

EXHIBIT B

ARTICLES OF INCORPORATION  
OF  
OAK PARK HOMEOWNERS' ASSOCIATION, INC.  
A NON-PROFIT CORPORATION

The undersigned, being of the age of eighteen years or more, 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 OAK PARK HOMEOWNERS' ASSOCIATION, INC. (hereafter referred to as the "Association").

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 Oak Park, located in Cabarrus 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 Oak Park Homeowners' Association, Inc. in accordance with the terms, provisions, conditions and authorization contained in both these Articles and in the Declaration of Covenants, Conditions and Restrictions (the "Declaration") which shall be recorded in the Public Records of Cabarrus 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 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 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 of the Association (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, the Bylaws, and the rules and regulations for the use of the Association's 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 Declaration and all powers reasonably necessary to implement the purposes of the Association;

(9) To 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;

(10) To borrow money, and with the assent of two-thirds (2/3) of each class of members, mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(11) To dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(12) To participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any

such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members;

(13) The Oak Park Homeowners' Association, Inc. is not organized for pecuniary profit, nor shall it have any power to issue certificates of stock or pay dividends, and no part of the net earnings or assets of the Oak Park Homeowners' Association, Inc. shall be distributed, upon dissolution or otherwise, to any member, director or officer of Oak Park Homeowners' Association, Inc. If the Association is dissolved, the assets shall be dedicated to a public body, or conveyed to a non-profit organization with similar purposes.

#### ARTICLE IV MEMBERSHIP

(1) The membership of Oak Park Homeowners' Association, Inc. shall consist solely of the owners of lots in Oak Park subdivision, and the owners of any other lands which may be added thereto pursuant to the Declaration. Membership shall be established by acquisition of fee title to a lot in Oak Park 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. Membership shall be appurtenant to, and inseparable from, ownership of a lot. Each new owner shall deliver to the Association a true copy of such deed or instrument of acquisition of title.

(2) Neither one's membership in the Association nor a member's share in the funds and assets of the Association may be assigned, hypothecated or transferred in any manner except as an appurtenance to Oak Park subdivision.

(3) The members of Oak Park Homeowners' Association, Inc. shall have the right to vote for the election and removal of directors and upon such other matters with respect to which the right to vote is given to members under the Declaration or under the provisions of Chapter 55A of the General Statutes of North Carolina, the voting rights of the members being more particularly described in the Declaration and in the Bylaws attached hereto.

#### ARTICLE V VOTING RIGHTS

The voting rights of the Membership shall be appurtenant to the ownership of Lots and shall be divided into two classes of voting membership as follows:

(a) Class A Members. Class A members shall be all owners of Lots with the exception of those Lots owned by a Declarant, as hereafter defined. When more than one person holds an interest in

any Lot, all such persons or entities shall be considered members. The vote for such Lot shall be exercised as such parties determine, but in no event shall more than one vote be cast with respect to any such Lot.

(b) Class B Members. Class B members shall be any of the Declarants which may own any Lots. The Class B member(s) shall be entitled to three (3) votes for each Lot owned. The Class B memberships shall be converted to Class A memberships on the happening of either of the following events, whichever occurs earlier (i) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership, or (ii) on December 31, 1997. For purposes hereof, the Declarant shall mean and refer to LandCraft Properties, Inc. and any person or entity which shall also be designated as a "Declarant" by LandCraft Properties, Inc. hereafter when such designee becomes vested with title to two or more undeveloped Lots for the purpose of causing dwellings to be constructed thereon. LandCraft Properties, Inc. hereby designates Eastwood Construction Co., Inc., The Ryland Group, Inc. and William Trotter Company as "Declarants" hereunder, respectively, with each of said companies retaining their Class B membership for so long as such company owns any Lots or has contracted to purchase additional Lots.

#### ARTICLE VI DIRECTORS

(1) 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.

(2) The first election by the members of the Association for Directors shall not be held until after the Declarants have relinquished control of the Association as set out in the Declaration. Thereafter, the election of Directors shall take place at the annual meeting of the membership as provided in the Bylaws. After the Declarants have relinquished control, there shall be a special meeting of the membership for the purpose of electing a Board of Directors to serve until the next annual meeting and until new Directors are elected and qualified.

#### ARTICLE VII INITIAL BOARD OF DIRECTORS

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

NAME	ADDRESS
1. Scott A. Stover	LandCraft Properties, Inc. Carillon Building 227 West Trade Street, Suite 2370 Charlotte, NC 28202
2. Paul H. Trotter	William Trotter Company 1515 Mockingbird Lane, Suite 900 Charlotte, NC 28209-3236
3. Paul D. Carty	The Ryland Group, Inc. 4801 E. Independence Blvd., Suite 412 Charlotte, NC 28212
4. Lee H. Rogers	Eastwood Construction Company, Inc. 2857 Westport Road Charlotte, NC 28208

At the first annual meeting of the Members, the number of Directors shall be increased to no less than five Directors.

#### ARTICLE VIII TAX STATUS

The Association 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, the Association hereby elects tax-exempt status under Section 528 of the Internal Revenue Code of 1986. The Association 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 Association are to be made to members, directors or officers of the Association; provided, however, that members of the Association may receive a rebate of any excess dues and assessments previously paid.

#### ARTICLE IX REGISTERED OFFICE AND AGENT

The address of the initial registered office of the corporation in the State of North Carolina is LandCraft Properties, Inc., Carillon Building, 227 West Trade Street, Suite 2370, Charlotte, Mecklenburg County, NC 28202; and the name of its initial registered agent at such address is Scott A. Stover.

**ARTICLE X  
INCORPORATOR**

The name and address of the incorporator is William B. Kirk, Jr., Kirk & Palmer, P.A., 122 Cherokee Road, Charlotte, Mecklenburg County, NC 28207.

**ARTICLE XI  
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 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 XII  
AMENDMENTS**

Any amendment to these Articles shall require the assent of seventy-five percent (75%) of each class of membership.

**ARTICLE XIII  
FHA/VA APPROVAL**

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: (i) annexation of additional properties other than those defined as "Additional Properties" in the Declaration, (ii) mergers and consolidations, (iii) mortgaging of any portion of the Common Area, (iv) dedication of any Common Areas for public use, (v) dissolution of the Association, or (vi) amendment of these Articles.

IN WITNESS WHEREOF, the incorporator has hereunto set his hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 1994.

\_\_\_\_\_  
William B. Kirk, Jr. (SEAL)

NORTH CAROLINA  
MECKLENBURG COUNTY

I, the undersigned Notary Public, do hereby certify that William B. Kirk, Jr. personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 1994.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

[ATTACH COPY OF BYLAWS]