

STATE OF NORTH CAROLINA



Department of The
Secretary of State

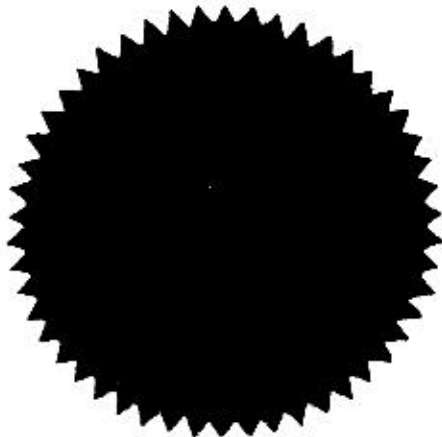
To all whom these presents shall come, Greetings:

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

ARTICLES OF INCORPORATION
OF
BONNET WAY HOA, INC.

the original of which was filed in this office on the 19th day of November, 1997.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 19th day of November, 1997.



Elaine F. Marshall

Secretary of State

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**ARTICLES OF INCORPORATION
OF
BONNET WAY HOA, INC.**

EFFECTIVE
ELAINE F. MARSHALL
SECRETARY OF STATE
NORTH CAROLINA

In compliance with the requirements of the Nonprofit Corporation Act, North Carolina General Statutes, Chapter 55-A, the undersigned natural person, a resident of the State of North Carolina over eighteen (18) years of age, has hereby formed a corporation, not for profit, and does hereby certify that:

ARTICLE I

The name of the corporation is **BONNET WAY HOA, INC.**, hereinafter referred to as the "ASSOCIATION".

ARTICLE II

The period of duration of the corporation is perpetual.

ARTICLE III

The purpose for which the ASSOCIATION is organized is to provide a nonprofit owners association composed of the record owners of townhouse lots or units upon or within that certain development of real property, developed from the property described in Exhibit "A" hereto attached, made a part hereof, and incorporated herein by reference.

For the purposes hereof, the Developer of the property subject to these Articles of Incorporation is Forest Oaks Realty Corporation.

The 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 rules and regulations for the use and maintenance of BONNET WAY at Forest Oaks Subdivision and to promote the health, safety and welfare of the residents thereof, and in furtherance of these responsibilities the ASSOCIATION shall:

- a. Perform and exercise all of the rights, duties, privileges and powers delegated to the ASSOCIATION by the provisions of that certain DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF BONNET WAY AT FOREST OAKS SUBDIVISION, hereinafter referred to as the "Declaration", applicable to the real property subject thereto and recorded or to be recorded in the Office of the Register of Deeds of Brunswick County, North Carolina; said Declaration being incorporated herein as if set forth in full;

b. Have, exercise and perform any and all powers, rights, privileges and duties which a corporation organized pursuant to the provisions of the Nonprofit Corporation Act of the State of North Carolina by law now or hereafter may have or exercise.

c. 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.

d. To exercise all other powers as set forth in North Carolina General Statute Section 47C-3-102 as the same is in effect at the time of the filing of these Articles.

ARTICLE IV

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot or Unit 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 or Unit which is subject to assessment by the Association.

ARTICLE V

Section 1. EARNINGS: No part of the net income of the ASSOCIATION shall inure to the benefit of, or be distributable to, any officer, director or member of the ASSOCIATION, or any other private person, except that the ASSOCIATION shall be authorized and empowered to pay reasonable compensation for services rendered, and to make payments and distributions in furtherance of the purposes set forth in these Articles and in the Declaration. No substantial part of the activities of the ASSOCIATION shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the ASSOCIATION shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of a candidate for public office.

Section 2. EXEMPT FUNDS: Notwithstanding any other provisions of these Articles, this corporation shall not carry on any activities not permitted to be carried on by (a) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954, or the corresponding provisions of any future United States Internal Revenue law, or, (b) a corporation, contributions to which are deductible under Section

170(a)(2) of the Internal Revenue Code of 1954, or any other corresponding provisions of any future United States Internal Revenue Law.

Section 3. DISSOLUTION: Upon the dissolution of the corporation, the Board of Directors shall, after paying and making provisions for payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Superior Court of the County in which the principal office of the corporation is then located exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VII

The address of the initial registered office and the principal office of the Association is 900 West Street, Southport, Brunswick County, North Carolina 28461, and the initial registered agent at such address is Paul W. Sweeney.

ARTICLE VIII

The number of Directors constituting the initial Board of Directors shall be three, and the names and addresses of the persons who are to serve as Directors until their successors are elected and qualify are:

Name:	Address:
Paul W. Sweeney	900 West Street Brunswick County Southport, NC 28461
Bill B. Henderson	6613 Cove Point Drive New Hanover County Wilmington, NC 28409
J. Quinn Sweeney-Henderson	6613 Cove Point Drive New Hanover County Wilmington, NC 28409

ARTICLE IX

The name and address of the incorporator is:

Name:

Daniel D. Mahn

Address:

19 North Fifth Street
New Hanover County
Wilmington, NC 28401

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and seal, this the 7th day of November, 1997.



Daniel D. Mahn, Incorporator (SEAL)

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

I, a Notary Public of the County and State aforesaid, certify that Daniel D. Mahn, Incorporator, personally appeared before me this day and acknowledged the due execution of the foregoing instrument. Witness my hand and official stamp or seal, this 7th day of November, 1997.

My Commission Expires:
8/22/2000



Notary Public

EXHIBIT A

Being all of that tract or parcel of property as shown on that plat recorded in Plat Cabinet 19, at Page 115, of the Brunswick County Registry.