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ARTICLES OF INCORPORATION
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CRENSHAW HALL PLANTATION HOMEOWNERS ASSOCIATION, INC.

EFFECTIVE
~~ELEINE F. MARSHALL~~
SECRETARY OF STATE
NORTH CAROLINA

The undersigned natural person of the age of eighteen (18) years or more, does hereby execute these Articles of Incorporation pursuant to 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 does hereby make, sign and acknowledge these Articles of Incorporation, and to that end does hereby set forth:

ARTICLE I
NAME

The name of the corporation is "CRENSHAW HALL PLANTATION HOMEOWNERS ASSOCIATION, INC.," hereafter called the "Association".

ARTICLE II
REGISTERED OFFICE

The principal and registered office of the Association is located at 833-A Wake Forest Business Park, Wake Forest, NC 27587. Wake County.

ARTICLE III
REGISTERED AGENT

Stephen C. Gould, whose address is 833-A Wake Forest Business Park, Wake Forest, NC 27587 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 Lots and Common Elements within that certain tract or property

(herein referred to as "Property") described in that certain Declaration of Covenants, Conditions and Restrictions of Crenshaw Hall Plantation Subdivision recorded contemporaneously with these Articles in the Office of Register of Deeds of Wake County, 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 and for those 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, hereinafter called the "Declaration", applicable to the Property and recorded, or to be recorded, in the Office of the Wake County, North Carolina, Register of Deeds and as the same may be 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 in connection therewith and all office and other expenses 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, all in accordance with laws and ordinances of the Town of Wake Forest;

(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, but such rights of the mortgagee shall at all times remain subordinate to the rights of homeowners;

(e) dedicate, sell or transfer all or any part of the Common Elements or grant an easement or right of way across the Common Elements to any public agency, authority, utility, or to any other person for such purposes and subject to such conditions as may be agreed to by the members. No such dedication, sale or transfer shall be effective unless it has been approved by two-thirds (2/3) of each class of members, and any instrument properly executed by the Association has been recorded.

On any instrument of loan dedication, sale, transfer, easement, lease right of way, mortgage, pledge, deed in trust or other hypothecation or other disposition of real or personal

property, the Secretary of the Association shall certify that two-thirds (2/3) of each class of members have approved the action evidenced by the instrument, and that certificate shall be conclusive evidence that the execution and delivery of such instrument was properly authorized by the Association and its members and shall be relied upon and binding as to any third party or as to any grantee, its successor and assigns; provided, however, conveyance for general service utility purposes as specified in the Declaration may be made without consent of the members, and the Association may execute an instrument of conveyance therefore without such certification:

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property and Common Elements, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members, except that annexation of additional property by Declarant may be done without the consent of the members as provided in the Declaration;

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under 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 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 or trustees under a security instrument. 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:

Class A. Class A members shall be all Owners of a Lot in the Property, 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; however, the

vote for such Lot shall be exercised as the joint owners among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. Fractional voting is prohibited.

Class B. The Class B member shall be the Declarant (as defined in the Declaration), and Declarant shall be entitled to three (3) votes for each Lot owned, including Lots later added pursuant to annexation of additional property as set forth in the Declaration. The Class B membership shall cease and be converted to Class A membership with one vote for each Lot owned 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; provided, however, Class B memberships shall be reinstated without any requirement of assent of Class A members if thereafter, and before the time stated in Subparagraph (b) below, such additional lands are annexed to the Property by Declarant on account of the development of such additional lands by the Declarant, all as provided for in the Declaration, or

(b) five (5) years from the date of conveyance of the first Lot by Declarant.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of not less than three (3) nor more than nine (9) Directors, who shall be qualified as set forth in the Bylaws. The initial Board shall be comprised of three (3) members. 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>
1) Stephen C. Gould	833-A Wake Forest Business Park Wake Forest, NC 27587
2) Robert W. Neeb	P.O. Box 276 Youngsville, NC 27596
3) Judith U. Gould	833-A Wake Forest Business Park Wake Forest, NC 27587

ARTICLE VIII

EXCHANGE OF COMMON AREA

The Association, acting through its Board, with the assent of member or proxies entitled the cast sixty-six and two-thirds percent (66-2/3%) of the entire votes of the Class A and Class B membership, from time to time may exchange with Declarant or any member a portion of the Common Elements for a portion of the real property owned by such member within Crenshaw Hall Plantation Subdivision, provided that the real property acquired by the Association in the exchange: (a) is free and clear of all encumbrances except the Declaration, and easements for drainage, utilities, and sewers; (b) has approximately the same area and utility as the portion of the Common Elements exchanged; and (c) the Common Elements as constituted after the conveyance meets the standards for open space as required by the Town of Wake Forest and is approved by the Town of Wake Forest Planning Director. The real property so acquired by the Association shall be a part of the Common Elements, and, without further act of the Association or membership, shall be released from any provisions of the Declaration except those applicable to the Common Elements. The portion of the Common Elements so acquired by Declarant or a member, without further act of the Association or membership, shall cease to be Common Elements and shall be subject to those provisions of the Declaration that were applicable to the real property conveyed to the Association by the member.

ARTICLE IX

TERMS

The terms used herein shall have those meanings as defined in the Declaration.

ARTICLE X

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 dedicated to the 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 XI

DURATION

The corporation shall exist perpetually.

ARTICLE XII

AMENDMENTS

Amendment of these Articles shall require the assent of two-thirds (2/3) of the entire voting members; provided that should additional property later be brought within the jurisdiction of this Association, pursuant to the Declaration, it shall not be necessary to amend these Articles to reflect such additional property.

ARTICLE XIII

FHA/VA APPROVAL

As long as there is a Class B membership, and should the Property be qualified for federal loan guarantee programs, the following actions will require the prior written approval of the Federal Housing Administration or the Veterans Administration as the case may be: annexation of additional properties, mergers and consolidations, mortgaging of Common Elements, dedication of Common Elements, dissolution and amendment of these Articles.

ARTICLE XIV

INCORPORATOR

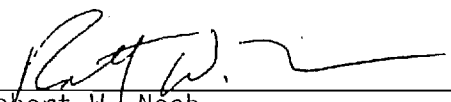
Name

Address

Robert W. Neeb

P.O. Box 276
Youngsville, NC 27596

IN WITNESS WHEREOF, for 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 3rd day of March, 1999.

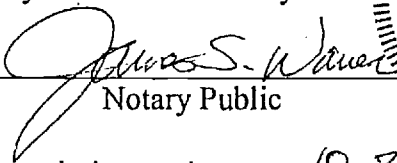


Robert W. Neeb
INCORPORATOR

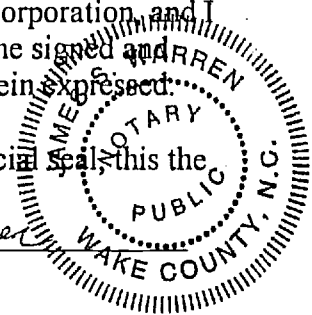
NORTH CAROLINA
WAKE COUNTY

THIS IS TO CERTIFY, that on the 3rd day of March, 1999, before me, a Notary Public, personally appeared Robert W. Neeb, 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 3rd day of March, 1999.



Notary Public



My Commission expires: 10-2-2000



North Carolina Department of Revenue

James B. Hunt, Jr.
Governor

Muriel K. Offerman
Secretary

August 31, 1999

CRENSHAW HALL PLANTATION HOMEOWNERS ASSOCIATION INC
833-A WAKE FOREST BUS PK
WAKE FOREST NC 27587

Re: Determination of Tax Status

Ladies and Gentlemen:

Thank you for sending a copy of the creating documents for the above organization.

Based on the information submitted, the above organization qualifies for exemption from franchise tax and corporate income tax under Section 105-125 and 105-130.11(a)(11), respectively, of the General Statutes (G.S.) of North Carolina as a bona fide homeowners' or property owners' association. This determination applies only to the organization's status under the corporate income and franchise tax laws.

This organization will not be required to file the Return of Organization Exempt From Income Tax (Form CD-427), unless requested to do so at a later date.

If the above organization becomes subject to tax on unrelated business income as provided in G.S. 105-130.11(c), it will be required to complete the income tax schedules of the North Carolina Corporation Franchise and Income Tax Return (Form CD-405), and file the return on or before the 15th day of the fifth month following its year end, subject to any extensions of time which may be granted. Net income may be computed on the same basis that is permitted by the Internal Revenue Service under Section 528 of the Internal Revenue Code.

Charles R. Craven
Administrative Officer
Office Examination Division
(919) 733-4644

CRC/nsd

