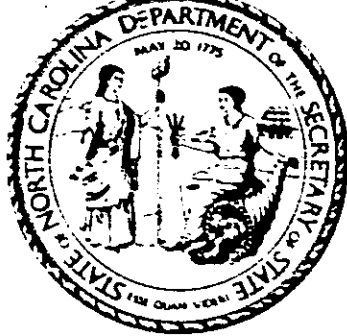


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MAIL TO *Wilson*
POYNER, GERAGHY, HARTSFIELD
& TOWNSEND, ATTORNEYS AT LAW
P. O. BOX 10096
RALEIGH, NC 27605

State of North Carolina

Department
of the
Secretary of State

PRESENTED
FOR
REGISTRATION
OCT 12 52 PM '85
RECEIVED
WIDE COURTS, NC

To all to whom these presents shall come, Greeting:

*I, Thad Eure, Secretary of State of the State of
North Carolina, do hereby certify the following and
hereto attached (8 sheets) to be a true copy of*

ARTICLES OF INCORPORATION

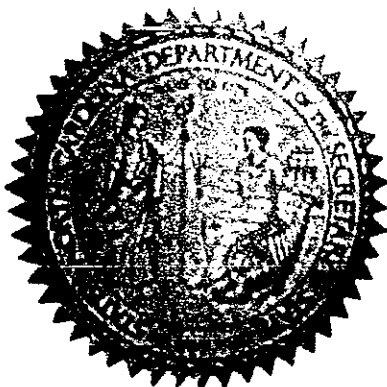
OF

CHADWICK TOWNHOMES ASSOCIATION, INC.

*and the probates thereon, the original of which was
filed in this office on the 21st day of October 19⁸⁵,
after having been found to conform to law.*

*In Witness Whereof, I have hereunto set my hand
and affixed my official seal.*

*Done in Office, at Raleigh, this 21st day
of October in the year of our Lord 19⁸⁵.*



Thad Eure
Secretary of State
By *[Signature]*
Deputy Secretary of State

NO. 3583 PM 530

ARTICLES OF INCORPORATION

OF

CHADWICK TOWNHOMES ASSOCIATION, INC.

DOCUMENT #367797

DATE 10/01/85 TIME 14:23

FILED

CHADWICK

DEPT. OF STATE

NORTH CAROLINA

We, the undersigned natural persons of the age of twenty-one (21) years or more, do hereby associate ourselves into a non-profit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Non-Profit Corporation Act", and the several amendments thereto, do hereby make, sign, and acknowledge these Articles of Incorporation, and to that end do hereby set forth:

ARTICLE I

The name of the corporation is Chadwick Townhomes Association, Inc., hereinafter called the "Association".

ARTICLE II

The principal and registered office of the Association is located at 3400 Faringdon Place, Raleigh, Wake County, North Carolina 27609.

ARTICLE III

F.L. ROBBERG, Sr., whose address is 3401 Faringdon Place, Raleigh, Wake County, North Carolina 27609 is hereby appointed the initial registered agent of this Association.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

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 the residence Lots and Common Area within that certain tract or property described as follows:

Being all of the areas designated as "Reserved for lots 1-36" inclusive, and the areas designated as "Common Area", including the right-of-way of Renwick Ct. (private street) containing 6.411 acres, Phase 1, according to Map entitled "Chadwick, Property of Robuck Homes, Inc., Bartons Creek Township, Wake County" dated June 19, 1985, prepared by Hobbs and Associates, Registered Land Surveyors and recorded in Book of Maps 1985, page 1290 Wake County Registry.

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 this purpose 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, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Wake County Register of Deeds and as to the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length:

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(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 in connection therewith and all office and other 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 or personal property in connection with the affairs of the Association;

(d) borrow money, and with the assent of two-thirds (2/3) of the class of members, 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, however, the rights of the holder of any such security interest shall be subordinate to the rights of the homeowners hereunder.

(e) 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;

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(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 each class of members;

(g) 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.

ARTICLE V

MEMBERSHIP

Every person or entity who 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 two classes of voting membership:

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Class A. Class A members shall be all Owners with the exception of the Declarant 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. No fractional vote shall be allowed.

Class B. The Class B member(s) shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership shall be reinstated if thereafter and before the time stated in Subparagraph (b) below, such additional lands are annexed to the Properties without the assent of Class A members on account of the development of such additional lands by the Declarant, all as provided for in Article VII, Section 2 of the Declaration, or

(b) on January 1, 1991.

ARTICLE VII

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BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of five (5) Directors, who need not be members of the Association. The number of directors may be changed 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 selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
F. L. Robuck, Jr.	5800 Faringdon Place, Raleigh, NC 27609
Floyd L. Hagan	5800 Faringdon Place, Raleigh, NC 27609
Gertrude B. Ferencze	5925 Falls of Neuse Road, Raleigh, NC 27609
Thomas. L. Fonville	5925 Falls of Neuse Road, Raleigh, NC 27609
John C. Morisey	5925 Falls of Neuse Road, Raleigh, NC 27609

At the first annual meeting the members shall elect two directors for a term of one year, two directors for a term of two years and one director for a term of three years; and at each annual meeting thereafter the members shall elect directors for the terms expiring that year for a term of two years.

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 each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be delivered to an appropriate public agency

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

ARTICLE XI

FEA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior written approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties; mergers and consolidations; mortgaging of Common Area; dedication of Common Area; dissolution and amendment of these Articles.

ARTICLE XII

IN WITNESS WHEREOF

WITNESSES

WITNESSES

WITNESSES

WITNESSES

IN WITNESS WHEREOF

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corporation under the laws of the State of North Carolina,
the undersigned, constituting the incorporator of this Associa-
tion, has executed these Articles of Incorporation this 2nd day
of October, 1985.

Robert W. Wilson, Jr. (SEAL)
Robert W. Wilson, Jr.

STATE OF NORTH CAROLINA
COUNTY OF WAKE

THIS IS TO CERTIFY, that on the 2nd day of October,
1985, before me, a Notary Public, personally appeared Robert W.
Wilson, Jr., who I am satisfied is the person named in and who
executed the foregoing Articles of Incorporation, and I having
first made known to him the contents thereof, he did acknowledge
that he signed and delivered the same as 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 the 2nd day of October,
1985.

Wendell J. Kelly
Notary Public

My commission expires:

8/2/90