

Prepared by and return to: Howard S. Kohn, Esq.
4515 Falls of Neuse Road, Suite 175, Raleigh, NC 27609

**ARTICLES OF INCORPORATION
OF
MCKENZIE SUBDIVISION HOMEOWNERS ASSOCIATION, INC.**

The undersigned natural person of the age of eighteen (18) years or more does hereby execute these Articles of Incorporation pursuant to the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Non-Profit Corporation Act", and the several amendments thereto, and does hereby make, sign, and acknowledge these Articles of Incorporation, and to that end does hereby set forth:

**ARTICLE I
NAME**

The name of the corporation is MCKENZIE SUBDIVISION HOMEOWNERS ASSOCIATION, INC., hereinafter called "the Association".

**ARTICLE II
REGISTERED OFFICE**

The principal and registered office of the Association is located at 4515 Falls of Neuse Road, Suite 175, Raleigh, Wake County, North Carolina 27609.

**ARTICLE III
REGISTERED AGENT**

Howard S. Kohn, whose address is 4515 Falls of Neuse Road, Suite 175, Raleigh, Wake County, North Carolina 27609, 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 maintenance, preservation and architectural control of the residential Lots and Common Areas within that certain tract or property (herein referred to as "Property") described in the certain Protective Covenants and Declarations of Covenants, Conditions and Restrictions for McKenzie Subdivision, Phases I, II, and III recorded in the Register of Deeds of Wake County, 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 those purposes 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, hereinafter called the "Declaration", applicable to the Property and recorded, or to be recorded, in the Office of the Wake County, North Carolina Register of Deeds and as 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 of all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses 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, in accordance with the Wake County Zoning Ordinance.

(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; provided the rights of such mortgagee shall be subordinate to the rights of the Owners and Association in the Common Areas;

(e) Dedicate, sell or transfer all or any part of the Common Areas or grant an easement or right of way across the Common Areas to any public agency, authority, utility, or to any other person for such purposes and subject to such conditions as may be agreed to by the members. No such dedication, sale or transfer shall be effective unless it has been approved by two-thirds (2/3) of each class of members, and any instrument properly executed by the Association has been recorded.

On any instrument of dedication, sale, transfer, easement, lease, right of way, mortgage, pledge, deed in trust or other hypothecation or other disposition of real or personal property, the Secretary of the Association shall certify that two-thirds (2/3) of each class of members have approved the action evidenced by the instrument, and that certificate shall be conclusive that the execution and delivery of such instrument was properly authorized by the Association and its members and shall be relied upon and binding as to any third party or as to any grantee, its successors and assigns; provided, however, conveyances for general service utility purposes as specified in the Declaration may be made without consent of the members, and the Association may execute an instrument of conveyance therefore without such certification;

(f) Subject to the approval of the County of Wake, County Attorney or his deputy, participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property or Common Areas, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members, except that annexation of additional property by Declarant may be done without the consent of the members as provided in the Declaration; and

(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 Declaration 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 or trustees under a security instrument. 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 of a Lot in the Property, with the exception of the Declarant, and shall be entitled to one vote for each lot owned. Declarant, if it owns any Lot, shall, however, be a Class A Member upon the termination of Class B Membership. When more than one person holds an interest in any Lot, all such persons shall be Members; however, 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. Fractional voting is prohibited.

CLASS B. Class B Member(s) shall be the Declarant and the Class B Member(s) shall be entitled to five (5) votes for each Lot in which the Class B Member(s) has an ownership interest; but provided, that the Class B Membership shall cease and be converted to Class A Membership on the happening of the following events whichever shall first occur:

- (a) when the total votes outstanding in Class A Membership exceed the total votes outstanding in Class B Membership, but provided, that the Class B Membership shall be reinstated if thereafter, and before the time stated in subparagraph (b) below, additional lands are annexed to the Property without the assent of Class A Members for the development of such additional lands; or
- (b) Ten (10) years from the date of conveyance of the first Lot by Declarant.

After termination of the Class B membership, if the Declarant still owns lots, said Declarant shall, for all purposes, be deemed a Lot Owner and shall be entitled to the same rights and privileges of Class A members.

ARTICLE VII
BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of not less than three (3) nor more than seven (7) Directors, who shall be qualified as set forth in the Bylaws. The initial Board shall be comprised of three (3) members. 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:

<u>NAME</u>	<u>ADDRESS</u>
Steven Shipwash	510 Hwy. 42 West Clayton, NC 27520
Marcia Shipwash	510 Hwy. 42 West Clayton, NC 27520
Michael V. Ellis	4515 Falls of Neuse Road, Suite 175 Raleigh, NC 27605

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 the 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.

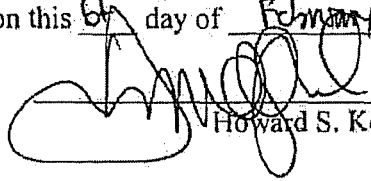
ARTICLE X
INCORPORATOR

<u>NAME</u>	<u>ADDRESS</u>
Howard S. Kohn	4515 Falls of Neuse Road, Suite 175 Raleigh, NC 27609

ARTICLE XI
EFFECTIVE DATE

These Articles will be effective upon filing.

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 6th day of February, 2007.


Howard S. Kohn, Incorporator

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated:

Howard S. Kohn, Incorporator

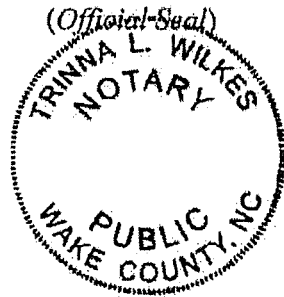
Date:

February 6, 2007

Trinna L. Wilkes
Official Signature of Notary
Notary Public

(PRINTED NAME OF NOTARY)

My Commission Expires: July 27, 2011



STATE OF NORTH CAROLINA
DEPARTMENT OF THE SECRETARY OF STATE

STATEMENT OF CHANGE OF REGISTERED
OFFICE AND/OR REGISTERED AGENT

Pursuant to §55D-31 of the General Statutes of North Carolina, the undersigned entity submits the following for the purpose of changing its registered office and/or registered agent in the State of North Carolina.

INFORMATION CURRENTLY ON FILE

The name of the entity is: McKenzie Subdivision Homeowners Association, Inc.

Entity Type: Corporation, Foreign Corporation, Nonprofit Corporation, Foreign Nonprofit Corporation,
 Limited Liability Company, Foreign Limited Liability Company Limited Partnership, Foreign Limited Partnership,
 Limited Liability Partnership, Foreign Limited Liability Partnership

The street address and county of the entity's registered office currently on file is:

Number and Street: 4515 Falls of Neuse Road, Suite 175

City, State, Zip Code: Raleigh, NC 27609 County: Wake

The mailing address *if different from the street address* of the registered office currently on file is:

The name of the current registered agent is: Howard S. Kohn

NEW INFORMATION

1. The street address and county of the new registered office of the entity is:
(complete this item only if the address of the registered office is being changed)

Number and Street: 5214 Eno Cemetery Road

City, State, Zip Code: Cedar Grove, NC 27231 County: Orange

2. The mailing address *if different from the street address* of the new registered office is:
(complete this item only if the address of the registered office is being changed)

Post Office Box 863, Hillsborough, NC 27278

3. The name of the new registered agent and the new agent's consent to appointment appears below:
(complete this item only if the name of the registered agent is being changed)

Joy Harris
Type or Print Name of New Agent

Joy Harris - Registered Agent
** Signature & Title*

4. The address of the entity's registered office and the address of the business office of its registered agent, as changed, will be identical.

5. This statement will be effective upon filing, unless a date and/or time is specified: _____

This is the 25th day of July, 2007

McKenzie Subdivision Homeowners Association, Inc.
Entity Name
[Signature]
Signature
President - Stan Burris
Type or Print Name and Title