

ARTICLES OF INCORPORATION
OF
LIGHTHOUSE COVE HOMEOWNERS' ASSOCIATION, INC.

In compliance with the requirements of Chapters 47F and 55A of the North Carolina General Statutes, the undersigned, a natural person of full age, has this day executed these Articles of Incorporation for the purpose of forming a non-profit corporation and hereby certifies as follows:

ARTICLE I
NAME

The name of the corporation is LIGHTHOUSE COVE HOMEOWNERS' ASSOCIATION, INC. (hereinafter the "Association").

ARTICLE II
REGISTERED OFFICE AND INITIAL AGENT; PRINCIPAL OFFICE

The registered office of the Association is located at 1900 Eastwood Road, Suite 11, Wilmington, New Hanover County, North Carolina 28403. The name of the initial registered agent at such address is William J. Bland.

The initial principal office of the Association is located at 1900 Eastwood Road, Suite 11, Wilmington, North Carolina 28403. The location of the registered and the principal offices of the Corporation may be changed by a majority vote of the Board of Directors. Meetings of Members and Directors shall be held at such places within New Hanover County, North Carolina, as may be designated by the Board of Directors.

ARTICLE III
PURPOSE AND POWERS OF THE ASSOCIATION

The Association does not contemplate a pecuniary gain or profit to the Members thereof. The specific purposes for which the Association is formed are to own and maintain the Common Elements (as that term is defined in that certain Declaration of Covenants, Conditions and Restrictions for Lighthouse Cove Subdivision, to be recorded in the Brunswick County Registry, as from time to time amended, said document, together with all amendments thereto, if any, being hereinafter referred to as the "Declaration") within the subdivision known as LIGHTHOUSE COVE (hereinafter the "Subdivision"), and for these purposes, to:

(a) exercise all powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, the Bylaws of the Association, and the North Carolina Planned Community Act, N.C.G.S. Chapter 47F (hereinafter the "Act"); and

(b) have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act of the State of North Carolina by law may now or hereafter have or exercise.

ARTICLE IV
FINANCE

The Association is a non-stock corporation and no part of the profits, if any, of the Association shall inure to the pecuniary benefit of its Members or any of them, or to any other person.

ARTICLE V
MEMBERSHIP AND VOTING RIGHTS

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by the 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. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

The voting rights of the Members shall be provided in the Declaration and Bylaws of the Association.

ARTICLE VI
MANAGEMENT OF THE ASSOCIATION

The affairs of the Association shall be managed by an initial Board of three (3) Directors. The persons who are to act in the capacity of Directors until the selection of their successor(s) are:

<u>Name</u>	<u>Address</u>
Jeff Smith	1900 Eastwood Road, Suite 11 Wilmington, NC 28403
John R. Lancaster	1900 Eastwood Road, Suite 11 Wilmington, NC 28403
Glenn Stygar	1900 Eastwood Road, Suite 11 Wilmington, NC 28411

The election or appointment of Directors of the Association shall be governed by the Bylaws of the Association.

ARTICLE VII
DISSOLUTION

The Association may be dissolved only upon the signed written assent of Members entitled to at least 80% of the votes of the entire membership. Upon dissolution, 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 the Association was created. In the event that such dedication is not accepted, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization devoted to similar purposes. Notwithstanding anything herein to the contrary, the Common Elements shall be preserved to the perpetual benefit of the owners of Lots within the subdivision and shall not be conveyed except to Brunswick County, or other governmental entity, or to another non-profit corporation organized for similar purposes.

**ARTICLE VIII
DURATION**

The period of existence of the Association is perpetual.

**ARTICLE IX
AMENDMENTS**

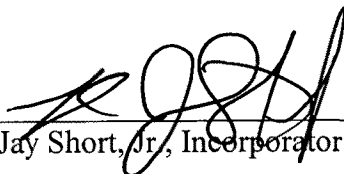
Amendment of these Articles shall require the assent of Members entitled to at least eighty percent (80%) of votes of the entire membership.

**ARTICLE X
INCORPORATOR**

The name and address of the incorporator is as follows:

R. Jay Short, Jr.
Fletcher, Ray & Satterfield, LLP
131 Racine Drive, Suite 201
Wilmington, NC 28403

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal, this the 13 day of August, 2007.



R. Jay Short, Jr., Incorporator (SEAL)

STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

I, Tori McGee, a Notary Public for said County and State, do hereby certify that **R. Jay Short, Jr.** personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this the 13 day of August, 2007.

My commission expires: 9/25/07

Tori McGee
Notary Public

AFFIX SEAL

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