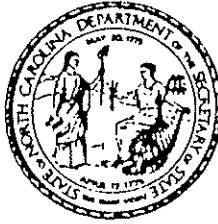


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Return to: R. Wilson
Paymet Spruce
P. O. Box 10096
Raleigh, NC

STATE OF
NORTH
CAROLINA



Secretary
Department of the
Secretary of State

To all whom these presents shall come, Greetings:

I, Rufus L. Edmisten, *Secretary of State of the State of North Carolina*, do hereby certify the following and hereto attached (8 sheets) to be a true copy of

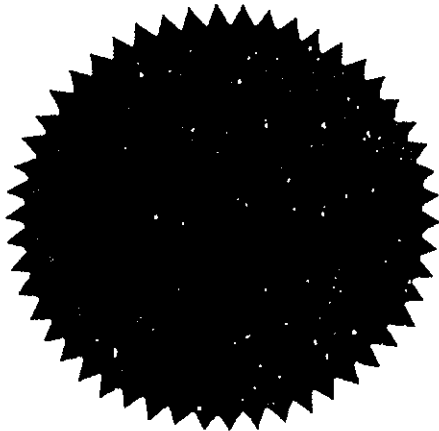
ARTICLES OF INCORPORATION
OF

SANDY SPRINGS COMMUNITY ASSOCIATION, INC.

the original of which was filed in this office on the 4th day of October, 1991.

In Witness Whereof, I have hereunto set my hand and affixed my official Seal.

Done in Office, at Raleigh, this the fourth day of October in the Year of our Lord 1991.



Rufus L. Edmisten
Secretary of State

RECEIVED
REGISTRY OF DEEDS
REGISTERED CLERK

91 OCT -7 PM 2:26

PRESENTED
FOR
REGISTRATION

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ARTICLES OF INCORPORATION
OF
SANDY SPRINGS COMMUNITY ASSOCIATION, INC. OCT 4 1991

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the undersigned natural persons of the age of twenty-one (21) years or more, do hereby associate ourselves into a non-profit corporation under the laws of the State of North Carolina contained in Chapter 55A of the General Statutes of North Carolina entitled "Non-Profit Corporation Act", and the several amendments thereto, do hereby make, sign, and acknowledge these Articles of Incorporation, and to that end do hereby set forth:

WILLIAM T. EDMISTEN
SECRETARY OF STATE
NORTH CAROLINA

ARTICLE I

The name of the corporation is Sandy Springs Community Association, Inc., hereinafter called the "Association".

ARTICLE II

The principal and registered office of the Association is located at 401 Harrison Oaks Blvd., Suite 130, Cary, Wake County, North Carolina 27513.

ARTICLE III

Karl D. Blackley whose address is 401 Harrison Oaks Blvd., Suite 130, Cary, Wake County, North Carolina 27513 is hereby appointed the initial registered agent of this Association.

ARTICLE IV

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 the residence Lots and Common Properties within that certain tract or property described as follows:

See Exhibit "A"

and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association 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 that certain Declaration of Covenants and

Restrictions, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the office of the Wake County Register of Deeds and as to the same may be amended from time to time as therein provided, said 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; 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 with the assent of two-thirds (2/3) of the class of 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, the rights of the holder of any such security interest shall be subordinate to the rights of the homeowners hereunder.

(e) dedicate, sell or transfer all or any part of the Common Properties 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 authorized by the affirmative vote of three-fourths (3/4) of the votes cast at a duly called meeting of the Association.

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation occurring before January 1, 1996, shall have either (1) the assent of a simple majority of the vote of those members present at a duly called meeting or (2) consent of Westminster Company, a North Carolina Corporation. Mergers, consolidations, or annexations occurring after January 1, 1996 may be approved only by a simple majority of the vote of those members present at a duly called meeting.

(g) 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

Every person or entity who 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, 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 which is subject to assessment by the Association.

ARTICLE VI

VOTING RIGHTS

The Association shall have two (2) types of regular voting membership, and one (1) type of special voting membership which provides the Company, its successors and assigns, with the power to elect a portion of the Board of Directors:

TYPE "A": Type "A" Members shall be all Owners, including the Company, its successors and assigns, of Residential Lots and Single Family Detached Dwelling Units. A Type "A" Member shall be entitled to two (2) votes for each Residential Lot and Single-Family Detached Dwelling Unit which he owns.

TYPE "A-1": Type "A-1" Members shall be all Owners including, the company, its successors and assigns, of Multiple-Family Dwelling Units and Apartment units. A Type "A-1" Member shall be entitled to one (1) vote for each Multiple-Family Dwelling Unit and each Apartment Unit.

TYPE "B": The Type "B" Member shall be the Company, its successors and assigns. The Type "B" Member shall be entitled to elect a portion of the Board of Directors as set out in Section 4 of this Article III.

Payment of Special Assessments shall not entitle Type "A" and "A-1" Members to additional votes.

The voting rights of any owner may be assigned by said owner to his lessee; provided, however, that the Owner may not assign to such lessee any vote or votes not attributable to the property actually leased by such lessee. The Type "A", and "A-1" Members

are sometimes hereinafter collectively referred to as the "Members".

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors consisting of three (3), five (5), seven (7) or nine (9) Members. The number and term of such Directors is to be determined in accordance with the provisions of the ByLaws of the Association. The number of directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
Karl D. Blackley	401 Harrison Oaks Blvd. Suite 130 Cary, N.C. 27513
Rosemary W. Gray	401 Harrison Oaks Blvd. Suite 130 Cary, N. C. 27513
Vickie S. Ryals	401 Harrison Oaks Blvd. Suite 130 Cary, N. C. 27513
Katherine B. Conner	401 Harrison Oaks Blvd. Suite 130 Cary, N. C. 27513
Joel R. McLaughlin	401 Harrison Oaks Blvd. Suite 130 Cary, N. C. 27513

There shall be two (2) classes of Directors: Class I Directors shall be elected by the Type "A" and "A-1" Members, and Class II Directors shall be elected by the Type "B" Members.

ARTICLE VIII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. 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

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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 any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

DURATION

The corporation shall exist perpetually.

ARTICLE X

AMENDMENTS

Amendment of these Articles shall require the affirmative vote of two-thirds (2/3) of the votes cast at such meeting subject to normal quorum requirements, except that so long as the Company, as the Type "B" Member, is entitled to elect a majority of the Members of the Board of Directors of the Association, no Amendment of this Declaration shall be made without the consent of the Company; and until the end of the period of development no Amendment of this Declaration shall be made without the consent of the Company which would have the affect of creating a disproportionate increase in the Maximum Regular Annual Assessment, the actual assessment levied, or any Special Assessment of any Class of Owners.

Notwithstanding the foregoing, the Company, for so long as it shall retain control of the Board of Directors of the Association, and, thereafter, the Board of Directors, may amend this Declaration as shall be necessary, in its opinion, with the consent and approval of VA or HUD, and FNMA and without the consent of any Owner, in order to qualify the Association for tax-exempt status, and to correct obvious errors and omissions herein. Such amendment shall become effective upon the date of its recordation in the Wake County Registry.

ARTICLE XI

FHA/VA, AND FHMA APPROVAL

As long as the Company controls the Board or retains the right to do any of the following without the consent of the Members, such actions will require the prior written approval of Institutional Lenders as defined in Article VII, Section 12, of the Declaration, and the Federal Housing Administration or the

Veterans Administration, and FHMA: annexation of additional properties, mortgaging of Common Area, dedication of Common Area, amendment of these Articles.

ARTICLE XII
INCORPORATOR

<u>Name</u>	<u>Address</u>
Robert W. Wilson, Jr.	3600 Glenwood Avenue Raleigh, North Carolina

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of North Carolina, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this 3rd day of October, 1991.

Robert W. Wilson, Jr. (SEAL)
Robert W. Wilson, Jr.

STATE OF NORTH CAROLINA
COUNTY OF WAKE

THIS IS TO CERTIFY, that on the 3rd day of October, 1991, before me, a Notary Public, personally appeared Robert W. Wilson, Jr., who I am satisfied is the person named in and who executed the foregoing Articles of Incorporation, and I having first made known to him the contents thereof, he did acknowledge that he signed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, this the 3rd day of October, 1991.

Suzanne Andrews
Notary Public

My Commission Expires:
11-24-94

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Exhibit "A"

LOTS

TRACT 1

Being all of Lots 1 -20 inclusive as shown on map entitled "Sandy Springs, Phase 1 Lots 1-20" dated 1/4/91, prepared by John Y. Phelps, Jr. - Registered Land Surveyor and recorded in Book of Maps 1991, Page 450, Wake County Registry.

TRACT 2

Being all of Lots 68 through 83 inclusive, and Lots 102 through 116 inclusive, according to map entitled "Sandy Springs, Phase 1 B Lots 68-83, 102-116" dated 7/26/91, prepared by John Y. Phelps, Jr. - Registered Land Surveyor and recorded in Book of Maps 1991, Page 829, Wake County Registry.

COMMON PROPERTIES (OPEN SPACE)

TRACT 1

Being that certain tract or parcel designated "Open Space with Phase 1 A" containing 2.37 acres according to map entitled "Sandy Springs, Phase 1 Lots 1-20" dated 1/4/91, prepared by John Y. Phelps, Jr. - Registered Land Surveyor and recorded in Book of Maps 1991, Page 450, Wake County Registry.

TRACT 2

Being that certain tract or parcel designated "Open Space & Phase Boundary" containing 1.3854 acres according to map entitled "Sandy Springs, Phase 1 B Lots 68-83, 102-116" dated 7/26/91, prepared by John Y. Phelps, Jr. - Registered Land Surveyor and recorded in Book of Maps 1991, Page 829, Wake County Registry.

TRACT 3

Being that certain tract or parcel designated "Open Space & Phase Boundary" containing 0.3499 acres according to map entitled "Sandy Springs, Phase 1 B Lots 68-83, 102-116" dated 7/26/91, prepared by John Y. Phelps, Jr. - Registered Land Surveyor and recorded in Book of Maps 1991, Page 829, Wake County Registry.

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TRACT 4

Being that certain tract or parcel designated "Open Space & Phase Boundary" containing 0.1363 acres according to map entitled "Sandy Springs, Phase 1 B Lots 68-83, 102-116" dated 7/26/91, prepared by John Y. Phelps, Jr. - Registered Land Surveyor and recorded in Book of Maps 1991, Page 829, Wake County Registry.

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