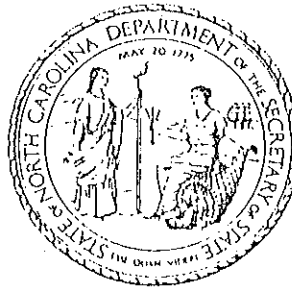


State of North Carolina



Department
of the
Secretary of State

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 (3 sheets) to be a true copy of

ARTICLES OF INCORPORATION

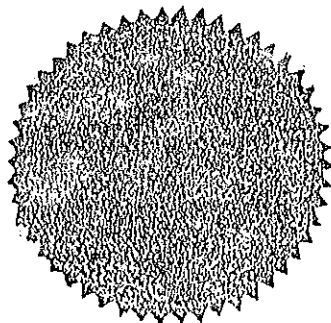
OF

ATLANTIC OCEANS NORTH HOMEOWNERS ASSOCIATION, INC.

and the probates thereon, the original of which was filed in this office on the 9th day of February 19 87, 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 9th day of February in the year of our Lord 19 87



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

ARTICLES OF INCORPORATION

OF

ATLANTIC OCEANS NORTH HOMEOWNERS ASSOCIATION, INC.

I, the undersigned, a natural person of the age of eighteen years or more do hereby make and acknowledge the Articles of Incorporation for the purpose of forming a profit corporation under and by virtue of the Laws of the State of North Carolina, and 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 hereby set forth:

ARTICLE I

The name of the corporation is ATLANTIC OCEANS NORTH HOMEOWNERS ASSOCIATION, INC.

ARTICLE II

The period of duration of the corporation is perpetual.

ARTICLE III

The purposes for which the corporation is organized are:

A. The operation and management of condominium townhouse building known as OCEANS NORTH CONDOMINIUMS which shall be established in accordance with Chapter 47C of the General Statutes of North Carolina Unit Ownership Act and to that end shall have power and authority;

(i) To undertake the performance of, and carry out the acts and duties incident to the administration of OCEANS NORTH CONDOMINIUMS in accordance with the terms, provisions, conditions and authorization contained in these Articles and in the Declaration which shall be recorded in the Public Records of Dare County, North Carolina;

(ii) To make, establish and enforce reasonable rules and regulations governing the use of condominium units, common elements, limited common elements, condominium property and real and personal property which may be owned by the Association itself;

(iii) To make, levy and collect assessments against condominium unit owners; to provide the funds to pay for common expenses of the condominium as provided in the condominium documents and the Unit Ownership Act, and to use and expend the proceeds of assessments in the exercise of the powers and duties of the Association;

(iv) To maintain, repair, replace and operate the condominium property, specifically including all portions of the condominium property to which the Association has the right and power to maintain, repair, replace and operate in accordance with the condominium documents and the Unit Ownership Act;

(v) To reconstruct improvements within the condominium property in the event of casualty or other loss;

(vi) To enforce by any legal means, the provisions of the condominium documents, including the Declaration, these Articles, the By-Laws of the Association, and the rules and regulations for use of the condominium property;

(vii) To contract for the management of the Condominium and to delegate to such manager or managers all powers and duties of the Association except those powers and duties which are specifically required by the Declaration to have approval of the Board of Directors or the membership of the Association.

B. The Association shall have all the common law and statutory powers of the non-profit corporation which are not in conflict with the terms of the Declaration and the Condominium Association under and pursuant to the Unit Ownership Act, including all of the powers reasonably necessary to implement the purposes of the Association.

ARTICLE IV

MEMBERSHIP

A. The membership of ATLANTIC OCEANS NORTH HOMEOWNERS ASSOCIATION, INC., shall consist of all of the owners of the condominium units in OCEANS NORTH CONDOMINIUMS. Membership shall be established by acquisition of fee title to a condominium unit in OCEANS NORTH CONDOMINIUMS, whether by conveyance, devise, or judicial decree. A new owner designated in such deed or other instrument shall thereupon become a member of the Association, and the membership of the prior owner as to the condominium unit designated shall be terminated. Each new owner shall deliver to the Association a true copy of such deed or instrument of acquisition of title.

B. The share of a member in the funds and assets of the Corporation, and membership in the Corporation cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to a condominium unit.

C. There shall be one class of membership in ATLANTIC OCEANS NORTH HOMEOWNERS ASSOCIATION, INC., which shall consist of members owning the condominium units in OCEANS NORTH CONDOMINIUMS.

ARTICLE V

DIRECTORS

A. The number of Directors and the method of election of the Directors shall be fixed by the By-Laws; however, the number of Directors shall not be less than three.

B. The number of Directors constituting the initial Board of Directors shall be three (3), and the names and addresses of the persons who are to serve as the first Board of Directors are:

NAME	ADDRESS
James V. Andrews	2435 S. Virginia Dare Trail, Nags Head, NC 27959
J. Baxter Bailey	114 E. Franklin St., Richmond, VA 23249
Robert E. Lee	999 Grove St., Charlottesville, VA 22903

ARTICLE VI

REGISTERED OFFICE AND REGISTERED AGENT

The address of the initial registered office of the corporation is 201 East Clark Street, Kill Devil Hills, Dare County, NC 27949. The name of the initial registered agent at such address is: Daniel D. Khoury.

ARTICLE VII

TAX AGENT

The corporation shall have all the powers granted non-profit corporations under the laws of the State of North Carolina. Notwithstanding any other provisions of these Articles, this corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 528 of the Internal Revenue Code. It is further provided that no distributions of income of the corporation are to be made to members, directors or officers of the corporation provided, however, that members of the corporation may receive a rebate of any excess dues and assessments.

ARTICLE VIII

INCORPORATOR

The name and address of the incorporator is: Daniel D. Khoury, Post Office Box 1584, Kill Devil Hills, N.C. 27940.


IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this the 22nd day of January, 1987.

 (SEAL)
Daniel D. Khoury

NORTH CAROLINA
DARE COUNTY

This is to certify that on the 22nd day of January, 1987, before me, the undersigned Notary Public, personally appeared DANIEL D. KHOURY, who I am satisfied is the person named in and who executed the foregoing Articles of Incorporation, and I have 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 notarial seal this the 22nd day of January, 1987.


Notary Public

12/14/87
My Commission Expires

SEAL/STAMP