

ARTICLES OF INCORPORATION

OF

TEAKWOOD FOREST TOWNHOME OWNERS 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 TEAKWOOD FOREST TOWNHOME OWNERS ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II

INCORPORATOR

The name and address of the incorporator is Joel S. Jenkins, Jr., Attorney, 2919 Breezewood Avenue, Suite 300, Fayetteville, Cumberland County, North Carolina 28303.

ARTICLE III

REGISTERED OFFICE AND AGENT/PRINCIPAL OFFICE

The address of the initial registered office of the Association in the State of North Carolina is 1010 Hope Mills Road, Fayetteville, Cumberland County, NC 28304; and the name of its initial registered agent at such address is Billy Hylton. The principal office address (and mailing address) shall be 1010 Hope Mills, Road, Fayetteville, Cumberland County, NC 28304.

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 its 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. Membership shall be divided into two (2) classes:

- (a) Class A membership consisting of all Owners of Lots in the Properties other than RBC Homes, Inc., its successors and/or assigns, with each member having one (1) vote per Lot. There shall be only one membership per Lot, regardless of the number of record title holders to each such Lot; and
- (b) Class B membership consisting of RBC Homes, Inc., its successors and/or assigns, with each member having three (3) votes for each Lot owned in the Properties.

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 RBC Homes, Inc., a North Carolina corporation, and Class B, which shall be the said RBC Homes, Inc..

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:

Billy Hylton	5511 Ramsey Street Fayetteville, NC 28311
Chris Manning	5511 Ramsey Street Fayetteville, NC 28311
Joel S. Jenkins, Jr.	2919 Breezewood Avenue, Suite 300 Fayetteville, NC 28303

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

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

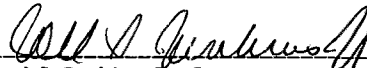
FHA/VA APPROVAL

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 5th day of December, 2006.

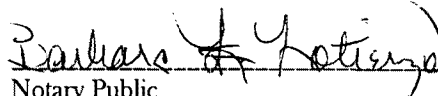

Joel S. Jenkins, Jr., Incorporator

STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

THIS IS TO CERTIFY that on the 5th day of December, 2006, before me, a Notary public, personally appeared Joel S. Jenkins, Jr., incorporator, who, being first duly sworn, 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 5th day of December, 2006.


Notary Public

My Commission Expires: 10-3-2010

(SEAL)



Exhibit "A"

BEING all of that property known as TEAKWOOD FOREST TOWNHOMES according to a plat of the same duly recorded in Plat Book 118, Page 121, Cumberland County, North Carolina, Registry.

Exhibit B

TEAKWOOD FOREST TOWNHOME OWNERS ASSOCIATION, INC.
PROVISION FOR DISSOLUTION

In the event of a dissolution and/or liquidation of the Corporation, all of the residual assets of the Corporation shall be distributed to such organization(s) that are exempt under Section 501(c)(3) or Section 528(c)(4) of the Code or corresponding sections of any prior or future Internal Revenue Code at the time of dissolution as shall, in the judgment of the directors, be most likely to fulfill the purpose of the Corporation.

IN WITNESS WHEREOF, the Incorporator has executed this Provision for Dissolution this the 5th day of December, 2006.



Incorporator
Joel S. Jenkins, Jr