



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

MILL CREEK CORNELIUS HOMEOWNERS' ASSOCIATION, INC.

the original of which was filed in this office on the 7th day of May, 2001.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 7th day of May, 2001

Elaine F. Marshall

Secretary of State

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Date Filed: 5/7/2001 3:45 PM
Elaine F. Marshall
North Carolina Secretary of State

ARTICLES OF INCORPORATION
OF
MILL CREEK CORNELIUS HOMEOWNERS' ASSOC

I, the undersigned, being a natural person of full age, make these Articles of Incorporation for the purpose of forming a nonprofit corporation pursuant to and by virtue of the North Carolina Nonprofit Corporation Act as provided in the provisions of Chapter 55A of the North Carolina General Statutes.

ARTICLE I
NAME

The name of the corporation is Mill Creek Cornelius Homeowners' Association, Inc., hereinafter sometimes called the "Association."

ARTICLE II
REGISTERED AND PRINCIPAL OFFICE AND INITIAL AGENT

(in Cabarrus County)
The registered and principal office of the Association is located at 175 Davidson Highway, Concord, North Carolina, 28027. The location of the 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 John Edward Littlefield.

ARTICLE III
PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate a pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance and preservation of the Common Areas and Common Open Spaces located in Mill Creek as described in the hereinbelow referenced Declaration of Covenants, Conditions and Restrictions for Mill Creek, and to promote the health, safety and welfare of the residents of Mill Creek and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and 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 the Bylaws of the Association (the "Bylaws") and in that certain Declaration of Covenants, Conditions and Restrictions for Mill Creek (the "Declaration") to be recorded in the Mecklenburg County, North Carolina Public Registry, as the same may be amended from time to time, 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; and

(c) 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 IV NO PECUNIARY GAIN

This corporation is a nonprofit corporation, and no part of the net earnings (if any) of the corporation shall inure to the pecuniary benefit of its Members (as defined herein below), officers, or directors.

ARTICLE V MEMBERSHIP AND VOTING RIGHTS

Membership in the corporation ("Membership") shall be limited to the Owners of Home Sites (as defined in the Declaration) in Mill Creek, and every Owner of a Home Site shall automatically be a member (a "Member") of the corporation. Members shall not include persons or entities who hold an interest in a Home Site merely as security for the payment or performance of an obligation. Membership in the corporation shall be appurtenant to and may not be separated from Home Site ownership.

The voting rights of the Membership shall be provided in the Declarations and Bylaws of the Association.

ARTICLE VI BOARD OF DIRECTORS

The affairs of this Association shall be managed by an initial Board of Directors of three (3) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the Bylaws 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:

| Name | Address |
|-------------------------|-------------------------------------------------------|
| LeAnn Drye Littlefield | 175 Davidson Highway Concord, North Carolina 28027 |
| Jennifer Drye Jewell | 175 Davidson Highway Concord, North Carolina 28027 |
| John Edward Littlefield | 175 Davidson Highway Concord, North Carolina 28027 |

ARTICLE VII AMENDMENTS AND DISSOLUTION

Amendments of these Articles of Incorporation shall require the assent of the Members entitled to exercise at least three-fourths ($\frac{3}{4}$ ^{ths}) of the entire vote of the Membership, provided, however, that no amendment to these Articles of Incorporation shall be adopted or passed which shall impair or prejudice the rights of Declarant provided for in these Articles of Incorporation, in the Declaration, or in the Bylaws of the Association, without the consent of Declarant. Furthermore, until all Class B Home Sites cease to exist and are converted to Class A Home Sites as provided in Article II of the Declaration, the approval of the Department of Housing and Urban Development and the United States Department of Veterans Affairs shall be obtained by the Association prior to any of the following actions: (i) the annexation of additional property to the Property subject to this Declaration, (ii) the merger or consolidation of the Association, (iii) the mortgaging of any Common Areas, (iv) the dissolution of the Association and (v) the amendment of these Articles of Incorporation.

The corporation may be dissolved with the assent given in writing and signed by the holders of not less than eighty percent (80%) of the entire vote of the Membership. Any such dissolution shall conform to the terms and conditions of the North Carolina Planned Community Act as provided in the provisions of Chapter 47F of the North Carolina General Statutes. In the event of the liquidation or dissolution of the corporation, either voluntary or involuntary, after the payment of all debts and obligations of the corporation, the remaining property of the corporation and any proceeds derived therefrom shall be distributed in a manner not inconsistent with applicable law, including but not limited to, applicable provisions of Article 14 of Chapter 55A of the North Carolina General Statutes.

ARTICLE VIII INDEMNIFICATION/LIMITED LIABILITY

To the full extent from time to time permitted by law, every director and every officer of the corporation shall be indemnified by the corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the corporation, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is found to be or adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein provided shall only apply if the Board of Directors of the corporation approves such settlement and reimbursement as being in the best interest of the corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

To the full extent from time to time permitted by law, no person who is serving or who has served as a director or member of the Board of Directors of the corporation shall be

personally liable for any action for monetary damages for breach of his or her duty as director or member of the Board of Directors, whether such action is brought by or in the right of the corporation or otherwise. Neither the amendment or appeal of this Article, nor the adoption of any provision of these Articles of Incorporation inconsistent with this Article, shall eliminate or reduce the protection afforded by this Article to a director or member of the Board of Directors of the corporation with respect to any matter which occurred, or any cause of action, suit or claim which but for this Article would have accrued or risen, prior to such amendment, repeal or adoption.

ARTICLE IX INCORPORATOR

The name and address of the incorporator is: Granice Geyer-Smith, Moore & Van Allen, PLLC, 100 N. Tryon Street, Floor 47, Charlotte, Mecklenburg County, North Carolina 28202-4003.

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal, this 3rd day of May, 2001.

Granice Geyer-Smith (SEAL)
Granice Geyer-Smith, Incorporator

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, Tracy Webb, a Notary Public of Union County, North Carolina do hereby certify that GRANICE GEYER-SMITH personally appeared before me this day and acknowledged the execution of the foregoing instrument.

Witness my hand and notarial seal this 3rd day of May, 2001.

Tracy Webb
Notary Public

My Commission Expires:

6-1-04
[NOTARIAL SEAL]

