B Member shall be the Declarant. The Class B Member shall be entitled to seven (7) votes for each Lot owned by the Class B Member at the time notice is given of the particular meeting at which the Class B votes are eligible to be cast.

The Class B Membership shall terminate and be converted to Class A Membership upon the happening of the first to occur of the following:

(a) when the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership. Provided, however, and notwithstanding anything to the contrary that may appear herein or in the Declaration, if at any time prior to January 1, 2021, the Class B Membership terminates for the foregoing reason and thereafter Declarant, pursuant to Section 2 of Article II of the Declaration, annexes Additional Property to the Declaration such that, following such annexation, if votes are allocated to the Lots owned by Declarant at the rate of seven (7) votes per Lot Declarant's total outstanding votes would exceed the total outstanding votes of the Class A Members, the Class B Membership shall be reinstated until such time as it again terminates due to one of the events of termination stated herein. Prior to January 1, 2021 or the voluntary termination of the Class B Membership by Declarant, whichever first occurs, there shall be no limitation on the number of times the Class B Membership may be terminated and be reinstated in accordance with the provisions of this paragraph (a); or

(b) voluntary termination by Declarant; or

(c) January 1, 2021.

Membership shall be appurtenant to and may not be separated from ownership of any Lot, and the Board may make reasonable rules relating to the proof of ownership of a Lot, including delivery to the office of the Association of a photocopy of the Owner's Deed.

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>
Jim Hunt	21400 Ridgetop Circle Sterling, VA 20166

Mike Bynum

21400 Ridgetop Circle
Sterling, VA 20166

Mike Milhaupt

2272 Research Blvd., Suite 500
Rockville, MD 20850

ARTICLE XI **DISSOLUTION**

The Association shall be dissolved (i) upon the termination of this Declaration, or (ii) upon the written assent given in writing and signed by not less than two-thirds (2/3) of the Members of each class of membership and, for so long as Declarant is the Owner of any Lot, the written assent of Declarant, or (iii) upon such more restrictive or additional conditions and in such manner as otherwise provided by the laws of the State of North Carolina. Upon dissolution or insolvency of the Association or upon loss of ownership of the Common Area (once such ownership has been acquired) by the Association for any reason whatsoever (except for exchange or dedication or conveyance of any part or all of the Common Area as allowed by this Declaration or by reason of merger and/or consolidation with any other association as allowed by this Declaration), any portion of the Common Area not under the jurisdiction of and being maintained by another association substantially similar to the Association, together with all other assets of the Association, shall be offered to the town of Wake Forest, North Carolina, or to some other appropriate governmental entity or public agency (as determined by the Board) to be dedicated for public use for purposes similar to those which the Common Area and such assets were required to be devoted by the Association. If the town of Wake Forest or such other appropriate governmental entity or public agency accepts the offer of dedication, such portion of the Common Area and assets shall be conveyed by the Association to the town of Wake Forest or such other appropriate governmental entity or public agency, subject to the superior right of the Owner of each Lot to an easement (if necessary) for reasonable ingress and egress to the and from such Owner's Lot and the public or private street(s) on which such Lot is located, and subject to all other applicable rights of way and easements and subject to ad valorem property taxes subsequent to the date of such conveyance.

In the event that the town of Wake Forest or such other appropriate governmental entity or public agency refuses the offer of dedication and conveyance, the Association may transfer and convey such Common Area and assets to any nonprofit corporation, association, trust or other entity which is or shall be devoted to purposes and uses that would most nearly conform to the purposes and uses to which the Common Area was required to be devoted by this Declaration, such conveyance to be made subject to the rights of Owners and other matters set forth in the immediately preceding paragraph.

ARTICLE XII **DURATION**

The corporation shall exist perpetually.

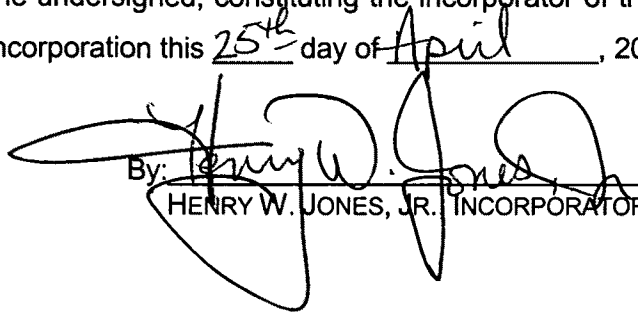
ARTICLE XIII
AMENDMENTS

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, have executed these Articles of Incorporation this 25th day of April, 2007.

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

STATE OF NORTH CAROLINA

COUNTY OF WAKE

On this 25th day of April, 2007, 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 HERITAGE SPRING HOMEOWNERS ASSOCIATION, INC. 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 HERITAGE SPRING HOMEOWNERS ASSOCIATION, INC..



Vanessa V. Hunter
NOTARY PUBLIC

My commission expires 7.22.09