

11. The mailing address of the principal office is:

P.O. Box 674

Clayton, NC 27528

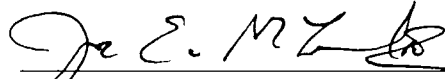
Johnston County

12. These articles will be effective upon filing, unless a date and/or time is specified.

13. Business email address

Privacy Redaction

This 16 day of December, 2020.



Jack E. McLamb, Incorporator

Jack E. McLamb, III, Attorney at Law

10920 Cleveland Road, Suite 305

Garner, NC 27529

EXHIBIT "A"

**ARTICLES OF INCORPORATION
STEPHENS RIDGE OF JOHNSTON HOA, INC.**

1. PURPOSE:

A. The purposes for which the Corporation is organized are:

To oversee the construction, maintenance and repairs of Stephens Ridge Subdivision, in Johnston County, North Carolina and to expend monies for maintenance and beautification of said Subdivision, to otherwise insure that both the homeowners and the Declarant and developer have control over the construction, maintenance, repair and general living conditions in said Subdivision, and for such other lawful purposes in connection with the orderly construction, maintenance and repair of the Subdivision.

B. In furtherance of its purposes and to the extent necessary to carry out such purposes, the Corporation:

- (1) Shall have all the powers given to and possessed by a North Carolina Corporation organized under the North Carolina Non-Profit Corporation Act.
- (2) May engage in any lawful activity within the purposes for which the Corporation may be organized which is incidental to and in furtherance of the exempt purposes of the Corporation.
- (3) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, directors, officers or other persons, except to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these articles.
- (4) No substantial part of the activities of the Corporation shall be carrying on a propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a Corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provision of any further U.S. Internal Revenue Law); or (b) by a Corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future U.S. Internal Revenue law).

2. MEMBERSHIP:

A. Membership.

- (1) Qualifications. Each Lot Owner shall be a Member of the Association. There shall be only one membership per Lot. If a Lot is owned by more than one Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board Regulation. If a person(s) owns more than one Lot, that person shall own one membership per Lot owned. All Co-Owners of a Lot shall be

jointly obligated to perform the responsibilities of the Owner of the Lot, and any one co-owner may be held responsible for all such obligations. The membership rights of an Owner which is a corporation, partnership, trust, or other entity may be exercised by any officer, director, trustee, or by the individual designation from time to time by the Owner in a written instrument provided by the Secretary of the Association.

- (2) Classes. The Association shall have one class of membership, which such rights and privileges as are described in the Declaration and in the Associations Bylaws. Members shall all be Owners.

B. Voting.

- (1) The Members shall have one equal vote for each Lot of which they are the Owners; provided however, there shall only be one vote per Lot. In any situation where there is more than one Owner of a Lot, then vote for such Lot shall be exercised as the Co-Owners determine among themselves and advise the Secretary of the Association in writing prior to the vote being taken. Absent such advice, the Lot's vote shall be suspended if more than one person seeks to exercise it.
- (2) Manner of Voting. On any matter as to which the Governing Documents or North Carolina law require a vote or approval of the membership, such vote or approval may be obtained by affirmative vote at a meeting or by written consent, or by any combination of votes and written consents, unless the Governing Documents or North Carolina law expressly requires that the vote on such matter be taken at a meeting of the membership. There shall be no cumulative voting.

C. Annual Assessment.

- (1) On or before January 1st of each year, the Board of Directors shall adopt the Budget (as defined below) for the upcoming Annual Assessment Period. The annual budget for the Association shall include all anticipated revenues (including revenues from Annual Assessments to be charged in the next Annual Assessment Period- the "anticipated Annual Assessment) and anticipated costs for the Association for the upcoming Annual Assessment Period (together "the Budget). The Anticipated Annual Assessments for the approved Budget shall be the basis for calculation the Annual Assessment to be charged to each Owner for the upcoming Annual Assessment Period.
- (2) Notwithstanding the above to the contrary:
 - a. Through and including January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum Annual Assessment per Lot shall not exceed Three Hundred Sixty and no/100 dollars (\$360.00) per Lot in Use.
 - b. An annual increase shall not be more than ten percent (10%) except by the approval of at least two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting called for this purpose. The provisions of this subsection shall not apply to, nor be a limitation upon, any change in the maximum annual assessment undertaken as an incident to merger or consolidation in which the Association is authorized to participate under this Declaration or its Articles or Bylaws.

- c. Subject to the provisions of this subparagraph, the Board of Directors may fix the Annual Assessment at any amount not in excess of the maximum Annual Assessment allowed for the applicable calendar year.

3. DISSOLUTION.

Upon the dissolution of the Corporation, the Board of Directors, shall, after paying or making provisions for the payment of all the liabilities of the Corporation, dispose of all the assets of the Corporation exclusively for the purposes of the Corporation in such a manner, or with such organization or organizations organized and operated exclusively for religious or other non-profit, charitable purpose as shall at the time qualify as an exempt organization or organizations under Section 501©(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future U.S. Internal Revenue Law), as the Board of Directors shall determine.

Any such assets not so disposed of shall be disbursed by the Superior Court of the county in which the principle office of the Corporation has been located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

4. BOARD OF DIRECTORS.

The Directors of the Corporation shall be elected or appointed in a manner and for the terms provided in the Bylaws and/or Declaration. To the fullest extent permitted by applicable law, no director of the Corporation shall have any personal liability arising out of any action whether by or in the right of the Corporation or otherwise for monetary damages for breach of any duty as a director. This shall not impair any right to indemnity from the Corporation that any director may now or hereafter have. Any repeal or modification of this provision shall be prospective only and shall not adversely affect any limitation hereunder on the personal liability of a director with respect to acts or omissions occurring prior to such repeal or modification.

The number of initial directors constituting the Board of Directors shall be one and the name and address of the person who is to serve as initial Director is: J. Wade Corbett, 10920 Cleveland Road, Suite 100, Garner, NC 27529.