

**BY-LAWS OF
HARBOUR POINTE CONDOMINIUM OWNER'S ASSOCIATION, INC.**

**A corporation not for profit under the laws
Of the State of North Carolina**

1. **IDENTITY.** These are the By-Laws of HARBOUR POINTE CONDOMINIUM OWNER'S ASSOCIATION, INC., a non-profit corporation under the laws of the State of North Carolina, the Articles of Incorporation of which were filed in the Office of the Secretary of State (herein "Association"). It has been organized for the purpose of administering the operation and management of HARBOUR POINTE CONDOMINIUMS, a condominium to be established in accordance with the laws of the State of North Carolina upon the property situate, lying and being in Cumberland County, North Carolina, and described in Exhibit "A" of the Declaration of Condominium and each subsequent amendment thereto, and incorporated herein by reference (herein "Condominium").

- A. The provisions of these By-Laws are applicable to the Condominium, and the terms and provisions hereof are expressly subject to the terms, provisions, conditions and authorizations contained in the Articles of Incorporation and in the Declaration of Condominium which will be recorded in the Cumberland County Public Registry, North Carolina, at the time said property and the improvements now situated thereon are submitted to the plan of condominium ownership, the terms and provisions of said Articles of Incorporation and Declaration of Condominium to be controlling wherever they may be in conflict herewith.
- B. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the Condominium or any of the facilities thereof in any manner, are subject to the regulations set forth in these By-Laws and in said Articles of Incorporation and Declaration of Condominium.
- C. The office of the Association shall be at such place in Cumberland County, North Carolina, as the Board of Directors shall designate from time to time.
- D. The fiscal year of the Association shall be the calendar year, except that in the initial year of operation of the Condominium, the fiscal year shall commence with the closing of the sale of the first Condominium unit.

2. **MEMBERSHIP, VOTING, QUORUM, PROXIES**

- A. The qualification of members, the manner of their admission to membership and termination of such membership, and voting by members, shall be as set forth in Article VI of the Articles of Incorporation are incorporated herein by reference.
- B. A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.
- C. The vote of the Owners of a Condominium Unit owned by more than one person or by a corporation or other entity shall be cast by the one person named in a Certificate signed by all of the Owners of the Condominium Unit and filed with the Secretary of the Association, and such Certificate shall be valid until revoked by subsequent Certificate. If such a Certification is not on file, the vote of such Owners shall not be considered for any purpose.
- D. Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.
- E. Approval or disapproval of a Unit Owner upon any matter, whether or not the subject of an Association meeting, shall be by the same person who would cast the vote of such Owner if in an Association meeting.

- F. The terms "75% of the member" or "75% of the membership," (or "¾" in lieu of "75%") when used in the context of membership voting rights, shall mean the owners of at least 75% of the aggregate interest in the Common Areas and Facilities.
- G. Except where otherwise required under the provisions of the Articles of Incorporation of the Association, these By-Laws, the Declaration of Condominium, or whether the same may otherwise be required by law, the affirmative vote of the persons entitled to cast a majority of the votes at any duly called members' meeting at which a quorum is present shall be binding upon the members.

3. ANNUAL AND SPECIAL MEETING OF MEMBERSHIP

- A. The Annual Members' Meeting shall be held at a time and place designated by the Board of Directors, on the second Wednesday in March of each year that is not a legal holiday for the purpose of electing Directors and transacting any other business authorized to be transacted by the members.
- B. Special Members' Meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors and of transacting any other business authorized to be transacted by the members.
- C. Notice of all members' meetings, regular or special, shall be given by the President, Vice-President or Secretary of the Association, or other Officer of the Association in absence of said Officers to each member, unless waived in writing, such notice to be written and to state the time and place and purpose for which the meeting is called. Such notice shall be given to each member not less than ten (10) days nor more than sixty (60) days prior to the date set for such meeting, which notice shall be mailed or delivered personally to each member within said time. If delivered personally, receipt of such notice shall be signed by the member, indicating the date on which such notice was received by him. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail addressed to the member at his post office address as it appears on the Register of Owners of the Association as of the date of mailing such notice, the postage thereon pre-paid. Proof of such mailing shall be given by the Affidavit of the person giving the notice. Any member may, by signed written waiver of notice, waive such notice and, when filed in the records of the Association, whether before or after the holding of the meeting, such waiver shall be deemed equivalent to the giving of notice to the member. If any members' meeting cannot be organized because a quorum for particular purposes has not attended (wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or the Declaration of Condominium) the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance, if greater than a quorum, is present.
- D. The order of business as far as practical at any members' meetings, shall be:
 - 1. Calling of the roll and certifying of proxies,
 - 2. Proof of notice of meeting or waiver of notice;
 - 3. Reading and disposal of any unapproved minutes;
 - 4. Reports of Officers;
 - 5. Reports of Committees;
 - 6. Appointment of Inspectors of Election by Chairman;
 - 7. Unfinished business;
 - 8. New Business; and
 - 9. Adjournment

4. BOARD OF DIRECTORS

- A. The initial Board of Directors of the Association and each succeeding Board of Directors shall consist of three (3) persons. Notwithstanding the foregoing, so long as the developer, Harbour Pointe Condominiums, LLC, organized under the laws of the State of North Carolina (herein "Developer") owns twenty-five (25%) percent of the total Condominium Units in HARBOUR POINTE CONDOMINIUMS, but in any event no longer than five (5) years from the date of recording of the first conveyance of a Unit sold in Phase I of the Condominium, the Developer

shall have the right to select a majority of the persons who shall serve as members of each Board of Directors of the Association. Any Director selected by Developer need not be a resident in the Condominium.

- B. Election of Directors shall be conducted in the following manner:
1. Developer shall, at the beginning of the election of the Board of Directors, select the number of the members of the Board of Directors which it shall be entitled to select in accordance with the provisions of these By-Laws, and upon such selection of Developer by written instrument presented to the meeting at which such election is held, said individuals so selected by Developer shall be considered directors of the Association, and shall thenceforth perform the offices and duties of such Directors until their successors have been elected in accordance with the provisions of these By-Laws.
 2. All members of the Board of Directors whom Developer shall not be entitled to select under the terms and provisions of these By-Laws, shall be elected by a plurality of the votes cast at the Annual Meeting of the members of the Association immediately following the selection of the members of the Board of Directors whom Developer shall be entitled to select.
 3. Vacancies in the Board of Directors may be filled until the date of the next Annual Meeting by the remaining Directors, except that should any vacancy in the Board of Directors be created in any Directorship previously filled by any person selected by Developer, such vacancy shall be filled by Developer selecting by written instrument delivered to any Officer of the Association, the successor Director to fill the vacated Directorship for the unexpired term thereof.
 4. The initial Board of Directors will consist of three members whose names are set forth in the Articles of Incorporation. From and after the date of the first annual meeting of members, there shall be three (3) Directors. The initial Board shall serve until their successors at the first Annual Meeting of members are elected and qualify. Each Director shall hold office for a term of one (1) year or until his death, resignation, retirement, removal, disqualification, or until his successor is elected and qualifies. If at the time of the first Annual Meeting, Developer owns 25% of the total Condominium Units in the Condominium, then Developer shall have the right to designate and select two (2) Directors.
 5. In the election of Directors, there shall be appurtenant to each Condominium Unit a vote equal to the number of Directors to be elected multiplied by the Unit's appurtenant undivided interest in the Common Area as set forth in Exhibit "C" of the Declaration, provided, however, that no member or Owner of one (1) Condominium Unit may cast a vote greater than the Unit's appurtenant undivided interest in the Common Area for any one person nominated as a Director so that voting for Directors shall be noncumulative. Notwithstanding the fact that Developer may be entitled to select a majority of the members of the Board of Directors, it shall still be entitled to cast the vote for each Condominium Unit owned by it in the elections of other Directors; provided, however, that the other Directors elected are persons other than Officers, Directors, Stockholders and Employees of Developer, or wives and relatives of any said persons.
 6. In the event that Developer, in accordance with the rights herein established, selects any person to serve on any Board of Directors of the Association, Developer shall have the absolute right at any time, in its sole discretion, to replace such person with another person to serve on any Board of Directors. Replacement of any person designated by Developer to serve on any Board of Directors of the Association shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name of the person to be replaced and the name of the person designated as successor to the person so removed from the Board of Directors. The removal of any Director and designation of his successor shall be effective immediately upon delivery of such written instrument by Developer to any officer of the Association.
- C. The organizational meeting of each newly elected Board of Directors shall be held within ten (10) days of their election, at such time and at such place 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, provided a quorum shall be present.
- D. 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 Directors. Notice of regular meetings shall be

- given to each Director, personally or by mail, telephone or telegram, at least three (3) days prior to the day named for such meeting, unless notice is waived.
- E. Special meetings of the Directors may be called by the President, and must be called by the Secretary at the written request of one-third of the votes of the Board. Not less than three (3) days notice of a meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.
- F. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.
- G. A quorum at a Directors' meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in the Articles of Incorporation, or these By-Laws or the Declaration of Condominium. If any Directors' meeting cannot be organized because a quorum has not attended, or because the greater percentage of the Directors required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or Declaration of Condominium, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.
- H. The Presiding Officer of Directors' meeting shall be the Chairman of the Board, if such an Officer has been elected; and if none, then the President of the Association shall preside. In the absence of the Presiding Officer, the Directors present shall designate one of their number to preside.
- I. Directors' fees, if any, shall be determined by the members.
- J. All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation of the Association, these By-Laws and the Declaration of Condominium. Such powers and duties shall be exercised in accordance with said Articles of Incorporation, these By-Laws and the Declaration of Condominium. Shall include, without the generality of the foregoing the following:
1. To make, levy and collect assessments from members and members' Condominium Units to defray the costs of the Condominium, as provided for in Article 23 of the Declaration of Condominium, which Article is hereby incorporated by reference, and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the Association;
 2. To maintain, repair, replace, operate and manage the common Areas and Facilities wherever the same is required to be done and accomplished by the Association for the benefit of its members; and further to approve any expenditure made or to be made for said purposes;
 3. To reconstruct any part of the Common Property after casualty in accordance with Article 21 of the Declaration of Condominium, and to make further improvement to the Common Property, real and person, and to make and to enter into any and all contracts necessary or desirable to accomplish said purposes;
 4. To make, amend and enforce regulations governing the use of Common Property and Condominium Units so long as such regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles of incorporation and Declaration of Condominium;

5. To acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, including Condominium Units in the Condominium as may be necessary or convenient in the operation and management of the Condominium and in accomplishing the purposes set forth in the Declaration of Condominium, provided that the acquisition of real property other than Condominium Units shall require the approval of the Association;
 6. To acquire now or at any time hereafter, and to enter into leases and agreements whereby the Association acquires leaseholds, memberships, and other possessory or use interests in lands or facilities, including but not limited to, swimming pools, tennis and other recreational facilities whether or not contiguous to the lands of the Condominium, to provide enjoyment, recreation, or other use or benefit to the Owners of Condominium Units.
 7. To contract for the management of the Condominium and to designate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration of Condominium to have approval of the Board of Directors or membership of the Association subject to the provisions of Paragraph L herein below as to the non-binding effect of such contracts entered into by the initial Board of Directors;
 8. To enforce by legal means or proceedings the provisions of the Articles of Incorporation and By-Laws of the Association, the Declaration of Condominium and the regulations hereinafter promulgated governing use of the Common Property in the Condominium;
 9. To pay all taxes and assessments which are or may become liens against any part of the Condominium, other than Condominium Units and the appurtenances thereto, and to assess the same against the members and their respective Condominium Units subject to such liens;
 10. To purchase insurance for the protection of the members and the Association against casualty and liability in accordance with Article 20 of the Declaration of Condominium;
 11. To pay all costs of power, water, sewer. And other utility services rendered to the Condominium and not billed to the Owners of the separate Condominium Units; and
 12. To designate and remove personnel necessary for the maintenance, repair, replacement and operation of the Condominium, including Common Property.
- K. The initial Board of Directors of the Association shall be comprised of three (3) persons designated to serve as Directors in the Articles of Incorporation, which persons shall serve until their successors are elected at the first Annual Meeting of the members of the Association called after the Declaration of Condominium has been recorded in the Cumberland County Public Registry, North Carolina. Should any member of the initial Board of Directors be unable to serve for any reason, the remaining members of the Board of Directors shall have the right to designate a party to serve as a Director for the unexpired term.
- L. The undertakings, contracts and/or leases authorized by the initial Board of Directors or authorized by the Board during any period of time in which the Developer has control of the Board (including any management contract) shall not be binding directly or indirectly upon the Association unless there is a right of termination of any such undertaking, contract or lease, without cause, which is exercisable without penalty at any time after Developer's control ceases, upon no more than ninety (90) days notice to the other party.
- M. Any one or more of the members of the Board of Directors may be removed, either with or without cause, at any time by a vote of the members owning a majority of the Condominium Units in the Condominium, at any Special Meeting called for such purpose, or at the Annual Meeting. Provided, however, that only the Declarant shall have the right to remove a Director appointed by it.

5. OFFICERS

- A. The executive officers of the Association shall be a President, who shall be a Director, a Vice President, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by a vote of the Directors at any meeting. Any persons may hold two or more offices, except that the President shall not also be Vice-President, Secretary or an Assistant Secretary. The Board of directors shall from time to time, elect other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.
- B. The President shall be the chief executive officer of the Association. He shall have all the powers and duties which are usually vested in the office of the president of any association, including the power to appoint committees from among the members as he may determine appropriate to assist in the conduct of the affairs of the Association.
- C. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of President. He shall also generally assist the President and exercise such powers and perform such other duties as shall be prescribed by the Directors.
- D. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors, and such other notices required by law. He shall have custody of the seal of the Association, and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.
- E. The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidence of indebtedness. He shall keep, or supervise the keeping of, detailed accurate records in chronological order of the receipts and expenditures affecting the common areas and facilities, specifying and identifying the maintenance and repair expenses of the common areas and facilities and any other expense incurred.
- F. The compensation of all officers and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association, nor preclude the contracting with a Director for the management of the Condominium.
- G. All Officers shall serve at the pleasure of the Board of Directors and any Officer may be removed from office at any time, with or without cause, by a majority vote of the Board of Directors.

6. FISCAL MANAGEMENT

- A. The assessment role shall be maintained in a set of accounting books in which there shall be an account for each Condominium Unit. Such account shall designate the name and address of the Unit Owner or Owners, the amount of each assessment against the Owners, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments.
- B. The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost performing the functions of the Association, including but not limited to the following:
 1. Common Expense Budget, which may include, without limiting the generality of the foregoing, the estimated amounts necessary for maintenance and operation of and capital improvements to the Common Property including landscaping, streets and walkways, office expense, utility services, Casualty insurance, liability insurance, administration and reserves (operating and Capital Improvement Replacement), management fees and costs of maintaining leaseholds, memberships and other possessory or use interests in lands or facilities whether or not contiguous to the lands of the Condominium, to provide enjoyment, recreation or other use or benefit to the Unit Owners; and
 2. Proposed assessments against each member and his Unit.

Copies of the proposed budget and proposed assessments shall be transmitted to each member prior to January 1 of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned. Non-delivery of a copy of any budget or amended budget to each member shall not affect the liability of any member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of said budget and assessments levied pursuant thereto and nothing herein contained shall be construed as restricting the right of the Board of Directors, at any time in their sole discretion, to recommend any additional assessments in the event that the budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies, and to levy such assessments upon a vote of the Unit Owners owning two-thirds (2/3) of the Common Areas and Facilities.

- C. The Board of Directors shall retain professional management services to be primarily responsible for fiscal management of the Association and maintaining the Condominium, but which may perform such other powers and duties of the Association as may be delegated to it and contracted for by the Board of Directors. Any management agreement for the Condominium will be terminable by the Association for cause upon thirty (30) days written notice thereof, and the term of any such agreement may not exceed one (1) year, renewable by agreement of the parties for successive one-year periods.

The prior written approval of lenders holding sixty (60%) percent of the first mortgages will be required for the effectuation of any decision by the owners association to terminate professional management and assume self-management of the project.

- D. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the funds of the Association shall be deposited. Withdrawal of funds from such accounts shall be only by checks signed by such persons as are authorized by the Directors.
- E. The books and all supporting documentation shall be available for examination by all Unit Owners and their Lenders or their agents during formal business hours.
- F. An audit of the accounts of the Association shall be made annually by a Certified Public Accountant, and a copy of the report shall be furnished to each member not later than April 1 of the year following the year for which the report is made.
- G. Fidelity bonds shall be required by the Board of Directors from all officers and employees of the Association and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors. The premiums on such bonds shall be paid by the Association.
7. PARLIAMENTARY RULES. Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when into in conflict with the Articles of Incorporation and these By-Laws or with the Statutes of the State of North Carolina.
8. AMENDMENTS TO BY-LAWS. Amendments to these By-Laws shall be proposed and adopted in the following manner:
- A. Amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by members of the Association owning a majority of the Condominium Units in the Condominium, whether meeting as members or by instrument in writing signed by them.
- B. Upon any amendment to these By-Laws being proposed by said Board of Directors or members, such proposed amendment shall be transmitted to the President of the Association, or other Officer of the Association in the absence of the President, who shall thereupon call a special Joint Meeting of the members of the Board of Directors of the Association and the membership for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such Officer of the proposed amendment and it shall be the duty of the Secretary to give to each

member written notice of such meeting in the same form and in the same manner as notice of the call of Special Meeting of the members is required as herein set forth.

- C. In order for such amendment to become effective, it must be approved by an affirmative vote of a majority of the entire membership of the Board of Directors and by an affirmative vote of the members owning not less than three-fourths (3/4) of the Condominium Units in the Condominium. Thereupon such amendment or amendments to these By-Laws shall be transcribed, certified by the Secretary of the Association, and a copy thereof shall be recorded in the Cumberland County Public Registry, North Carolina, within twenty (20) days from the date on which any amendment has been approved by the Directors and members. No amendment shall become effective until it is duly recorded.
- D. Upon the approval and proper recording of any amendment, it shall become binding upon all Unit Owners.
- E. At any meeting held to consider any amendment to the By-Laws, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association at or prior to such meeting.
- F. Notwithstanding the foregoing provisions of this Article 8, no amendment to these By-Laws which shall abridge, amend or alter the right of the developer to designate and select members of each Board of Directors of the Association, as provided in Article 4, hereof may be adopted or become effective without the prior written consent of the Developer.
- G. Notwithstanding the foregoing provisions of this Article 8, no material alteration, amendment or modification of these By-Laws shall become effective without the prior written consent of Institutional Lenders (as defined in Article XXXIX of the Declaration) holding first mortgage loans on Units representing at least fifty-one (51%) percent of the votes in the Association being first had and obtained. Any change to the provisions of these By-Laws that affects any of the following shall be deemed material; voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of Common Areas; responsibility for maintenance and repairs; reallocation of interests in the Common Areas or Limited Common Areas. Or rights to their use; boundaries of any Unit; convertibility of Units into Common areas or vice versa; expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominiums, insurance or fidelity bonds, leasing of Units, imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit; a decision by the owners' association to establish self management; restoration or repair of the Condominium, any provisions that expressly benefit Institutional Lenders.
- H. So long as Developer retains the right to appoint a majority of the Board of Directors of the Association as set forth in Article XXX of the Declaration and Article 4 of these By-Laws, any amendment to these By-Laws shall require the prior approval of the Veterans Administration.
9. AVAILABILITY OF DOCUMENTS AND RECORDS. The Board of Directors shall cause to be maintained at the office of the Association a file containing current copies of the Declaration, the Articles of Incorporation, these By-Laws, any Rules and Regulations applicable to the Condominium, and other books, records and financial statements of the Association. Such file and the documents and information contained therein shall be available for inspection, upon request, during normal business hours, to all Unit Owners, Institutional Lenders (as defined in Article XXXIX of the Declaration) and prospective purchasers, all of whom may also, upon request and payment of a reasonable charge determined by the Board of Directors, obtain copies thereof.

10 RULES OF CONDUCT

- A. Except for such signs as may be posted by the Declarant for promotional or marketing purposes, no signs of any character shall be erected, posted or displayed upon, in from or about any Unit or Common Elements without the prior written approval of the Board of Directors. The provisions of this subparagraph shall not be applicable to the institutional holder of any first mortgage which comes into possession of any Unit by reason of any remedies provided for in the mortgage or any deed of trust or other proceeding in lieu of foreclosure.

B. Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television sets and amplifiers that may disturb other residents. Those keeping domestic animals will abide by the sanitary regulations of Cumberland County.

C. No garbage or trash shall be thrown or deposited outside the disposal installations provided for such purposes.

D. No Unit Owner shall cause any improvements or alterations to be made to the exterior of the Condominium (including painting or other decoration, or the installation of electrical wiring, television or radio antennas, or any other objects, machines or air conditioning units which may protrude through the walls or roof of the Condominium) or in any manner alter the appearance of any portion of the exterior surface of any building without the prior written permission of the Board of Directors or a duly appointed Architectural Control Committee. No Unit Owner shall cause any object to be fixed to the Common Property or to any Limited Common Area (including the location or construction of fences or the planting or growing of flowers, trees, shrubs or other variation) or in any manner change the appearance of the Common Area without the prior written permission of the Board of Directors of a duly appointed Architectural Control Committee.

E. The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements, except that the keeping of not more than three (3) small, orderly, domestic pets, no more than two (2) of which may be dogs or cats, shall be permitted subject to the Rules and Regulations adopted by the Board of Directors; provided, however, that such pets are not kept or maintained for commercial purposes or for breeding and provided, further, that any pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property upon ten (10) days written notice from the Board of Directors. Such pets shall not be permitted upon the Common Elements unless accompanied by an adult and unless carried or leashed. Any Unit Owner who keeps or maintains any pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Condominium, each Unit Owner and the Declarant free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium. All pets shall be registered with the Board of Directors and shall otherwise be registered and inoculated as required by law. The Board of Directors may establish reasonable fees for registration of pets not to exceed the additional costs incurred by the Unit Owners Association resulting from the presence of such pets.

F. No trailers, campers, recreational vehicles, or boats and no junk or derelict vehicles or other vehicles on which current license plates or inspection stickers are not displayed, shall be kept upon any of the Common Elements or Limited Common Elements except to the extent expressly permitted in the Rules and Regulations.

11. **COMPLIANCE.** These By-Laws are set forth to comply with the requirements of the North Carolina Condominium Act, Chapter 47C of the General Statutes of the State of North Carolina. In the event that any of these By-Laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply.

The foregoing were adopted as the By-Laws of HARBOUR POINTE CONDOMINIUM OWNER'S ASSOCIATION, INC., at the first meeting of the Board of Directors of _____ day of _____, 2003.

Secretary (SEAL)

APPROVED:

President