

ARTICLES OF INCORPORATION  
OF  
LONDON FARMS HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of Chapter 55A of the North Carolina General Statutes, the undersigned, a natural person of full age, has this day executed these Articles of Incorporation and hereby certifies as follows:

ARTICLE I  
NAME

The name of the corporation is LONDON FARMS HOMEOWNERS ASSOCIATION, INC. (hereinafter the "Association").

ARTICLE II  
PRINCIPAL OFFICE AND INITIAL AGENT

The principal and registered office of the Association is located at **1032 Nichols Drive, Raleigh, Wake County, North Carolina 27605**. The location of the principal and registered office may be changed by a majority vote of the Board of Directors. The name of the initial registered agent at the above address is **Jerry D. Stoltz, Jr.**

ARTICLE III  
PURPOSE AND POWER OF THE ASSOCIATION

The Association does not contemplate a pecuniary gain or profit to the members thereof. The specific purposes for which the Association is formed are: (1) To own and maintain the Common Elements within the subdivision known as Landon Farms; (2) To provide for architectural control within Landon Farms; and (3) To promote the health, safety, and welfare of the residents within Landon Farms and any additions thereto as may hereafter be brought within the jurisdiction of the Association, and for these purposes to:

(a) Exercise all of the powers and privileges and to perform all duties and obligations of the Association as set forth in that certain Declaration of Master Covenants, Conditions and Restrictions for Landon Farms Subdivision, to be recorded in the Durham County Public Registry, as the same may from time to time be amended as provided therein, said Declaration and any amendments thereto (hereinafter individually and collectively referred to as "Declaration") being incorporated herein as if set forth at length;

(b) Fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration;

(c) Pay all expenses incurred in connection with collection of the charges and assessments set forth in subparagraph (b) above, and to pay 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 property owned by the Association;

(d) 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; provided, however, that all conveyances and transfers of common areas must be done in accordance with the code of ordinances of the Durham City Council, if legally required.

(e) Borrow money and, with the assent of members entitled to at least two-thirds (2/3) of the votes appurtenant to the Class A Lots and B Lots, (as defined in Article IV, Section 2 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, subject to the property rights of the members as provided in Article III of the Declaration;

(f) Dedicate, sell or transfer all or any part of the Common Elements to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed upon by the members. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to at least three-fourths (3/4) of the votes appurtenant to the Class A and B Lots, agreeing to such dedication, sale, or transfer. Notwithstanding anything herein to the contrary, the Common Elements shall be preserved to the perpetual benefit of the owners of the lots within Landon Farms Subdivision and shall not be conveyed except to the City of Durham or to another non-profit corporation for the aforementioned purposes;

(g) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any merger or consolidation shall have the consent of the members as provided in paragraph (f) above; and

(h) Have and exercise any and all powers, rights, and privileges which a corporation organized under the Non-Profit Corporation Act of the State of North Carolina by laws may now or hereinafter have or exercise.

#### ARTICLE IV FINANCE

The Association is a non-stock corporation and no part of the profits (if any) of the Association shall inure to the pecuniary benefit of its members or to any other person.

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HOWARD, STALLINGS, FROM & HUTSON, P.A.  
Attorneys at Law  
Raleigh, North Carolina

ARTICLE V  
MEMBERSHIP AND VOTING RIGHTS

Every person or entity who is a record owner of a fee or undivided fee interest in any lot 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 any obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

The voting rights of the membership shall be provided in the Declaration and By-Laws of the Association.

ARTICLE VI  
BOARD OF DIRECTORS

The affairs of the Association shall be managed by an initial Board of one (1) Director, who needs not be a member of the Association. The person who is to act in the capacity of the Director until the selection of his successor is:

<u>NAME</u>	<u>ADDRESS</u>
Jerry D. Stoltz, Jr.	1032 Nichols Drive Raleigh, North Carolina 27605

At the first annual meeting of the Association after which transition to homeowner control has taken place, the number of directors may be increased to five. At that meeting, the members may elect one director for a term of one year, two directors for terms of two years, and two directors for terms of three years. At each annual meeting thereafter, the members shall elect the number of directors needed to fill the vacancy or vacancies created by the director or directors whose terms is/are expiring to serve a term of three (3) years. The number of Directors may be changed by amendment of the By-Laws of the Association.

ARTICLE VII  
DISSOLUTION

The Association may be dissolved only upon the signed written assent of members entitled to at least three-fourths (3/4) of the votes appurtenant to the Class A and B Lots. Upon dissolution of the Association, other than the incident to a merger or consolidation, the assets of the Association shall be dedicated to the City of Durham to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any non-profit corporation, association, trust, or other organization to be devoted to such similar purposes.

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ARTICLE VIII  
DURATION

The period of existence of this corporation is perpetual.

ARTICLE IX  
AMENDMENTS

Amendments of these Articles shall require the assent of the members entitled to at least three-fourths (3/4) of the entire membership.

ARTICLE X  
FHA/VA APPROVAL

As long as there is Class B membership, the following actions require the prior approval of the Federal Housing Administration or the Veterans Administration; annexation of additional properties, mergers and consolidation, dissolution, mortgaging of Common Elements dedication of or otherwise deeding of Common Elements to person other than the Association, and amendment of these Articles.

ARTICLE XI  
INCORPORATOR

The name and address of the incorporator is as follows:

Jerry D. Stoltz, Jr.

1032 Nichols Drive  
Raleigh, North Carolina 27605

IN WITNESS WHEREOF, I, the undersigned incorporator have hereunto set my hand and seal this 12<sup>th</sup> day of September, 2001.

 (SEAL)  
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Jerry D. Stoltz, Jr. INCORPORATOR

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HOWARD, STALLINGS, FROM & HUTSON, P.A.  
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STATE OF NORTH CAROLINA

COUNTY OF WAKE

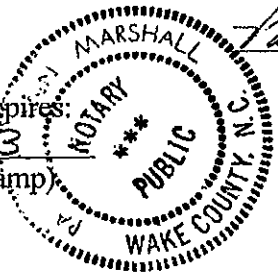
I, Patricia Ann Marshall a Notary Public in and for the said State and County, do hereby certify that JERRY D. STOLTZ, JR. personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal this the 12th day of September, 2001.

My Commission Expires:

10-22-03

(Notarial Seal or Stamp)



Patricia Ann Marshall  
Notary Public

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