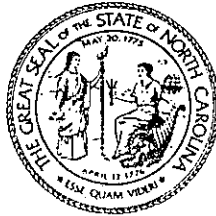


STATE OF NORTH CAROLINA



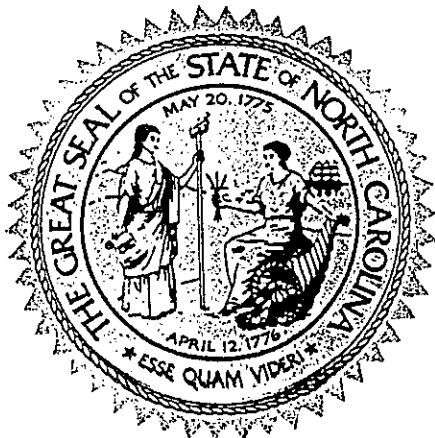
Department of The
Secretary of State

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
OCEANWATCH HOMEOWNERS ASSOCIATION, INC.

the original of which was filed in this office on the 25th day of June, 1997.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 25th day of June, 1997.

Elaine F. Marshall

Secretary of State

97 161 5009

C-0430629
FILED
1:15pm
JUN 25 1997.

ARTICLES OF INCORPORATION
OF

OCEANWATCH HOMEOWNERS ASSOCIATION, INC.

EFFECTIVE
ELAINE F MARSHALL
SECRETARY OF STATE
NORTH CAROLINA

The undersigned, being of the age of eighteen (18) years or more, does hereby make and acknowledge these articles of incorporation for the purpose of forming a nonprofit corporation under and by virtue of the laws of the State of North Carolina.

I

The name of the corporation is OCEANWATCH HOMEOWNERS ASSOCIATION, INC.

II

The period of the duration of the corporation is perpetual.

III

The purposes for which this corporation is organized are:

(A) To maintain and administer the common properties and facilities of the Oceanwatch Subdivision, Nags Head Township, Dare County, North Carolina.

(B) To administer and enforce the covenants and restrictions and to collect and disburse the assessments and charges of said subdivision as same relates to the common properties of the subdivision.

(C) To conduct such services, duties and functions strictly on a nonprofit basis for the mutual benefit of all lot owners of the Oceanwatch subdivision.

(D) To operate and conduct the affairs of the corporation in a manner consistent with the requirements of Section 501(C)(3) of the Internal Revenue Code so as to qualify as a non-profit corporation thereunder and under the laws of the State of North Carolina.

IV

The members of the corporation shall be the record owners of the lots and common properties within the Oceanwatch subdivision. The corporation shall have only one class of voting members, the rights of which members shall be designated in the bylaws of this corporation.

V

The directors of the corporation shall be elected by the members in the manner provided by the bylaws.

VI

The street address of the initial registered office and the principal office of the corporation in the State of North Carolina is Kinnakeet Boulevard, Avon, Dare County, North Carolina 27915 and the name of its initial registered agent at such address is George Edward Goodrich. The mailing address of the initial registered office and the principal office is Post Office Box 358, Avon, NC 27915.

VII

The number of the directors constituting the initial board of directors shall be two (2); and the names ~~and addresses~~ of the persons who are to serve as the initial directors are:

George Edward Goodrich
James Fuller Dibrell

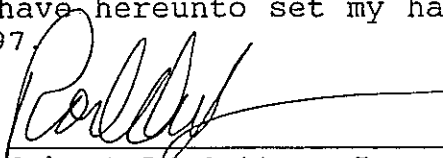
VIII

Upon dissolution of the corporation, all liabilities and obligations of the corporation shall be paid and discharged, or adequate provisions be made therefor, and the remainder of the corporation's assets shall be distributed among the members according to their respective interests in the corporation.

IX

The name and address of the incorporator is Robert L. Outten, 4820 North Croatan Highway, Kitty Hawk, Dare County, North Carolina 27949.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal, this the 1 day of June, 1997.



Robert L. Outten, Incorporator (SEAL)