

ARTICLES OF INCORPORATION OF THE
PENINSULA AT AMBERLY HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of Chapters 47F and 55A of the North Carolina General Statutes, the undersigned, a natural person of full age, has this day executed these Articles of Incorporation for the purpose of forming a non-profit corporation and hereby certifies as follows:

ARTICLE I
NAME

The name of the corporation is the **PENINSULA AT AMBERLY HOMEOWNERS ASSOCIATION, INC.** (hereinafter the "Association").

ARTICLE II
NONPROFIT QUALIFICATIONS AND
APPLICABILITY OF NORTH CAROLINA
PLANNED COMMUNITY ACT

This corporation does not contemplate pecuniary gain or profit to the members thereof and it is organized for nonprofit purposes. It is intended that this corporation (i) qualify as an exempt organization under the provisions of Chapter 55A of the North Carolina General Statutes, (ii) qualify as a homeowners association under the provisions of Section 528 of the Internal Revenue Code, and (iii) be bound by and comply with the terms and provisions of Chapter 47F of the North Carolina General Statutes (the "PCA"). No part of the net earnings of this corporation shall inure to the benefit of any private member or individual.

ARTICLE III
REGISTERED OFFICE AND INITIAL AGENT; PRINCIPAL OFFICE

The registered office of the Association is located at 4000 Westchase Boulevard, Suite 270, Raleigh (Wake County), North Carolina 27607. The name of the initial registered agent at such address is Robert B. Jones.

The initial principal office of the Association is located at 4000 Westchase Boulevard, Suite 270, Raleigh (Wake County), North Carolina 27607. The location of the registered and the principal offices of the Corporation may be changed by a majority vote of the Board of Directors.

ARTICLE IV
PURPOSE AND POWERS OF THE ASSOCIATION

This corporation is a not for profit corporation organized under the North Carolina Nonprofit Corporation Code. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the North Carolina Nonprofit Corporation Act, subject to the terms and limitations of the PCA. Its specific and primary purposes are to provide for the enforcement of the declaration of covenants, conditions and restrictions relating to, and the care, maintenance, preservation and architectural control of, certain real property in or about the planned development to be known as Peninsula at Amberly which will be located in Wake County and Chatham County, North Carolina, and to promote the health, safety and welfare of persons residing in said development. In furtherance of these purposes, but subject to the PCA, any restrictions in the declaration of covenants, conditions and restrictions (the "Declaration") to be recorded upon the real property comprising the development and in the duly adopted bylaws of this corporation, this corporation shall have all powers granted and permitted pursuant to the terms of the Act, including the following:

- (a) to exercise all of the powers and privileges and to perform all of the duties and obligations of this corporation as set forth in the aforesaid declaration;
- (b) to fix, levy, collect, and enforce payment by any lawful means of, charges and assessments;
- (c) to pay all expenses of the business of this corporation, including all license and permit fees, taxes and other governmental charges levied or imposed against this corporation or the property of this corporation;
- (d) 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 this corporation;
- (e) to borrow money, and mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (f) to compromise, settle, release and otherwise adjust claims, demands, causes of actions and liabilities in favor of the corporation and the owners, or on behalf of the corporation and owners, as the case may be, provided any such claim, demand, causes of action or liability arises out of or relates to a condition or defect common to all or a majority of the lots or improvements constructed thereon, or to the development, design, construction, condition, repair or maintenance of or damage or injury to or defect in the common area of the development or part thereof, and to make and receive all payment or other consideration necessary therefor or in connection therewith; and
- (g) to have and to exercise any and all powers, rights and privileges which a corporation organized under the North Carolina Nonprofit Corporation Act, and the PCA, by law may now or hereafter have or exercise.

No substantial part of the activities of this corporation shall consist of carrying on propaganda, or of otherwise attempting to influence legislation, and this corporation shall not

participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

ARTICLE V
FINANCE

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purpose of this corporation.

ARTICLE VI
MEMBERSHIP, VOTING RIGHTS AND ASSESSMENTS

This is a non-stock corporation. The authorized number and qualifications of members of this corporation, the different classes of membership, if any, the property, voting rights and privileges of members, the liability of members for assessments, and the method of collection thereof shall be as set forth in the Declaration referenced in Article IV hereof and in bylaws to be adopted by the directors of this corporation.

ARTICLE VII
MANAGEMENT OF THE ASSOCIATION

The affairs of the Association shall be managed by an initial Board of three (3) Directors. The persons who are to act in the capacity of Directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Robert B. Jones	4000 Westchase Boulevard, Suite 270 Raleigh, North Carolina 27607
David L. Guy	11600 North Community House Road, Suite 200 Charlotte, North Carolina 28277
Joseph Cebina	4000 Westchase Boulevard, Suite 270 Raleigh, North Carolina 27607

ARTICLE VIII
BYLAWS

The initial Board of Directors of this corporation shall have the power to adopt Bylaws for this corporation.

ARTICLE IX
DISSOLUTION

This corporation may be dissolved only in strict compliance with the provisions of the PCA. Upon dissolution of this corporation, 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 corporation was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE X
DURATION

The period of existence of the Association is perpetual.

ARTICLE XI
AMENDMENTS

Any amendment of these Articles shall require the approval of the Board of Directors and the vote or written consent of not less than sixty-seven percent (67%) of the voting power of this corporation.

ARTICLE XII
INCORPORATOR

The name and address of the incorporator is as follows:

Michael F. King

4350 Lassiter at North Hills Avenue
Suite 300 (27609)
Post Office Box 17047
Raleigh, North Carolina 27619-7047

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal, this the 2nd day of February, 2006.

Michael F. King (Seal)
Michael F. King
Incorporator

STATE OF NORTH CAROLINA -- Wake COUNTY:

I, Natalie M. Francis, a Notary Public for said County and State, do hereby certify that Michael F. King personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this the 2 day of February, 2006.

Natalie M. Francis

