

*See Amendment - 421 P280*

EXHIBIT C

BOOK 414 PAGE 189

**BY-LAWS OF FOXKROFT VILLAS CONDOMINIUMS - PHASE I**

The following by-laws shall apply to the condominium project known as Foxcroft Villas Condominiums - Phase I, situated in Mineral Springs Township, Moore County, North Carolina, as described in and created by the Declaration of Intention to Submit Property to the North Carolina Unit Ownership Act - Foxcroft Villas Condominiums - Phase I.

ARTICLE I

**PLAN OF UNIT OWNERSHIP**

Section 1: The project located in Moore County, North Carolina, is submitted to the provisions of Chapter 47A of the General Statutes of North Carolina.

Section 2: The provisions of these by-laws are applicable to the project. The term "project" as used herein shall include the land.

Section 3: All present or future owners, tenants, future tenants, or their employees or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these by-laws and to any rules and regulations adopted pursuant hereto.

Section 4: The mere acquisition or rental of any of the family units (hereinafter referred to as "units") of the project or the mere act of occupancy of any of said units will signify that these by-laws and the provisions of rules and regulations adopted pursuant hereto are accepted, ratified and will be complied with.

ARTICLE II

**VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES**

Section 1: Voting shall be on a percentage basis and the percentage of the vote on which the owner is entitled is the percentage assigned to the family unit or units in the Declaration of Condominiums.

Section 2: As used in these by-laws, the term "majority of owners" shall mean those owners holding sixty-six and two-thirds per cent (66 2/3%) of the votes in accordance with the percentages assigned in the Declaration of Condominiums.

Section 3: Except as otherwise provided in these by-laws, the presence in person or by proxy of six owners shall constitute a quorum.

Section 4: Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE III

**ADMINISTRATION**

Section 1: The owners of the units will constitute the association of owners known as Association of Unit Owners of Foxcroft Villas Condominiums - Phase I (hereinafter referred to as "Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments, and arranging for the management of the project, which may be pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of a management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval of a majority of owners.

Section 2: Meetings of the Association shall be held on the project

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or such other suitable place convenient to the owners as may be designated by the Board of Administrators.

Section 3: The first annual meeting of the Association shall be held on January 10, 1977. Thereafter, the annual meetings of the Association shall be held on the day set by the Association in each succeeding year, unless this shall be a Sunday or legal holiday, in which case the meeting shall be held on the next business day. At such meetings, there shall be elected by ballot of the owners a board of administrators in accordance with the requirements of Section 5 of Article IV of these by-laws. The owners may also transact such other business of the association as may properly come before them.

Section 4: It shall be the duty of the president to call a special meeting of the owners as directed by resolution of the board of administrators or upon a petition signed by a majority of the owners and presented to the secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice thereof unless by consent of sixty-six and two-thirds per cent all of the owners, and said sixtysix and two-thirds per cent must be present either in person or by proxy.

Section 5: It shall be the duty of the Secretary to mail a notice of each annual or special meeting stating the purpose thereof as well as the time and place where it is to be held to each owner of record at least ten (10) days, but not more than sixty (60) days prior to such meeting. The mailing of a notice in the manner provided in this section shall be considered notice served.

Section 6: If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 7: The order of business at all meetings of the owners of units shall be as follows:

- (a) Roll call
- (b) Proof of Notice of Meeting or Waiver of Notice
- (c) Reading of minutes of preceding meeting
- (d) Report of Officers
- (e) Report of Committees
- (f) Election of Inspectors of Election
- (g) Election of Administrators
- (h) Unfinished business
- (i) New business

#### ARTICLE IV

##### BOARD OF ADMINISTRATORS

Section 1: The affairs of the Association shall be governed by a board of administrators composed of not less than three (3) persons nor more than five (5) persons, as may be determined from time to time by the Owners. Each member of the board of administrators shall be either the owner of a unit, have an interest therein, or in the event of corporate ownership, be an officer or designated agent of the corporation.

Section 2: The board of administrators shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these by-laws directed to be exercised and done by the owners.

Section 3: In addition to duties imposed by these by-laws, or by resolutions of the Association, the board of administrators shall be responsible for the following:

- (a) Maintenance, repair, replacement, and surveillance of the common areas and facilities.
- (b) Collection of monthly assessments from the owners.

- (c) Designation and removal of personnel necessary for the maintenance, repair, replacement, and surveillance of the common areas and facilities.

Section 4: The board of administrators may employ for the Association a management agent at a compensation established by the board to perform such duties and services as the Board shall authorize, including but not limited to the duties listed in Section 3 of this Article.

Section 5: At the first annual meeting of the Association the term of office of at least one administrator shall be fixed at one year, the term of office of at least one administrator shall be fixed at two years, and the term of office of at least one administrator shall be fixed at three years. At the expiration of the initial term of office of each respective administrator, his successor shall be elected to serve a term of three years. The administrators shall hold office until their successors have been elected and hold their first meeting.

Section 6: Vacancies on the board of administrators caused by any reason other than the removal of an administrator by a vote of the Association shall be filled by vote of the majority of the then remaining administrators even though they may constitute less than a quorum, and each person so elected shall be an administrator until a successor is elected at the next annual meeting of the Association.

Section 7: At any regular or special meeting duly called, any one or more of the administrators may be removed with or without cause by a majority of the owners and a successor may then and there be elected to fill the vacancy thus created. Any administrator, whose removal has been proposed by the owners, shall be given an opportunity to be heard at the meeting.

Section 8: The first meeting of a newly elected board of administrators shall be held within five (5) days of election at such place as shall be fixed by the administrators at the meeting at which such administrators were elected, and no notice shall be necessary to the newly elected administrators in order to legally constitute such meeting, providing sixty-six and two-thirds of the whole board shall be present.

Section 9: Regular meetings of the board of administrators may be held at such time and place as shall be determined, from time to time by sixty-six and two-thirds of the administrators, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the board of administrators shall be given to each administrator, personally or by mail, telephone or telegraph, at least ten (10) days prior to the day named for such meeting.

Section 10: Special meetings of the board of administrators may be called by the president on ten days' notice to each administrator given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided), and purpose of the meeting. Special meetings of the board of administrators shall be called by the president or secretary in like manner and on like notice on the written request of at least sixty-six and two-thirds per cent (66 2/3%) of the administrators.

Section 11: Before or at any meeting of the board of administrators any administrator may in writing waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by an administrator at any meeting of the board shall be a waiver of notice by him of the time and place thereof. If all administrators are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

Section 12: At all meetings of the board of administrators sixty-six and two-thirds of the administrators shall constitute a quorum for the transaction of business and the acts of the majority of the administrators present at a meeting at which a quorum is present shall be acts of the board of administrators. If at any meeting of the board of administrators there be less than a quorum present, the majority of those present may adjourn the meeting from time to time, until such time as a majority is present.

Section 13: The board of administrators shall require that all officers and employees of the Association handling or responsible for association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE V

OFFICERS

Section 1: The principal officers of the Association shall be a president, a vice-president, a secretary and a treasurer, all of whom shall be elected by and from the board of administrators. The administrators may appoint an assistant treasurer and an assistant secretary and such other officers as in their judgment may be necessary. Any two offices may be combined into one office with the exception of President and Vice-President.

Section 2: The officers of the Association shall be elected annually by the board of administrators at the organization meeting of each new board and shall hold office at the pleasure of the board.

Section 3: Upon an affirmative vote of a majority of the members of the board of administrators, any officer may be removed either with or without cause and his successor elected at any regular meeting of the board of administrators, or at any special meeting of the board called for such purpose.

Section 4: The president shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the board of administrators. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5: The vice-president shall take the place of the president and perform his duties whenever the president shall be absent or unable to act. If neither the president nor the vice-president is able to act, the board of administrators shall appoint some other member of the board to do so on an interim basis. The vice-president shall also perform such other duties as shall from time to time be imposed upon him by the board of administrators.

Section 6: The secretary shall keep the minutes of the meetings of the board of administrators and the minutes of all meetings of the Association; he shall have charge of such books and papers as the board of administrators may direct; and he shall, in general, perform all the duties incident to the office of secretary.

Section 7: The treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association, in such depositories as may from time to time be designated by the board of administrators.

ARTICLE VI

OBLIGATIONS OF OWNERS

Section 1: All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses, which in any event shall include insurance premiums for liability coverage for the common areas, and insurance premiums for a policy to cover repairs and construction work in case of hurricanes, fire, earthquake, or other hazards on the common areas; real estate taxes on the common areas and facilities, water and sewerage charges for each condominium unit, grounds maintenance, pest control and termite protection, and costs of maintenance of the central television antenna as referred to in the Declaration. The assessments shall be made prorata according to the value of the unit owned as stipulated in the Declaration. Such assessments may also include monthly payments to the following reserve funds:

(a) A reserve fund for the purpose of effecting replacements of structural elements and mechanical equipment of the condominiums, and for such other purposes as may from time to time appear to be necessary or appropriate.

(b) A general operating reserve for the purpose of providing a measure of financial stability during periods of special stress, which may be used to meet deficiencies from time to time as a result of delinquent payment of assessments by owners of family units in the condominiums and other contingencies. (Any accumulated and unspent reserves whether annual or special assessments shall not be deemed to be retained earnings for income tax purposes. Any accumulated and unspent reserves may be refunded to the owners according to their percentages of interest prior to the end of any fiscal year or credited against the next year's assessments.)

Section 2: The obligations of the owners as to maintenance and repair are as follows:

(a) Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in a part belonging to the other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the repairs of the internal installations of the unit such as water, light, power, sewerage, telephone, air conditioning (including exterior unit), heating system, hot water heaters underneath the buildings, sanitary installations, doors, windows, lamps and other accessories belonging to the unit area shall be at the owner's expense.

(c) An owner shall reimburse the association for any expenditures incurred in repairing or replacing any common area and facility damaged, by owner or his agents, employees, business invitees, family members, lessees, or pets.

Section 3: All units shall be utilized for residential purposes only.

Section 4: An owner shall not make structural modifications or alterations within his unit without previously notifying the Association in writing, through the management agent, if any, or through the president of the board of administrators, if no management agent is employed. The Association shall have the obligation to answer within thirty days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

Section 5: An owner shall not place or cause to be placed in the walkways, driveways, parking areas, and other project areas and facilities of a similar nature which are common areas and facilities, any furniture, package, or objects of a like nature. Such areas shall be used for no other purpose than for normal transit through them, or other normal use as hereinafter permitted.

Section 6: No livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept or encouraged to stay in any part of the project except that dogs, cats, and other household pets in reasonable numbers may be kept by the unit owners and occupants in their respective units but shall not be kept, bred, or used therein for any commercial purposes nor allowed on any common area and facilities except in transit when carried or on leash, provided that any such pet causing a nuisance or unreasonable disturbance to any other occupant of the project shall be permanently removed therefrom promptly upon notice given by the board of administrators or management agent.

Section 7: No boats, campers, mobile homes, motorcycles, motor bikes

BOOK 414 PAGE 193

or related types of vehicles shall be permanently kept or stored in the common areas of the condominiums project. Bicycles and golf carts shall be permitted to be parked in the common areas, provided, they do not interfere with the transit through the said common areas by other units owners.

Section 8: All family units shall be subject to the following rights of entry:

(a) An owner shall grant the right of entry to the management agent or to any other person authorized by the board of administrators or the Association in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

(b) An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

Section 9: Every resident of the project shall observe, as rules of conduct, the rules and regulations which shall be hereafter adopted by the owners pursuant to and in compliance with the Declaration and these By-Laws. Either the Board of Administrators or the owners, at a regular meeting or duly called special meeting, may modify, alter, amend, add to or revoke said rules and regulations in whole or in part.

#### ARTICLE VII

##### CONVEYANCE

Section 1: Every unit owner shall promptly cause to be duly recorded and filed of record the deed to him of such unit or other evidence of his title thereto, and shall file a copy of the deed and any other documents evidencing his title or interest in and to a particular unit with the board of administrators, and the secretary shall maintain all such information in the record of ownership of the Association.

Section 2: Any unit owner who mortgages his unit or any interest therein shall notify the board of administrators of the name and address of the mortgagee, and also of the release of such mortgage, and the secretary shall maintain all such information in the record of ownership of the Association. The board of administrators at the request of any mortgagee or prospective purchaser of any unit or interest therein shall report to such person the amount of any assessments against such unit then due and unpaid.

Section 3: No unit owner may lease his said unit except with the prior written consent of the board of administrators which shall not be unreasonably withheld. Upon the leasing of a unit, the unit owner shall furnish the board of administrators a copy of said lease agreement, and the secretary shall maintain all such information in the record of ownership of the Association. Any lease which is not authorized pursuant hereto shall be voidable at the election of the board of administrators of the Association.

#### ARTICLE VIII

##### AMENDMENTS TO PLAN OF UNIT OWNERSHIP

Section 1: These by-laws may be amended by the Association in a duly constituted meeting for such purpose and no amendment shall take effect unless approved by owners representing at least sixty-six and two-thirds per cent (66 2/3%) of the total value of all units in the project as shown in the Declaration of Condominiums. All unit owners shall be bound to abide by any amendment upon the same being passed and duly set forth in an amended Declaration of Condominiums, duly recorded. No such amendment shall become operative unless set forth

in an amended Declaration of Condominium and duly recorded.

Section 2: No future amendment to the by-laws of this Association shall be retroactive to the extent that any mortgage or deed of trust executed on any condominium unit shall be in any way affected thereby unless the lending institution, or the holder of the note secured by said mortgage or deed of trust, agrees in writing to the terms of such amendment.

ARTICLE IX

AGENT FOR SERVICE OF PROCESS

The board of administrators shall at all time maintain a duly appointed process agent within Moore County, North Carolina, as required by G. S. 47A-26. The board of administrators by majority action may at any time revoke the appointment of any such agent, and appoint a successor, by an instrument duly recorded in the Office of the Register of Deeds for Moore County.

ARTICLE X

COMPLIANCE

These by-laws are set forth to comply with the requirements of Chapter 47A of the General Statutes of North Carolina. In case any of these by-laws conflict with the provisions of said chapter, it is hereby agreed and accepted that the provisions of the chapter will apply.

ARTICLE XI

DECLARANT

Until the Declarant has completed and sold all of the condominium units in this project, neither the Unit Owners nor the Association nor the use of the condominium property shall interfere with the sale of additional units. The Declarant may make such use of the unsold units and common areas as may facilitate such completion and sale, including but not limited to the rental of same, the showing of the property, and the display of signs.

ARTICLE XII

WATER AND ELECTRICITY CHARGES

Water and electricity shall be supplied to all of the units, and the board shall pay, as a common expense, all charges for water consumed on the property, promptly after the bills for the same shall have been rendered. Separate electric meters are provided for each unit, and each unit owner shall pay his own electricity charges.

ARTICLE XIII

PAYMENT VOUCHERS

The board of administrators shall have the power and duty to approve payment vouchers for expenses of the common areas and facilities, and this shall be done by written resolution of the board pursuant to Section 12 of ARTICLE IV as hereinbefore set out.

BOOK 14 PAGE 135



WHEREAS, under the terms of the transfer from Foxfire Development Corporation (now Scotland Development Corporation), Mayer Communities, Inc. obtained, through an Assignment, the right to amend the said "Declaration" which assignment is recorded in the Moore County Public Registry in Book 440 at page 895; and

WHEREAS, this Declarant is constructing twelve (12) additional condominium units in three (3) buildings, the buildings being designated as Buildings Nos. 7, 8, and 9, and this Declarant does hereby amend the said "Declaration" to cover the said twelve (12) additional units as follows:

1. The said Declarant is constructing the twelve additional condominium units on that certain real property located in Sandhills Township, Moore County, North Carolina, hereinafter described on Exhibit A attached hereto and made a part hereof by incorporation.

2. It is intended by the filing of this instrument to amend the Declaration of Intention to Submit Property to the North Carolina Unit Ownership Act (Chapter 47A of the North Carolina General Statutes) - Foxcroft Villas Condominiums - Phase I, to include Foxcroft Villas Condominiums - Phase III, and except as herein amended, Declarant hereby ratifies and adopts provisions of the Declaration for Foxcroft Villas Condominiums - Phase I as recorded in Deed Book 414 at page 178, et seq., and Phase II as recorded in Deed Book 421 at page 276, et seq., of the Moore County, North Carolina Public Registry.

3. Pursuant to the terms of Paragraph K of the Declaration of Intention to Submit Property to the North Carolina Unit Ownership Act (Chapter 47A of the North Carolina General Statutes) - Foxcroft Villas Condominiums - Phase I and Phase II, each unit owner's percentage of interest in the common areas and facilities has been redetermined as follows:

<u>Unit No.</u>	<u>Percentage of Undivided Interest</u>
Foxcroft Villas Condominiums - Phase I Units 9 through 16	3.5714285%
Foxcroft Villas Condominiums - Phase II Units 17 through 24	3.5714285%
Foxcroft Villas Condominiums - Phase III Units 25 through 36	3.5714285%

4. Certain parts of the common areas and facilities as set out in the said "Declaration" are herein called and designated as "Limited Common Areas and Facilities", and are hereby set aside and are reserved for the exclusive use of certain units and such units shall have appurtenant thereto an exclusive easement for the use of such Limited Common Areas and Facilities. The Limited Common Areas and Facilities are as follows:

A. The decking attached to each unit, septic tanks, and outside air conditioning units as delineated on Exhibit B attached hereto and made a part hereof by incorporation, and which are reserved for the use of each unit as designated.

B. Outside stairways attached to the buildings, which are reserved for the use of upstairs units numbers 27, 28, 31, 32, 35, and 36 as those units are designated on Exhibit B, attic spaces above units 27, 28, 31, 32, 35, and 36 as shown on Exhibit B, which are reserved for the use of those units, crawl spaces underneath units 25, 26, 29, 30, 33 and 34 as they are designated on Exhibit B which are reserved for their use, except that there is reserved to the Owners of units 27, 28, 31, 32, 35 and 36 easements for the purposes of going into the said crawl space areas for the purpose of repair, replacement, and maintenance of the hot water heaters located therein which are also a part of the Limited Common Areas.

5. The following Exhibits are attached hereto and made a part of this amendment to Declaration of Intention to Submit Property to the North Carolina Unit Ownership Act (Chapter 47A of the North Carolina General Statutes) - Foxcroft Villas Condominiums - Phase I.

- |            |   |
|------------|---|
| Exhibit A. | Survey of description showing the location thereon of the multi-family buildings known as Foxcroft Villas Condominiums - Phase III as prepared by C. H. Blue & Associates, Surveyors. |
| Exhibit B  | Plans of Foxcroft Villas Condominiums - Phase III, consisting of six sheets.  |
| Exhibit C  | Amendment to By-Laws of Foxcroft Villas Condominiums - Phase I  |
| Exhibit D  | Description of Foxcroft Villas Condominiums - Phase III   |

When this Amendment to Declaration is recorded, Exhibits A and B will be recorded in the Unit Ownership Book and Exhibits C and D will be recorded in the Deed Books, all in the Office of the Register of Deeds of Moore County, Carthage, North Carolina.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed in its corporate name by its duly authorized officers, this the day and year first above written, all by resolution of its Board of Directors duly given.

MAYER COMMUNITIES, INC.

BY

*Lovick P. Suddath*  
Lovick P. Suddath, President



ATTEST:

*C. Ballance, Jr.*  
Secretary

STATE OF NORTH CAROLINA

COUNTY OF MOORE

THIS 21 day of March, 1979, personally appeared before me, LOVICK P. SUDDATH, who being by me duly sworn, says that he is the President of MAYER COMMUNITIES, INC., and that the seal affixed to the foregoing instrument in writing is the corporate seal of said corporation, and that said writing was signed and sealed by him in behalf of said corporation, by its authority duly given. And the said CUTLAR L. BALLANCE, JR., as Secretary of the corporation, acknowledged the said writing to be the act and deed of said corporation.

*Lynne J. Drawdy*  
Notary Public



My commission expires: My Commission Expires February 27, 1982

SEE DECLARATION AND BY-LAWS RECORDED IN DEED BOOK 445 PAGE 77

\*See plans and Specifications in Unit Ownership Book 8 FILED 77  
NORTH CAROLINA - MOORE COUNTY BOOK 445 PAGE 77

The foregoing (or annexed) certificate of  
Lynne J. Drawdy, Notary Public  
Moore COUNTY,  
STATE OF N. C., is certified to be  
correct. This March 26, 1979.  
Grier Gilmore  
*Mary R. Phillips* Assistant

MAR 26 1 59 PM '79  
GRIER GILMORE  
REGISTER OF DEEDS  
MOORE COUNTY, N.C.

*See Amendment - 421 8280*

EXHIBIT C

BOOK 414 PAGE 189

BY-LAWS OF FOXKROFT VILLAS CONDOMINIUMS - PHASE I

The following by-laws shall apply to the condominium project known as Foxcroft Villas Condominiums - Phase I, situated in Mineral Springs Township, Moore County, North Carolina, as described in and created by the Declaration of Intention to Submit Property to the North Carolina Unit Ownership Act - Foxcroft Villas Condominiums - Phase I,

ARTICLE I

PLAN OF UNIT OWNERSHIP

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Section 2: The provisions of these by-laws are applicable to the project. The term "project" as used herein shall include the land.

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Section 1: Voting shall be on a percentage basis and the percentage of the vote on which the owner is entitled is the percentage assigned to the family unit or units in the Declaration of Condominiums.

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Section 1: The owners of the units will constitute the association of owners known as Association of Unit Owners of Foxcroft Villas Condominiums - Phase I (hereinafter referred to as "Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments, and arranging for the management of the project, which may be pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of a management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval of a majority of owners.

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- (b) Proof of Notice of Meeting or Waiver of Notice
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- (b) Collection of monthly assessments from the owners.

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Section 4: The board of administrators may employ for the Association a management agent at a compensation established by the board to perform such duties and services as the Board shall authorize, including but not limited to the duties listed in Section 3 of this Article.

Section 5: At the first annual meeting of the Association the term of office of at least one administrator shall be fixed at one year, the term of office of at least one administrator shall be fixed at two years, and the term of office of at least one administrator shall be fixed at three years. At the expiration of the initial term of office of each respective administrator, his successor shall be elected to serve a term of three years. The administrators shall hold office until their successors have been elected and hold their first meeting.

Section 6: Vacancies on the board of administrators caused by any reason other than the removal of an administrator by a vote of the Association shall be filled by vote of the majority of the then remaining administrators even though they may constitute less than a quorum, and each person so elected shall be an administrator until a successor is elected at the next annual meeting of the Association.

Section 7: At any regular or special meeting duly called, any one or more of the administrators may be removed with or without cause by a majority of the owners and a successor may then and there be elected to fill the vacancy thus created. Any administrator, whose removal has been proposed by the owners, shall be given an opportunity to be heard at the meeting.

Section 8: The first meeting of a newly elected board of administrators shall be held within five (5) days of election at such place as shall be fixed by the administrators at the meeting at which such administrators were elected, and no notice shall be necessary to the newly elected administrators in order to legally constitute such meeting, providing sixty-six and two-thirds of the whole board shall be present.

Section 9: Regular meetings of the board of administrators may be held at such time and place as shall be determined, from time to time by sixty-six and two-thirds of the administrators, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the board of administrators shall be given to each administrator, personally or by mail, telephone or telegraph, at least ten (10) days prior to the day named for such meeting.

Section 10: Special meetings of the board of administrators may be called by the president on ten days' notice to each administrator given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided), and purpose of the meeting. Special meetings of the board of administrators shall be called by the president or secretary in like manner and on like notice on the written request of at least sixty-six and two-thirds per cent (66 2/3%) of the administrators.

Section 11: Before or at any meeting of the board of administrators any administrator may in writing waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by an administrator at any meeting of the board shall be a waiver of notice by him of the time and place thereof. If all administrators are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

Section 12: At all meetings of the board of administrators sixty-six and two-thirds of the administrators shall constitute a quorum for the transaction of business and the acts of the majority of the administrators present at a meeting at which a quorum is present shall be acts of the board of administrators. If at any meeting of the board of administrators there be less than a quorum present, the majority of those present may adjourn the meeting from time to time, until such time as a majority is present.

Section 13: The board of administrators shall require that all officers and employees of the Association handling or responsible for association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE V

OFFICERS

Section 1: The principal officers of the Association shall be a president, a vice-president, a secretary and a treasurer, all of whom shall be elected by and from the board of administrators. The administrators may appoint an assistant treasurer and an assistant secretary and such other officers as in their judgment may be necessary. Any two offices may be combined into one office with the exception of President and Vice-President.

Section 2: The officers of the Association shall be elected annually by the board of administrators at the organization meeting of each new board and shall hold office at the pleasure of the board.

Section 3: Upon an affirmative vote of a majority of the members of the board of administrators, any officer may be removed either with or without cause and his successor elected at any regular meeting of the board of administrators, or at any special meeting of the board called for such purpose.

Section 4: The president shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the board of administrators. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5: The vice-president shall take the place of the president and perform his duties whenever the president shall be absent or unable to act. If neither the president nor the vice-president is able to act, the board of administrators shall appoint some other member of the board to do so on an interim basis. The vice-president shall also perform such other duties as shall from time to time be imposed upon him by the board of administrators.

Section 6: The secretary shall keep the minutes of the meetings of the board of administrators and the minutes of all meetings of the Association; he shall have charge of such books and papers as the board of administrators may direct; and he shall, in general, perform all the duties incident to the office of secretary.

Section 7: The treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association, in such depositories as may from time to time be designated by the board of administrators.

ARTICLE VI

OBLIGATIONS OF OWNERS

Section 1: All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses, which in any event shall include insurance premiums for liability coverage for the common areas, and insurance premiums for a policy to cover repairs and construction work in case of hurricane, fire, earthquake, or other hazards on the common areas; real estate taxes on the common areas and facilities, water and sewerage charges for each condominium unit, grounds maintenance, pest control and termite protection, and costs of maintenance of the central television antenna as referred to in the Declaration. The assessments shall be made prorata according to the value of the unit owned as stipulated in the Declaration. Such assessments may also include monthly payments to the following reserve funds:

BOOK 414 PAGE 192

with each respective condominium unit are as follows:

<u>Unit No.</u>	<u>Percentage of Undivided Interest in Common Areas and Facilities</u>
9	12.5%
10	12.5%
11	12.5%
12	12.5%
13	12.5%
14	12.5%
15	12.5%
16	12.5%

The above respective undivided interest established and to be conveyed with the respective condominium units as indicated above cannot be changed, except as provided in Paragraph K as hereinafter set out, and said Declarant, its successors and assigns, and grantees, covenant and agree that the undivided interest in the common areas and facilities and the fee title to the respective condominium units conveyed therewith shall not be separated or separately conveyed, and each said undivided interest shall be deemed to be conveyed or encumbered with its respective condominium unit even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the condominium unit.

The foregoing percentage of undivided interest in the common areas and facilities have been arrived at pursuant to Section 47A-6(a) of the General Statutes of North Carolina.

G. The proportionate shares of the separate owners of the respective "family units" in the profits and common expenses in the "Common Areas and Facilities" as well as their proportionate representation for voting purposes in the Association of Unit Owners shall be the same percentage that the space included in each such family unit owns in the common areas and facilities.

H. Said Declarant and its successors and assigns by this Declaration and all future owners of the family units by their acceptance of their deed, covenant and agree as follows:

1. That the "Common Areas and Facilities" shall remain undivided, and no owner shall bring any action for partition, to preserve the rights of the owners with respect to the operation and management of the condominium.
2. That no unit may be divided, subdivided, or incorporated into any other unit for any reason or purpose whatsoever.
3. That no improvements, alterations, or changes are to be made to the exterior of the buildings or to any portion of the Common Areas and Facilities, without the written consent of Declarant and the Association of Unit Owners.

201308 414 PAGE 18

4. That the condominium units shall be occupied and used by the respective owners only as a private dwelling for the owner, his family, tenants and social guests and for no other purpose, and no immoral, improper, offensive or unlawful use shall be made of any unit.

5. The owners of the respective condominium units shall not be deemed to own pipes, wires, conduits, or other public utility lines, or wires or outlets for television, or electric and water meters, running through or located within said condominium units or which are attached to the exterior thereof, which are utilized for or serve one or more condominium units, except as tenants in common with the other family unit owners as heretofore provided in Paragraph F, and each condominium unit shall be subject to the easement for passage of same. Said owner, shall be deemed to own the walls and partitions which are contained in said owner's respective condominium unit and shall also be deemed to own the inner decorated or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint, wallpaper, and all other interior decorations.

6. The owners of the respective condominium units agree that if any portion of the common areas and facilities encroaches upon the condominium units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event the multi-family buildings are partially or totally destroyed, and then rebuilt, the owners of condominium units agree that minor encroachment of parts of the common areas and facilities due to construction shall be permitted and that valid easements for said encroachment and the maintenance thereof shall exist.

7. That an owner of a family unit shall automatically upon becoming the owner of a family unit or units be a member of the Foxcroft Villas Condominiums Association of Unit Owners - Phase I, hereinafter referred to as "Association", and shall remain a member of said Association until such time as his ownership ceases for any reason, at which time his membership in said Association shall automatically cease.

8. That the owners of family units covenant and agree that the administration of the condominiums shall be in accordance with the provisions of this Declaration, and the By-Laws of the Association, which are made a part hereof and attached hereto, and designated as Exhibit C and which shall be recorded in the Moore County Registry as a matter of public record, and such rules and regulations as may hereinafter be enacted pursuant to said By-Laws.

9. That each owner, tenant, or occupant of a family unit shall comply with the provisions of this Declaration, the By-Laws, decisions and resolutions of the Association, as lawfully adopted and amended from time to time, and failure to comply with any of such provisions, decisions, or resolutions shall be grounds for an action to recover sums due, for damages, or for injunctive relief.

10. That this Declaration shall not be revoked or any of the provisions herein amended unless sixty-six and two-thirds per cent of the owners of the "family units" agree to such revocation or amendment by duly recorded instruments. However, and in no event shall any amendment or revocation affect the lien of a valid mortgage or deed of trust covering any of the units or the common areas as herein defined.

11. That no owner of a "family unit" may exempt himself from liability for his contribution toward the common expenses by waiver of the use of enjoyment of any of the "Common Areas and

BOOK 414 PAGE 183

Facilities", or by the abandonment of his "family unit".

12. The Declarant reserves unto itself, its agents, employees, or business invitees, the right to go upon the lands described on Exhibit A heretofore referred to, for the purposes of sale, rental, repair and maintenance until all such units are sold, and Declarant further reserves unto itself the right to place on the said premises, sale and rental signs until all such units are sold.

13. Each unit owner is hereby granted an easement for the use of a central television antenna which is to be located on property of Declarant which said easement shall run with the title to each said condominium unit, and which shall be in common with other unit owners of Foxcroft Villas Condominiums - Phase I, and also in common with future owners of Foxcroft Villas Condominiums which Declarant contemplates constructing in other phases as hereinafter referred to.

14. Each unit owner is hereby granted an easement for ingress, egress and regress to and from Foxfire Boulevard as shown on Map Book 8, Page 40, Moore County Registry, across and over those areas designated on Exhibit A attached hereto and made a part hereof, as "Access Road", which said easement shall run with the title to each said condominium unit, and which easement shall be in common with other unit owners of Foxcroft Villas Condominiums - Phase I, and also in common with future owners of Foxcroft Villas Condominiums, which Declarant contemplates constructing in other phases as hereinafter referred to.

I. Section 47A-22 ("liens for unpaid common expenses; recordation; priorities; foreclosure"), Section 47A-23 ("liability of grantor and grantee of unit for unpaid common expenses"), Section 47A-24 ("insurance on property; right to insure units") and Section 47A-25, ("damage to or destruction of property; repair or restoration; partition sale on resolution not to restore") of the General Statutes of North Carolina are hereby incorporated by reference and made a part of this Declaration.

J. Joseph N. Donovan, whose address is Post Office Box 711, Pinehurst, Moore County, North Carolina, 28374, is hereby designated as initial agent for the service of process pursuant to Section 47A-13(7) of the General Statutes of North Carolina. His appointment may be revoked and another agent appointed, in the manner provided in the By-Laws.

K. Notwithstanding anything contained in this Declaration to the contrary, it is contemplated that Declarant will construct additional condominium units, not to exceed in the aggregate thirty-two units which shall be designated as Phase II, III, etc. of Foxcroft Villas Condominiums and which shall be located in no more than eight (8) additional buildings, and which if constructed, shall be constructed on portions of that certain real property described in a certain deed dated September 17, 1976 from Dan R. Thomason and wife, Alice W. Thomason and Roland R. MacKenzie and wife,

BOOK 4:4 PAGE 184

Louise F. MacKenzie to Foxfire Development Corporation, containing a total of 5.64 acres, which deed is recorded in Deed Book 412, at page 576, of the Moore County Registry, reference to which is hereby made by incorporation for a metes and bounds description, on a portion of which said real estate Foxcroft Villas Condominiums - Phase I as set forth herein are located, and Declarant shall have the absolute right in its discretion to construct additional units on said real estate and if any of such units are so constructed on the lands hereinabove referred to, which are now owned by the Declarant and which are contiguous to the lands now covered by this Declaration (or contiguous by way of an easement or easements) or are contiguous to other land owned by the Declarant which said other land joins the land covered by this Declaration, and if such additional units are substantially equivalent in value and construction to the units now covered under this Declaration, then, for the purpose of amending this Declaration and the By-Laws, to cover said additional units, each owner of a condominium unit under this Declaration (and the Trustee and Mortgagee of any Deed of Trust covering any unit herein) shall be deemed to have consented to an amendment or amendments to this Declaration and the By-Laws for the purpose of including such additional units, and shall be deemed to have given to the Declarant an irrevocable power of attorney, coupled with an interest, to effectuate such amendment and the said unit owners and trustees and mortgagees upon acceptance of deeds, and deeds of trust covering any of the units which are the subject hereof, further agree to execute such papers and instruments, if any, as may be necessary from time to time to accomplish such amendments, and the Declarant reserves unto itself the right to file additional plats, plans, and other instruments necessary for inclusion of additional condominium units and common areas and facilities under the terms of this Declaration and the By-Laws which are attached hereto. It is understood and agreed that such amendments shall, in addition to enlarging the number of units to be subject to this Declaration, necessarily result in a redetermination of each unit owners percentage interest in the common areas and facilities.

L. The following exhibits are attached hereto and made a part of this Declaration:

BOOK 412 PAGE 105

- Exhibit A Survey plat showing the location thereon of the multi-family buildings known as Foxcroft Villas Condominiums - Phase I as prepared by Brown, Edwards & Miller, Inc., Engineers and Architects.
- Exhibit B Plans of Foxcroft Villas Condominiums - Phase I consisting of nine sheets.
- Exhibit C By-Laws of Foxcroft Villas Condominiums - Phase I.
- Exhibit D Legal description of Foxcroft Villas Condominiums - Phase I.

When this Declaration is recorded, Exhibits A and B will be recorded in the Unit Ownership Book and Exhibit C and D will be recorded in the Deed Books with this said Declaration, all in the Office of the Register of Deeds of Moore County, Carthage, North Carolina.

M. The invalidity of any provisions of this Declaration shall not be deemed to impair or affect in any manner the validity and enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

N. No provisions contained in this Declaration 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 which may occur.

O. The captions herein are inserted only as a matter of convenience and for reference and in no way to define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

P. This Declaration and the By-Laws attached hereto shall be construed and controlled by and under the laws of the State of North Carolina.

IN WITNESS WHEREOF, the Declarant, FOXFIRE DEVELOPMENT CORPORATION, has caused this instrument to be executed in its corporate name by its duly authorized officers, this the day and year first above written, all by resolution of its Board of Directors duly given.

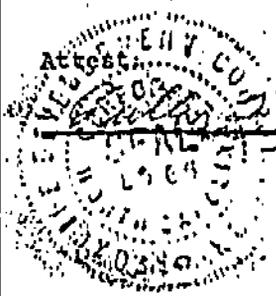
(CORPORATE SEAL)

FOXFIRE DEVELOPMENT CORPORATION

By

*[Handwritten Signature]*

President



*[Handwritten Signature]*  
Secretary

BOOK 414 PAGE 10D

Faint, illegible text at the top of the page, possibly bleed-through from the reverse side.

NORTH CAROLINA  
MOORE COUNTY

I, Joanne Beach, Notary Public do hereby certify that Curtis R. Ballance, Jr. personally came before me this day and acknowledged that he is Secretary of Foxfire Development Corporation, and that, by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by himself as its Secretary.

Witness my hand and notarial seal this 24th day of November 1976.

Joanne Beach  
Notary Public



My commission expires: 9-17-80

BOOK 414 PAGE 187

NORTH CAROLINA - MOORE COUNTY  
(The foregoing (or annexed) certificate of Joanne Beach, Notary Public Moore County, STATE OF N.C., is certified to be correct, this November 24, 1976  
Grier Gilmore  
Register of Deeds

By: Mary R. Phillips, Act.

\* See Plans and Specifications in Unit Ownership Book 6 Pages 54-63.

FILED  
BOOK 414 PAGE 178  
NOV 24 2 35 PM '76

GRIER GILMORE  
REGISTER OF DEEDS  
MOORE COUNTY, N.C.

EXHIBIT D

LEGAL DESCRIPTION OF  
FOXKROFT VILLAS CONDOMINIUMS - PHASE I  
FOXFIRE DEVELOPMENT CORPORATION

A certain tract or parcel of land in Mineral Springs Township, Moore County, North Carolina and being a portion of a tract of land recorded in Deed Book 412 at page 576 in the Moore County Registry and being located N. 04 degrees 11 minutes 04 seconds E. 89 feet from an iron pipe in the West edge of the 18th fairway of the Foxfire Golf Course and being further described as follows:

Beginning at a concrete monument in the edge of the 18th fairway of Foxfire Golf Course and running N. 04 degrees 11 minutes 04 seconds E. 219.5 feet to a concrete monument. Thence a new line N. 85 degrees 48 minutes 56 seconds W. 164.50 feet to an iron pin, thence S. 05 degrees 08 minutes 14 seconds W. 219.62 feet to an iron pin thence S. 85 degrees 48 minutes 56 seconds E. 168.14 feet to the beginning and containing 0.84 acres more or less.

BOOK 412 PAGE 188

44117C

EXHIBIT C

BOOK 414 PAGE 189

BY-LAWS OF FOXKROFT VILLAS CONDOMINIUMS - PHASE I

The following by-laws shall apply to the condominium project known as Foxcroft Villas Condominiums - Phase I, situated in Mineral Springs Township, Moore County, North Carolina, as described in and created by the Declaration of Intention to Submit Property to the North Carolina Unit Ownership Act - Foxcroft Villas Condominiums - Phase I.

ARTICLE I

PLAN OF UNIT OWNERSHIP

Section 1: The project located in Moore County, North Carolina, is submitted to the provisions of Chapter 47A of the General Statutes of North Carolina.

Section 2: The provisions of these by-laws are applicable to the project. The term "project" as used herein shall include the land.

Section 3: All present or future owners, tenants, future tenants, or their employees or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these by-laws and to any rules and regulations adopted pursuant hereto.

Section 4: The mere acquisition or rental of any of the family units (hereinafter referred to as "units") of the project or the mere act of occupancy of any of said units will signify that these by-laws and the provisions of rules and regulations adopted pursuant hereto are accepted, ratified and will be complied with.

ARTICLE II

VOTING, MAJORITY OR OWNERS, QUORUM, PROXIES

Section 1: Voting shall be on a percentage basis and the percentage of the vote on which the owner is entitled is the percentage assigned to the family unit or units in the Declaration of Condominiums.

Section 2: As used in these by-laws, the term "majority of owners" shall mean those owners holding sixty-six and two-thirds per cent (66 2/3%) of the votes in accordance with the percentages assigned in the Declaration of Condominiums.

Section 3: Except as otherwise provided in these by-laws, the presence in person or by proxy of six owners shall constitute a quorum.

Section 4: Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE III

ADMINISTRATION

Section 1: The owners of the units will constitute the association of owners known as Association of Unit Owners of Foxcroft Villas Condominiums - Phase I (hereinafter referred to as "Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments, and arranging for the management of the project, which may be pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of a management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval of a majority of owners.

Section 2: Meetings of the Association shall be held on the project

or such other suitable place convenient to the owners as may be designated by the Board of Administrators.

*Reg. meeting*

Section 3: The first annual meeting of the Association shall be held on January 10, 1977. Thereafter, the annual meetings of the Association shall be held on the day set by the Association in each succeeding year, unless this shall be a Sunday or legal holiday, in which case the meeting shall be held on the next business day. At such meetings, there shall be elected by ballot of the owners a board of administrators in accordance with the requirements of Section 5 of Article IV of these by-laws. The owners may also transact such other business of the association as may properly come before them.

*Spec. meeting*

Section 4: It shall be the duty of the president to call a special meeting of the owners as directed by resolution of the board of administrators or upon a petition signed by a majority of the owners and presented to the secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice thereof unless by consent of sixty-six and two-thirds per cent all of the owners, and said sixty-six and two-thirds per cent must be present either in person or by proxy.

Section 5: It shall be the duty of the Secretary to mail a notice of each annual or special meeting stating the purpose thereof as well as the time and place where it is to be held to each owner of record at least ten (10) days, but not more than sixty (60) days prior to such meeting. The mailing of a notice in the manner provided in this section shall be considered notice served.

Section 6: If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 7: The order of business at all meetings of the owners of units shall be as follows:

- (a) Roll call
- (b) Proof of Notice of Meeting or Waiver of Notice
- (c) Reading of minutes of preceding meeting
- (d) Report of Officers
- (e) Report of Committees
- (f) Election of Inspectors of Election
- (g) Election of Administrators
- (h) Unfinished business
- (i) New business

#### ARTICLE IV

##### BOARD OF ADMINISTRATORS

Section 1: The affairs of the Association shall be governed by a board of administrators composed of not less than three (3) persons nor more than five (5) persons, as may be determined from time to time by the Owners. Each member of the board of administrators shall be either the owner of a unit, have an interest therein, or in the event of corporate ownership, be an officer or designated agent of the corporation.

Section 2: The board of administrators shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these by-laws directed to be exercised and done by the owners.

Section 3: In addition to duties imposed by these by-laws, or by resolutions of the Association, the board of administrators shall be responsible for the following:

- (a) Maintenance, repair, replacement, and surveillance of the common areas and facilities.
- (b) Collection of monthly assessments from the owners.

- (c) Designation and removal of personnel necessary for the maintenance, repair, replacement, and surveillance of the common areas and facilities.

Section 4: The board of administrators may employ for the Association a management agent at a compensation established by the board to perform such duties and services as the Board shall authorize, including but not limited to the duties listed in Section 3 of this Article.

Section 5: At the first annual meeting of the Association the term of office of at least one administrator shall be fixed at one year, the term of office of at least one administrator shall be fixed at two years, and the term of office of at least one administrator shall be fixed at three years. At the expiration of the initial term of office of each respective administrator, his successor shall be elected to serve a term of three years. The administrators shall hold office until their successors have been elected and hold their first meeting.

Section 6: Vacancies on the board of administrators caused by any reason other than the removal of an administrator by a vote of the Association shall be filled by vote of the majority of the then remaining administrators even though they may constitute less than a quorum, and each person so elected shall be an administrator until a successor is elected at the next annual meeting of the Association.

Section 7: At any regular or special meeting duly called, any one or more of the administrators may be removed with or without cause by a majority of the owners and a successor may then and there be elected to fill the vacancy thus created. Any administrator, whose removal has been proposed by the owners, shall be given an opportunity to be heard at the meeting.

Section 8: The first meeting of a newly elected board of administrators shall be held within five (5) days of election at such place as shall be fixed by the administrators at the meeting at which such administrators were elected, and no notice shall be necessary to the newly elected administrators in order to legally constitute such meeting, providing sixty-six and two-thirds of the whole board shall be present.

Section 9: Regular meetings of the board of administrators may be held at such time and place as shall be determined, from time to time by sixty-six and two-thirds of the administrators, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the board of administrators shall be given to each administrator, personally or by mail, telephone or telegraph, at least ten (10) days prior to the day named for such meeting.

Section 10: Special meetings of the board of administrators may be called by the president on ten days' notice to each administrator given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided), and purpose of the meeting. Special meetings of the board of administrators shall be called by the president or secretary in like manner and on like notice on the written request of at least sixty-six and two-thirds per cent (66 2/3%) of the administrators.

Section 11: Before or at any meeting of the board of administrators any administrator may in writing waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by an administrator at any meeting of the board shall be a waiver of notice by him of the time and place thereof. If all administrators are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

Section 12: At all meetings of the board of administrators sixty-six and two-thirds of the administrators shall constitute a quorum for the transaction of business and the acts of the majority of the administrators present at a meeting at which a quorum is present shall be acts of the board of administrators. If at any meeting of the board of administrators there be less than a quorum present, the majority of those present may adjourn the meeting from time to time, until such time as a majority is present.

*Reg Meeting*

*Spec Meeting*

Section 13: The board of administrators shall require that all officers and employees of the Association handling or responsible for association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

#### ARTICLE V

##### OFFICERS

Section 1: The principal officers of the Association shall be a president, a vice-president, a secretary and a treasurer, all of whom shall be elected by and from the board of administrators. The administrators may appoint an assistant treasurer and an assistant secretary and such other officers as in their judgment may be necessary. Any two offices may be combined into one office with the exception of President and Vice-President.

Section 2: The officers of the Association shall be elected annually by the board of administrators at the organization meeting of each new board and shall hold office at the pleasure of the board.

Section 3: Upon an affirmative vote of a majority of the members of the board of administrators, any officer may be removed either with or without cause and his successor elected at any regular meeting of the board of administrators, or at any special meeting of the board called for such purpose.

Section 4: The president shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the board of administrators. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5: The vice-president shall take the place of the president and perform his duties whenever the president shall be absent or unable to act. If neither the president nor the vice-president is able to act, the board of administrators shall appoint some other member of the board to do so on an interim basis. The vice-president shall also perform such other duties as shall from time to time be imposed upon him by the board of administrators.

Section 6: The secretary shall keep the minutes of the meetings of the board of administrators and the minutes of all meetings of the Association; he shall have charge of such books and papers as the board of administrators may direct; and he shall, in general, perform all the duties incident to the office of secretary.

Section 7: The treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association, in such depositories as may from time to time be designated by the board of administrators.

#### ARTICLE VI

##### OBLIGATIONS OF OWNERS

Section 1: All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses, which in any event shall include insurance premiums for liability coverage for the common areas, and insurance premiums for a policy to cover repairs and construction work in case of hurricane, fire, earthquake, or other hazards on the common areas, real estate taxes on the common areas and facilities, water and sewerage charges for each condominium unit, grounds maintenance, pest control and termite protection, and costs of maintenance of the central television antenna as referred to in the Declaration. The assessments shall be made prorata according to the value of the unit owned as stipulated in the Declaration. Such assessments may also include monthly payments to the following reserve funds:

(a) A reserve fund for the purpose of effecting replacements of structural elements and mechanical equipment of the condominiums, and for such other purposes as may from time to time appear to be necessary or appropriate. ✓

(b) A general operating reserve for the purpose of providing a measure of financial stability during periods of special stress, which may be used to meet deficiencies from time to time as a result of delinquent payment of assessments by owners of family units in the condominiums and other contingencies. (Any accumulated and unspent reserves whether annual or special assessments shall not be deemed to be retained earnings for income tax purposes. Any accumulated and unspent reserves may be refunded to the owners according to their percentages of interest prior to the end of any fiscal year or credited against the next year's assessments.) ✓

Section 2: The obligations of the owners as to maintenance and repair are as follows:

(a) Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in a part belonging to the other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the repairs of the internal installations of the unit such as water, light, power, sewerage, telephone, air conditioning (including exterior unit), heating system, hot water heaters underneath the buildings, sanitary installations, doors, windows, lamps and other accessories belonging to the unit area shall be at the owner's expense.

(c) An owner shall reimburse the association for any expenditures incurred in repairing or replacing any common area and facility damaged, by owner or his agents, employees, business invitees, family members, lessees, or pets.

Section 3: All units shall be utilized for residential purposes only.

Section 4: An owner shall not make structural modifications or alterations within his unit without previously notifying the Association in writing, through the management agent, if any, or through the president of the board of administrators, if no management agent is employed. The Association shall have the obligation to answer within thirty days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

Section 5: An owner shall not place or cause to be placed in the walkways, driveways, parking areas, and other project areas and facilities of a similar nature which are common areas and facilities, any furniture, package, or objects of a like nature. Such areas shall be used for no other purpose than for normal transit through them, or other normal use as hereinafter permitted.

Section 6: No livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept or encouraged to stay in any part of the project except that dogs, cats, and other household pets in reasonable numbers may be kept by the unit owners and occupants in their respective units but shall not be kept, bred, or used therein for any commercial purposes nor allowed on any common area and facilities except in transit when carried or on leash, provided that any such pet causing a nuisance or unreasonable disturbance to any other occupant of the project shall be permanently removed therefrom promptly upon notice given by the board of administrators or management agent.

Section 7: No boats, campers, mobile homes, motorcycles, motor bikes

or related types of vehicles shall be permanently kept or stored in the common areas of the condominiums project. Bicycles and golf carts shall be permitted to be parked in the common areas, provided, they do not interfere with the transit through the said common areas by other units owners.

Section 8: All family units shall be subject to the following rights of entry:

(a) An owner shall grant the right of entry to the management agent or to any other person authorized by the board of administrators or the Association in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

(b) An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

Section 9: Every resident of the project shall observe, as rules of conduct, the rules and regulations which shall be hereafter adopted by the owners pursuant to and in compliance with the Declaration and these By-Laws. Either the Board of Administrators or the owners, at a regular meeting or duly called special meeting, may modify, alter, amend, add to or revoke said rules and regulations in whole or in part.

#### ARTICLE VII

##### CONVEYANCE

Section 1: Every unit owner shall promptly cause to be duly recorded and filed of record the deed to him of such unit or other evidence of his title thereto, and shall file a copy of the deed and any other documents evidencing his title or interest in and to a particular unit with the board of administrators, and the secretary shall maintain all such information in the record of ownership of the Association.

Section 2: Any unit owner who mortgages his unit or any interest therein shall notify the board of administrators of the name and address of the mortgagee, and also of the release of such mortgage, and the secretary shall maintain all such information in the record of ownership of the Association. The board of administrators at the request of any mortgagee or prospective purchaser of any unit or interest therein shall report to such person the amount of any assessments against such unit then due and unpaid.

Section 3: No unit owner may lease his said unit except with the prior written consent of the board of administrators which shall not be unreasonably withheld. Upon the leasing of a unit, the unit owner shall furnish the board of administrators a copy of said lease agreement, and the secretary shall maintain all such information in the record of ownership of the Association. Any lease which is not authorized pursuant hereto shall be voidable at the election of the board of administrators of the Association.

#### ARTICLE VIII

##### AMENDMENTS TO PLAN OF UNIT OWNERSHIP

Section 1: These by-laws may be amended by the Association in a duly constituted meeting for such purpose and no amendment shall take effect unless approved by owners representing at least sixty-six and two-thirds per cent (66 2/3%) of the total value of all units in the project as shown in the Declaration of Condominiums. All unit owners shall be bound to abide by any amendment upon the same being passed and duly set forth in an amended Declaration of Condominiums, duly recorded. No such amendment shall become operative unless set forth

in an amended Declaration of Condominium and duly recorded.

Section 2: No future amendment to the by-laws of this Association shall be retroactive to the extent that any mortgage or deed of trust executed on any condominium unit shall be in any way affected thereby unless the lending institution, or the holder of the note secured by said mortgage or deed of trust, agrees in writing to the terms of such amendment.

ARTICLE IX

AGENT FOR SERVICE OF PROCESS

The board of administrators shall at all time maintain a duly appointed process agent within Moore County, North Carolina, as required by G. S. 47A-26. The board of administrators by majority action may at any time revoke the appointment of any such agent, and appoint a successor, by an instrument duly recorded in the Office of the Register of Deeds for Moore County.

ARTICLE X

COMPLIANCE

These by-laws are set forth to comply with the requirements of Chapter 47A of the General Statutes of North Carolina. In case any of these by-laws conflict with the provisions of said chapter, it is hereby agreed and accepted that the provisions of the chapter will apply.

ARTICLE XI

DECLARANT

Until the Declarant has completed and sold all of the condominium units in this project, neither the Unit Owners nor the Association nor the use of the condominium property shall interfere with the sale of additional units. The Declarant may make such use of the unsold units and common areas as may facilitate such completion and sale, including but not limited to the rental of same, the showing of the property, and the display of signs.

ARTICLE XII

WATER AND ELECTRICITY CHARGES

Water and electricity shall be supplied to all of the units, and the board shall pay, as a common expense, all charges for water consumed on the property, promptly after the bills for the same shall have been rendered. Separate electric meters are provided for each unit, and each unit owner shall pay his own electricity charges.

ARTICLE XIII

PAYMENT VOUCHERS

The board of administrators shall have the power and duty to approve payment vouchers for expenses of the common areas and facilities, and this shall be done by written resolution of the board pursuant to Section 12 of ARTICLE IV as hereinbefore set out.

PROPOSED AMENDMENTS TO  
THE BYLAWS OF  
FOXKROFT VILLAS CONDOMINIUMS - PHASE I

THE BOARD OF ADMINISTRATORS OF FOXKROFT CONDOMINIUM ASSOCIATION hereby proposes the following amendments to the Bylaws of Foxcroft Villas Condominiums - Phase I:

Amendment 1. ARTICLE II, Section 1 shall be amended so that section shall read:

Section 1. "Every owner, whether singular or plural, shall be entitled to one vote, which vote may be cast in concert as a single vote, or by sharing the vote on the basis of the percentage of ownership owned by multiple-owner individuals."

Amendment 2. ARTICLE II, Section 2 shall be amended so that section shall read:

Section 2. "As used in these Bylaws, the term 'majority of owners' shall mean those owners holding more than fifty percent (50%) of the votes".

Amendment 3. ARTICLE II, Section 3 shall be amended so that section shall read:

Section 3. "Except as otherwise provided in these Bylaws, the presence in person or by proxy of the owners of fifty percent (50%) of the units shall constitute a quorum."

Amendment 4. ARTICLE III, Section 4 shall be amended to read:

Section 4. "It shall be the duty of the president to call a special meeting of the owners as directed by resolution of the board of administrators or upon a petition signed by the owners of a majority of the units, and presented to the secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice thereof unless by consent of the owners of fifty-one percent (51%) of the units, and said owners must be present either in person or by proxy."

Amendment 5. ARTICLE IV, Section 8, the fourth line following the comma, shall be amended so that section shall read:

Section 8. "The first meeting of a newly elected board of administrators shall be held within five (5) days of election at such place as shall

be fixed by the administrators at the meeting at which such administrators were elected, and no notice shall be necessary to the newly elected administrators in order to legally constitute such meeting, providing fifty-one percent (51%) of the whole board shall be present in person, by mail, or by telephone."

Amendment 6. ARTICLE IV, Section 9, the first sentence, shall be amended and a sentence added so that section shall read:

Section 9. "Regular meetings of the board of administrators may be held at such time and place as shall be determined, from time to time by fifty-one percent (51%) of the administrators, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the board of administrators shall be given to each administrator, personally or by mail, telephone or telegraph, at least ten (10) days prior to the day named for such meeting. Voting may be in person, by mail, or by telephone."

Amendment 7. ARTICLE IV, Section 10, shall be amended by changing the last two lines so that section shall read:

Section 10. "Special meetings of the board of administrators may be called by the president on ten days' notice to each administrator given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided), and purpose of the meeting. Special meetings of the board of administrators shall be called by the president or secretary in like manner and on like notice on the written request of at least fifty-one percent (51%) of the administrators."

Amendment 8. ARTICLE IV, Section 12, shall be amended by changing the first sentence so that section shall read:

Section 12. "At all meetings of the board of administrators fifty-one percent (51%) of the administrators shall constitute a quorum for the transaction of business and the acts of the majority of the administrators present at a meeting at which a quorum is present shall be acts of the board of administrators. If at any meeting of the board of administrators there be less than a quorum present, the majority of those present may adjourn the meeting from time to time, until such time as a majority is present."

Amendment 9. ARTICLE VI, Section 1 shall be amended by deleting the word "earthquake" in the fifth line thereof.

Amendment 10. the first sentence of ARTICLE VIII, Section 1 shall be amended so that section shall read:

Section 1. "These bylaws may be amended by the Association in a duly constituted meeting for such purpose and no amendment shall take effect unless approved by a vote of sixty-six and two-thirds percent (66-2/3%) of the unit owners as shown in the Declaration of Condominiums. All unit owners shall be bound to abide by any amendment upon the same being passed and duly set forth in an amended Declaration of Condominiums, duly recorded. No such amendment shall become operative unless set forth in an amended Declaration of Condominium and duly recorded.