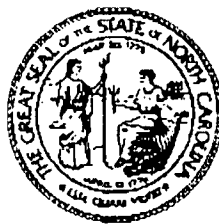


STATE OF NORTH CAROLINA



Department of The
Secretary of State

To all whom these presents shall come, Greetings:

I, **ELAINE F. MARSHALL**, *Secretary of State of the State of North Carolina*, do hereby certify the following and hereto attached to be a true copy of

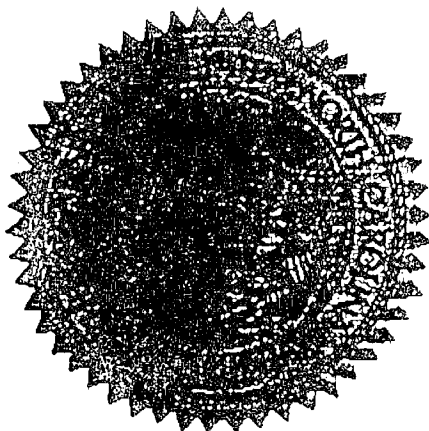
ARTICLES OF INCORPORATION

OF

**TRAILWOOD HILLS COMMONS CONDOMINIUM
OWNERS' ASSOCIATION, INC.**

*the original of which was filed in this office on the 29th day of
May, 1997.*

*IN WITNESS WHEREOF, I have hereunto set my
hand and affixed my official seal at the City of
Raleigh, this 29th day of May, 1997.*



Elaine F. Marshall

Secretary of State

C- D428140

FILED

12:08 pm

MAY 29 1997

ARTICLES OF INCORPORATION
OF

TRAILWOOD HILLS COMMONS CONDOMINIUM OWNERS' ASSOCIATION, INC.

(A NON-PROFIT ORGANIZATION)

EFFECTIVE
ELANET MARSHALL
SECRETARY OF STATE
NORTH CAROLINA

In compliance with the requirements of Chapter 55A of the North Carolina General Statutes, the undersigned natural person of full age has this day voluntarily executed these Articles of Incorporation for the purposes of forming a non-profit corporation and hereby certifies:

ARTICLE I

The name of the corporation is TRAILWOOD HILLS COMMONS CONDOMINIUM OWNERS' ASSOCIATION, INC.

ARTICLE II

James S. J. Wang, whose address is 119 W. Maynard Road, Raleigh, Wake County, North Carolina, 27511, is hereby appointed the initial registered agent of the Association.

ARTICLE III

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 Units and Common Area within that certain tract of property described in 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 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 Register of Deeds for Wake County and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein by reference 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 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 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;

(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 conditions 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 each class of members, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of 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.

ARTICLE IV

MEMBERSHIP

Every owner of a Unit which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment.

ARTICLE V

VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A member(s) shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Unit.

Class B. Class B member(s) shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Unit owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or

(b) on April 1, 2007;

ARTICLE VI

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the Bylaws 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:

NAME	ADDRESS
James S. J. Wang	119 West Maynard Road Cary, NC 27511
John P. Berent	108 Woodwinds Industrial Ct. Cary, NC 27511
Grace Wang	119 West Maynard Road Cary, NC 27511

At the first annual meeting the members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years, and one (1) director for a term of three (3) years; and at each annual meeting thereafter the members shall elect one (1) director(s) for a term of three (3) years.

ARTICLE VII

DISSOLUTION

The Association may be dissolved only upon the signed written assent of Members entitled to at least three-fourths (3/4) of the votes appurtenant to each unit. Upon dissolution, 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 the Association was created. In the event that such dedication is not accepted, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization devoted to similar purposes. Notwithstanding anything herein to the contrary, the Common Area shall be preserved to the perpetual benefit of the owners of units within TRAILWOOD HILLS COMMONS CONDOMINIUM and shall not be conveyed except to another non-profit corporation organized for similar purposes. In no event shall such distribution of assets upon dissolution be inconsistent with law regarding such distributions including without limitation N.C.G.S. 55A-14-03.

ARTICLE IX

AMENDMENTS

Amendment to these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

ARTICLE X

The registered office in North Carolina and the Principal Office shall be located at 119 W. Maynard Road, Cary, Wake County, North Carolina 27511, and the registered agent at such address shall be James S. J. Wang.

ARTICLE XI

The name and address of the incorporator is as follows:

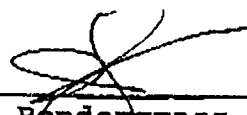
NAME:

ADDRESS:

James K. Pendergrass, Jr.

Post Office Box 26506
Raleigh, NC 27611

IN WITNESS WHEREOF, for the purposes of forming this corporation, constituting the incorporator of this Association, have executed these Articles of Incorporation, this the 27 day of May, 1997.



James K. Pendergrass, Jr. (SEAL)

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Brenda M. Moore, a Notary Public in and for the said County and State, do hereby certify that James K. Reynolds, Jr. personally appeared before me this day and executed the foregoing instrument.

Witness my hand and official seal, this 22nd day of May, 1997.



NOTARY PUBLIC

My Commission Expires: 1/26/98

EXHIBIT "A"

BEING all of Tract 2, consisting of 109,156 square feet comprising 2.51 acres, as shown on a plat entitled "Recombination Map For Lineberry Associates Limited Partnership dated July 24, 1996" and prepared by Lewis & Associates Surveyors, P.A. recorded in Book of Maps 1996, Page 1168, Wake County Registry.