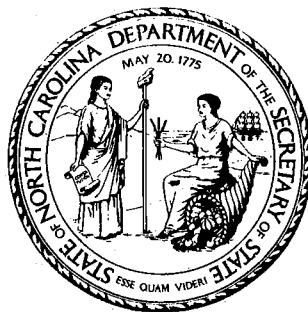


# State of North Carolina



PRESENTED FOR REGISTRATION  
Department of the Secretary of State  
'79 AUG 14 AM 9:00  
CHARLES E. CROWDER  
RECORDS  
MECKLENBURG CO. N.C.

To all to whom these presents shall come, Greeting:

I, Thad Eure, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached ( 10 sheets) to be a true copy of

ARTICLES OF INCORPORATION

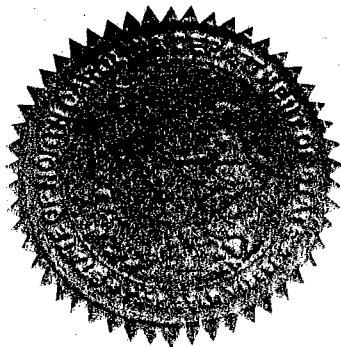
OF

THE DOWNS GRANT HOMEOWNERS ASSOCIATION

and the probates thereon, the original of which was filed in this office on the 9th day of August, 1979, after having been found to conform to law.

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

Done in Office, at Raleigh, this 9th day of August, in the year of our Lord 1979.



Secretary of State

By *Charles E. Crowder*  
Deputy Secretary of State

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THAD EURE  
SECRETARY OF STATE  
NORTH CAROLINA

## ARTICLES OF INCORPORATION

OF

## THE DOWNS GRANT HOMEOWNERS ASSOCIATION

We, the undersigned, natural persons of the age of twenty-one (21) years or more, do make and acknowledge these Articles of Incorporation for the purpose of forming a non-profit corporation under and by virtue of the laws of North Carolina as set forth in North Carolina General Statute, Chapter 55A.

## ARTICLE I.

The name of the corporation is THE DOWNS GRANT HOMEOWNERS ASSOCIATION, hereafter called the "Association".

## ARTICLE II.

The principal office of the Association is located at 1221 East Morehead Street, Mecklenburg County, Charlotte, North Carolina.

## ARTICLE III.

The address of the initial registered office of the Association shall be One NCB Plaza, Suite 3601, Mecklenburg County, Charlotte, North Carolina, and the name of its initial registered agent at such address shall be Louis A. Bledsoe, Jr.

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 Area within that certain tract of property described on Exhibit A attached hereto and made a part hereof, 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, Conditions and Restrictions, hereafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Register of Deeds for Mecklenburg County, North Carolina and 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 each 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;

(E) dedicate, sell or transfer all or any part of the Common Area 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 an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(F) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assents of two-thirds (2/3) of each class of members;

(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; provided, however, that the Association shall not assess members or expend Association funds for the purpose of construction, maintenance, or operation of any club house, swimming pool or like facility without the unanimous consent of each class of members.

#### 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 classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. 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 the total votes outstanding in the Class B membership; or

(b) on May 31, 1983.

ARTICLE VII.

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of seven (7) Directors, who need not be members

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 described on Exhibit B attached hereto and made a part hereof.

At the first annual meeting the members shall elect two Directors for a term of one year, two Directors for a term of two years and three Directors for a term of three years; and at each annual meeting thereafter the members shall elect Directors for a term of three years to fill the terms of those Directors whose terms are expiring.

#### 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 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 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.

CORPORATION PAGE  
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AMENDMENTS

Amendment of these Articles shall require the assent of 75 percent (75%) of the entire membership except that Article IV (G) with regard to assessing members or expending association funds for the purpose of construction, maintenance, or operating any clubhouse, swimming pool or like facility may not be amended without the unanimous assent of the entire membership.

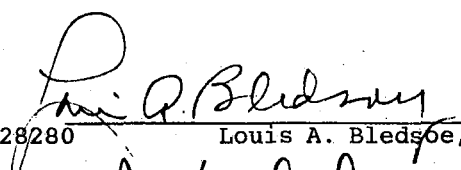
ARTICLE XI.

HUD/VA APPROVAL

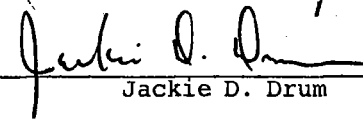
As long as there is a Class B membership, the following actions will require the prior approval of the Department of Housing and Urban Development or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of North Carolina, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 3rd day of August, 1979.

One NCNB Plaza  
Suite 3601  
Charlotte, N.C. 28280

 (SEAL)  
Louis A. Bledsoe, Jr.

One NCNB Plaza  
Suite 3601  
Charlotte, N.C. 28280

 (SEAL)  
Jackie D. Drum

STATE OF NORTH CAROLINA  
COUNTY OF MECKLENBURG

I, Gregory J. Schmal, a Notary Public for said  
County and State, do hereby certify that LOUIS A. BLEDSOE,  
JR. and JACKIE D. DRUM personally appeared before me this  
3rd day of August, 1979, and acknowledged the  
due execution of the foregoing Articles of Incorporation.

Gregory J. Schmal  
Notary Public

My Commission Expires: July 29, 1980

EXHIBIT A

BEING all of Lots 1, 2, 3, 4, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20 in Block 1, Lots 1, 2, 22, 23, 24, 25, 26 and 27 in Block 2 and Lots 1, 2, 3, 4, 5, 6, 7 and Block 3 of RAINTREE DOWNS, SECTION I, Map 1, as shown on map thereof recorded in Map Book 19, Page 73; BEING all of Lots 5, 6, 7, 8, 9, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36 in Block 1 of RAINTREE DOWNS, SECTION I, Map 2, as shown on map thereof recorded in Map Book 19, Page 74 of the Mecklenburg Public Registry.

Lots 10, 11, 12, 13, and 16 in Block 1 of RAINTREE DOWNS, SECTION I, Map 1, which are noted as "out" lots on the map recorded in Map Book 19, Page 73 of the Mecklenburg Public Registry, are more particularly described as follows:

BEGINNING at a point being the northwest corner of Lot 17 in Block 1 of RAINTREE DOWNS, SECTION I, as shown on map recorded in Map Book 19, Page 73 of the Mecklenburg Public Registry, and proceeding from said point and place of beginning, N. 23-55-34 E. 80 feet to a point at the southwest corner of Lot 15 in Block 1; thence S. 66-04-26 E. 150 feet to a point at the southeast corner of Lot 15 in Block 1; thence S. 71-06-55 E. 128.70 feet to a point in the westerly margin of Truesdale Place at the southeast corner of Lot 14 in Block 1; thence with the arc of a circular curve to the left having a radius of 115.83 feet, an arc distance of 45 feet; thence along the westerly margin of Truesdale Place, S. 04-47-01 E. 224.56 feet to a point; thence with the arc of a circular curve to the left having a radius of 215.17 feet, an arc distance of 61.71 feet to a point at the northeast corner of Lot 9 in Block 2 of RAINTREE DOWNS, SECTION I, Mpa 2; thence S. 80-08-20 W. 164.97 feet to a point; thence N. 03-23-13 W. 21.94 feet to a point at the southeast corner of Lot 30 in Block 1; thence N. 04-47-01 W. 266.15 feet to a point at the northeast corner of Lot 18 in Block 1; thence N. 06-19-16 E. 38.03 feet to a point at the northeast corner of Lot 17 in Block 1; thence N. 66-04-26 W. 150 feet to the point and place of Beginning.

And being the common area as shown on a map of RAINTREE DOWNS, SECTION I, recorded in Map Book 19 at Page 74, of the Mecklenburg Public Registry, and more particularly described as follows:

BEGINNING at a point located at the southeast corner of Lot 6 in Block 1 of RAINTREE DOWNS, SECTION I, as shown on map recorded in Map Book 19 at Page 74 of the Mecklenburg Public Registry, said point also being located S. 4-47-01 E. 1069.51 feet from an existing iron pin in the western margin of the right-of-way of Rounding Run Road; thence S. 4-47-01 E. 215.68 feet to an existing stone; thence S. 50-05-59 W. 138.79 feet to a point in Four Mile Creek; thence with the center line of Four Mile Creek in the following courses and distances: S. 88-58-59 W. 529.79 feet to a point; thence N. 88-31-01 W. 305.0 feet to a point; thence N. 83-01-01 W. 160.0 feet to a point; thence S. 71-58-59 W. 70.0 feet to a point; thence N. 85-01 W. 70.0 feet to a point; thence S. 82-33-05 W. 135.26 feet to a point; thence with a line of the ARDC Franciscan Terrace, Inc., property (now or formerly) as described in deed recorded in Book 3762 at Page 34 of the Mecklenburg Public Registry, N. 20-04-40 W. 32.99 feet to a new iron pin; thence N. 20-04-40 W. 192.93 feet to a point; thence N. 23-10-33 E. 230.76 feet to a point in the southerly margin of the cul-de-sac of the proposed Woods End Lane; thence with the arc of a circular curve to the left having a radius of 45.0 feet, an arc distance of 73.08 feet to a point; thence N. 62-00-40 E. 57.11 feet to a point; thence S. 74-00-00 E. 264.32 feet to a point; thence S. 48-59-00 E. 25.0 feet to a point; thence S. 51-51-20 E. 25.0 feet to a point; thence S. 38-08-40 W. 75.0 feet to a point;

thence S. 31-36-40 E. 209.24 feet to a point; thence S. 85-00-00 E. 128.0 feet to a point; thence N. 84-30-00 E. 115.0 feet to a point; thence N. 64-30-00 E. 140.0 feet to a point; thence N. 33-57-20 E. 134.65 feet to a point; thence N. 32-49-04 E. 87.28 feet to a point; thence N. 08-30-00 E. 115.0 feet to a point; thence N. 07-30-00 W. 110.0 feet to a point; thence N. 06-10-20 E. 102.0 feet to a point; thence S. 42-41-03 E. 97.47 feet to a point; thence S. 16-45-00 E. 60.0 feet to a point; thence S. 14-30-00 E. 92.19 feet to a point; thence N. 63-00-00 E. 133.0 feet to a point in the westerly margin of the right-of-way of Truesdale Place (proposed); thence with the arc of a circular curve to the left having a radius of 45.0 feet, an arc distance of 84.30 feet to a point; thence S. 04-45-00 E. 196.87 feet to a point; thence N. 85-12-59 E. 116.55 feet to a point, the point and place of BEGINNING. Containing 11.202 acres as shown on survey prepared by R. B. Pharr & Associates dated August 22, 1978, (File No. VV-183). Reference is also made to the map recorded in Map Book 19 at Page 74 of the Mecklenburg Public Registry.

Subsequent to the filing of these Articles of Incorporation, the subdivision name of RAINTREE DOWNS will be amended to THE DOWNS GRANT by an instrument entitled "Change of Subdivision Name and Amendment to Declaration of Covenants, Conditions and Restrictions", which instrument will be recorded in the Mecklenburg Public Registry. Also subsequent to this conveyance, the maps of the property recorded in Map Book 19, Page 73 and Map Book 19, Page 74 will be amended to show said Lots 10, 11, 12, 13, 16 in Block 1 of said subdivision, and to reflect the change of subdivision name from RAINTREE DOWNS to THE DOWNS GRANT, and the amended map will thereafter be recorded in the Mecklenburg Public Registry.

EXHIBIT B

BOARD OF DIRECTORS

William H. Trotter	1221 East Morehead Street Charlotte, North Carolina 28204
Stoney E. Motsinger	1221 East Morehead Street Charlotte, North Carolina 28204
Robert Ingraham	1221 East Morehead Street Charlotte, North Carolina 28204
Marie Smith	1221 East Morehead Street Charlotte, North Carolina 28204
Charlotte Barnes	1221 East Morehead Street Charlotte, North Carolina 28204
Mike Sloop	1221 East Morehead Street Charlotte, North Carolina 28204
Hugh Walker	1221 East Morehead Street Charlotte, North Carolina 28204

STATE OF NORTH CAROLINA, COUNTY OF MECKLENBURG)

I, Charles E. Crowder, Register of Deeds for aforesaid County and State, hereby certify that the foregoing is a true copy of Articles of Incorporation

The Downs Grant Homeowners Association  
as the same is found recorded in the Office of the Register of Deeds for Mecklenburg County, North Carolina, in Book 93,  
Page 0856.

WITNESS my hand and Official Seal, this the 8th day of  
February, 1980.

CHARLES E. CROWDER, REGISTER OF DEEDS

By: Sara B. Johnson  
Deputy