

STATE OF NORTH CAROLINA



*Murchison, Taylor, Keadwell,
Silson & Davenport*

Department of The
Secretary of State

To all whom these presents shall come, Greetings:

I, Rufus L. Edmisten, 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 JONAQUINS LANDING HOMEOWNERS' ASSOCIATION, INC.

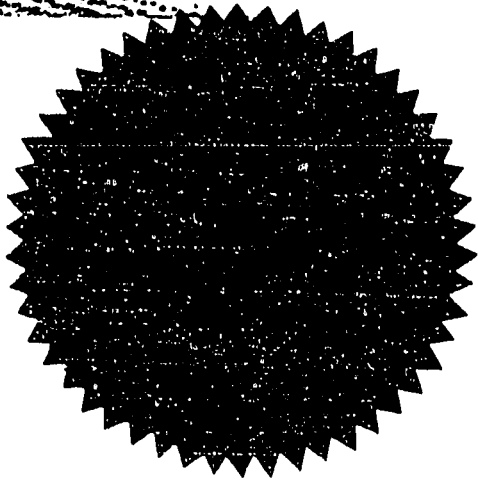
the original of which was filed in this office on the 6th day of
April, 1993.

Filed for registration at 8:50 AM. on the 23 day of Sept.
1993, and recorded in Book 221, Page 194, Office of
the Register of Deeds, Carteret County, North Carolina.

Sharon Piner
Register of Deeds

By [Signature]
Assistant, Deputy

IN WITNESS WHEREOF, I have hereunto set my
hand and affixed my official seal at the City of
Raleigh, this 6th day of April, 1993.



Rufus L. Edmisten

Secretary of State

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9:00 AM

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ARTICLES OF INCORPORATION
OF

JONAQUINS LANDING HOMEOWNERS' ASSOCIATION, INC.

RUFUS L. EDMISTEN
SECRETARY OF STATE

The undersigned, being of the age of eighteen years, does hereby make and acknowledge these Articles of Incorporation for the purpose of forming a non-profit corporation under and by virtue of Chapter 55A of the General Statutes of North Carolina and the laws of the State of North Carolina.

ARTICLE I
NAME

The name of the corporation is JONAQUINS LANDING HOMEOWNERS' ASSOCIATION, INC.

ARTICLE II
DURATION

The period of duration of the corporation is perpetual.

ARTICLE III
PURPOSES AND POWERS

The purposes and powers for which the corporation is organized are as follows:

(1) To operate and manage a planned unit subdivision development known as JONAQUINS LANDING, located in Merrimon Township, Carteret County, North Carolina.

(2) To undertake the performance of, and carry out the acts and duties incident to the administration of the operation and management of, JONAQUINS LANDING HOMEOWNERS' ASSOCIATION, INC. in accordance with the terms, provisions, conditions and authorization contained in both these Articles and in the Declaration of Restrictions which shall be recorded in the Public Records of Carteret County, North Carolina, at such time as the real property and the improvements thereon are submitted to said Declaration;

(3) To make, establish and enforce reasonable rules and regulations governing the use of subdivision development, common elements, land, and other real and personal property which may be owned by the Association itself;

(4) To make, levy and collect assessments against lot owners; to provide the funds to pay for common expenses of the Association as provided in the Declaration of Covenants, Conditions, and Restrictions and to use and expend the proceeds of assessments in the exercise of the powers and duties of the Association; to use said assessments to promote the recreation, acquisition, improvement and maintenance of properties, services and facilities

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devoted to this purpose and related to the use and enjoyment of the common areas, including but not limited to the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials, management, supervision thereof, the maintenance of insurance in accordance with the Bylaws, including the employment of attorneys to represent the Association when necessary for such other needs as may arise;

(5) To maintain, repair, replace and operate the properties for which the Association is responsible;

(6) To enforce by any legal means, the provisions of the Declaration of Covenants, Conditions and Restrictions, the Bylaws of the Association, and the rules and regulations for the use of the Association property;

(7) To contract for the management of the recreational property and to delegate to such manager or managers all powers and duties of the Association except those powers and duties which are specifically required to have approval of the Board of Directors or the membership of the Association;

(8) To have all of the common law and statutory powers of a non-profit corporation and also those powers as set out in the Restrictions of JONAQUINS LANDING and all powers reasonably necessary to implement the purposes of the Association.

ARTICLE IV MEMBERSHIP

A. The membership of JONAQUINS LANDING HOMEOWNERS' ASSOCIATION, INC. shall consist of the owners of lots in JONAQUINS LANDING subdivision, the Developer, and the owners of any other lands which may be added thereto by the Developer. Membership shall be established by acquisition of fee title to a lot in JONAQUINS LANDING subdivision whether by conveyance, devise, descent, or judicial decree. A new owner designated in such deed or other instrument shall thereupon become a member of the Association, and the membership of the prior owner as to a lot designated shall be terminated. Each new owner shall deliver to the Association a true copy of such deed or instrument of acquisition of title.

B. Neither one's membership in the Corporation nor a member's share in the funds and assets of the Corporation may be assigned, hypothecated or transferred in any manner except as an appurtenance to JONAQUINS LANDING subdivision.

C. There is one class of membership in JONAQUINS LANDING HOMEOWNERS' ASSOCIATION, INC., the classes of membership and the respective voting rights of each class of membership shall be as follows:

Type A: Type A Members shall be all Owners (including the Developer) of Lots. An Owner of a Lot shall be entitled to one vote for each Lot that he owns.

D. As stated herein, the term "Developer" shall mean DK Carolina Land, Inc., its successors or assigns.

ARTICLE V DIRECTORS

A. The number of Directors and the method of election of the Directors shall be fixed by the Bylaws; however, the number of Directors shall not be less than three. Directors shall be elected at large from the membership.

B. The first election by the members of the Association for Directors shall not be held until after the Developer has relinquished control of the Association as set out in the Declaration of Restrictions. Thereafter, the election of Directors shall take place at the annual meeting of the membership as provided in the Bylaws.

ARTICLE VI INITIAL BOARD OF DIRECTORS

The number of Directors constituting the initial Board of Directors shall be three and the names and address of the persons who are to serve as the first Board of Directors are as follows:

NAME	ADDRESS
1. Dean Scarafoni	3963 Market Street Wilmington, NC 28403
2. David L. Dickey	3963 Market Street Wilmington, NC 28403
3. Richard E. Scarafoni	287 Cold Spring Road Williamstown, MA 01267

ARTICLE VII TAX STATUS

The Corporation shall have all the powers granted non-profit corporations under the laws of the State of North Carolina. Notwithstanding any other provision of these Articles, this Corporation hereby elects tax-exempt status under Section 528 of the Internal Revenue Code of 1986. This Corporation shall not carry on any activities prohibited by a Corporation electing tax-exempt status under Section 528, or any corresponding sections or provisions of any future United States Internal Revenue law. It is further provided that no distributions of income of the Corporation are to be made to members, directors or officers of the

Corporation; provided, however, that members of the Corporation may receive a rebate of any excess dues and assessments previously paid.

ARTICLE VIII INDEMNIFICATION

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 him in connection with any proceeding to which he may be a part, 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 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 shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interests 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.

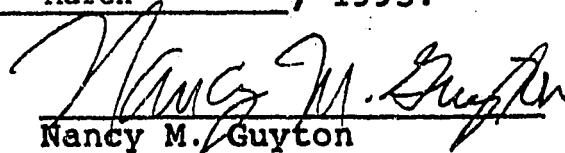
ARTICLE IX REGISTERED OFFICE AND AGENT

The address of the initial registered office of the corporation in the State of North Carolina is P. O. Box 6055, 3963 Market Street, New Hanover County, Wilmington, N.C. 28403; and the name of its initial registered agent at such address is Dean Scarafoni.

ARTICLE X INCORPORATOR

The name and address of the incorporator is Nancy M. Guyton, 16 N. Fifth Street, Wilmington, N.C. 28402.

IN WITNESS WHEREOF, the incorporator has hereunto set her hand and seal this 26th day of March, 1993.

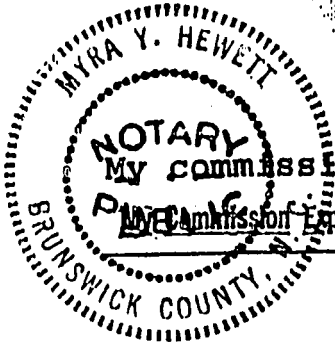
 (SEAL)
Nancy M. Guyton

NORTH CAROLINA

~~BRUNSWICK~~
~~NEW HANOVER~~ COUNTY

I, the undersigned Notary Public, do hereby certify that Nancy M. Guyton personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal this 26th day of March, 1993.



My commission expires:
July 4, 1995.

Myra Y. Hewett
Notary Public

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