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Mail to: SMITH MOORE LLP  
PO Box 21927  
Greensboro, NC 27420 (gws)



# NORTH CAROLINA

## Department of The Secretary of State

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

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### ARTICLES OF INCORPORATION

OF

**ASHLEY WOODS, SECTION III HOMEOWNERS ASSOCIATION, INC.**

the original of which was filed in this office on the 14th day of February, 2008.



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Fee Amt: \$42.00 Page 1 of 11  
Alamance, NC  
DAVID J.P. BARBER REGISTER OF DEEDS  
BK **2682** PG **628-638**



**2008018290**  
GUILFORD CO, NC FEE \$42.00  
PRESENTED & RECORDED:  
03-12-2008 02:48:25 PM  
JEFF L. THIGPEN  
REGISTER OF DEEDS  
BY: DEBORAH CITY  
ASSISTANT-08

BK: R 6862  
PG: 486-496



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 14th day of February, 2008

*Elaine F. Marshall*

Secretary of State

11/42

**ARTICLES OF INCORPORATION**

**OF**

**ASHLEY WOODS, SECTION III HOMEOWNERS ASSOCIATION, INC.**

In compliance with the requirements of Chapter 55-A 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:

**ARTICLE I**

The name of the corporation is Ashley Woods, Section III Homeowners Association, Inc. hereinafter called the "Association."

**ARTICLE II**

The principal and registered office of the Association is located at 925 Burlington Avenue, Gibsonville, Alamance County, North Carolina 27249.

**ARTICLE III**

Kevin D. Sasser, whose address is 925 Burlington Avenue, Gibsonville, Alamance County, North Carolina 27249, is hereby appointed the initial registered agent of this Association.

**ARTICLE IV**

**PURPOSE AND POWERS OF THE ASSOCIATION**

The Association does not contemplate pecuniary gain or profit to the Members thereof and no part of the Association's net income shall inure to the benefit of any of its Officers, Executive Board members or Members or any other private individual. The purposes and objects of the Association shall be to provide for administration, maintenance, preservation and architectural control of the Lots and Common Elements within that certain tract of property described as follows:

Lying and being in Alamance County and Guilford County, North Carolina, and being more particularly described on Exhibit A attached hereto and incorporated herein by reference or so much thereof as may be brought with the jurisdiction of the Association and any additional property which may hereafter be brought within the jurisdiction of this Association (the "Properties");

and to promote the health, safety and welfare of the residents within the above described property, in accordance with the terms and conditions of that certain Declaration of Covenants, Conditions and Restrictions for Ashley Woods, Section III (hereinafter called the "Declaration"; unless otherwise defined, capitalized terms shall have the same meaning as set forth in the

Declaration), now or hereafter made applicable to the Properties and recorded or to be recorded in the Offices of the Register of Deeds of Alamance County and Guilford County, North Carolina, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length and for this purpose 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 the Declaration.

(b) fix, levy, collect and enforce payment of, 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 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 or personal property in connection with the affairs of the Association.

(d) borrow money, and in accordance with the terms and conditions of the Declaration, 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) dedicate or transfer non-exclusive easements on, over and upon all or any part of the Common Elements for such purposes and subject to such conditions as may be agreed to by the Association's Executive Board; provided, however, no such dedication or transfer shall be effective unless an instrument executed on behalf of the Association by its duly authorized Officers, agreeing to such dedication or transfer, has been recorded.

(f) pursuant to Section 47F-3-112 of the Planned Community Act and with the consent of the Members entitled to cast at least eighty percent (80%) of the votes of the Association (including two-thirds of the votes of the Members present at a meeting of the Members held in accordance with the Bylaws of the Association, such vote including at least a majority of the votes of the Members present other than Declarant), to dedicate or transfer fee title to all or any part of the Common Elements for such purposes and subject to such conditions as may be agreed to by the Members consenting to such dedication or transfer; provided, however, during Declarant's Development Period (as defined in the Declaration), Declarant (as defined in the Declaration), must also consent to such action and, further provided that no such dedication or transfer shall interfere with or obstruct utility service to, or ingress, egress and regress to or from, the Lots or any remaining Common Elements or cause any Lot or any remaining Common Elements to fail to comply with applicable laws, regulations or ordinances.

(g) participate in mergers and consolidations with other non-profit corporations organized for the same purposes provided that any such merger or consolidation shall have the assent of the Members entitled to cast at least two-thirds (2/3) of all outstanding votes.

(h) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of North Carolina by law may now or hereafter have or exercise.

## ARTICLE V

### MEMBERSHIP

The qualification of the Members and the manner of their admission to Membership and termination of such Membership shall be as follows:

1. All Owners shall be Members of the Association, and no other person or entity shall be entitled to Membership.

2. Membership shall be established by the acquisition of fee title to a Lot, or by acquisition of a fee ownership interest therein, whether by conveyance, devise, judicial decree or otherwise, and the Membership of any party shall be automatically terminated upon such party being divested of all title to or such party's entire fee ownership interest in any Lot, except that nothing herein contained shall be construed as terminating the Membership of any party who may own two or more Lots, or who may own a fee ownership interest in two or more Lots, so long as such party shall retain title to or a fee ownership interest in any Lot.

3. The interest of a Member in the funds and assets of the Corporation cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to such Member's Lot. The funds and assets of the Association shall belong solely to the Association subject to the limitation that the same be expended, held or used for the benefit of the Membership and for the purposes authorized herein, in the Declaration and in the Bylaws which may be hereafter adopted.

## ARTICLE VI

### VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A: The Class A Members shall be every person or entity who or which is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, except for Declarant or any affiliated entity, during any Period of Declarant Control. Class A Members shall be entitled to one (1) vote for each Lot owned.

Class B: Declarant shall be the Class B Member and Declarant shall be entitled to three (3) votes for each lot shown on the "Master Plan," as defined in the Declaration, as developed or to be developed as a part of Ashley Woods, Section III which has not been conveyed by Declarant or any affiliated entity, to a Class A Member. The Class B membership shall

cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership; however, the Class B membership shall be reinstated if thereafter, and before the time stated in subparagraph (b) below, the Master Plan is amended to add additional lots developed or to be developed as a part of Ashley Woods, Section III sufficient to give the Class B membership a total number of votes (with the Class B membership entitled to three (3) votes for each lot shown on the Master Plan as developed or to be developed as a part of Ashley Woods, Section III which has not been conveyed by Declarant or an affiliate of Declarant to a Class A Member) greater than those of the Class A membership; or,

(b) ten (10) years from the date this Declaration is recorded in the Offices of the Register of Deeds, Alamance County and Guilford County, North Carolina.

Except as otherwise provided above, on all matters which the Membership shall be entitled to vote, the Member(s) owning each Lot shall be entitled to one (1) vote. The vote of each Lot may be cast or exercised by the Owner or Owners of each Lot in such manner as may be provided in the Bylaws hereafter adopted by the Corporation.

#### ARTICLE VII

#### EXECUTIVE BOARD

The affairs of this Association shall be managed by an Executive Board the members of which need not be Members of the Association. During any Period of Declarant Control (as defined in the Declaration), Declarant shall have the right to appoint all of the members of the Executive Board. Declarant shall from time-to-time notify the Association in writing of the names and addresses of the members of the Executive Board appointed by Declarant. Except as otherwise provided in the Bylaws with respect to the filling of vacancies, any members of the Executive Board which Declarant is not entitled to designate or select shall be elected by the Members of the Association. The number of members of the first Executive Board shall be three (3). The number of Executive Board members on subsequent Boards shall be as set forth in the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of Executive Board members until the selection of their successors are:

<u>Names</u>	<u>Addresses</u>
Kevin D. Sasser	925 Burlington Avenue Gibsonville, North Carolina 27249
D. Scott Teeters	925 Burlington Avenue Gibsonville, North Carolina 27249
Jimmy D. Sasser	925 Burlington Avenue Gibsonville, North Carolina 27249

## ARTICLE VIII

### DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the Members entitled to cast not less than eighty percent (80%) of the votes of the Association; provided, however, the Association may not be dissolved during Declarant's Development Period without Declarant's prior written consent. Upon dissolution of the Association, 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 Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to a non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

## ARTICLE IX

### DURATION

The corporation shall exist perpetually.

## ARTICLE X

### AMENDMENTS

These Articles may be amended, at a regular or special meeting of the Members at which a quorum is present, by a vote of (i) two-thirds of the votes cast, or (ii) a majority of the votes entitled to be cast on the amendment, whichever is less, provided, however, no amendment purporting to revoke or curtail any right herein conferred to Declarant shall be effective unless executed by Declarant, and no amendment relating to the maintenance or ownership of any permanent detention or retention pond shall be effective unless reviewed and approved by the governmental office having jurisdiction for watershed protection. Notwithstanding the foregoing, Declarant may at anytime unilaterally amend these Articles to terminate or restrict any right reserved hereunder by Declarant and Declarant, during Declarant's Development Period, may unilaterally amend these Articles to make any changes required by the VA, the FHA, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation or any other private or governmental insurer of residential mortgage loans in order to obtain the

approvals necessary for purchasers of Lots to obtain financing insured by any of the foregoing mortgage insurers, or to make any changes deemed by Declarant to be necessary to carry out and effectuate the orderly development of the Properties as intended by Declarant.

#### ARTICLE XI

#### INDEMNIFICATION

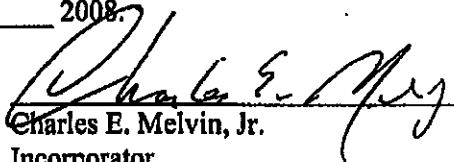
Every person who is or shall be or shall have been a member of the Executive Board or Officer of the Association and such Member's or Officer's personal representative shall be indemnified by the Association against all costs and expenses reasonably incurred by or imposed on such Member or Officer in connection with or resulting from any action, suit or proceeding to which such Member or Officer may be made a party by reason of such Member or Officer being or having been a member of the Executive Board or Officer of the Association or any subsidiary or affiliate thereof, except in relation to such matters as to which such Member or Officer shall finally be adjudicated in such action, suit or proceeding to have acted in bad faith or to have been liable by reason of willful misconduct in the performance of such Member's or Officer's duty as such member of the Executive Board or Officer. For purposes of this provision, "costs and expenses" shall include, without limiting the generality thereof, attorneys' fees, damages and reasonable amounts paid in settlement. Nothing contained in these Articles shall be deemed to eliminate or reduce the protection from personal liability granted to members of the Executive Board by the North Carolina Nonprofit Corporation Act and by the Articles of Incorporation of the Association.

#### ARTICLE XII

#### INCORPORATOR

The name and address of the incorporator are as follows: Charles E. Melvin, Jr., Smith Moore LLP, 300 North Greene Street, Suite 1400, Greensboro, North Carolina 27401.

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal, this 8th day of Feb. 2008.

 (SEAL)  
Charles E. Melvin, Jr.  
Incorporator

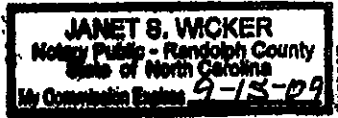
NORTH CAROLINA  
Guilford COUNTY

I certify that the following person personally appeared before me this day, acknowledging to me that he or she signed the foregoing document: Charles E. Melvin, Jr.

Today's Date: Feb. 8, 2008

Janet S. Wicker  
[Notary's signature as name appears on seal]

Janet S. Wicker  
[Notary's printed name as name appears on seal]



My commission expires: Sept. 15, 2009

[Affix Notary Seal in Space Above]

## EXHIBIT A

BEGINNING at a found iron pipe, control corner, located in the western line of Lot 123, Ashley Woods Subdivision Section II, Plat Book 36, at page 196, Alamance County Registry and in the northern line of property now or formerly owned by Stonemor North Carolina, LLC, in Deed Book 2371, at Page 583, Alamance County Registry; thence along the northern line of Stonemor North Carolina LLC, South 45° 39' 42" West 351.28 feet to a set iron pin located in the northeastern line of property now or formerly owned by Abbey Glen Condominiums, LLC by deed filed in Book 6759, at Page 1320, Guilford County Registry and Book 2599, at Page 663, Alamance County Registry; thence with the northern line of Abbey Glen Condominiums, LLC the following thirty five bearing breaks; South 61° 31' 32" West 147.03 feet to a set iron pin; South 61° 41' 10" West 330.24 feet to a set iron pin; South 61° 37' 34" West 328.78 feet to a set iron pin; South 61° 40' 45" West 328.52 feet to a set iron pin; South 61° 40' 46" West 329.47 feet to a bent found iron pipe; South 61° 47' 24" West 326.92 feet to a set iron pin; South 61° 40' 13" West 42.33 feet to a set iron pin; North 81° 50' 13" West 75.66 feet to a set iron pin; North 65° 41' 23" West 64.92 feet to a set iron pin; South 78° 55' 31" West 11.93 feet to a set iron pin; North 45° 50' 51" West 31.13 feet to set iron pin; North 81° 29' 34" West 52.61 feet to a set iron pin; North 42° 51' 15" West 14.67 feet to a set iron pin; North 81° 44' 35" West 33.71 feet to a set iron pin; North 56° 43' 22" West 12.80 feet to a set iron pin; North 43° 36' 46" West 31.27 feet to a set iron pin; South 46° 47' 55" West 35.63 feet to a set iron pin; South 86° 29' 48" West 133.10 feet to a set iron pin; North 78° 22' 38" West 54.13 feet to a set iron pin; South 66° 24' 43" West 48.54 feet to a set iron pin; South 36° 18' 16" West 38.26 feet to a set iron pin; South 75° 29' 02" West 36.05 feet to a set iron pin; North 70° 25' 49" West 15.73 feet to a set iron pin; South 43° 56' 22" West 18.37 feet to a set iron pin; North 38° 59' 17" West 50.70 feet to a set iron pin; North 15° 55' 28" East 32.81 feet to a set iron pin; North 15° 14' 32" West 31.86 feet to a set iron pin; North 08° 47' 02" East 37.57 feet to a set iron pin; North 31° 44' 06" East 33.17 feet to a set iron pin; North 60° 42' 24" East 36.60 feet to a set iron pin; North 13° 17' 54" West 38.99 feet to a set iron pin; North 61° 35' 21" East 46.46 feet to a set iron pin; North 17° 23' 33" East 18.74 feet to a set iron pin; North 26° 18' 40" West 52.97 feet to a set iron pin; North 05° 41' 17" East 26.54 feet to a found iron pipe located in the eastern line of property now or formerly owned by Nannie Dodson by deed filed in Book 2961, at Page 656, and Book 1980 at Page 172, Guilford County Registry; thence continuing along the eastern line of Nannie Dodson, the following twenty four bearing breaks: North 49° 02' 39" East 77.24 feet to a set iron pin; North 30° 28' 39" East 37.32 feet to set iron pin, North 38° 43' 21" West 10.64 feet to a set iron pin, South 68° 02' 27" West 18.34 feet to a set iron pin, North 65° 25' 14" West 36.00 feet to a set iron pin, North 11° 41' 05" West 14.76 feet to a set iron pin, North 36° 56' 10" East 30.38 feet to a set iron pin, North 12° 05' 49" East 46.14 feet to a set iron pin, North 66° 47' 38" West 27.48 feet to a set iron pin, North 24° 51' 57" East 76.95 feet to a set iron pin, North 48° 55' 08" East 28.83 feet to a set iron pin, North 75° 44' 58" East 28.84 feet to a set iron pin, North 00° 40' 33" East 25.40 feet to a set iron pin, North 35° 34' 52" West 11.72 feet to a set iron pin, North 52° 29' 24" East 31.14 feet to a set iron pin, North 10° 13' 58" East 80.16 feet to a set iron pin, North 13° 53' 20" West 33.37 feet to a set iron pin, North 34° 10' 49" East 67.16 feet to a set iron pin, North 19° 10' 09" East 41.28 feet to a set iron pin, North 48° 08' 18" East 40.50 feet to a set iron pin,; North 16° 50' 28" East 61.41 feet to a set iron pin, North 74° 01' 37" East 48.52 feet to a set iron pin, North 23° 36' 02" East 68.35 feet to a set iron pin, and North 29° 24' 08" West 48.81 feet to a set iron pin located in the southern line of property now or formerly

owned by ViTim, LLC by deed filed in Book 5232, at Page 1307, Gullford County Registry; thence along the southern line of ViTim, LLC, the following forty nine bearing breaks: North 61° 59' 43" East 117.24 feet to a set iron pin; North 69° 46' 09" East 48.86 feet to a set iron pin, North 49° 05' 37" East 26.50 feet to a set iron pin, North 82° 09' 49" East 16.89 feet to a set iron pin, North 40° 01' 36" East 34.91 feet to a set iron pin, North 65° 17' 45" East 52.90 feet to a set iron pin, North 20° 53' 56" East 57.07 feet to a set iron pin, North 35° 22' 44" East 35.54 feet to a set iron pin, South 76° 20' 36" East 19.17 feet to a set iron pin, North 41° 30' 34" East 27.30 feet to a set iron pin, North 03° 24' 04" East 71.19 feet to a set iron pin, North 43° 53' 07" East 31.58 feet to a set iron pin, South 82° 02' 58" East 22.54 feet to a set iron pin, South 30° 11' 31" East 25.98 feet to a set iron pin, North 58° 55' 37" East 28.83 feet to a set iron pin, North 02° 48' 01" West 29.90 feet to a set iron pin, North 54° 00' 24" East 38.54 feet to a set iron pin, South 44° 38' 32" East 21.50 feet to a set iron pin, North 56° 23' 30" East 49.60 feet to a set iron pin, North 49° 11' 16" East 98.18 feet to a set iron pin, North 61° 35' 19" East 25.56 feet to a set iron pin, South 72° 23' 04" East 19.89 feet to a set iron pin, North 55° 31' 28" East 23.97 feet to a set iron pin, North 40° 06' 18" East 84.17 feet to a set iron pin; thence North 58° 42' 15" East 52.24 feet to a set iron pin, North 28° 18' 52" East 9.85 feet to a set iron pin, North 55° 18' 00" West 16.51 feet to a set iron pin, North 21° 02' 13" West 37.04 feet to a set iron pin, North 42° 40' 48" East 33.86 feet to a set iron pin, North 73° 35' 13" East 58.73 feet to a set iron pin, South 77° 14' 31" East 24.23 feet to a set iron pin, North 21° 11' 57" East 22.72 feet to a set iron pin, North 57° 12' 48" East 60.33 feet to a set iron pin, North 07° 02' 58" East 51.21 feet to a set iron pin, North 14° 52' 21" West 37.01 feet to a set iron pin, thence North 10° 10' 25" East 28.95 feet to a set iron pin, North 18° 56' 19" East 24.73 feet to a set iron pin, North 69° 04' 11" East 53.77 feet to a set iron pin, North 39° 44' 54" East 87.28 feet to a set iron pin, North 63° 44' 42" East 33.48 feet to a set iron pin, South 68° 18' 22" East 50.30 feet to a set iron pin, North 85° 52' 43" East 29.13 feet to a set iron pin, South 44° 51' 43" East 15.46 feet to a set iron pin, North 64° 01' 54" East 16.27 feet to a set iron pin, North 08° 59' 52" East 28.41 feet to a set iron pin, North 30° 21' 43" East 27.71 feet to a set iron pin, North 89° 33' 41" East 20.98 feet to a set iron pin, North 39° 31' 10" East 35.48 feet to a set iron pin, North 20° 09' 39" West 4.17 feet to a set iron pin in the western line of property now or formerly owned by Mabel L. Owen as recorded in Book 97, at page 727, Alamance County Registry; running thence with the western line of Mabel Owen, the following two bearing breaks: South 45° 16' 27" East 485.75 feet to a found iron pipe (control corner) and South 45° 17' 39" East 400.10 feet to a found iron pin (control corner) located at the northwestern corner of Lot 127 Ashley Woods Subdivision, Section II, Plat Book 36, Page 196, Alamance County Registry; thence with the western line of Lot 127, South 43° 59' 22" East 150.03 feet to a found iron pipe located at the northwestern corner of the 50' public right of way of Brookfield Drive; thence along the western right of way line of the 50' public right of way of Brookfield Drive, South 43° 56' 34" East 50.28 feet to a found iron pin located at the northwestern corner of Lot 126, Ashley Woods Subdivision, Section II, Plat Book 36, Page 196, Alamance County Registry; thence along the western line of Lot 126, South 44° 00' 43" East 100.12 feet to a found iron pin located at the northwestern corner of Lot 125, Ashley Woods Subdivision, Section II, Plat Book 36, Page 196, Alamance County Registry; thence along the western line of Lot 125, South 43° 46' 47" East 99.89 feet to a found iron pin located in the northwestern line of Lot 124 Ashley Woods Subdivision, Section II, Plat Book 36, Page 196, Alamance County Registry; thence along the western boundary line of Lot 124, the following three bearing breaks: South 45° 00' 25" East 23.09 feet to a found iron pin; South 43° 58' 11" East 76.83 feet to a set iron pin and South 44°

38' 11" East 28.54 feet to the POINT AND PLACE OF BEGINNING and containing 63.15 acres more or less as shown on a Boundary Survey Ashley Woods Subdivision Section III, prepared by Fleming.