



NORTH CAROLINA

Department of the Secretary of State

To all whom these presents shall come, Greetings:

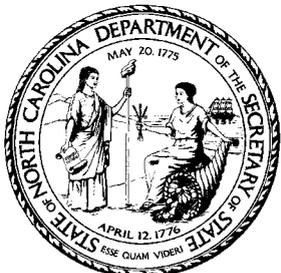
I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF INCORPORATION

OF

1412 CANAL DRIVE HOA, INC.

the original of which was filed in this office on the 6th day of December, 2023.



Scan to verify online.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 6th day of December, 2023.

Elaine F. Marshall

Secretary of State

ARTICLES OF INCORPORATION

OF

1412 CANAL DRIVE HOA, INC.

(A North Carolina Non-Profit Corporation)

In compliance with the requirements of Chapter 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:

ARTICLE I

NAME

The name of the Corporation is 1412 CANAL DRIVE HOA, INC., hereinafter called the "Association."

ARTICLE II

REGISTERED OFFICE AND AGENT, PRINCIPAL OFFICE

The initial registered office of the Association and the principal office of the Association is located at 1029 N. Lake Park Blvd., Unit 1, Carolina Beach NC 28428 in New Hanover County, North Carolina, and the name of the initial registered agent of the Association located at such address is Kevin McKoy.

ARTICLE III

POWERS AND PURPOSES

This Association does not contemplate pecuniary gain or profit to the Members thereof. No part of the net income of the Association shall inure to the benefit of any officer, director or member of the Association. The Association is formed for the purpose of operating and managing 1412 Canal

Drive, a Condominium project, created in accordance with the laws of the State of North Carolina upon property situated, lying and being in Carolina Beach, New Hanover County, North Carolina, and described in the Declaration of Condominium for 1412 Canal Drive, a Condominium, recorded in the office of the New Hanover County Register of Deeds. Such purposes shall include the following:

- (a) To operate and manage a condominium known as 1412 Canal Drive, a Condominium, organized pursuant to Chapter 47C of the North Carolina General Statutes and located in Carolina Beach, New Hanover County, North Carolina;
- (b) To undertake the performance of, and carry out the acts and duties incident to the administration of the operation and management of the Association in accordance with the terms, provisions, conditions and authorizations contained in both these Articles and in the Declaration;
- (c) To make, establish and enforce reasonable rules and regulations governing the use of the Common Elements, land, and other real and personal property which may be owned by the Association;
- (d) To make, levy and collect assessments against Unit 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 acquisition, improvement and maintenance of the Common Elements, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Elements, 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 Declaration and Bylaws, including the employment of attorneys to represent the Association when necessary for such other needs as may arise;
- (e) To maintain, repair, replace, and operate the properties for which the Association is responsible;
- (f) To enforce by any legal means, the provision of the Declaration, the Bylaws and the rules and regulations for the Condominium;
- (g) To delegate to such manager or managers powers and duties of the Association except those powers and duties which are specifically required to have approval of the Association's Executive Board or the membership of the Association;
- (h) To have all of the common law and statutory powers of a nonprofit corporation and also those powers as set out in the Declaration and the North Carolina Condominium Act and

all powers reasonably necessary to implement the purposes of the Association.

ARTICLE IV

DURATION

The period of duration of the Association shall be perpetual.

ARTICLE V

MEMBERSHIP

The Association will have members, the designations, qualifications, rights and obligations of whom are set forth in or authorized by the Bylaws of the Association. The members of the Association shall be limited solely to the Owners of Units in the Condominium. Membership shall be automatically established by acquisition of fee title to a Unit whether by conveyance, devise, descent, judicial decree, foreclosure or deed in lieu of foreclosure. 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 designated Unit shall be terminated. Voting shall be based on each Unit being allocated the number of votes as set forth in the Declaration. If a Unit is owned by more than one person, such persons shall agree among themselves how a vote for such Unit's membership is to be cast. Individual co-owners may not cast fractional votes.

ARTICLE VI

VOTING RIGHTS

Each member of the Association 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, Bylaws, or under the provisions of the North Carolina Nonprofit Corporation Act, the voting rights of the members shall be more particularly described in the Declaration and Bylaws.

ARTICLE VII

BOARD OF DIRECTORS

The Association shall have an Executive Board, who shall manage the affairs of the Association, whose number and manner of election shall be fixed by the Bylaws. The members of the Board of Directors shall be elected by the members of the Association at the annual meeting of the membership as provided by the Bylaws. All members of the Board of Directors shall be members of the Association or shall be authorized representatives, officers, or employees of a corporate member of the Association.

ARTICLE VIII

AMENDMENT TO ARTICLES

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

ARTICLE IX

DISSOLUTION

Upon dissolution of the Association, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Association, dispose of all of the assets of the Association exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for religious, charitable, educational, scientific or literary purposes as shall at the time qualify as an exempt organization or organizations organized under Section 501(c)(3) of the Internal Revenue Code as the Board of Directors shall determine, or to federal, state or local governments to be used exclusively for public purposes. Any such assets not so disposed of shall be disposed of by the Superior Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organizations, such as the court shall determine, which are organized and operated exclusively for such purposes, or to such governments for such purposes.

ARTICLE X

TAX STATUS

The Association shall have all of the powers granted to nonprofit corporations under the laws of the State of North Carolina. Notwithstanding any other provision of these Articles, the Association hereby elects tax status under Section 528 of the Internal Revenue Code of 1986 or any corresponding sections or provisions of any future United States Internal Revenue Law (the "Code"). The Association shall not carry on any activities prohibited by a corporation electing tax status under Section 528, or any corresponding sections or provisions of the Internal Revenue Code. No part of the net earnings or assets of the Association shall inure to the benefit or be distributed, upon dissolution or otherwise, to any member of the Association, director, officer or other private person, provided that members of the Association may receive a rebate of any excess dues and assessments previously paid.

ARTICLE XI

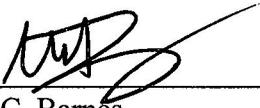
INDEMNIFICATION

Every director and every officer of the corporation shall be indemnified by the corporation against all the expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, 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 or liabilities 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 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 interest 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 XII
INCORPORATOR

The name and address of the Incorporator is Mitchell C. Barnes, 1009 N. Lake Park Blvd., Suite A-3, Carolina Beach, New Hanover County, North Carolina 28428.

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of North Carolina, I, the undersigned, being the Incorporator of this Association, have executed these Articles of Incorporation this the 30 day of November, 2023.


_____(SEAL)
Mitchell C. Barnes,
INCORPORATOR