

ARTICLES OF INCORPORATION
OF
THE VILLAS ASSOCIATION, INC.

We, the undersigned natural persons of the age of eighteen 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, and to that end do hereby set forth:

1. The name of the Non-Profit Corporation is The Villas Association, Inc.
2. The Non-Profit Corporation shall continue to exist until the termination of The Villas Condominium pursuant to the Unit Ownership Act, or until terminated as provided in the Declaration creating The Villas Condominium.
3. The purpose or purposes for which the Non-Profit Corporation is organized are:
 - (a) To manage and operate The Villas Condominium, a condominium established, or to be established, by filing the Declaration therefor in the Office of the Register of Deeds of Dare County and to that end:
 - (i) To make and collect assessments against members to defray the costs, expenses and losses of the Condominium.
 - (ii) To use the proceeds of assessments in the exercise of its powers and duties.
 - (iii) To maintain, repair, replace and operate the Condominium property.
 - (iv) To purchase insurance upon the Condominium property and insurance for the protection of the Association and its members.
 - (v) To reconstruct improvements after casualty and to further improve the property.
 - (vi) To make and amend reasonable regulations respecting the use of the property in the Condominium.
 - (vii) To enforce by legal means the provisions of the Unit Ownership Act, the Declaration, these Articles, the By-laws of the Association, and the regulations for the use of the Condominium property.
 - (viii) To contract for the management of the Condominium and to delegate to such manager all powers and duties of the Association except such as are specifically required by the Declaration to have approval of the Board of Directors or the membership of the Association.
 - (ix) To contract for the management or operation of portions of the common elements susceptible to separate management or operation, and to lease such portions.

EXHIBIT "A"

Filed in Secretary of State's Office September 8, 1972, at 3:58 o'clock p. m.
Filed in Dare County Register of Deeds Office September 12, 1972, at 11:20 o'clock
p. m. in Corporation Book 5, page 243.

(x) To employ personnel to perform the services required for proper operation of the Condominium.

(b) To perform and do any and all other acts permitted by the Non-Profit Corporation Act of the North Carolina General Statutes, Chapter 55A, necessary or desirable for the conduct and continuation of the management, operation and development of a condominium pursuant to the Unit Ownership Act of the North Carolina General Statutes, Chapter 47A.

4. The members of the Non-Profit Corporation shall consist of all of the record owners of apartment units in the Condominium. A person, firm, corporation or any entity capable of holding title to real estate in North Carolina automatically becomes a member of the Corporation upon a deed of conveyance conveying one of the apartment units in The Villas Condominium to such person, firm, corporation or entity in the Register of Deeds office of Dare County; or upon the probate of the will of a deceased owner, the devisee named therein becomes a member; or upon the death of an owner intestate, his heirs at law automatically become members. The membership of a record owner is immediately terminated upon the recordation of a deed of conveyance to his or their apartment unit, or is automatically terminated upon his death or upon the record title to his apartment unit being transferred out of him in any manner, whether by voluntary conveyance, a foreclosure for taxes due any governmental authority, a foreclosure of a mortgage or deed of trust or by execution against the real property to satisfy any lien or judgment.

5. The owners of an apartment unit shall have a vote in the affairs of the Non-Profit Corporation in proportion which their shares in the common elements bear to the total common elements, i.e., if an apartment unit owner owns a 0.7576% undivided interest in the common elements, his vote in the affairs of the Non-Profit Corporation shall count as 0.7576% of the total vote possible on any matter to be considered by the Non-Profit Corporation.

6. The number of directors and the method of election of directors shall be fixed by the By-laws, but the number of directors shall not be less than three (3). 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 directors until the first meeting of the members, or until their successors are elected and qualified are:

John H. High	3700 Woodlawn Road, Rocky Mount, N. C. 27801
Robert E. Bennett	3701 Winchester Road, Rocky Mount, N.C. 27801
Robert B. Lassiter	3604 Woodlawn Road, Rocky Mount, N. C. 27801

8. The address of the initial registered office of the Corporation is: P. O. Box 458, Nags Head, Dare County, North Carolina, and the name of the initial registered agent at such address is: C. Howard Cliborne.

9. The names and addresses of all the incorporators are:

Harold D. Colston	2920 Wellington Drive, Rocky Mount, N. C. 27801
Thomas L. Young	801 Hill Street, Rocky Mount, N. C. 27801
Robert M. Wiley	1609 Pinecrest Road, Rocky Mount, N. C. 27801

IN TESTIMONY WHEREOF, we have hereunto set our hands this 6th day of September, 1972.

S/ Harold D. Colston
Harold D. Colston
S/ Thomas L. Young
Thomas L. Young
S/ Robert M. Wiley
Robert M. Wiley

NORTH CAROLINA

NASH COUNTY

This is to certify that on the 6th day of September, 1972, before me, a Notary Public personally appeared Harold D. Colston, Thomas L. Young and Robert M. Wiley, who I am satisfied are the persons named in and who executed the foregoing Articles of Incorporation, and I first made known to them the contents thereof, they did each acknowledge that they signed and delivered the same as their voluntary act and deed for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official stamp, this 6th day of September, 1972.

S/ Hazel J. Bryant
Notary Public

My commission expires: October 11, 1974