

ARTICLES OF INCORPORATION
FOR
BELVEDERE PLANTATION TOWNHOMES ASSOCIATION
(A NONPROFIT CORPORATION)

I, the undersigned individual, hereby do make and acknowledge these Articles of Incorporation for the purpose of forming a nonprofit corporation under and by virtue of the laws of the State of North Carolina as contained in Chapter 55A of the General Statutes of North Carolina, entitled "North Carolina Nonprofit Corporation Act," and the several amendments thereto, and to that end hereby do set forth:

1. Name: The name of the corporation is Belvedere Plantation Townhomes Association (the "Association").

2. Duration: The period of duration of the Association shall be perpetual.

3. Definitions: As used in these Articles of Incorporation ("Articles"), the following definitions shall apply:

(a) Capitalized terms shall have the same meaning specified for such terms as more particularly set forth in the Declaration of Covenants, Conditions, Restrictions and Easements of Belvedere Plantation Townhomes, and any amendments thereto (collectively the "Declaration"), recorded in the office of the Register of Deeds of Pender County, North Carolina; and,

(b) References to the "North Carolina Nonprofit Corporation Act" shall mean Chapter 55A of the General Statutes of North Carolina and shall include any amendments thereto or any corresponding provisions of any future North Carolina Nonprofit Corporation Act; and,

(c) References to the "North Carolina Planned Community Act" shall mean Chapter 47F of the General Statutes of North Carolina and shall include any amendments thereto or any corresponding provisions of any future North Carolina Planned Community Act; and,

(d) References to the "Code" shall mean the Internal Revenue Code of 1986, as amended, and any amendments thereto or any corresponding provisions of any future United States Internal Revenue Laws.

4. Purposes: The Association is organized and will be operated as a planned community under the North Carolina Planned Community Act for the following specific purposes:

- (a) To own, manage, maintain, and operate the Common Areas and improvements located upon the Common Areas, all as is set forth in the Declaration; and,
- (b) To enforce the Association Documents; and
- (c) To provide for services to the Property and Owners and perform the functions set forth in the Association Documents and the North Carolina Planned Community Act; and,
- (d) To accept the transfer of the Permit and Declarant's responsibilities thereunder; and,
- (e) To oversee, inspect, maintain, repair and replace the Stormwater Management Facilities constructed pursuant to the Permit; and,
- (f) To enforce the provisions of the Permit; and,
- (g) To enforce each Lot Owner's obligations with respect to the Stormwater Management Facilities; and,
- (h) To undertake and perform any and all activities, responsibilities, and obligations applicable to the Association set forth in the Association Documents.

In order to achieve the foregoing purposes, the Association shall have the following powers and authority:

- (a) To exercise all powers and rights and perform all of the acts and duties and obligations of the Association as more particularly described in the Declaration; and,
- (b) To undertake any activity whatsoever that is in furtherance, directly or indirectly, of the purposes of the Association set forth above; and

(c) To exercise any and all powers that may be conferred upon nonprofit corporations under the North Carolina Nonprofit Corporation Act in furtherance of the purposes of the Association; and,

(d) To exercise any and all powers that may be conferred upon planned communities under the North Carolina Planned Community Act; and,

(e) To take any and all action necessary and appropriate to qualify the Association under Code Section 528 and to elect that the Association be taxed under Code Section 528, if such qualification and election is determined by the directors of the Association to be in the best interest of the Association; and,

(f) To take any and all action necessary and appropriate to qualify the Association under Sections 105-125(a)(8) and 105-130.11(a)(11) of the General Statutes of North Carolina, if such Sections are applicable.

Provided, however, and notwithstanding any power or authority set forth above in this Article, the Association shall have the power and authority to engage only in activities that meet each of the following requirements:

(a) Such activities are not broader than those activities that may be undertaken by a nonprofit corporation pursuant to the North Carolina Nonprofit Corporation Act; AND,

(b) Such activities are not broader than those activities that may be undertaken by the Association pursuant to the Association's *Articles of Incorporation*, as from time to time may be amended, the Association's *Bylaws*, as from time to time may be amended, and the *Declaration*; and,

(c) Such activities are not broader than those activities that may be undertaken by a planned community pursuant to the North Carolina Planned Community Act.

5. Initial Directors: The number of directors constituting the initial board of directors shall be one, and the name and address of the person who shall serve as director until a successor shall be elected and qualified, is as follows:

<u>Name</u>	<u>Address</u>
Scott H. Cook	60-C Pelican Drive Wrightsville Beach, NC 28480

Subsequent Boards of Directors, the number of directors, their terms of office, and the method of their selection shall be provided for and determined as is set forth in the bylaws of the Association.

6. Nonprofit Issues: The Association is not organized and shall not be operated for pecuniary gain or profit. No part of the net earnings of the Association shall inure to the benefit of, or be distributable to, its members, directors, officers, or any other individuals, other than (a) reasonable compensation paid by the Association for services actually rendered or other value received, (b) by acquiring or providing management, maintenance, and care of the Common Areas and improvements located upon the Common Areas, as set forth in the Declaration, and by undertaking any other responsibilities of the Association as set forth in the Declaration, and (c) by rebating excess membership dues, fees, or assessments, if applicable, pursuant to Section 55A-13-02(b)(3) of the North Carolina Nonprofit Corporation Act.

7. Membership: The Association shall have members, and the qualifications and rights of members shall be set forth in the bylaws of the Association.

8. Dissolution: In the event of dissolution of the Association, any net assets remaining after the satisfaction of the Association's liabilities shall be transferred and delivered (a) to one (1) or more nonprofit corporations formed under the North Carolina Nonprofit Corporation Act, as shall be selected by the Board of Directors of the Association, that are organized generally for purposes similar or related to those set forth in Article 4 hereof, or (b) otherwise as permitted or required by law.

9. Registered Office and Agent: The street address of the initial registered office of the Association is 1001 College Court, New Bern, Craven County, North Carolina 28562; the mailing address of the initial registered office of the Association is Post Office Box 867, New Bern, Craven County, North Carolina 28563; and the name of the initial registered agent at such address is WASLAW, LLC.

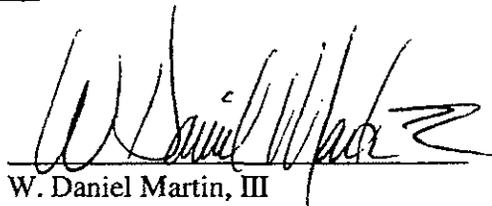
10. Principal Office: The street and mailing address of the Association's principal office is 429 Longleaf Drive, Hampstead, Pender County, North Carolina 28443.

11. Limitation on Personal Liability: To the fullest extent provided by law, no director of the Association shall be personally liable for monetary damages arising out of an action, whether by or in the right of the Association or otherwise, for breach of any duty as a director.

12. Veto Power of Declarant: The Declarant shall have veto power over all actions taken by the Board of Directors of the Association or by any committee of the Association as may have been appointed by the Board or established by these Bylaws or the Declaration. The Declarant's veto power shall begin if, and as of the date, the Declarant exercises the Declarant's option in Section 4.1. of Article 4 of the Declaration to incorporate all or any portion of the Additional Property into the Property and shall end when at least eighty percent (80%) of the Lots constituting the Additional Property so submitted by the Declarant are owned by other than the Declarant. (If the Declarant exercises the aforementioned option in Section 4.1. of the Declaration as to only a portion of Additional Property, then the Declarant's veto power shall end when at least eighty percent (80%) of the Lots constituting that portion of Lots of Additional Property so submitted are owned by other than the Declarant. However, in such event, the Declarant's veto power would resume if, and as of the date, the Declarant exercised the option to incorporate another portion of Additional Property into the Property under Section 4.1. of the Declaration and would end again when at least eighty percent (80%) of such Lots of such Additional Property are owned by other than the Declarant.) During such time as the Declarant's veto power is in effect as set forth above, the Board of Directors and any committee of the Association shall communicate to the Declarant any and all action taken by the Board or committee, as applicable, within twenty-four (24) hours of taking action, and the Declarant shall have ten (10) business days in which to veto such action by delivering written notice of the Declarant's veto to the Secretary of the Association.

13. Incorporator: The name of the incorporator is W. Daniel Martin, III, and the address of the incorporator is University Corporate Center, 127 Racine Drive, Post Office Box 7068, Wilmington, North Carolina 28406-7068.

IN TESTIMONY WHEREOF, I have hereunto set my hand, this the 2ND day of January, 2004.


W. Daniel Martin, III
Incorporator

Prepared by and return to:

W. Daniel Martin, III
For the firm of
Ward and Smith, P.A.
University Corporate Center
127 Racine Drive
Post Office Box 7068
Wilmington, North Carolina 28406-7068
Telephone: (910) 794-4800
Facsimile: (910) 794-4877

030318-0002-001
GVMAIN353822\1