

**BYLAWS**  
**OF**  
**NORTH RIDGE VILLAGE CONDOMINIUM OWNERS ASSOCIATION, INC.**

1. IDENTITY

These are the Bylaws of North Ridge Village Condominium Owners Association, Inc., a nonprofit corporation under the laws of the State of North Carolina, the Articles of Incorporation of which were filed in the Office of the Secretary of State of North Carolina (the "Association"). The Association has been organized for the purpose of administering the operation and management of North Ridge Village Condominium (the "Condominium"), a condominium established or to be established in accordance with the laws of the State of North Carolina upon the property located in Guilford County, North Carolina, and described in Schedule "A" attached hereto and incorporated herein by reference, or so much thereof as may be brought within the jurisdiction of the Association and any additional property which may hereafter be brought within the jurisdiction of the Association.

(a) The provisions of these Bylaws are applicable to the Condominium, and the terms and provisions hereof are expressly subject to the terms, provisions, conditions and authorization contained in the Articles of Incorporation and the Declaration of Condominium for North Ridge Village which will be recorded in the Public Records of Guilford County, North Carolina (the "Declaration"), at the time such property and the improvements now or hereafter located thereon are submitted to the plan of condominium ownership, the terms and provisions of such Articles of Incorporation and Declaration to be controlling wherever the same may be in conflict herewith. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Declaration.

(b) The office of the Association shall be at 5603 New Garden Village Drive, Guilford County, Greensboro, North Carolina, 27410, or such other place as the Executive Board shall designate from time to time.

(c) The fiscal year of the Association shall be the calendar year, except that in the initial year of operation of the Condominium, the fiscal year shall commence with the closing of the sale of the first Unit.

2. MEMBERSHIP, VOTING, QUORUM, PROXIES

(a) The qualification of members, the manner of their admission to membership and termination of such membership, and voting by members shall be as set forth in Article VI of the Articles of Incorporation of the Association.

(b) A quorum is deemed present throughout any meeting of the members of the Association if persons entitled to cast ten percent (10%) of the votes which may be cast for election of the Executive Board are present in person or by proxy at the beginning of the meeting.

(c) If there are multiple Owners of a Unit, the vote allocated to such Unit may be cast only as provided in Section 8.4 of the Declaration.

(d) Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. A Unit Owner may not revoke a proxy given pursuant to this section except by written notice of revocation delivered to the person presiding over a meeting of the Association. A proxy is void if it is not dated. A proxy terminates one year after its date, unless it specifies a shorter term.

(e) Approval or disapproval of a Unit Owner upon any matter, whether or not the subject of a meeting of the Association, shall be by the same person who would cast the vote of such Unit Owner if in an Association meeting.

(f) Except where otherwise required by the Condominium Documents, or whether the same may otherwise be required by law, the affirmative vote of the persons entitled to cast a majority of the votes at any duly called meeting of the Association at which a quorum is present shall be binding upon the members.

### 3. ANNUAL AND SPECIAL MEETING OF MEMBERSHIP

(a) The first annual meeting of the membership shall be held within one (1) year of the incorporation of the Association. During the same calendar month each year thereafter, the annual meeting of the Association shall be held at such time and place as may be designated in the notice of meeting, for the purpose of informing the membership of the names of the individuals appointed to the new Executive Board, of informing the membership of the status of the budget for the coming year and for such other purposes as the Executive Board may determine.

(b) Special meetings of the Association shall be held whenever called by the President or Vice-President or by a majority of the Executive Board members and must be called by such officers upon receipt of a written request from Members of the Association owning ten percent (10%) of the votes in the Association.

(c) Notice of all meetings of the Association, regular or special, shall be given by the President, Vice-President or Secretary of the Association, or other officer of the Association in the absence of such officers, to each member, unless waived in writing. Such notice must be written or printed and state the time and place of the meeting and the items on the agenda of such meeting, including the general nature of any proposed amendment to the Declaration or these Bylaws, any proposed budget changes and any proposal to remove an Executive Board member or officer. Such notice shall be given to each Member not less than ten (10) days nor more than sixty (60) days prior to the date set for such meeting, which notice shall be mailed or presented personally to each member within such time. If presented personally, receipt of such notice shall be signed by the member, indicating the date on which such notice was received by such member. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, first class, addressed to the member at such member's address as it appears on the records of the Association as of the date of mailing such notice. Proof of such mailing

shall be given by the Affidavit of the person giving the notice. Any member may, by signed written waiver of notice, waive such notice and, when filed in the records of the Association, whether before or after the holding of the meeting, such waiver shall be deemed equivalent to the giving of notice to the member. If any meeting of the Association cannot be organized because a quorum has not attended, or because the greater percentage of the membership required to constitute a quorum for particular purposes has not attended (wherever the latter percentage of attendance may be required as set forth in the Condominium Documents, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance, if greater than a quorum, is present.

(d) The order of business at annual meetings of the Association and, as far as practical, at any other meetings of the Association, shall be:

- (i) Calling of the roll and certifying of proxies;
- (ii) Proof of notice of meeting or waiver of notice;
- (iii) Reading and disposal of any unapproved minutes;
- (iv) Reports of Officers;
- (v) Reports of Committees;
- (vi) Election of Executive Board members;
- (vii) Unfinished business;
- (viii) New business; and
- (ix) Adjournment.

#### 4. EXECUTIVE BOARD

(a) The first Executive Board of the Association and all succeeding Executive Boards during the Declarant Control Period shall consist of at least two (2) persons and may be increased to include Unit Owners other than Declarant, as provided below. Thereafter the Executive Board shall consist of five (5) persons.

Except as otherwise set forth in subparagraphs (i) and (ii) below, during the Declarant Control Period Declarant shall have the right to designate and select all of the persons who shall serve as members of each Executive Board of the Association.

(i) Not later than sixty (60) days after the conveyance of twenty-five percent (25%) of the Units (including Units which may be created pursuant to Special Declarant Rights; i.e., twenty-five percent (25%) of eight (8) Units) to Unit Owners other than Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Unit Owners other than Declarant.

(ii) Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units (including Units which may be created pursuant to Special Declarant Rights; i.e., fifty percent (50%) of eight (8) Units) to Unit Owners other than Declarant, not less than thirty-three percent (33%) of the members of the Executive Board shall be elected by Unit Owners other than Declarant.

(b) Election of Executive Board members shall be conducted in the following manner:

(i) Declarant shall, at the beginning of the election of the Executive Board, designate and select that number of Executive Board members which it shall be entitled to designate and select in accordance with the provisions of these Bylaws, and upon such designation and selection of Declarant by written instrument presented to the meeting at which such election is held, such individuals designated and selected by Declarant shall be deemed and considered for all purposes Executive Board members, and shall perform the offices and duties of such Executive Board members until their successors shall have been selected or elected in accordance with the provisions of these Bylaws. Any Executive Board member designated by and selected by Declarant need not be a Unit Owner or resident in the Condominium.

(ii) All members of the Executive Board whom Declarant shall not be entitled to designate and select under the terms and provisions of these Bylaws shall be elected by a plurality of the votes cast at the annual meeting of the members of the Association immediately following the designation and selection of the members of the Executive Board whom Declarant shall be entitled to designate and select. At least a majority of the Executive Board members selected by the members of the Association shall be members of the Association or employees, officers, directors, shareholders, member or partners of a corporate, company or partnership member of the Association. The Association shall publish the names and addresses of all members of the Executive Board within thirty (30) days after a member is either elected or appointed to the Executive Board.

(iii) Vacancies in the Executive Board may be filled until the date of the next annual meeting of the Association by the remaining Executive Board members except that should any vacancy in the Executive Board be created by any person designated and selected by Declarant to serve as a member of the Executive Board, such vacancy shall be filled by Declarant designating and selecting, by written instrument delivered to any officer of the Association, such successor to fill the vacated Executive Board position for the unexpired term thereof.

(iv) Not more than sixty (60) days after the expiration of the Declarant Control Period the President of the Association shall call a Declarant Control Period Special Meeting. At the Declarant Control Period Special Meeting, the Owners (including the Declarant) shall elect a new Executive Board consisting of five (5) members who all shall be Owners or who shall otherwise be qualified pursuant to the Bylaws. The persons so elected shall take office immediately upon election and the members of the Executive Board previously appointed or elected shall step down from their positions.

(v) At the first annual meeting of the Association and at the Declarant Control Period Special Meeting, the term of office of two (2) Executive Board members shall be established at two (2) years, and the terms of office of the other Executive Board member shall be established at one (1) year. Thereafter, Executive Board members shall be elected at the annual meeting for a term of two (2) years expiring at the second Annual Meeting following their election, and thereafter until their successors are duly elected and qualified, or until removed in the manner elsewhere provided or as may be provided by law.

(vi) In the election of Executive Board members, each Unit shall have a total vote equal to the number of Executive Board members to be elected multiplied by the Unit's Allocated Interest in the Common Elements as set forth in Exhibit "B" of the Declaration, as amended from time to time; provided, however, that no member or Owner of one (1) Unit may cast a vote greater than the Unit's Allocated Interest in the Common Elements for any one person nominated as a Executive Board member, it being the intent hereof that voting for Executive Board members shall be noncumulative. Notwithstanding the fact that Declarant may be entitled to designate and select a majority of the members of the Executive Board, and subject to the provisions contained in Section 4(b) of these Bylaws, Declarant shall still be entitled to cast the vote for each Unit owned by it in the elections of other Executive Board members; provided, however, that the other Executive Board members elected are persons other than Officers, directors, stockholders, partners and employees of Declarant, or spouses and relatives of any of such persons.

(vii) In the event that Declarant, in accordance with the rights herein established, selects any person or persons to serve on any Executive Board of the Association, Declarant shall have the absolute right at any time, in its sole discretion, to replace such person or persons with another person or persons to serve on the Executive Board. Replacement of any person or persons designated by Declarant to serve on any Executive Board of the Association shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name or names of the person or persons to be replaced and the name or names of the person or persons designated as successor or successors to the persons so removed from said Executive Board. The removal of any Executive Board member and designation of such member's successor shall be effective immediately upon delivery of such written instrument by Declarant to any officer of the Association.

(c) The organizational meeting of each newly elected Executive Board shall be held within ten (10) days of their election, at such time and at such place as shall be fixed by the Executive Board members at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary provided a quorum shall be present.

(d) Regular meetings of the Executive Board may be held at such time and place as shall be determined from time to time by a majority of the Executive Board. Notice of regular meetings shall be given to each Executive Board member, personally or by mail, telephone or telegram, at least three (3) days prior to the day named for such meeting, unless notice is waived. At regular intervals, the Executive Board shall provide Unit Owners an opportunity to attend a

portion of the regular meetings of the Executive Board and to speak to the Executive Board about their issues and concerns. The Executive Board may place reasonable restrictions on the number of persons who speak on each side of an issue and may place reasonable time restrictions on persons who speak.

(e) Special meetings of the Executive Board may be called by the President, and must be called by the Secretary at the written request of a majority of the Executive Board members. Not less than three (3) days' notice of a meeting shall be given to each Executive Board member, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

(f) Any Executive Board member may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

(g) A quorum at a meeting of the Executive Board shall consist of the presence throughout such meeting of Executive Board members entitled to cast fifty percent (50%) of the votes of the entire Executive Board. The acts of the Executive Board approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the Executive Board, except as specifically otherwise provided in the Condominium Documents. If any meeting of the Executive Board cannot be organized because a quorum has not attended, or because the greater percentage of the Executive Board members required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be required as set forth in the Condominium Documents, the Executive Board members who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

(h) The presiding officer of Executive Board meetings shall be the Chairman of the Executive Board, if such an officer has been elected; and if none, then the President of the Association shall preside. In the absence of the presiding officer, the Executive Board members present shall designate one of their number to preside.

(i) An Executive Board member shall not be compensated for such member's services rendered in such capacity; provided, however, that an Executive Board member shall be reimbursed for expenses incurred in the performance of such member's duties. This provision shall not preclude the Executive Board from employing an Executive Board member as an employee of the Association and compensating such person as an employee, nor preclude the contracting with an Executive Board member for the management of the Condominium.

(j) All of the powers and duties of the Association shall be exercised by the Executive Board, including those existing under the common law and statutes, and the Condominium Documents. The powers and duties of the Executive Board shall include, but shall not be limited to, the following:

(i) To make, levy and collect Assessments against Members of the Association and their Units to defray the costs of the Condominium, as provided for in

Article 15 of the Declaration, which Article is incorporated herein by reference, and to use the proceeds of such Assessments in the exercise of the powers and duties granted unto the Association.

(ii) To maintain, repair, replace, operate and manage the Common Elements wherever the same is required to be done and accomplished by the Association for the benefit of its Members; and further to approve any expenditure made or to be made for said purposes.

(iii) To reconstruct any part of the Common Elements after casualty in accordance with the Declaration, and to make further improvement to the Common Elements, real and personal, and to make and to enter into any and all contracts necessary or desirable to accomplish said purposes.

(iv) To make, amend and enforce Regulations governing the use of the Common Elements and Units so long as such Rules and Regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles of Incorporation and Declaration.

(v) To acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, including Units in the Condominium as may be necessary or convenient in the operation and management of the Condominium, and in accomplishing the purposes set forth in the Declaration, provided that the acquisition of real property other than Units shall require the approval of the Association.

(vi) To acquire now or at any time hereafter, and to enter into leases and agreements whereby the Association acquires leaseholds, memberships and other possessory or use interests in lands or facilities including, but not limited to recreational facilities, whether or not contiguous to the lands of the Condominium, to provide enjoyment, recreation or other use or benefit to the owners of Units.

(vii) To contract for the management of the Condominium and to designate 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 Executive Board or Membership of the Association.

(viii) To enforce by legal means or proceedings the provisions of the Condominium Documents, including without limitation, the Rules and Regulations from time to time governing use of the Common Elements in the Condominium.

(ix) To pay all taxes and assessments which are or may become liens against any part of the Condominium, other than Units and the appurtenances thereto, and to assess the same against the Members and their respective Units subject to such liens.

(x) To purchase insurance for the protection of the Members and the Association against casualty and liability in accordance with Article 12 of the Declaration.

(xi) To pay all costs of power, water, sewer and other utility services rendered to the Condominium and not directly billed to the Unit Owners.

(xii) To designate and remove personnel necessary for the maintenance, repair, replacement and operation of the Condominium including the Common Elements.

(xiii) To establish an adjudicatory panel to provide a hearing to determine if a Unit Owner should be fined and/or whether condominium privileges and services should be suspended for a violation of the Condominium Documents as provided in Article 18 of the Declaration.

(xiv) To establish an adjudicatory panel in the manner provided in subparagraph (xiii) above to provide a hearing to determine if a Unit Owner is responsible for damages to any Common Elements or whether the Association is responsible for damages to a Unit, in cases where the claim for such damages is Five Hundred Dollars (\$500.00) or less. The adjudicatory panel shall accord to the Unit Owner charged or the Association notice of the claim, an opportunity to be heard and to present evidence and notice of the panel's decision. The panel may assess a per incident liability not in excess of Five Hundred Dollars (\$500.00). A liability assessed against a Unit Owner shall be an assessment against the Unit Owner and a lien against such Owner's Unit, subject to all provisions and enforcement of Article 15 of the Declaration. A liability assessed against the Association may be offset by the Unit Owner whose Unit was damaged by act of the Association to reduce the amount of any assessments owed or to be owed by such Unit Owner.

(xv) To convey or subject to a security interest all or a portion of the Common Elements, if such conveyance or encumbrance is approved by Unit Owners owning at least eighty percent (80%) of the Allocated Interest in the Common Elements (including one hundred percent (100%) of the Unit Owners owning Units appurtenant to any Limited Common Elements which are proposed to be conveyed or encumbered) and the consent of at least two-thirds (2/3) of the Mortgage Votes. In connection with any encumbrancing of the Common Elements, the Association also may assign its right to future income, including the right to receive Common Expense assessments, if such assignment is approved by Unit Owners owning at least eighty percent (80%) of the Allocated Interests in the Common Elements. The approval of Unit Owners required above shall be evidenced in a writing executed by all such Unit Owners, in the same manner as a deed, and recorded in the public records of Guilford County, North Carolina. The agreement must specify a date after which it will be void unless then recorded. Any proceeds derived from the conveyance or encumbrance of Limited Common Elements shall be distributed as agreed upon between the Association and the Unit Owners owning the Units to which such Limited Common Elements are appurtenant. Any proceeds derived from the conveyance or encumbrance of Common Elements other than Limited Common Elements shall be an exclusive asset of the Association.

(xvi) To grant easements, leases, licenses and concessions through, over or with respect to the Common Elements for public utilities or other public purposes consistent with the intended use of the Common Elements by the Condominium and reasonably

necessary to the ongoing development and operation of the project without a vote or the consent of the Unit Owners, upon and subject to such terms and conditions as the Association's Executive Board in its sole discretion deems appropriate; provided, however, no such grant shall unreasonably interfere with or obstruct the Owners' right of ingress to and egress from the Units.

(k) The undertakings and contracts entered into by or on behalf of the Association during the time Declarant has the right to appoint a majority of the members of the Executive Board of the Association shall be binding upon the Association in the same manner as though such undertakings and contracts had been entered into by or on behalf of the Association after the Executive Board duly elected by the Membership of the Association takes office; provided, however that (1) any management contract, employment contract, or lease of recreational or parking areas or facilities, (2) any other contract or lease between the Association and a declarant or an affiliate of a declarant, or (3) any contract or lease that is not bona fide or was unconscionable to the Unit Owners at the time entered into under the circumstances then prevailing, may be terminated without penalty by the Association at any time after the Executive Board a majority of the members of which are elected by the Unit Owners takes office, upon not less than 90 days' notice to the other party.

(l) Any one or more of the members of the Executive Board may be removed, either with or without cause, at any time by a vote of at least sixty-seven percent (67%) of all Members present and entitled to vote at any meeting of Unit Owners at which a quorum is present; provided, however, that only the Declarant shall have the right to remove an Executive Board member appointed by it.

## 5. OFFICERS

(a) The executive officers of the Association shall be a President, who shall be an Executive Board member, a Vice-President, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Executive Board and who may be peremptorily removed by a vote of the Executive Board at any meeting. Any person may hold two or more offices, except that the President shall not also be Vice-President, Secretary or an Assistant Secretary. The Executive Board shall, from time to time, elect such other officers and designate their powers and duties as the Executive Board shall find to be required to manage the affairs of the Association. Officers shall not be compensated for their services as such, but may receive reimbursement for expenses incurred in such capacity.

(b) The President shall be the chief executive officer of the Association. He or she shall have all of the powers and duties which are usually vested in the office of the president of any association, including, but not limited to, the power to appoint committees from among the Members from time to time, as such officer may, in such officer's discretion, determine appropriate to assist in the conduct of the affairs of the Association.

(c) The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of President. He or she shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Executive Board.

(d) The Secretary shall keep the minutes of all proceedings of the Executive Board and the Members. He or she shall attend to the giving and serving of all notices to the Members of the Association and the members of the Executive Board, and such other notices required by law. He or she shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He or she shall be responsible for the preparation, execution, certification and recordation of any amendments to the Declaration which the Association is required or allowed to prepare and record. He or she shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the Executive Board or the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

(e) The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He or she shall keep, or supervise the keeping of, the assessment rolls and accounts of the Members; he or she shall keep the books of the Association in accordance with good accounting practices; and he or she shall perform all other duties incident to the office of Treasurer.

(f) An Officer shall not be compensated for such officer's services rendered in such capacity; provided, however, that an officer shall be reimbursed for expenses incurred in the performance of such officer's duties. This provision shall not preclude the Executive Board from employing an officer as an employee of the Association and compensating such person as an employee, nor preclude the contracting with an officer for the management of the Condominium. In addition, no financial payments, including payments made in the form of goods or services, may be made to any officer or member of the Executive Board or to a business, business associate, or relative of an officer or member of the Executive Board except as expressly provided by these Bylaws or payments for services or expenses paid on behalf of the Association which are approved in advance by the Executive Board.

(g) All officers shall serve at the pleasure of the Executive Board and any officer may be removed from office at any time, with or without cause, by a majority vote of the Executive Board.

(h) The Association shall publish the names and addresses of all officers within thirty (30) days of such officers being elected by the Executive Board.

## 6. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

(a) The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Unit. Such account shall designate the name and address of the Unit Owner(s), the amount of each assessment against the Unit Owner(s), the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments.

(b) The Executive Board shall prepare a proposed budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including, but not limited to the following:

(i) Common Expense budget which, subject to the limitations in the Declaration, may include the estimated amounts necessary for maintenance and operation of and capital improvements to the Common Elements including landscaping, street and walkways, office expense, utility services, casualty insurance, liability insurance, administration and reserves, management fees and costs of maintaining leaseholds, memberships and other possessory or use interests in lands or facilities whether or not contiguous to the lands of the Condominium, to provide enjoyment, recreation or other use or benefit to the Unit Owners; and

(ii) Proposed assessments against each Unit Owner and such Owner's Unit.

Within thirty (30) days after adoption of the Budget by the Executive Board, the Executive Board shall provide a copy of said budget or a summary thereof to each Unit Owner and shall set a date for a meeting of Unit Owners to consider ratification of the proposed budget, such meeting to be held not less than fourteen (14) days and not more than thirty (30) days after mailing of the proposed budget or summary thereof. There is no requirement that a quorum of Unit Owners be present at such meeting. The proposed budget shall be deemed to be ratified unless at such meeting the proposed budget is rejected by the Unit Owners owning at least sixty-seven percent (67%) of the Allocated Interest in the Common Elements. If a proposed budget is rejected, the budget last ratified shall remain in effect until Unit Owners ratify a subsequent budget proposed by the Executive Board.

(c) The depository of the Association shall be such bank or banks as shall be designated from time to time by the Executive Board and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Executive Board.

(d) An audit of the accounts of the Association shall be made annually, and a copy of the report shall be furnished to each Unit Owner not later than May 15 of the year following the year for which the report is made.

(e) Fidelity bonds may be required by the Executive Board from all Officers and employees of the Association and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined as set forth in the Declaration. The premiums on such bonds shall be paid by the Association.

## 7. PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and these Bylaws or with the laws of the State of North Carolina.

## 8. AMENDMENTS TO BYLAWS

Amendments to these Bylaws shall be proposed and adopted in the following manner:

(a) Amendments to these Bylaws may be proposed by the Executive Board of the Association acting upon a vote of the majority of the Executive Board members or by Members of the Association owning at least ten percent (10%) of the Allocated Interests in the Common Elements of the Condominium, whether meeting as Members or by instrument in writing signed by them.

(b) Upon any amendment or amendments to these Bylaws being proposed by the Executive Board or Members of the Association, such proposed amendment or amendments shall be transmitted to the President of the Association, or other officer of the Association in the absence of the President, who shall thereupon call a special joint meeting of the members of the Executive Board of the Association and the membership of the Association for a date not sooner than ten (10) days or later than sixty (60) days from receipt by such Officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give to each member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a Special Meeting of the members is required as herein set forth.

(c) In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of a majority of the entire membership of the Executive Board and by an affirmative vote of the Members of the Association owning in the aggregate not less than sixty-seven percent (67%) of the Allocated Interests in the Common Elements of the Condominium. Thereupon, such amendment or amendments to these Bylaws shall be transcribed, certified by the President and Secretary of the Association.

(d) Upon the approval of any amendment or amendments, the same shall become binding upon all Unit Owners.

(e) Notwithstanding the foregoing provisions of this Article 8, no amendment to these Bylaws which shall abridge, amend or alter the right of the Declarant to designate and select members of each Executive Board of the Association, as provided in Article 4 hereof or otherwise alter, amend or modify the rights and privileges granted and reserved in the Declaration, the Articles of Incorporation or hereunder in favor of the Declarant, may be adopted or become effective without the prior written consent of the Declarant.

(f) Material amendments to these Bylaws must be approved by Mortgagees as set forth in Article 19 of the Declaration.

## 9. AVAILABILITY OF DOCUMENTS AND RECORDS

The Executive Board shall cause to be maintained at the office of the Association a file containing current copies of the Condominium Documents, and other books, records and financial statements of the Association, including records of meetings of the Association and the Executive Board. Such file and the documents and information contained therein shall be available for inspection, upon request, during normal business hours, to all Unit Owners, Mortgagees, and prospective purchasers, all of whom may also, upon request and payment of a

reasonable charge determined by the Executive Board, obtain copies thereof. The Executive Board shall also make an annual income and expense statement and balance sheet available to the Unit Owners at no charge within seventy-five (75) days after the close of the fiscal year to which the information relates. The Executive Board, upon written request, shall furnish a Unit Owner or the Unit Owner's authorized agents a statement setting forth the amount of unpaid assessments and other charges against a Unit. The statement shall be furnished within ten (10) business days after receipt of the request and is binding on the Association, the Executive Board and every Unit Owner.

#### 10. RULES AND REGULATIONS

In the administration of the operation and management of the Condominium, the Association shall have and is hereby granted the authority and power to adopt, promulgate and enforce such Rules and Regulations governing the use of the Units and Common Elements as the Executive Board of the Association, from time to time may deem to be in the best interests of the Association, including, without limitation, the right to make permanent and temporary assignments of parking spaces and the right to restrict the number type and size of domestic pets and to promulgate rules concerning pet ownership. The Unit Owners shall, at all times, obey the Rules and Regulations and shall use their best efforts to see that they are faithfully observed by their families, guests, invitees, servants, lessees and persons over whom they exercise control and supervision.

#### 11. ENFORCEMENT

The Association, or any Unit Owner, shall have the right to enforce by any proceeding at law or in equity, the Rules and Regulations of the Association. In addition, the Executive Board shall have the right to assess reasonable fines against a Unit Owner for violations of the Association's published Rules and Regulations by such Unit Owner, such Owner's family, guests, invitees and lessees. Such fines shall be deemed to be assessments as set forth in Article 15 of the Declaration and if not paid within thirty (30) days after notice and demand therefore, the Association shall be entitled to the remedies set forth in the Declaration for the enforcement and collection of delinquent assessments. Failure by the Association or by any Unit Owner to enforce any rule or regulation shall in no event be deemed a waiver of the right to do so thereafter. The Association shall have the right to request that law enforcement, public safety and animal control officers come on to the Common Elements to facilitate the enforcement of the laws, codes and ordinances of any governmental authority and the Rules and Regulations of the Association.

#### 12. INDEMNIFICATION

Every person who is or shall be or shall have been a member of the Executive Board or officer of the Association and such member's or officer's personal representative shall be indemnified by the Association against all costs and expenses reasonably incurred by or imposed on in connection with or resulting from any action, suit or proceeding to which such member or officer may be made a party by reason of such member or officer being or having been a member of the Executive Board or officer of the Association or any subsidiary or affiliate thereof, except in relation to such matters as to which such member or officer shall finally be adjudicated in such

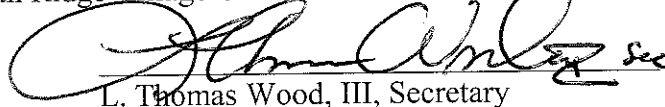
action, suit or proceeding to have acted in bad faith or to have been liable by reason of willful misconduct in the performance of such member's or officer's duty as such member of the Executive Board or officer. For purposes of this provision, "costs and expenses" shall include, without limiting the generality thereof, attorneys' fees, damages and reasonable amounts paid in settlement. Nothing contained in these Bylaws shall be deemed to eliminate or reduce the protection from personal liability granted to members of the Executive Board by the North Carolina Nonprofit Corporation Act and by the Articles of Incorporation of the Association.

13. COMPLIANCE

These Bylaws are set forth to comply with the requirements of the North Carolina Condominium Act, Chapter 47C of the General Statutes of the State of North Carolina. In the event that any of these Bylaws conflict with the mandatory provisions of said statute, it is hereby agreed that the provisions of the statute will apply.

The foregoing were adopted as the Bylaws of North Ridge Village Condominium Owners Association, Inc., a nonprofit corporation under the laws of the State of North Carolina, at the first meeting of the Executive Board on Sept. 12, 2008.

North Ridge Village Condominium Owners Association, Inc.

  
L. Thomas Wood, III, Secretary

**SCHEDULE "A"**

**BEING ALL OF Lot 1 (1.586 Acres +/-) as shown on plat thereof entitled "North Ridge Village I.M.U.D. which is recorded in Plat Book 163, Page 114, in the Office of the Register of Deeds of Guilford County, North Carolina.**