

**RESTATED ARTICLES OF INCORPORATION OF  
CONNESTEE FALLS PROPERTY OWNERS ASSOCIATION, INC.**

These Restated Articles of Incorporation of Connestee Falls Property Owners Association, Inc. (“Articles”) are made on this fifteenth day of September, 2016 by the Board of Directors (“Board”) of the Connestee Falls Property Owners Association, Inc. (“Association”), and Members of the Association in accordance with Section 55A-10-03 of Chapter 55A of the North Carolina General Statutes (“Nonprofit Corporation Act”).

Capitalized terms in these Articles shall be defined as set forth in the Declaration of Restrictive Covenants for Connestee Falls as lastly adopted or revised on or before the date first written above.

**WITNESSETH**

WHEREAS, the Association was duly incorporated under Chapter 55A of the General Statutes of North Carolina, on the 25<sup>th</sup> day of May, 1971;

WHEREAS, these Restated Articles of Incorporation do include amendments that have been approved by the Board and by the Members in accordance with Section 55A-10-03 of the Nonprofit Corporation Act;

NOW, THEREFORE, the Association, in accordance with the Nonprofit Corporation Act restates its Articles of Incorporation as follows:

- A. The name of the Association is Connestee Falls Property Owners Association, Inc.
- B. The period of duration of the Association shall be perpetual.

- C. The Association does not contemplate pecuniary gain or profit, direct or indirect, to its Members. In way of explanation and not of limitation, the purposes for which the Association is formed are:
1. To be and constitute the Association to which reference is made in the Declaration of Restrictive Covenants for Connestee Falls, (hereinafter the "Declaration"), establishing a plan of development and recorded on the 4<sup>th</sup> day of June, 1971, in the Office of the Register of Deeds of Transylvania County, North Carolina, in Deed Book 189, page 443, et seq., as amended or supplemented, thereafter, and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association, as specified in said Declaration, in the Connestee Falls Property Association, Inc. Bylaws ("Bylaws"), and as provided by law.
  2. To provide an entity for the furtherance of the interest of the Owners in the Association.
- D. In furtherance of its purposes, the Association shall have the following powers, which, unless indicated otherwise by the Declaration or Bylaws, may be exercised by the Board:
1. All of the powers conferred upon non-profit corporations by common law and the statutes of the State of North Carolina in effect from time to time.
  2. All of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the Declaration, or Bylaws, including, without limitation, the following:
    - a. To adopt and amend budgets for revenues, expenditures, and reserves and to collect Assessments for Common Expenses, fees, and charges from Owners;
    - b. To manage, control, operate, maintain, repair, and improve the Common Areas and facilities, and property subsequently acquired by the Association, or any property owned by another, for which the Association by its Declaration, Bylaws, Rules and Regulations, or contract has a right or duty to provide such services;
    - c. To enforce covenants, conditions, or restrictions affecting any property to the extent the Association may be authorized to do so under the provisions of the Declaration or Bylaws;
    - d. To engage in activities which actively foster, promote, and advance the common interests of all Owners in the Association;
    - e. To buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Association;
    - f. To borrow money for any purpose except as may be limited in the Bylaws;

- g. To enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any association, corporation, or other entity or agency, public or private;
  - h. To adopt, alter, and amend or repeal the Bylaws or new Bylaws may be adopted at any time by a written ballot as provided in the Nonprofit Corporation Act. The Bylaws will be so amended when valid ballots are cast by at least twenty-five percent (25%) of all Voting Members in good standing as of the date the ballots are due, and with the affirmative vote of either two-thirds (2/3) of valid votes cast or a majority of all votes entitled to be cast, whichever is less. Such Bylaws shall be necessary or desirable for the proper management of the affairs of the Association; provided, however, that such Bylaws may not be inconsistent with or contrary to any provisions of the Declaration;
  - i. To provide any and all supplemental municipal services as may be necessary or proper;
  - j. The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law including but not limited to statutes of the state of North Carolina as they may apply to the Association; and the powers specified in each of the subparagraphs of this paragraph D are independent powers not to be restricted by reference or inference from the terms of any other subparagraph or provision of this paragraph D.
- E. The Association shall have no power to either declare or pay dividends and no part of its income shall inure to the benefit of any Member, officer, or director of the Association, or to any other private individual. The Association shall have no power or authority to engage in activities which consist of carrying on propaganda, or to participate in, or intervene, in any political campaign on behalf of any candidates for public office.
- F. The Association shall have no capital stock.
- G. The Association shall be a Membership corporation with Members and Non-Members, as follows:
  - 1. **Members.** Each Person that is the record Owner in the Community shall be a Member of the Association with Rights and Privileges as further specified in the Declaration, Bylaws, Rules and Regulations, and policies of the Association; provided that no Lot shall have more than one Voting Member. The Board may limit Privileges for any Members in excess of two Members per Lot.
  - 2. **Non-Members.** Each Person in the Community that is not a record Owner and is sponsored by a Member or the Association shall be a Non-Member and shall have no Rights of Membership. The Privileges and obligations of Non-Member classifications cited below shall be as specified in these Articles, the Declaration, Bylaws, Rules and Regulations, and policies of the Association. Non-Member classifications include but are not limited to:

- a. **Resident Affiliate.** Each Person, not otherwise a Member, who cohabits on a regular or on-going basis the same Connestee Falls Housing Unit as a Member.
  - b. **Tenant.** Each Person occupying a Connestee Falls Housing Unit for which the Owner or other Person receives a consideration, benefit, fee, exchange, service, gratuity, or emolument. A Guest inhabiting a Housing Unit for a period of more than thirty (30) days may be deemed a Tenant by the Association. A Guest occupying a Housing Unit while the Owner is not present in the Housing Unit may be deemed a Tenant by the Association.
  - c. **Guest.** Each Person on the premises of the Community, invited by a Member, a Tenant, or the Association.
- H. The address of the registered office of the Association in the State of North Carolina is Connestee Falls Property Owners Association, Inc. 33 Connestee Trail, Brevard, North Carolina 28712, and the name of its registered agent thereat is the general manager of the Association.
- I. The affairs of the Association shall be managed by a Board consisting of not fewer than three (3) directors, and the actual number of directors shall be as provided in the Bylaws. The qualifications of the directors, together with their terms of office, the manner of election, removal, change of number, filling of vacancies, and of newly created directorships, powers, duties, and liabilities shall except as otherwise provided in these Articles or by the laws of the State of North Carolina, be as prescribed in the Bylaws.
- J. The Association reserves the right to amend, alter, change, or repeal any provisions contained in the Articles in the manner now or hereafter prescribed by statute, at any time by a written ballot. The Articles will be so amended when valid ballots are cast by at least twenty-five percent (25%) of all Voting Members in good standing as of the date the ballots are due, and with the affirmative vote of either two-thirds (2/3) of valid votes cast or a majority of all votes entitled to be cast, whichever is less. Rights conferred upon Members herein are granted subject to this reservation; provided, however, that under no circumstances shall the Members amend the Articles so that Members or any other private individuals may participate in the distribution of earnings, funds, or properties of this Association.

IN TESTIMONY WHEREOF, the undersigned, on behalf of Connestee Falls Property Owners Association, Inc. does hereby certify to the adoption of the foregoing Restated Articles of Incorporation of Connestee Falls.

CONNESTEE FALLS PROPERTY OWNERS ASSOCIATION, INC.

By: \_\_\_\_\_  
Carl H. Burkhart, President

Attest: \_\_\_\_\_  
Michael H. Sanders, Secretary

STATE OF NORTH CAROLINA  
COUNTY OF TRANSYLVANIA

THIS IS TO CERTIFY, that on the fifteenth day of September, 2016, before me, a Notary Public, personally appeared Carl H. Burkhart, President, and Michael H. Sanders, Secretary, who I am satisfied are the persons named in and who executed the foregoing Restated Articles of Incorporation on behalf of the Connestee Falls Property Owners Association, Inc., and I have first made known to them the contents thereof, they did each acknowledge that they signed and delivered the same, and that the statements contained therein are true, and that they have signed as officers of the Association, and that all has been done as their voluntary act and deed for the use and purposes herein-above expressed on behalf of the Association, and as the act of the Association.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal this fifteenth day of September, 2016.

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Sharon M. Jenkins, Notary Public

My Commission expires 11-28-2017.