

BK: RB 6820
PG: 2850 - 2864

RECORDED:

12/29/2025

10:53:51 AM

BY: KELLIE GILES

DEPUTY

2025034020

NEW HANOVER COUNTY,

MORGHAN GETTY COLLINS

REGISTER OF DEEDS

NC FEE \$26.00

EXTX \$0.00

ELECTRONICALLY RECORDED

NEW HANOVER COUNTY REGISTER OF DEEDS

AMENDED AND RESTATED BY-LAWS OF TELFAIR SUMMIT HOA, INC.

PLEASE RETURN TO:

The Wortman Law Firm, PLLC

2004 Eastwood Road, Suite 202

Wilmington, NC 28403

AMENDED AND RESTATED BY-LAWS OF TELFAIR SUMMIT HOA, INC.

ARTICLE I General Provisions

SECTION 1. -- IDENTITY: These are the By-Laws of TELFAIR SUMMIT HOA, INC., a nonprofit corporation organized pursuant to the laws of the State of North Carolina; the Articles of Incorporation for which have been recorded in Book 2311, at Page 395, in the Office of the Register of Deeds of New Hanover County, North Carolina.

SECTION 2. -- INCORPORATION: The provisions of these By-Laws supplement and are enacted pursuant to the provision of the above-referenced Articles of Incorporation and are applicable to the record owners of lots located upon or within that certain development of real estate known as Telfair Summit, as shown on map recorded in Map Book 37, at Page 317, Map Book 38, Page 105, Map Book 38, Page 155, Map Book 38, Page 178, Map Book 39, Page 77, Map Book 39, Page 306, Map Book 44, Page 224, Map Book 45, Page 182, Map Book 46, Page 321, Map Book 47, Page 175, and Map Book 48, Page 25 of the New Hanover County Registry; and any additional area developed by Developer with access from Valley Brook Road. These provisions shall apply in full if such area is developed for townhouses; and shall apply on a limited basis if developed for single family dwellings, in which case the owners shall be assessed for a pro-rata expense pertaining to roads and common areas but not for insurance and lot and exterior structural maintenance, such owners would not be members of the Association.

SECTION 3. -- APPLICATION: These By-Laws shall, in conjunction with the above-referenced Articles of Incorporation, govern the affairs, rights, privileges, duties and obligations of the Association, all owners, all mortgagees, beneficiaries under Deeds of Trust, Lessees and occupants of all lots subject hereto, their employees and all others who may use or enjoy any of the property subjected hereto, and the acceptance of a Deed for or conveyance of, or the succeeding to title to, or the entering into a lease for, or the actual occupancy of, or use of a lot, the common areas, street, and amenities, or any of the improvements thereon by any of the above shall constitute an acceptance by the same of the provisions of these By-Laws, the Rules and Regulations enacted pursuant hereto and the provisions of the herein above-referenced Articles, and an agreement to comply with and abide by the same.

SECTION 4. -- PRINCIPAL OFFICE: The principal office of the Association and of the Board of Directors shall be located at the community association manager's office, or as from time to time may be designated by the Board of Directors of the Association.

ARTICLE II Membership

SECTION 1. -- IDENTIFICATION: The Association shall have one class of voting membership, Class A. Class A members shall be all Owners who own lots within Telfair Summit. Each Class A member shall be entitled to one vote for each such lot so owned.

SECTION 2. -- RECORDS: The Secretary of the Association, or person designated by the Secretary, including the community association manager, shall maintain at the principal office of the Association a register of all the current owners of memberships in the Association and the mailing address of each owner.

SECTION 3. -- VOTING RIGHTS: If a membership is owned by one (1) person his right to vote shall be established by the record title of his lot. If a membership is owned by more than one (1) person, owned by a corporation, owned by a partnership, whether general or limited, or a joint venture, only one (1) person can cast the vote of the lot regardless of the number of owners. Duplicate votes cast by any lot will void all votes by that lot.

SECTION 4. -- MORTGAGEES AND TRUSTEES UNDER DEEDS OF TRUST: In the event that any such lot is conveyed by mortgage or by Deed of Trust, then the rights, duties, obligations, powers and privileges appurtenant to the membership, appurtenant to such lot shall be exercised by the owner of the equity in the lot, and not by the mortgagee under any mortgage or the trustee or beneficiary under any Deed of Trust against such lot.

SECTION 5. -- ANNUAL MEETINGS: Subject to the provisions of Article VI of these By-laws, the annual meetings of the Association shall be held on the first Saturday in November of each year unless such date shall occur on a legal holiday, in which event, the meeting shall be held on the next succeeding business day. The purpose of the annual meeting shall be for the election of the Directors of the Association for the succeeding year and for the transaction of any and all business of the Association as may properly come before the meeting.

SECTION 6. -- SPECIAL MEETING: It shall be the duty of the President to call a special meeting of the membership if so directed by resolution of the Board of Directors or upon a petition calling for a special meeting presented to the Secretary of the Association and signed by at least twenty-five percent (25%) of the eligible votes of the memberships in the Association. The notice of any special meeting shall state the time, place, and purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

SECTION 7. -- NOTICE OF MEETING: The Secretary, or a person designated by the Secretary, including the community association manager, shall mail and email to each owner of a membership in the Association notice of each annual or special meeting of the membership at least ten (10) days but not more than thirty (30) days prior to such meeting

stating the purpose thereof as well as the time and place where it is to be held. Said notice shall be mailed to the physical address and sent via electronic mail to the email address which the owner of each membership has designated to the Secretary and maintained by the Secretary, or a person designated by the Secretary, including the community association manager, on his current register of owners. The mailing of a notice of a meeting in the manner provided in this section shall be considered service of notice.

SECTION 8. -- ADJOURNMENT OF MEETING: If any meeting of the membership cannot be held because a quorum has not attended, a majority of the membership who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not more than forty-eight (48) hours from the time the original meeting was called.

SECTION 9. -- QUORUM: A quorum at all membership meetings shall consist of persons representing and entitled to cast the vote appurtenant to at least fifty-one percent (51%) of the eligible votes of the memberships in the Association. The acts approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the membership, except when approval by a greater number of members is required by the Declaration of Covenants, Conditions and Restrictions of Telfair Summit (hereinafter referred to as the "Declaration of CC&Rs"), though less than a quorum, may adjourn said meeting to a future time.

SECTION 10. -- PROXIES: The vote appurtenant to each membership may be cast by the person designated as entitled to cast such vote by proxy. The designation of any such proxy shall be made in writing to the Secretary, or a person designated by the Secretary, including the community association manager, and shall be revocable at any time by written notice to the Secretary, or a person designated by the Secretary, by the owner of the membership to which said vote is appurtenant. Such proxy shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary, or a person designated by the Secretary, including the community association manager, before the appointed time of the meeting or any adjournment of such meeting.

SECTION 11. -- PLACE OF MEETING: Meetings of the Association's membership shall be held at the principal office of the Association or at such other suitable place convenient to the membership as may be designated by the Board of Directors.

SECTION 12. -- ORDER OF BUSINESS: The order of business at all meetings of the Association shall be as follows: (a) roll call; (b) proof of notice of meeting; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of Board of Directors; (f) reports of committees; (g) election of members of the Board of Directors, if necessary; (h) unfinished business; and (i) new business.

ARTICLE III Board of Directors

The property, affairs and business of the Association shall be managed by the Board of Directors; provided, however, that the provisions of this Article are subject to the provisions

of Article VI of these By-Laws.

SECTION 1. -- NUMBER, TERM OF OFFICE AND QUALIFICATIONS: The number constituting the Board of Directors shall be a range of three (3) to five (5). Terms of the Directorships shall be staggered. Each Director shall continue in office until the annual meeting of the membership held next after his election and until his successor shall have been elected and qualified or until his death or until he shall resign or shall have become disqualified or removed from office. Directors need not be residents of the State of North Carolina, nor year-round residents of Telfair Summit; provided, however, that each Director shall be an owner or spouse of an owner of one of the lots in Telfair Summit, and in the case of partnership, owners shall be a member or employee of such partnership, and in the case of corporate owners, shall be an officer, shareholder, or employee of such corporation, and in the case of fiduciary owners, shall be the fiduciary, or an officer or employee of such fiduciary.

SECTION 2. -- ELECTION OF DIRECTORS: The election of the Board of Directors shall be conducted in the following manner: (a) election of Director shall be held at the annual meeting of the membership; (b) nominations for Directorships shall be made from the floor by the membership or by the Board of Directors; (c) the election shall be by written ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each person representing a membership entitled to vote being entitled to cast one (1) vote for each of as many nominees as there are Directorships to be filled. There shall be no cumulative voting.

SECTION 3. -- REMOVAL OF DIRECTORS: Any Director may be removed by concurrence of fifty-one percent (51%) of the votes of the membership of the Association present at a special meeting of the membership called for the consideration of such removal. The vacancy in the Board of Directors so created shall be filled by a vote of the members of the Association at the same meeting.

SECTION 4. -- ORGANIZATIONAL MEETING: The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

SECTION 5. -- REGULAR MEETINGS: Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors, but at least six (6) such meetings shall be held during each fiscal year. Notice of the regular meeting of the Board of Directors shall be given to each member of the Board of Directors, as predetermined by the current Board of Directors as the approved forms of communication and notice among the Board, at least five (5) business days prior to the day named for such meetings.

SECTION 6. -- SPECIAL MEETINGS: Special meetings of the Board of Directors may be called by the President of the Association on five (5) business days notice to each member of the Board of Directors, as predetermined by the current Board of Directors as the approved

forms of communication and notice among the Board, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notices on the written request of any member of the Board of Directors.

SECTION 7. -- WAIVER OF NOTICE: Any member of the Board of Directors may at any time waive notice of any meeting of the Board of Directors, in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place hereof. If all of the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

SECTION 8. -- QUORUM: At all meetings of the Board of Directors a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Directors present at such a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At the next meeting, following such adjourned meeting, at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

SECTION 9. -- COMPENSATION: No member of the Board of Directors shall receive any compensation from the Association for acting as such.

SECTION 10. -- WRITTEN CONSENT BY APPROVAL OF MINUTES: The written consent of a Director in the action of a meeting by signing and concurring with the minutes of that meeting shall constitute the presence of such Director at such meeting for the purpose of determining a quorum.

SECTION 11. -- PRESIDING OFFICER AT DIRECTORS' MEETINGS: The presiding officer of a Directors' meeting shall be the President of the Association. In the absence of the President, the Vice-President shall serve as presiding officer. In the absence of the presiding officer, the remaining Directors present shall designate one (1) of their number to preside.

SECTION 12. -- ORDER OF BUSINESS AT DIRECTORS' MEETINGS: The order of business at Directors' meetings shall be: (a) the calling of the roll; (b) the proof of due notice of the meeting; (c) reading and disposal of any unapproved minutes; (d) the reports of officers and committees; (e) the election of officers; (f) unfinished business; (g) new business; and (h) adjournment.

SECTION 13. -- POWERS AND DUTIES: The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association except such powers and duties as by law or by these By-Laws may not be delegated to the Board of Directors by the membership of the Association. The powers and duties to be exercised and performed by the Board of Directors shall include but shall not be limited to the following:

a. The operation, care, upkeep and maintenance of the streets, driveways, recreational facilities, if any, other access easements, stormwater drainage system (including retention ponds), improvements, landscaping, irrigation systems, fencing, refuse facilities, street lighting, other area lights and lighting equipment, and amenities located throughout the common areas, and the exterior surfaces of the townhouses as provided in the Declaration of Covenants, Conditions, and Restrictions of Telfair Summit, as it may be amended from time to time, as recorded in the New Hanover County Registry;

b. The determination of the amount of funds required for the operation, care, upkeep and maintenance of the streets, driveways, recreational facilities, if any, other access easements, stormwater drainage system (including retention ponds), improvements, and amenities located throughout the common areas, and the townhouses, and the amounts required for the general operation of the Association;

c. The levying and collection of the assessments from the membership owners, including foreclosure of the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same.

d. The employment and dismissal of personnel as necessary for the efficient maintenance of the development and operation of the Association.

e. The implementation, management, and maintenance of the stormwater maintenance plan as required by the regulatory authorities of New Hanover County and the State of North Carolina.

f. The opening and maintenance of bank accounts on behalf of the Association and designating the signatures required.

g. The purchasing, leasing, or otherwise acquiring in the name of the Association or its designee, corporate or otherwise, on behalf of all members of the Association, lots offered for sale or lease.

h. The purchasing of lots at foreclosure or other judicial sales in the name of the Association, or its designee, corporate or otherwise, on behalf of the membership.

i. The selling, conveying, leasing, mortgaging of, voting of votes appurtenant to (other than for the election of members of the Board of Directors), or otherwise dealing with the lots acquired by, and subleasing lots by the Board of Directors on behalf of the membership of the Association.

j. The organizing of the corporation to act as designee of the Board of Directors in acquiring title to or leasing lots by the Board of Directors on behalf of the membership of the Association (where g, h, i, and j, are subject to fifty-one percent (51%) vote of the membership).

k. The purchasing and maintaining of insurance for the townhouses, recreational facilities, if any, stormwater drainage system, improvements, and amenities located at the common areas, pursuant to the provision of these By-Laws.

l. The making of repairs, additions and improvements to, or alterations of, the property, and repairs to and restoration of any property belonging to the Association, in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings. The enforcing of the obligation of the members of the Association, allocating income and expenses of the Association and doing anything and everything necessary and proper for the sound management of the Association.

m. The establishment of reasonable rules and regulations for the use of the common areas and amenities by the members, their guests, and their invitees, the levying of fines, penalties or expenses against the members of the Association for infringement of such rules and regulations, or for damage to such amenities, and allocating income and expenses of the Association.

n. Adjusting and settling claims under insurance policies obtained pursuant to the By-Laws and executing and delivering releases on settlements of such claims on behalf of all lot owners, all holders of mortgages, Deeds of Trust or other liens on the lots and all owners of any other interest in the property

o. Employing or engaging a manager, an independent contractor, attorney or accountant or such other employees and agents as they deem necessary, and to prescribe their duties. Provided, however, any such person so hired shall serve only at the pleasure of the Board of Directors hiring him, and no Board of Directors shall have the authority to bind any succeeding Board of Directors to any such contract.

SECTION 14. -- LIABILITY OF THE BOARD OF DIRECTORS: The members of the Board of Directors shall not be liable to the Association or any of its members for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The members of the Association shall indemnify and hold harmless each member of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Articles of Incorporation, or these By-Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any member of the Association arising out of any contract made by the Board of Directors or out of the indemnity in favor of the members of the Board of Directors shall be limited to such proportions of the total liability thereunder as his interest in the Association bears to the interest of all members of the

Association in the Association. Every agreement made by the Board of Directors on behalf of the Association shall provide that the members of the Board of Directors are acting only as agents for the Association and shall have no personal liability thereunder (except as members of the Association), and that each member of the Association's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Association bears to the interest of all members in the Association.

SECTION 15. -- FIDELITY BONDS: The Board of Directors shall obtain adequate fidelity bonds for all officers and employees of the Association. The premium on such bonds shall constitute an expense of operating the affairs of the Association.

ARTICLE IV Officers

SECTION 1. -- DESIGNATION: The principal officers of the Association shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer and Assistant Secretaries, and such other officers as in its judgment may be necessary. The officers must be members of the Board of Directors.

SECTION 2. -- ELECTION OF OFFICERS: Officers shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and until their successors are elected.

SECTION 3. -- REMOVAL OF OFFICERS: Upon the affirmative vote of a majority of the members of the Association or members of the Board of Directors, any officer may be removed, either with or without cause; and his successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

SECTION 4. -- PRESIDENT: The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the membership and at all meetings of the Board of Directors. The President shall have all of the general powers and duties which are incident to the office of President of a corporation organized under the Business Corporation Laws of the State of North Carolina, including, but not limited to, the power of appoint from among the membership any committee which he deems appropriate to assist in the conduct of the affairs of the Association.

SECTION 5. -- VICE PRESIDENT: The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If neither the President or Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon the Vice President by the Board of Directors or

by the President.

SECTION 6. -- SECRETARY: The Secretary shall keep the minutes of all meetings of the membership and the Board of Directors; the Secretary, or a person designated by the Secretary, including the community association manager, shall have charge of all books, papers, accounts, and records of the Board of Directors as the Board of Directors may direct; and shall, in general, perform all of the duties incident to the office of Secretary of a corporation organized under the Business Corporation laws of the State of North Carolina.

SECTION 7. -- TREASURER: The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of accounts showing all receipts and disbursements, and for the preparation of all required financial statements. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name of the Board of Directors, in such depositories as may from time to time be designated by the Board of Directors, and shall, in general, perform all of the duties incident to the office of Treasurer of a corporation organized under the Business Corporation Laws of the State of North Carolina. The Board shall have the option to delegate all responsibilities of Treasurer to its Community Association Manager and Management Company. If these responsibilities are delegated, the Board Treasurer shall review financial statements prepared by the Community Manager or Management Company.

SECTION 8. -- COMPENSATION: No officer shall receive any compensation from the Association for acting as such. However, the Board of Directors may appoint a manager to handle the day-to-day affairs of the Association, and may establish a rate of compensation and salary for each.

SECTION 9. -- EXECUTION OF INSTRUMENTS: All instruments, including, but not limited to, agreements, contracts, Deeds or Leases of the Association shall be executed in the name of the Association by the President, Vice President, or Assistant Vice President and attested to by the Secretary or Assistant Secretary of the Association. All payments of the Association are to be executed by such person or persons as may be designated by the Board of Directors.

ARTICLE V

Operation of the Association

SECTION 1. -- RULE MAKING: The Board of Directors shall promulgate and establish, pursuant to the provisions set out hereinbelow, for the overall safety of the members, their guests and invitees, reasonable rules and regulations governing the use, enjoyment, maintenance, repair of and additions or alterations to the streets, common areas, yards, stormwater management facilities, amenities, and the improvements thereon.

Subsection 1.1 -- Procedures: The Board of Directors, or a rule making committee specifically appointed by the President, shall formulate reasonable rules and regulations, including fines and penalties for infringement of such rules and regulations, or amendments or modifications thereto. The rules and regulations, or amendments or modifications therefore adopted by a majority vote of the Board of Directors at a meeting of the Board of Directors shall be recorded as set forth in Subsection 1.4.

Subsection 1.2 -- Amendment, Modification, Additions or Repeal by Members: In addition to the above, any member of the Association may propose a modification, amendment, addition to, or repeal of any and all rules and regulations of the Association by stating the same in writing to the Board of Directors. If any such member shall have obtained on such proposal the signatures of at least twenty-five percent (25%) of the owners in the Association, then the Board of Directors shall submit such proposal to the Association at the next annual meeting of the Association. In order to be adopted as rules and regulations, amendments or modifications thereof, such member-proposed rules and regulations must receive assent from fifty-one (51%) of the votes of the entire membership of the Association present in person or by proxy at such meeting.

Subsection 1.3 -- Prohibitions: No rule or regulation, nor amendment, modification, addition to, or repeal of any or all of the rules and regulations of the Association shall discriminate against any lot owner or against any lot or group of lots unless the owners thereof so affected shall consent in writing; nor shall any of the above change any lot nor the common areas and amenities, nor shall any of the above increase any owner's share in the common expenses of the Association nor change the voting rights of any member unless the owner of the membership appurtenant to the lot so affected and all record owners of liens thereon shall join in the execution of such rule, regulation, amendment, modification, addition to or repeal of the same.

Subsection 1.4 -- Recording: A copy of all rules and regulations or amendments, additions, modifications to or repeals of rules and regulations of the Association which passed with the requisite number of votes required in either Subsection 1.1 or Subsection 1.2 shall be certified by the President and Secretary of the Association as having been duly adopted by the Association and shall be effective from the date the same is recorded in the office of the Register of Deeds of New Hanover County, North Carolina.

SECTION 2. -- MAINTENANCE: The Board of Directors shall provide for the upkeep, care, preservation, protection and maintenance of the recreation facilities, if any, improvements, stormwater management facilities, irrigation systems, and amenities located through the common areas, and the exterior surfaces of the townhouses as provided in the Declaration of Covenants, Conditions and Restrictions of Telfair Summit Homeowners Association, Inc., as it may be amended from time to time, and as recorded in the New Hanover County Registry, as follows:

a. Repair and repave, when necessary, all pavements existing throughout the common areas other than publicly dedicated right of ways;

b. Upkeep, maintain and preserve all grasses, lawn, trees, shrubs and other vegetation maintained upon the common areas.

c. Repair, reconstruct, repaint, and maintain any and all other improvements, of whatever nature, made to the common areas and amenities.

d. Maintain, inspect, and repair the stormwater management facilities, including but not limited to, swales, drains, pipes, and retention ponds, as required by the stormwater maintenance plan adopted by the Association as set forth in the Declaration of Covenants, Conditions, and Restrictions of Telfair Summit Homeowners Association, Inc. recorded in the New Hanover County Registry.

Subsection 2.1 -- Right of Access: For the purpose solely of performing all of the above- described maintenance, inspections, repairs, etc., the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to any and all owners concerned, to enter upon any lot, at any reasonable hour of any day.

Subsection 2.2-- Owners' Repairs: Any maintenance, inspection, repair, replacement, etc., to any of the streets, common areas, amenities, stormwater management facilities, or any of the improvements thereon, caused by the negligence, misuse, neglect or willful act of any owner, his or her family, tenants, guests or invitees shall be performed by the Association at the sole cost and expense of said owner, said cost and expense therefore to be added to said owner's annual assessment.

Subsection 2.3 -- Expense: All maintenance, inspection, repair, reconstruction, replacement, etc., as outlined hereinabove, is to be performed by or through the Board of Directors and the cost and expense thereof shall, except as provided in Subsection 3.2, be an annual expense of the Association.

SECTION 3. -- FISCAL MANAGEMENT: The Board of Directors shall, from time to time, and at least annually, prepare a budget for the Association, determining the projected annual costs to the Association of performing all of the duties of fulfilling all of the obligations of the Association (an "operating budget"). These costs shall include all of the costs incurred by the Association in the performance of those duties and obligations outlined in the Articles of Incorporation, applicable to the development, and Article III, Section 13, and Article V of these By-Laws, as well as the costs necessary for the efficient management of the Association (including amounts for an operations reserve and a capital improvements reserve, if deemed necessary by the Board of Directors).

Subsection 3.1 -- Annual Assessments: After approval of the budget by the Board of Directors, the Board shall assess each lot within the development subject hereto an equal amount of the projected annual costs to the Association as described hereinabove, subject to the provisions of Article VI (6) hereof, hereinafter set forth. The Board of Directors shall cause the Secretary of the Association, or a person designated by the Secretary, including the community association manager, to provide each member of the Association a statement of the annual assessment against his lot in writing, stating the date payment thereof is due

at least thirty (30) days prior to the due date. All assessments shall be due and payable on such date and in such installments, if allowed, as the Board of Directors may determine.

Subsection 3.2 -- Nature and Enforcement of Assessments: The nature and enforcement of the collection of assessments is set forth in the Declaration of Covenants, Conditions, and Restrictions of Telfair Summit HOA, Inc., which are recorded in the New Hanover County Registry.

Subsection 3.3 -- Subordination: The lien for unpaid assessment shall be subordinate to the lien of any first mortgage or first Deed of Trust against any lot.

SECTION 4. -- RECORDS AND AUDITS: The Board of Directors shall keep detailed records of the action of the Board of Directors, minutes of the meetings of the Board of Directors, minutes of the meeting of the membership of the Association and financial records and books of accounts of the Association, including a chronological listing of receipts and expenditures, as well as a separate account for each lot which, among other things, shall contain the amount of each annual assessment, and other assessments, against each lot, the date when due, the amount paid thereon, and the balance remaining unpaid. A written report summarizing all receipts and expenses of the Association shall be rendered by the Board of Directors to all members of the Association at least annually. In addition, an annual report of the receipts and disbursements of the Association shall be rendered by the Board of Directors to all members of the Association who have requested the same, after the end of each fiscal year.

Each member of the Association shall be permitted to examine all of the books and accounts of the Association at reasonable times on business days, but not more than once a month, and may access financial information anytime via the Association's community manager's portal.

SECTION 5. -- CONDEMNATION: In the event of a taking in condemnation or by eminent domain of part or all of the property, the award made for such taking shall be payable to the Board of Directors, and the Board of Directors shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damages, as provided in these By-Laws.

ARTICLE VI Parliamentary Rules

Robert's Rules of Order (latest edition) shall govern the conduct of all Association meetings, not in conflict with the Articles of Incorporation, the Amended Declaration of Restrictions, and these By-Laws.

ARTICLE VII Amendments

SECTION 1. -- AMENDMENT BY CLASS A MEMBERS: Except as hereinafter provided, these By-Laws may be amended in the following manner: (a) Any member of the Association may propose any amendment or modification of the Association, (b) in order to qualify for consideration by the Association, any such amendment or modification must be signed by at least twenty-five percent (25%) of the owners of the memberships in the Association; (c) upon receipt of such proposed amendment or modification, the President of the Association shall immediately follow the procedures outlined hereinabove under Article II, Section 6, entitled SPECIAL MEETINGS; (d) any such proposed amendment or modification in order to become a part of these By-Laws must be approved by fifty-one percent (51%) of the entire membership of the Association present in person or by proxy at such meeting; provided, however, that no amendment or modification shall discriminate against any owner, any lot class or group of owners, or lots unless all of the owners so affected so consent; and further, no amendment or modification shall change any lot, the common areas, nor increase any owner's assessments, nor change the voting rights of any members unless the owner or owners of the memberships or lots so affected and all holders of liens against such owner's or owners' lots shall approve in writing such amendment or modification.

ARTICLE VIII Miscellaneous

SECTION 1. -- NOTICES: All notices to the Board of Directors shall be sent by first class mail to the principal office of the Board of Directors. All notices to owners shall be sent by registered mail, return receipt requested, to such addresses as may have been designated by such owners in writing to the Secretary of the Association, or a person designated by the Secretary, including the community association manager. All notices, if received, as proven by the return receipt, shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

SECTION 2. -- WAIVER OF NOTICE: Whenever any notice which is required to be given to any member, Director, or officer of the Association by the provisions of the North Carolina Nonprofit Corporation Act, the provisions of the Articles of Incorporation, or these By-Laws, is waived in writing, signed by the person or entities entitled to such notice, whether before or after the time stated therein, such shall be equivalent to the giving of such notice.

SECTION 3. -- INVALIDITY: The invalidation of the provision of these By-Laws by any court, agency, or legislature shall in no way affect the validity of any other provision of these By-Laws, and the same shall remain in full force and effect.

SECTION 4. -- CAPTIONS: The captions herein used are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

SECTION 5. -- GENDER: The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the neuter gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

SECTION 6. -- WAIVER: No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

SECTION 7. -- FISCAL YEAR: The fiscal year of the Association shall be the calendar year of January - December.

The foregoing was approved by the Members of TELFAIR SUMMIT HOA, INC. by an Action by Written Ballot December 1, 2025.

TELFAIR SUMMIT HOA, INC.

By: *D Powell*
Print Name: Dana A. Powell
Title: President

State of North Carolina
County of New Hanover

I, the undersigned Notary Public of the County and State aforesaid, certify that Dana A. Powell personally came before me this day and acknowledged that he/she is the President of TELFAIR SUMMIT HOA, INC, and that by authority duly given and as the act of such entity, she attested the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this 29th day of December, 2025.

My Commission Expires: 6/18/2029

Anna Duckworth

Attest:

Lynn Marie Zito Fawcett
Print Name: Lynn Marie Zito Fawcett
Title: Secretary

Anna Duckworth
Notary Public
Pender County, NC
My Commission Expires 06/18/2029

State of North Carolina
County of New Hanover

I, the undersigned Notary Public of the County and State aforesaid, certify that Lynn Marie Zito Fawcett personally came before me this day and acknowledged that he/she is the Secretary of TELFAIR SUMMIT HOA, INC, and that by authority duly given and as the act of such entity, she attested the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this 29th day of December, 2025.

My Commission Expires: 6/18/2029

Anna Duckworth

Anna Duckworth
Notary Public
Pender County, NC
My Commission Expires 06/18/2029