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ARTICLES OF INCORPORATION OF PIPERS RIDGE OWNERS' ASSOCIATION

In compliance with the requirements of Chapter 55A of the General Statutes of North Carolina the undersigned, all of whom are residents of the State of North Carolina and all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

ARTICLE I

The name of the corporation is PIPERS RIDGE OWNERS' ASSOCIATION, hereinafter called the "Association."

ARTICLE II

The principal and registered office of the Association is located at Mailing Address: P.O. Box 444, Conover, North Carolina 28613; Physical Address: 2656 Heart Drive, Claremont, North Carolina 28610. (Catawba County)

ARTICLE III

G. Mark Huffman, whose address is P.O. Box 444, Conover, North Carolina 28613, is hereby appointed the initial registered agent of this Association.

ARTICLE IV

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of residence Lots and Common Area within that certain tract of property described as PIPER'S RIDGE SUBDIVISION PHASE I AND PHASE II, and said other properties as may be annexed thereto, and to promote the health, safety, and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for these purposes to:

- (a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, as supplemented and amended in Book 2188, Page 1662, re-recorded in Book 2233, Page 1411; Book 2213 at Page 972; Book 2233, Page 1422 and Book 2350, Page 1436; hereinafter collectively called the "Declaration," applicable to the property and recorded in the Office of the Register of Deeds of Catawba County, North Carolina, and as the same may be further amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;
- (b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association.
- (c) 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 property in

connection with affairs of the Association, provided any conveyance, sale, dedication or disposition of real property is not inconsistent with the laws and ordinances of the County of Catawba;

(d) Borrow money, and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights of any mortgagee in said properties shall be subordinate to the rights of the Owners' hereunder;

(e) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, utility or other nonprofit corporation 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 the members, agreeing to such dedication, sale or transfer.

(f) Participate in mergers and consolidations with other nonprofit 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 the members.

(g) To annex additional properties in such manner and upon such terms as set out in a Declaration of Covenants, Conditions, and Restrictions of the Pipers Ridge Owners' Association executed by Pipers Ridge MMI, LLC, et. al and all amendments and supplements thereto which are recorded, in the Office of the Register of Deeds of Catawba County, North Carolina.

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

This corporation is organized and shall be operated exclusively as an Owners' association and not for profit. No part of the earnings of this corporation or the funds contributed by any person or corporation shall inure to the benefit of any director, officer, or member of the corporation, or any private individual (other than by acquiring, constructing, or providing management, maintenance, and care of Association property, and other than by a rebate of excess membership dues, fees, or assessments), except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes. In the event of the liquidation or dissolution of the corporation, either voluntary or involuntary, no director or officer of the corporation or any private individual shall be entitled to any distribution or division of its remaining property or its proceeds, and the balance of all money and other property received by the corporation from any source, after the payment of all debts and obligations of the corporation, shall be used or distributed exclusively to an entity or entities whose purposes are substantially similar to those set forth in this Article IV and within the intent of Section 528 of the Internal Revenue Code of 1986 and the regulations thereunder as the same now exist or as they may be hereafter amended from time to time or to an appropriate public agency to be or used for purposes similar to those stated in this Article IV or to an organization which would then qualify under the provisions of Section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

Anything to the contrary notwithstanding, the corporation shall not possess or exercise any power or authority either expressly, by implication, or by operation of law that will prevent it at any time from qualifying as a "Residential Real Estate Management Association" as defined in Section 528 of the Internal Revenue Code of 1986 as amended and the regulations thereunder, nor shall it engage directly or indirectly in any activity which would cause the loss of such qualification or deny it such election under such section of the Internal Revenue Code.

In order to properly prosecute the objects and purposes set forth, this corporation shall have all the powers vested in corporations by the laws of the State of North Carolina, Chapter 55A, Section 15, and other laws relating to corporations which may appear in the General Statutes of North Carolina, together with all amendments thereto, past and future, which powers shall include, but the inclusion of such powers shall not be deemed as exclusive of other powers vested in the corporation, the following powers: This corporation

shall have full power and authority to acquire real or personal property, tangible or intangible, by gift, contribution, bequest, devise, purchase, lease, exchange, or by any other manner, and to hold legal or equitable title to real and personal property; to borrow money, issue bonds, indentures or other evidences of indebtedness, secured or unsecured; to sell, buy, lease, encumber, mortgage, pledge, donate and otherwise deal with, acquire and dispose of real and personal property, either one or both, and generally to perform all acts which may be deemed necessary, expedient or proper by the corporation for the successful carrying out of the objects and purposes for which the corporation is formed.

ARTICLE V
MEMBERSHIP

Every person or entity which is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record 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.

ARTICLE VI
VOTING RIGHTS

The Association shall have one class of voting membership:

CLASS A. Class A members shall be all owners and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they, among themselves, determine but in no event shall more than one vote be cast with respect to any lot. Fractional voting with respect to any lot is hereby prohibited.

ARTICLE VII
BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of at least three (3) directors, who need not be members of the Association. The number of directors may change to more than three (3) after the first year by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the election of their successors are:

Name	Address
Chrystal DeHart	1815 Pipers Ridge Circle, NW, Conover, North Carolina 28613
Gregory Huffman	1831 Pipers Ridge Circle, NW, Conover, North Carolina 28613
Jody Williams	1828 Pipers Ridge Circle, NW, Conover, North Carolina 28613

ARTICLE VIII
DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the 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 IX
DURATION

The corporation shall exist perpetually.

ARTICLE X
AMENDMENTS


Amendment to these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

ARTICLE XI
INCORPORATOR

The name and address of the incorporator is as follows:

Veronica M. Guarino
110 N. Center Street, Suite 203
P.O. Box 2923
Hickory, North Carolina 28603

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal this the 28th day of December, 2002.

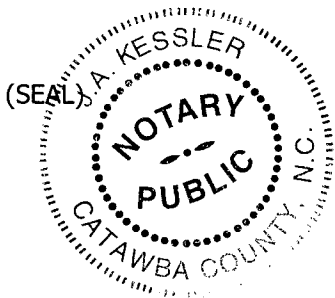

Veronica M. Guarino (SEAL)
INCORPORATOR

STATE OF NORTH CAROLINA

COUNTY OF CATAWBA

This is to certify that on the 28 day of December 2002, before me, a Notary Public, personally appeared Veronica M. Guarino, who I am satisfied is the person named in and who executed the foregoing Articles of Incorporation, and I, having first made known to her/him the contents thereof, she/he did acknowledge that she/he signed and delivered the same as her/his voluntary act and deed for the uses and purposes therein expressed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, this 28 day of December, 2002.



A. Kessler
Notary Public

My commission expires: 08-17-03