

STATE OF NORTH CAROLINA
DEPARTMENT OF THE SECRETARY OF STATE

**ARTICLES OF INCORPORATION
OF
THE ESSEX AT GLEN EDEN OWNERS ASSOCIATION, INC.**
(A North Carolina Nonprofit Corporation)

In compliance with the requirements of Chapter 55A of the North Carolina General Statutes, 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 ESSEX AT GLEN EDEN OWNERS ASSOCIATION, INC., hereinafter called the "Association." The Association is **not** a charitable or religious Corporation as defined in N.C.G.S. §55A-1-40(4).

ARTICLE II
OFFICE

The principal and registered office of the Association is located at 3903 Edwards Mill Road, Raleigh, Wake County, N.C. 27612

ARTICLE III
REGISTERED AGENT

Michael J. Weigensberg, whose address is 3903 Edwards Mill Road, Raleigh, Wake County, N.C. 27612, 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 ESSEX AT GLEN EDEN CONDOMINIUM, a residential condominium project to be constructed in accordance with the laws of the State of North Carolina upon the property situated, lying and being near Raleigh, North Carolina, and described in Exhibit "A" attached to Declaration of Condominium for The Essex At Glen Eden Condominium (the Declaration") recorded or to be recorded in the Wake County Registry, N.C.

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 that certain Declaration applicable to the property and recorded or to be recorded in the Office of the Register of Deeds of Wake County, North Carolina, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) To fix, levy, collect and enforce payment by any lawful means, of 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 business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) To 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) To borrow money, and with the assent of Unit Owners entitled to cast at least 80% of the votes of the Association allocated to the Developed Units and at least 80% of the votes of the Association allocated to the Land Units including 80% of the votes allocated to Units not owned by the Declarant, to 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) To dedicate, sell or transfer all of 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 Unit Owners entitled to cast at least 80% of the votes of the Association allocated to the Developed Units and at least 80% of the votes of the Association allocated to the Land Units.

(f) To participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property and common area, provided that any such merger, consolidation or annexation shall have the assent of Owners entitled to cast at least 80% of the votes of the Association allocated to the Developed Units and at least 80% of the votes of the Association allocated to the Land Units.

(g) 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;

(h) 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.

ARTICLE V MEMBERSHIP

There shall be only one class of members in the Association. Every person or entity who is a record owner of a fee or undivided fee interest in any Unit which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member 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 ownership of any Unit which is subject to assessment by the Association. Neither a Member's membership in the Association nor a Member's share in the funds and assets of the Association may be assigned, hypothecated or transferred in any manner except as an appurtenance to such Member's Unit.

ARTICLE VI VOTING RIGHTS

The members 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 Chapter 55A of the General Statutes of North Carolina, the voting rights of the members being more particularly described in the Declaration and the Bylaws attached thereto; provided, however, that certain rights are reserved to Declarant in the Declaration and Bylaws of the Association with respect to the appointment and election of the Executive Board and amendment of the Declaration and Bylaws.

ARTICLE VII EXECUTIVE BOARD

The affairs of this Association shall be managed by an Executive Board consisting of no less than three (3) and no more than five (5) members or directors, and the initial Executive Board shall consist of three (3) persons appointed by the Declarant, First North Carolina Development, LLC, who shall serve until their successors are appointed or elected in accordance with the provisions of the Declaration and the Bylaws. Except as may be specifically provided in the Declaration, members or directors of the Executive Board need not be members of the Association.

ARTICLE VIII DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by Unit Owners entitled to cast at least 80% of the votes of the Association allocated to the Developed Units and at least 80% of the votes of the Association allocated to the Land Units. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets thereof, after all liabilities and obligations of the Association have been paid, or adequate provision made therefor, shall be distributed as required by Chapter 47C of the North Carolina General Statutes as amended and recodified from time to time.

ARTICLE IX
INDEMNIFICATION

To the fullest extent permitted by the North Carolina Non-Profit Corporation Act as it exists or may hereafter be amended, no person who is serving or who has served as a member of the Executive Board shall be personally liable for monetary damages for breach of any duty as a director. The Association shall indemnify its directors, officers, employees and committee members to the maximum extent required or permitted by applicable law, including but not limited to Part 5 of Article 8 of Chapter 55A of the North Carolina General Statutes, as amended from time to time, or by any similar statute by which it is amended, supplemented or repealed. Any person who serves in any such capacity of or on behalf of the Association shall be deemed to have done so in reliance upon and in consideration of such indemnification. Such indemnification shall inure to the benefit of such person and his or her heirs, successors, assigns and legal representatives, and it shall not be exclusive of any other rights to which such person may be entitled. Any repeal or modification of this shall be prospective only and shall not adversely affect any limitation hereunder with respect to acts or omissions occurring prior to such repeal or modification.

ARTICLE X
DURATION

The Association shall exist perpetually.

ARTICLE XI
AMENDMENTS

Unless a higher percentage otherwise is required by applicable law, amendment of these Articles shall require the assent of Unit Owners entitled to cast at least 67% of the votes of the Association allocated to the Developed Units and at least 67% of the votes of the Association allocated to the Land Units.

ARTICLE XII
CONFLICT WITH OTHER DOCUMENTS

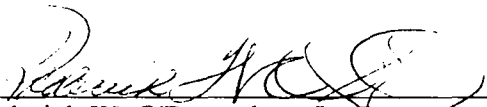
In the event of a conflict between the provisions of these Articles and the Declaration or the Bylaws of the Association, the provisions of the Declaration shall prevail over these Articles of Incorporation and the Bylaws and these Articles of Incorporation shall prevail over the Bylaws.

ARTICLE XIII
INCORPORATOR

The name and address of the incorporator is as follows:

Roderick W. O'Donoghue, Jr.
1100 Navaho Drive, Suite 106
Raleigh, Wake County, N.C. 27609

IN WITNESS WHEREOF, for the purposes of forming this Association under the laws of the State of North Carolina, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation, this 24th day of November, 2003.



Roderick W. O'Donoghue, Jr., Incorporator