

ARTICLES OF INCORPORATION
OF
THE PLAZA CONDOMINIUM OWNERS ASSOCIATION, INC.

In compliance with the requirements of Chapter 55A of the North Carolina General Statutes (the "North Carolina Nonprofit Corporation Act"), 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:

ARTICLE I

Name

The name of the corporation is **THE PLAZA CONDOMINIUM OWNERS ASSOCIATION, INC.**, hereinafter called the "Association."

ARTICLE II

Office

The principal and registered office of the Association is located at 2626 Glenwood Avenue, Suite 350, Raleigh, Wake County, North Carolina 27608.

ARTICLE III

Registered Agent

Kathy Adams, whose address is 2626 Glenwood Avenue, Suite 350, Raleigh, Wake County, North Carolina 27608, is hereby appointed Registered Agent of this Association.

ARTICLE IV

Purposes

This Association does not contemplate pecuniary gain or profit to the members thereof and no part of the Association's net income shall inure to the benefit of any of its officers, directors or members or any other private individual. The purposes and objects of the Association shall be to operate and manage The Plaza Condominium, a condominium project, created in

accordance with the laws of the State of North Carolina upon the property situated, lying and being in Raleigh, Wake County, North Carolina, and described in Exhibit "1" (the "Property") attached to the Declaration of Condominium for The Plaza Condominium recorded or to be recorded in the Wake County Registry (the "Declaration").

Such purposes shall include the following:

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

(b) To 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 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) To enter into and perform any contract and to exercise all powers that may be necessary or convenient to the operation, management, maintenance and administration of the affairs of the Association in accordance with the Declaration and Bylaws;

(d) To contract for the management of the condominium and to delegate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration to have approval of the membership; and

(e) To 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.

ARTICLE V

Membership

The Association shall have members. The property, voting and other rights and privileges of members, and their liability for dues and assessments and the method of collection thereof, shall be as set forth in the Bylaws and Declaration.

Any person who holds title to a Unit in the Condominium shall be a member of the Association. There shall be one membership for each Unit owned within the Condominium. Such membership shall be automatically transferred upon the conveyance of such Unit. Voting shall be based on each Unit being allocated the number of votes as set forth in the Declaration. If a Unit is owned by more than one person, such persons shall agree among themselves how a vote for such Unit's membership is to be cast. Individual co-owners may not cast fractional votes. A vote by a co-owner for the entire Unit's membership interest shall be deemed to be pursuant to a valid

proxy, unless another co-owner of the same Unit objects at the time the vote is cast, in which case such membership's vote shall not be counted.

ARTICLE VI

Voting Rights

Each member of the Association shall have the right to vote for the election and removal of Directors and upon such other matters with respect to which the right to vote is given to members under the Declaration or under the provisions of the North Carolina Nonprofit Corporation Act, the voting rights of the members being more particularly described in the Declaration and the Bylaws; provided, however, that certain rights are reserved to Declarant in the Declaration and Bylaws with respect to the election and removal of the Board of Directors and amendment of the Declaration and Bylaws.

Notwithstanding the foregoing, the Declarant of the Condominium shall have such additional rights and qualifications as may be provided under the North Carolina Condominium Act and the Declaration, including the right to appoint members of the Board of Directors as follows:

The Declaration provides that during the Declarant Control Period the Declarant, or persons designated by him, subject to certain limitations contained in the Declaration and in the Bylaws, may appoint and remove the officers and Directors, who need not be Unit Owners. The Declarant Control Period means the period prior to the earlier of:

- (i) the dates and events specified in North Carolina General Statute Section 47C-3-103(d); or
- (ii) the date specified by the Declarant in a notice to the Association that the Declarant Control Period is to terminate on that date.

A Declarant may voluntarily surrender the right to appoint and remove officers and Directors of the Board of Directors before termination of the Declarant Control Period, but in that event the Declarant may require, for the duration of the Declarant Control Period, that specified actions of the Association or Board of Directors, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

Except as otherwise provided above, not later than the termination of the Declarant Control Period, the Unit Owners shall select a Board of Directors of at least three (3) but no more than five (5) members, a majority of whom must be Unit Owners. The Board of Directors shall elect the officers. The Board of Directors and officers shall take office upon election.

Subject to the rights of the Declarant during the Declarant Control Period, the Unit Owners, following notice under Section 47C-3-108 of the North Carolina Condominium Act, by

a vote of at least 51% of all persons present and entitled to vote at a meeting of the Unit Owners at which a quorum is present, may remove a member of the Board of Directors with or without cause.

ARTICLE VII

Board of Directors

The affairs of this Association shall be managed by a Board of Directors, the election and composition of which shall be as provided in the Bylaws, the initial members shall be:

Marilyn Allard
2626 Glenwood Avenue, Suite 350
Raleigh, NC 27608

Andy Andrews
2626 Glenwood Avenue, Suite 350
Raleigh, NC 27608

Kathy Adams
2626 Glenwood Avenue, Suite 350
Raleigh, NC 27608

ARTICLE VIII

Director Liability

No director of the Association shall have any personal liability arising out of any action taken by the director in connection with his duties as a director of the Association, including without limitation, any claim based breach of any duty as a director; provided, however, that the foregoing shall not limit or eliminate the personal liability of a director with respect to (i) acts or omissions that such director at the time of such breach knew or believed were clearly in conflict with the best interests of the corporation, (ii) any liability under Section 55A-8-32 or 55A-8-33 of the North Carolina General Statutes or any successor provision, (iii) any transaction from which such director derived an improper personal benefit, or (iv) acts or omissions occurring prior to the date of the effectiveness of this Article. As used in this Article, the term "improper personal benefit" does not include a director's reasonable compensation or other reasonable incidental benefit for or on account of his or her services as a director, officer, employee, independent contractor, attorney, or consultant of the Association.

ARTICLE IX

Dissolution

The Association may be dissolved upon the vote or written consent signed by Unit Owners owning Units to which at least 80% of the votes in the Association are allocated and by written consent of at least 51% of the Eligible Mortgage Holders, as defined in the Declaration. The failure of any Eligible Mortgage Holder to respond within thirty (30) days to any written request of the Association, sent by registered or certified mail, return receipt requested, for approval of dissolution of the Association shall constitute an approval by that Eligible Mortgage Holder of the proposed dissolution. 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 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 X

Duration

The Association shall exist perpetually.

ARTICLE XI

Amendments

Amendment of these Articles shall be in accordance with the requirements of the North Carolina Nonprofit Corporation Act; provided, however, any provision hereunder which permits an action only pursuant to a more stringent voting requirement may only be amended in accordance with such voting requirement.

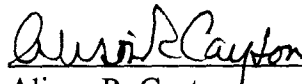
ARTICLE XII

Incorporator

The name and address of the incorporator is as follows:

Alison R. Cayton
Manning, Fulton & Skinner P.A.
3605 Glenwood Avenue, Suite 500
Raleigh, North Carolina 27612

IN WITNESS WHEREOF, for the purposes 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 28th day of July, 2008.


Alison R. Cayton

INCORPORATOR