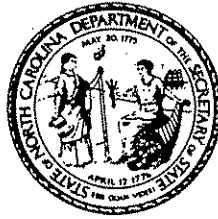


STATE OF NORTH CAROLINA



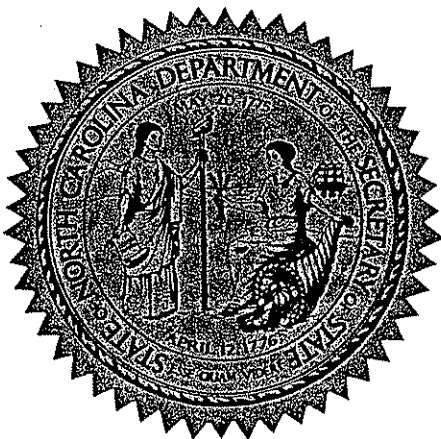
Department of The
Secretary of State

To all whom these presents shall come, Greetings:

I, **JANICE H. FAULKNER**, *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
WOODLAWN HOMEOWNERS ASSOCIATION, INC.

the original of which was filed in this office on the 30th day of July, 1996.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 30th day of July, 1996.

Janice H. Faulkner
Secretary of State

862129016

ARTICLES OF INCORPORATION
OF THE
WOODLAWN HOMEOWNERS ASSOCIATION, INC.

C-0402618

FILED

10:41 AM
JUL 30 1996

EFFECTIVE

JANICE H. FAULKNER
SECRETARY OF STATE
NORTH CAROLINA

In compliance with the requirements of Chapter 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 as follows:

ARTICLE I

NAME

The name of the corporation is the WOODLAWN HOMEOWNERS ASSOCIATION, INC. (hereinafter the "Association").

ARTICLE II

REGISTERED OFFICE AND INITIAL AGENT; PRINCIPAL OFFICE

The registered office of the Association is located at 1905-G Ashwood Court, Suite 102, Greensboro, Guilford County, North Carolina 27455. The name of the initial registered agent at such address is Richard M. Westmoreland, Jr. The initial principal office of the Association is located at 1905-G Ashwood Court, Suite 102, Greensboro, Guilford County, North Carolina 27455. The location of the registered and the principal offices of the Corporation may be changed by a majority vote of the Board of Directors.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

The Association does not contemplate a pecuniary gain or profit to the Members thereof. The specific purposes for which the Association is formed are to own and maintain the Common Area (as that term is defined in that certain Declaration Of Covenants, Conditions And Restrictions For The Woodlawn Homeowners Association, Inc., to be recorded in the Wake County Registry, as from time to time amended, said document, together with all amendments thereto, if any, being hereinafter referred to as the "Declaration") within the subdivision known as WOODLAWN, and for these purposes, to:

- (a) exercise all powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments made pursuant to the terms of the Declaration;

(c) pay all expenses incurred in connection with collection of the charges and assessments set forth in subparagraph (b) above, and pay all office and other expenses incident to the conduct of the business of the Association, including all taxes, licenses and other governmental charges levied or imposed against property owned by the Association;

(d) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain and, subject to the provisions of the Raleigh City Code and of subparagraph (f) below, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association;

(e) borrow money and, with the assent of Members entitled to at least two-thirds (2/3) of the votes appurtenant to each Class of Lots (Class A and Class B, as defined in Article III, Section 2 of the Declaration), 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 such lender or mortgagee shall be subordinate to the property rights of the Members as provided in Article IV of the Declaration;

(f) 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 upon by the Members. No such dedication or transfer shall be effective unless the Members entitled to at least three-fourths (3/4) of the votes appurtenant to each Class of Lots agree to such dedication, sale or transfer and signify their agreement by a signed and recorded document. Nothing herein shall be deemed to prohibit the Board of Directors of the Association, without consent of the Members, from granting easements over and across the Common Area to any public agency, authority or utility for the installation and maintenance of sewerage, utility (including CATV) or drainage facilities when, in the opinion of the Board, such easements are necessary for the convenient use and enjoyment of properties within the subdivision. Notwithstanding anything herein to the contrary, the Common Area shall be preserved to the perpetual benefit of the owners of Lots within Woodlawn and shall not be conveyed except to the City of Raleigh or another non-profit corporation organized for similar purposes;

(g) as provided by and consistent with the provisions of Section 10-3073(a)(2) of the Raleigh City Code, as same may be

amended from time to time, exchange all or part of the Common Area for other property and consideration of like value and utility, which exchange may be approved by the Board of Directors without the consent of the Members;

(h) participate in mergers or consolidations with other non-profit corporations organized for the same or similar purposes, provided that any such merger or consolidation shall be effective unless approved by Members entitled to at least three-fourths (3/4) of the votes appurtenant to each Class of Lots at a regular or special meeting called for the purpose of voting on such merger or consolidation and be approved by the Raleigh City Attorney or his deputy; and

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

ARTICLE IV

FINANCE

The Association is a non-stock corporation and no part of the profits, if any, of the Association shall inure to the pecuniary benefit of its Members, or any of them, or to any other person.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by the Declaration 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.

The voting rights of the Members shall be provided in the Declaration and By-Laws of the Association.

ARTICLE VI

The affairs of the Association shall be managed by an initial Board of three (3) Directors. The persons who are to act in the capacity of Director until the selection of their successors are:

| <u>Name</u> | <u>Address</u> |
|--|---|
| Richard M. Westmoreland, Jr. | 1905-G Ashwood Court, Suite 102 Greensboro, NC 27455 |
| Robert C. Rhein Bruce Herbert <i>Raleigh</i> | 7265 Kenwood Road, Suite 157 Cincinnati, OH 45236 |
| Diana G. Basler | 7265 Kenwood Road, Suite 157 Cincinnati, OH 45236 |

The number of directors of the Association shall be three (3) until the first annual meeting of the Association, at which time the number of Directors shall be increased to five (5). At the first annual meeting, the Members shall elect one Director to serve a term of one year, two Directors to serve a term of two years, and two Directors to serve a term of three years.

At each annual meeting thereafter, the Members shall elect the number of directors needed to fill the vacancy or vacancies created by the Director of Directors whose term(s) is(are) expiring, to serve for a term of three years (except in the case of the initial election of a Director, in which case the term of that Director may be shortened to provide for the staggering set forth in this Article, or in the case of the filling of a vacancy, in which case the Director elected to fill the vacancy shall be elected for the unexpired term of the Director whose vacancy is being filled).

The term of office of the Directors shall be staggered so that, except for an election to fill a vacancy or to fill a newly-created directorship, the terms of not less than one (1) nor more than three (3) Directors shall expire at each annual meeting. Each Director shall hold office until his death, resignation, retirement, removal or disqualification, or until his successor is elected and qualified. Directors need not be Members of the Association.

The Members of the Association may, by a majority of the votes cast at any duly called annual or special meeting of the Members at which a quorum is present, increase or decrease the number of directors of the Association, provided, however, that the number of directors shall not be increased to more than nine (9) or decreased to less than five (5) without amendment of the By-Laws of the Association.

ARTICLE VII

DISSOLUTION

The Association may be dissolved only upon the signed written assent of Members entitled to at least three-fourths (3/4) of the votes appurtenant to each Class of Lots. Upon dissolution, 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 the Association was created. In the event that such dedication is not accepted, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization devoted to similar purposes. Notwithstanding anything herein to the contrary, the Common Area shall be preserved to the perpetual benefit of the owners of Lots within Woodlawn and shall not be conveyed except to the City of Raleigh or another non-profit corporation organized for similar purposes.

ARTICLE VIII

DURATION

The period of existence of the Association is perpetual.

ARTICLE IX

AMENDMENTS

Amendment of these Articles shall require the assent of Members entitled to at least three-fourths (3/4) of the votes of the entire membership.

ARTICLE X

FHA/VA APPROVAL

As long as there is Class B membership, the following actions require the prior approval of the Federal Housing Administration or the Secretary of Veterans Affairs: annexation of additional property, mergers or consolidation, dissolution, mortgaging of Common Area, dedication or otherwise deeding of Common Area to persons other than the Association, and amendment of these Articles of Incorporation.

ARTICLE XI

INCORPORATOR

The name and address of the incorporator is as follows:

Richard W. Moore

3716 National Drive, Suite 100
Raleigh, North Carolina 27612

IN WITNESS WHEREOF, I, the undersigned incorporator, have hereunto set my hand and seal, this the 29th day of July, 1996.

Richard W. Moore (SEAL)
Richard W. Moore

INCORPORATOR

STATE OF NORTH CAROLINA -- WAKE COUNTY:

I, Tamela B. Gilmore, a Notary Public for said County and State, do hereby certify that Richard W. Moore personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official stamp, this the 29th day of July, 1996.

TAMELA B. GILMORE
NOTARY PUBLIC
WAKE COUNTY, NORTH CAROLINA
My Commission Expires February 17, 1997

Tamela B. Gilmore
Tamela B. Gilmore
My commission expires: 02/17/97

WRITTEN CONSENT OF THE DIRECTORS
OF THE
WOODLAWN HOMEOWNERS ASSOCIATION, INC.
TO
ACTION WITHOUT MEETING

February 1, 1999

Pursuant to the provisions of Section 55A-24.1 (a) of the North Carolina Nonprofit Corporation Act, the undersigned, being Directors of the **WOODLAWN HOMEOWNERS ASSOCIATION, INC.**, A North Carolina nonprofit corporation (hereinafter the "Association"), do hereby adopt the following Resolution by signing their written consent thereto:

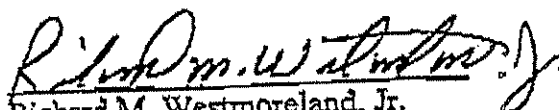
ELECTION OF DIRECTOR

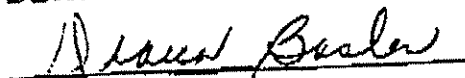
WHEREAS, Robert C. Rhein ("Rhein") has resigned as a director of the Association;

WHEREAS, the undersigned, being Directors of the Association, have determined that it is in the best interest of the Association to elect **BRUCE J. HERBERT** to serve as Director to replace Rhein for the remainder of Rhein's term of office.

RESOLVED, that **BRUCE J. HERBERT** be, and he hereby is, elected as a Director of the Corporation to serve in such capacity for the remainder of the term of Robert C. Rhein, or until his successor has been otherwise duly elected and qualified.

This action is effective as of the 1st day of February, 1999 and shall be filed with the Secretary of the Association as part of the corporate records and minutes of the proceedings of the Board of Directors of the Corporation.


Richard M. Westmoreland, Jr.
Director


Diana G. Basler
Director