

APR 21 1995

EFFECTIVE
RUFUS L. EDMISTEN
SECRETARY OF STATE
NORTH CAROLINA

ARTICLES OF INCORPORATION
OF
OLDE TOWNE VILLAGE ASSOCIATION, INC.

I, the undersigned natural person of the age of eighteen (18) years or more, hereby do make and acknowledge these Articles of Incorporation for the purpose of forming 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, and to that end do hereby set forth:

ARTICLE I

NAME

The name of the corporation is OLDE TOWNE VILLAGE ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II

INCORPORATOR

The name and address of the incorporator is K. Douglas Barfield, 2513 Raeford Road, Suite A, Fayetteville, North Carolina 28305.

ARTICLE III

REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Association in the State of North Carolina is 518 Lennox Drive, Fayetteville, Cumberland County, North Carolina 28303; and the name of its initial registered agent at such address is Ronald W. Smith.

ARTICLE IV

PURPOSES AND POWER OF THE ASSOCIATION

The Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purpose for which it is formed is to provide for maintenance, preservation and architectural control of the residents' lots and common areas within that certain tract of property described as follows:

See Exhibit "A" attached hereto and incorporated herein by reference.

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:

(a) Exercise all 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 Register of Deeds of Cumberland County, as may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) Fix, levy 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 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 each 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;

(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 condition 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 non-profit corporations organized for the same

purposes or annex additional residential property and Common Areas, provided that any such merger, consolidation or annexation (except annexation within the land area described hereinabove in this Article IV) shall have the assent of two-thirds (2/3) of the 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.

No part of the net earnings of the Association shall inure to the benefit of any officer, director or member of the Association.

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 members 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 an assessment by the Association.

ARTICLE VI

VOTING RIGHTS

The association shall two classes of voting membership, to-wit: Class A, which shall consist of all owners of lots other than R.W.S. General Builders, LLC, a North Carolina Limited Liability Company and Class B, which shall be the said R.W.S. General Builders, LLC.

Members of Class A shall be entitled to one (1) vote for each Lot owned and Members of Class B shall be entitled to three (3) votes 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 not event shall more than one vote be cast with respect to any Lot owned by a Class A member and three votes be cast with respect to any Lot owned by a Class B member.

ARTICLE VII

BOARD OF DIRECTORS

The number of directors of the Association and the method of their election may fixed by the Bylaws.

The number of directors constituting the initial Board of Directors shall be three (3), and the names and addresses of the persons who shall serve as directors until the selection of their successors are:

Ronald W. Smith	518 Lennox Drive Fayetteville, North Carolina 28303
Melva Faye Smith	518 Lennox Drive Fayetteville, North Carolina 28303
Melaine G. Johnson	710 Marketview Court Fayetteville, North Carolina 28301

ARTICLE VIII

DISSOLUTION

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

ARTICLE XI

FHA/VA APPROVAL

As long as the Developer is the owner of any lot, the following actions will require the prior approval of the Federal Housing Administration or Veterans Administration:

- (a) Annexation of additional properties pursuant to the provisions of Article XI, Section 4 of the Declaration,
- (b) Mergers and consolidations,
- (c) Mortgaging of Common Areas,
- (d) Dedication of Common Areas,
- (e) Dissolution and Amendment of these Articles.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of North Carolina, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this the 26th day of April, 1995.

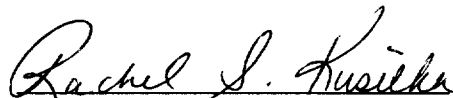

K. Douglas Barfield

STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

THIS IS TO CERTIFY that on the 26th day of April, 1995, before me, a Notary public, personally appeared K. Douglas Barfield, who I am satisfied is the person named in and who executed the foregoing ARTICLES OF INCORPORATION, and, 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 purposes and uses therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal, this the 26th day of April, 1995.


Notary Public

My Commission Expires: 9-9-95

(SEAL)

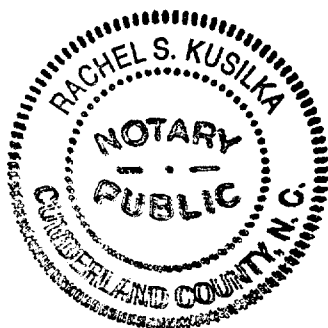


Exhibit "A"

Beginning at an iron stake on the western right-of-way margin of Bradford Avenue, said iron stake being the northeast corner of Lot 2 of the Newberry Estate as recorded in Plat Book 11, Page 48 Cumberland County Registry and running thence with the western right-of-way margin of Bradford Avenue South 03 degrees 02 minutes 46 seconds West 460.41 feet to an iron stake where the western right-of-way margin of Bradford Avenue intersects the northern right-of-way margin of Ellis Street, thence with the northern right-of-way margin of Ellis Street North 86 degrees 09 minutes 00 seconds West 112.91 feet to an iron stake, the southeast corner of Lot 20 of aforesaid Newberry Estate, thence with the eastern line of Lot 20 North 01 degrees 26 minutes 00 seconds East 160.41 feet to an iron stake, the northeast corner of Lot 20, thence with the northern line of Lot 20 North 87 degrees 18 minutes 56 seconds West 50.08 feet to an iron stake, the northwest corner of Lot 20, thence with the western line of Lot 20 South 01 degrees 12 minutes 13 seconds West 161.65 feet to an iron stake in the northern margin of Ellis Street, thence with the northern margin of Ellis Street North 87 degrees 41 minutes 10 seconds West 166.99 feet to an iron stake, thence North 87 degrees 41 minutes 10 seconds West 13.01 feet to an iron stake, thence North 11 degrees 12 minutes 46 seconds West 40.00 feet to an iron stake on the eastern right-of-way margin of the C.B.D. Loop, thence with the eastern right-of-way margin of the C.B.D. Loop North 06 degrees 55 minutes 17 seconds East 537.22 feet to an iron stake, thence South 77 degrees 39 minutes 47 seconds East 202.87 feet to an iron stake, the northwest corner of Lot 1 of aforesaid Newberry Estate, thence with the western line of Lot 1, South 05 degrees 56 minutes 23 seconds West 74.00 feet to an iron stake, thence with the southern line of Lot 1 South 84 degrees 22 minutes 45 seconds East 120.72 feet to the point and place of beginning.

Containing 3.86 acres more or less and being all of the lands conveyed to Ronald W. Smith and wife, Melva Smith as recorded in Deed Book 3426, Page 843, Deed Book 3426, Page 847 and Deed Book 3581, Page 818, Cumberland county, North Carolina Registry.