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SECRETARY OF STATE
NORTH CAROLINA

ARTICLES OF INCORPORATION
OF
SYCAMORE HOMEOWNERS ASSOCIATION, LTD.

In compliance with the requirements of Chapter 55A of the North Carolina General Statutes, the undersigned, a natural person of full age, has this day executed these Articles of Incorporation for the purpose of forming a nonprofit corporation and hereby certifies:

ARTICLE I

NAME

The name of the corporation is SYCAMORE HOMEOWNERS ASSOCIATION, LTD, hereafter called the "Association".

ARTICLE II

REGISTERED OFFICE AND INITIAL AGENT

The registered office of the Association is located at 5197 Country Club Road, Winston-Salem, Forsyth County, North Carolina. The location of the registered office may be changed by a majority vote of the Board of Directors. The name of the initial registered agent at the above address is George M. Cleland. The mailing address for the registered office is 5197 Country Club Road, Winston-Salem, North Carolina, 27104.

ARTICLE III

PURPOSES AND POWERS

The Association does not contemplate a pecuniary gain or profit to its members.

Purposes

The specific purposes for which the Association is formed are:

(A) to provide for maintenance, preservation and architectural control of the residential "Units" and "Common Area" as those words are defined in the "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF SYCAMORE" to be recorded in the office of the Register of Deeds of Forsyth County, North Carolina, hereafter called "Declaration";

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the Units and Common Area are or will be located within that certain tract of land shown on the plat entitled Sycamore which will appear of record in the office of the Register of Deeds of Forsyth County, North Carolina, and such other land as may be annexed thereto in the coordinated development of Sycamore;

(B) to promote the health, safety and welfare of the residents within the jurisdiction of this Association.

Powers

The Association shall have the following powers:

(A) to exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration and as set forth in any Supplementary Declaration filed pursuant to Article XI of the Declaration;

(B) to fix, levy, collect and enforce payment of, by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to conducting the business of the Association, and to pay all licenses, taxes, or governmental charges levied or imposed against the property of the Association;

(C) to acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(D) to borrow money, and with the assent of the members entitled to at least two-thirds of the membership votes, to vote, mortgage, pledge, deed in trust, or hypothecate any or all of the Association's real or personal property as security for money borrowed or debts incurred;

(E) to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to at least two-thirds of the membership votes agreeing to such dedication, sale or transfer;

(F) to participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of members entitled to at least two-thirds of the membership votes;

(G) to have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of North Carolina by law may now or hereafter have or exercise.

ARTICLE IV

FINANCE

The Association is a non-stock corporation and no part of the assets (including profit, if any) of the corporation shall inure to the pecuniary benefit of its members or to any person or entity.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

Every person or entity who is a record owner of a fee or undivided fee interest in any Unit within the tract of land referred to in Article III herein shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Association.

The voting rights of the membership shall be as provided by the Declaration.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of six (6) Directors, who need not be members of the Association. The number of directors and their terms may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Stephen G. Calaway	200 West First Street Winston-Salem, NC 27101
George M. Cieland	102 South Cherry Street Winston-Salem, NC 27101

<u>Name</u>	<u>Address</u>
James E. Jackson	5197 Country Club Road Winston-Salem, NC 27104
Richard E. Myers	1239 Old Salisbury Road Winston-Salem, NC 27107
Patricia E. Williams	102 South Cherry Street Winston-Salem, NC 27101
L. Wayne Yarbrough	5197 Country Club Road Winston-Salem, NC 27104

At the first annual membership meeting, the members shall elect three Directors for a term of one year and three Directors for a term of two years; and at each annual meeting thereafter the members shall elect three Directors, each for a term of three years.

ARTICLE VII

DISSOLUTION

The Association may be dissolved only upon the signed written assent of members entitled to not less than three-fourths of the membership votes. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, said assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to purposes similar to those for which the Association was created.

ARTICLE VIII

DURATION

The period of existence of this Corporation is unlimited.

ARTICLE IX

AMENDMENTS

Amendment of these Articles shall require the assent of the members entitled to at least three-fourths of the membership votes.

ARTICLE X

INCORPORATOR

The name and address of the incorporator is as follows:

George M. Cleland 102 South Cherry Street
Winston-Salem, NC 27101

IN WITNESS WHEREOF, I, the undersigned incorporator have hereunto set my hand and seal, this 20th day of June, 1981.

George M. Cleland (SZAL)
George M. Cleland

NORTH CAROLINA)
FORSYTH COUNTY)

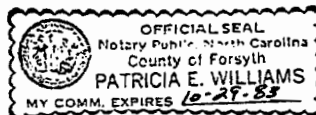
This is to certify that on this 20th day of June, 1981, before me, Patricia E. Williams, Notary Public of Forsyth County, North Carolina, personally appeared George M. Cleland, who executed the foregoing Articles of Incorporation of Sycamore Homeowners Association, Ltd., and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal, this 20th day of June, 1981.

Patricia E. Williams
Notary Public

My Commission Expires:

October 29, 1983



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PRESENTED FOR
REGISTRATION
AND RECORDED

JUL 8 11 23 AM '81

CLERK OF DEEDS
REGISTER OF DEEDS
FORSYTH CTY, N.C.

\$8.00 pd

BOOK 1338P 1802



Mail to: Sycamore, Inc.
102 S. Cherry
W-S, N.C. 27101

THIS INSTRUMENT DRAFTED BY:

(SIGNATURE OF DRAFTSMAN)

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF CONDOMINIUM

THIS DECLARATION, made on the date hereinafter set forth, by Sycamore, Inc., a North Carolina Corporation of Winston-Salem, Forsyth County, North Carolina, hereinafter referred to as "Declarant".

W I T N E S S E T H :

WHEREAS, Declarant is the owner in fee simple title of certain property on Country Club Road in Winston-Salem, County of Forsyth, State of North Carolina, which appears as Phase I on a site plan approved by the Board of Aldermen of the City of Winston-Salem on March 24, 1980, in the zoning petition of Margaret S. Pennell (Zoning Docket W-767) and incorporated by reference in the Special Use District Permit issued by said Board of Aldermen with reference to the Sycamore site plan presented in the aforementioned zoning petition, as the same has or may be amended from time to time, and Phase I of which is more particularly described as being:

"All that parcel of land lying in Southfork Township, County of Forsyth and State of North Carolina, containing 3.097 acres, more or less, as shown on a survey dated March 27, 1980 and revised March 2, 1981 by Daniel W. Donathan, Registered Engineer, and being described more particularly as follows:

BEGINNING at a point 53 feet east of the right of way of Country Club Road, said point being located the six (6) following courses and distances from the Southwest corner of the property described in Deed Book 1189, page 183; South 45° 21' West 53 feet; South 38° 17' 40" East 177.00 feet; South 38° 12' 10" East 300.26 feet; South 38° 04' 50" East 125.22 feet; South 39° 27' 20" East 98.57 feet and South 40° 47' 30" West 9.64 feet; thence on a new line the following courses and distances: North 44° 39' West 63.0 feet to a point; North 37° 59' 10" West 228.40 feet to a point; North 60° 50' East 316 feet to a point; South 28° 45' East 367 feet to a point; South 7° 04' West 56.0 feet to a point; South 34° 44' 20" West 35.93 feet to a point; South 34° 14' East 77 feet to a point; South 52° 22' West 154.0 feet to a point; North 38° 12' 10" West 36.64 feet to a point; South 52° 22' West 36.53 feet to a point; North 38° 12' 10" West 95.0 feet to a point; North 9° 55' West 65 feet to a point; and North 44° 39' West 57.0 feet to the place of BEGINNING.

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TOGETHER with a permanent easement for ingress, egress, regress and installation and maintenance of public utilities over and across a 70 foot wide parcel of land lying on either side of the center line thereof described as follows: BEGINNING at an iron stake, beginning point of aforementioned 3.097 acre parcel, and running thence South 45° 21' West 53.0 feet to a point located in the Eastern right of way line of Country Club Road.

TOGETHER with a permanent easement for installation and maintenance of a 20 foot wide sanitary sewer outfall line for aforementioned 3.097 acre parcel across that property described in R.B. 1300, page 977."

WHEREAS, the Declarant has developed Phase I of Sycamore by the establishment of thirty-seven Units thereon together with Common Area; actual residential buildings being composed of both townhouse and flat-type dwellings and being two and three stories in height (including basements in some cases), and being constructed principally of brick and wood; and

WHEREAS, the Declarant desires to dedicate the Common Area to the exclusive benefit of the Owners; and

WHEREAS, the Declarant owns or may acquire additional lands contiguous to the Property and may annex those lands to the terms and conditions set forth in this Declaration of Covenants, Conditions and Restrictions of Condominium (hereinafter "Declaration"); and

WHEREAS, the Declarant, by the making of this Declaration intends to comply with the requirements of the R-2-S zoning district of Section 25 of the Code of the City of Winston-Salem, North Carolina, and the requirements of Chapter 47A of the General Statutes of North Carolina (Unit Ownership Act);

NOW, THEREFORE, Declarant hereby declares that all of the Property described hereinabove shall be held, sold and conveyed subject to the easements, restrictions, covenants, and conditions to follow, which are for the purpose of protecting the value and desirability of the individual Units and Common Area respectively, and which shall be appurtenant to and run with, each Unit and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Unit Owner thereof.

ARTICLE I

ESTABLISHMENT OF CONDOMINIUM

The Declarant is the owner of the fee simple title to Phase I of Sycamore as specifically located and described earlier herein, and on which property there have been established thirty-seven (37) Condominium Units together with their supporting facilities, structures and other appurtenant improvements. The Declarant does hereby submit the above-described property and improvements to condominium ownership under the provisions of Chapter 47A of the General Statutes of North Carolina (Unit Ownership Act) and hereby declares the same to be part of (Phase I of) a condominium development to be known and identified as "Sycamore".

ARTICLE II

SURVEY AND DESCRIPTION OF IMPROVEMENTS

Filed simultaneously herewith, and expressly made a part hereof, in Condominium and Unit Ownership Book No. 1 maintained in the Forsyth County Registry (herein "Unit Ownership File"), Page 79, is a survey of the land and graphic descriptions and plans of the improvements constituting Section 1 of Phase I of Sycamore, with similar surveys of the remaining sections of Phase I to follow, identifying the Units, Common Area and Limited Common Area, as those terms are hereinafter defined, and their respective locations and approximate dimensions. Each Unit is identified by specific numerical designation in the Unit Ownership File, and no Unit bears, or shall bear, the same designation as any other Unit.

ARTICLE III

DEFINITIONS

Section 1. "Association" shall mean and refer to Sycamore Homeowners Association, Ltd.

Section 2. "Board" shall mean and refer to the Board of Directors of the Sycamore Homeowners Association, Ltd.

Section 3. "By-Laws" shall mean and refer to the "By-Laws of the Sycamore Homeowners Association, Ltd." as the same shall appear and be amended from time to time.

Section 4. "Common Area" shall mean and be all of the Property, together with improvements and facilities, excluding Units, held and maintained for the use and enjoyment of all of the Owners.

Section 5. "Common Expenses" shall mean all expenses incurred in the administration, maintenance and repair of the Common Area; expenses incurred by the Association for exterior maintenance or improvements on each Unit; expenses incident to the proper administration and management of the Association; reasonable reserves for capital improvements; expenses deemed by the Association to be common to all Unit Owners and which are lawfully assessable against the Units as provided in this Declaration and the By-Laws.

Section 6. "Declarant" shall mean and refer to Sycamore, Inc., a North Carolina Corporation, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Unit from the Declarant for the purpose of development and resale.

Section 7. "Limited Common Area" shall mean and refer to those areas within the Common Area designated as such on the plat of the Property, or portions or sections thereof, as recorded in the Forsyth County Registry.

Section 8. "Owner" or "Unit Owner" shall mean and refer to the record owner, as disclosed among the records of the Forsyth County Registry, whether one or more persons or entities, of a fee simple title to any Unit which is at or upon the Property, together with an appurtenant interest in the Common Area, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 9. "Property" shall mean and refer to that certain real property hereinabove described as Phase I of Sycamore and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 10. "Unit" or "Condominium Unit" shall mean and refer to an individual residential dwelling or dwelling site (whether or not the same touches or communicates directly with the ground) within Sycamore.

ARTICLE IV

UNITS AND APPURTENANT INTEREST IN COMMON AREA

Section 1. Ownership. Each Unit shall be conveyed and treated as an individual property capable of independent use and fee simple ownership, and each Unit Owner shall also own, as an appurtenance to the ownership of each respective Unit, an undivided interest in the Common Area. The undivided interest appurtenant to each Unit shall be as set out in Exhibit "B" attached hereto, incorporated herein by reference, and made a part hereof. The undivided interest in the Common Area that is appurtenant to each Unit has been determined by the ratio of the approximate fair market value of each Unit to the aggregate approximate fair market value of all of the Units having an undivided interest in the Common Area at the date of this Declaration (or of any supplements or amendments hereto which affect undivided interests in the Common Area); the term "Unit" as used in this and the succeeding sentence is limited to refer only to dwellings (existing or planned) at or upon the Property; the fair market value of each Unit and the aggregate fair market value of all the Units have been determined by the Declarant and are binding upon all Unit Owners. For purposes of establishing fair market value of Units as referred to herein (and whether for the existing or for future valuations), the conclusive presumption is created that one square foot of any Unit is of exactly the same value as one square foot of any other Unit; the rebuttable presumption is created that the certificate of a licensed architect setting out the approximate square footages of each Unit is accurate. The percentage of undivided interest in the Common Area assigned to each Unit shall not be changed except as provided by law or elsewhere herein.

Section 2. Use and Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area (subject to limitations imposed with respect to Limited Common Area), in addition to an ownership interest therein, which shall be appurtenant to and shall pass with the title to each Unit, subject to the right of the Association to:

(a) Charge reasonable admission and other fees for the use of any recreational facility situated upon or within the Common Area;

(b) Suspend voting rights in the Association of an Owner and his right to use Association recreational facilities for any period during which any assessment against his Unit remains unpaid; and for a period of not to exceed 60 days for any infraction of its published rules and regulations;

(c) Impose rules and regulations for the use and enjoyment of the Common Area, which rules and regulations may restrict the use of the Common Area.

Section 3. Delegation of Use. Any Owner may delegate his rights of use and enjoyment of the Common Area, in accordance with the By-Laws, to the members of his immediate family, guests, invitees, lessees, or contract purchasers, who reside on the property.

ARTICLE V

RESTRICTION AGAINST SUBDIVISION OF UNITS: SEPARATE CONVEYANCE OF APPURTENANT COMMON AREA PROHIBITED

No Unit may be divided or subdivided into a smaller Unit or Units than as shown in the Unit Ownership File nor shall any Unit or portion thereof be added to or incorporated into any other Unit. The undivided interest in the Common Area declared to be an appurtenance to each Unit shall not be conveyed, devised, encumbered or otherwise dealt with separately from the Unit to which it appertains, and the undivided interest in Common Area appurtenant to each Unit shall be deemed conveyed, devised, encumbered or otherwise included with the Unit even though such undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering or otherwise dealing with such Unit. Any conveyance, mortgage or other instrument which purports to grant any right, interest or lien in, to, or upon a Unit, shall be null and void insofar as it purports to affect any interest in a Unit and its appurtenant undivided interest in Common Area, unless it purports to convey, devise or encumber the entire Unit. Any instrument conveying, devising or encumbering any Unit, which describes said Unit by the numerical designation assigned thereto in the Unit Ownership File shall be construed to affect the entire Unit and its appurtenant undivided interest in the Common Area. No limitation is placed on the ownership of any Unit by an person as tenants in common, joint tenants, or as tenants by the entirety. The undivided interest in the Common Area appurtenant to each Unit shall remain undivided, and neither a Unit Owner nor any other person shall have any right to bring or have brought any action for partition or division affecting a Unit and its appurtenant undivided interest in the Common Area.

ARTICLE VI

THE COMMON AREA, UNITS SUBJECT TO RESTRICTIONS

The Units, Common Area and Limited Common Area are hereby declared to be subject to the easements, restrictions, conditions and covenants prescribed and established herein governing the use of the Units, Common Area and Limited Common Area and setting forth the obligations and responsibilities incident to ownership of each Unit and its appurtenant undivided interest in the Common Area, and the Units, Common Area and Limited Common Area are further declared to be subject to the easements, restrictions, conditions and covenants now of record, if any shall be found, affecting the Property.

ARTICLE VII

THE ASSOCIATION

Section 1. Authority-Responsibility. The Association shall have exclusive control, authority and responsibility with respect to the management, operation and administration of the Common Area.

Section 2. Membership. Each Unit Owner, upon acquisition of title to a Unit, shall automatically become a member of the Association. Membership may be held in the name of more than one owner. Such membership shall terminate upon the sale or other disposition by such member of his Unit, at which time the new Owner of such Unit shall automatically become a member of the Association. Membership in the Association shall inure automatically to Owners upon acquisition of the fee simple title - whether encumbered or not - to any one or more Units. The date of recordation of the conveyance in the Forsyth County Registry of a Unit shall govern the date of ownership of that Unit. In the case of death of an Owner, the transfer of ownership of a Unit shall occur on date of death in the case of intestacy, or the date of probate of Will in Forsyth County in the case of testacy. The Association shall presume that a deceased Owner died intestate and that presumption shall continue until such time as a deceased Owner's Will is probated in Forsyth County.

Section 3. Voting Rights. The Association shall have two classes of voting membership.

(a) "Class A" members shall be all Owners, with the exception of the Declarant initially, and shall be entitled to one vote for each Unit owned; and

(b) "Class B" member(s) shall be the Declarant and shall be entitled to four votes for each Unit owned. The Class B membership shall cease and be converted to Class A membership on the happening of the earliest to occur of the following events:

(1) the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership, or

(2) the Declarant shall elect to convert its membership to Class A, or

(3) July 8, 1988.

(c) Where a Unit is owned by two or more persons (whether individually or in a fiduciary capacity), the vote appurtenant to that Unit may be cast by any one of the co-owners, in person or by proxy. If more than one of the co-owners vote, the unanimous action of all co-owners voting shall be necessary to effectively cast the vote allocated to that Unit and to participate in the quorum.

(d) In the case of a Unit owned or held in the name of a corporation or a partnership, a certificate signed by the Unit Owner shall be filed with the Secretary of the Association naming the person authorized to cast votes for such Unit, which certificate shall be conclusive until a subsequent substitute certificate is filed with the Secretary of the Association. If such certificate is not on file, the vote of such corporation or partnership shall not be considered nor shall the presence of a representative of the Owner in the case of a corporation, or one or more partners in the case of a partnership, be considered in determining whether a quorum requirement has been met.

(e) In the case of a Unit owned exclusively by a husband and wife, no certificate need be filed with the Secretary of the Association naming the person authorized to cast votes for such Unit, and either spouse, but not both, may vote in person or by proxy and be considered in determining whether the quorum requirement has been met at any meeting of the Association, unless prior to such meeting either spouse has notified the Secretary of the Association in writing that there is a disagreement as to who shall represent their Unit, in which case each spouse may exercise the proportion of the voting power of their Unit that is equivalent to his or her proportionate interest in their Unit.

(f) The Owner of a life estate in a Unit shall be entitled to cast the vote appurtenant to that Unit. The provisions of Section 3(c) of this Article VII shall also apply to those owning life estates or joint or multiple life estates in Units.

(g) Fiduciaries and minors who are Unit Owners may vote their respective interests as Unit Owners. The provisions of Section 3(c) of this Article VII shall also apply to fiduciaries and minors who are Unit Owners.

(h) No person, other than Declarant, shall be entitled to vote until such person has presented to the Secretary of the Association or a Voting Inspector appointed at such meeting, reasonable evidence of fee simple ownership, or of partial fee simple ownership, or of a life estate in a Unit.

Section 4. Meeting of Members.

(a) Prior to First Annual Meeting. So long as Units to which less than twenty-five percent (25%) of the undivided interests in the Common Area appertain have been sold and conveyed by the Declarant, the Declarant shall have the right to elect or designate all six Board members. Not later than the time that Units to which twenty-five percent (25%) of the undivided interests in the Common Area appertain have been sold and conveyed by the Declarant, the Association shall meet and the Unit Owners, other than the Declarant, shall elect a total of two Board members who shall replace two of the Board members previously elected or designated by the Declarant. Not later than the time that Units to which fifty percent (50%) of the undivided interests in the Common Area appertain have been sold and conveyed by the Declarant, the Association shall meet and the Unit Owners, other than the Declarant, shall elect one additional

Board member who shall replace one of the Board members previously elected or designated by the Declarant. The Declarant shall have the sole right to designate Board members who are to be replaced pursuant to this paragraph.

(b) First Annual Meeting. Within 30 days after the earlier of (a) seven years following the date of the establishment of the Association (which date shall be the date of filing for record of the deed or other evidence of ownership following the first sale of a Unit) or (b) the date of the sale and conveyance by the Declarant of Units to which appertain eighty percent (80%) or more of the undivided interests in the Common Area to purchasers in good faith for value, the Association shall meet (herein referred to as the "First Annual Meeting") and elect all six members of the Board and all officers of the Association, and all persons previously elected or designated, whether by the Declarant or by the other Unit Owners, shall immediately resign; provided, however, that such persons who are members of the Association shall be eligible for reelection to the Board. The persons so elected at the First Annual Meeting shall take office upon such election and shall serve the terms for which they are elected and perform such duties as the Association may by By-Law determine.

(c) Determination of Percentages to Determine Assumption of Control. To determine the percentages of undivided interests in the Common Area which have been sold and conveyed for the purposes of determining the assumption of control of the Association pursuant to Paragraphs (a) and (b) of this Section 4, the total number of Units which have been sold and conveyed shall be divided by the maximum number of Units, i.e., 225 residential Units.

(d) Annual Meeting. The annual meeting of the Association for the election of members of the Board, the consideration of reports to be presented at such meeting, and the transaction of such other business as may properly be brought before such meeting shall be held at such time and at such place on the Property or at such other place within Forsyth County, North Carolina, as may be designated by the Board and specified in the notice of such meeting. The annual meeting of the Association shall be held in each succeeding year on the first Thursday of the month in which the first annual meeting was held, if not a legal holiday, and if a legal holiday, then on the next succeeding business day.

(e) Special Meetings. After the First Annual Meeting, special meetings of the Association may be held on any business day when called by the President of the Association, or by the Board, by action at a meeting or by a majority of the Directors acting without a meeting, or by members entitled to exercise at least twenty-five percent (25%) of the voting power of the Association. Upon request in writing delivered either in person or by certified mail to the Secretary of the Association by any persons entitled to call a meeting of members, such officer shall forthwith cause to be given to the members entitled thereto notice of a meeting to be held on a date not less than ten nor more than 60 days after the receipt

of such request as such officer may set. If such notice is not given within ten days after the delivery or mailing of such request, the person(s) calling the meeting may themselves set the time of the meeting and give notice thereof. Each special meeting shall convene at such time and at such place on the Property, or other place within Forsyth County, North Carolina, as are specified in the notice of meeting. Notice of such meetings shall specify the purposes for which the meeting is called. No business other than that specified in the call and set forth in the notice shall be considered at any special meeting.

(f) Notice of Meetings. Not less than ten nor more 60 days before the day fixed for an annual or special meeting of the Association, written notice stating the time, place and purpose of such meeting shall be given by or at the direction of the Secretary of the Association or any other person or persons required or permitted by these By-Laws to give such notice. Such notice shall be given by personal delivery or by mail to each member of the Association who is a Unit Owner of record as of the day preceding the day on which notice is given. If mailed, such notice shall be addressed to the members of the Association and others entitled to such notice at their respective addresses as they appear on the records of the Association and deposited, post paid, into the United States Mail. Notice of the time, place and purpose of any meeting of the Association may be waived in writing by any member of the Association, either before or after the holding of such meeting, which writing shall be filed with or entered upon the records of the meeting. The attendance of any member of the Association at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice, shall be deemed to be a waiver by him of notice of such meeting.

(g) Quorum; Adjournment. Except as may be otherwise provided by law or by the Declaration, at any meeting of the Association, the members of the Association entitled to exercise a majority of the voting power of the Association present in person or by proxy shall constitute a quorum for such meeting. No action may be authorized or taken by a lesser percentage than required by law, by the Declaration or by these By-Laws. The members of the Association entitled to exercise a majority of the voting power represented at a meeting of members, whether or not a quorum is present, may adjourn such meeting from time to time until a quorum shall be present. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting.

(h) Order of Business at Regular Meetings. The order of business at all regular meetings of members of the Association shall be as follows:

- (1) Calling of meeting to order, establishing quorum;
- (2) Proof of notice of meeting or waiver of notice;

- (3) Reading of minutes of preceding meeting, approval;
- (4) Reports of officers;
- (5) Reports of committees;
- (6) Election of Voting Inspector;
- (7) Election of Directors;
- (8) Unfinished and/or old business;
- (9) New Business;
- (10) Adjournment.

(i) Business at Special Meetings. The only business at each special meeting shall be that business specified in the notice thereof.

(j) Actions Without a Meeting. All actions, except removal of a Director, which may be taken at a meeting of the Association, may be taken without a meeting with the approval of, and in a writing or writings signed by, members having the percentage of voting power required to take such action if it had been taken at a meeting. Such writings shall be filed with the Secretary of the Association. A copy of the action taken, when approved, shall be mailed promptly to all members of the Association.

ARTICLE VIII

USE RESTRICTIONS

Section 1. Rules, Regulations. The Association may, by By-Law, establish or provide for the establishment of rules and regulations to promote and facilitate the use and enjoyment of the Common Area and Units; and such rules and regulations as the Association shall establish shall govern the use of the Common Area and Units and shall be binding on all Unit Owners or other persons making use or attempting to make use of the Common Area and Units. Rules and regulations established by the Association shall be published and distributed to all Unit Owners before they shall be effective; they shall be uniformly applied; they shall not restrict or interfere with the normal incidents of privacy or quiet enjoyment associated with home ownership; they shall not be inconsistent with the general intent of the restrictions set out in the several sections to follow.

Section 2. Unit Use. Units shall be used for residential purposes only.

Section 3. Leases. Each Unit is hereby restricted to residential use by its Owner, his immediate family, guests, invitees and lessees. With the exception of a lender in possession of a Unit following a default in a first deed of trust, a foreclosure proceeding or any deed in lieu of foreclosure, a Unit Owner shall not lease his Unit for transient, hotel or commercial purposes. A Unit Owner shall not lease less than the entire Unit. Any lease agreement affecting a Unit shall be in writing, a copy of which must be delivered to the Association prior to occupancy under its terms and must provide that it shall be subject to the provisions of this Declaration and the By-Laws, and, that any failure by the lessee to comply with the terms thereof shall be a default under the lease. A lease affecting any Unit must be for a term of no less than six months. The Declarant shall not be limited to the above six-month restriction, except as to any Unit repurchased by the Declarant.

Section 4. Business Use Prohibited. No business activity of any kind, other than that of the Association or the Declarant as elsewhere herein provided, shall be conducted or permitted on, at or in the Common Area or Units.

Section 5. Use by Declarant. The Declarant, its agents, employees and contractors shall be permitted to make business use of the Common Area and Units owned by it for the limited purposes of development, construction, maintaining, repairing and selling of Sycamore and the individual Units and Common Area which shall comprise it. The Declarant may, in furtherance of the limited purposes set out above, maintain on the Common Area or at or in a Unit or Units whatever equipment and facilities it determines to be reasonably required for, or convenient or incidental to, the development, construction, maintenance, repairing or selling of Sycamore and the individual Units and Common Area, including but not limited to, a business office, sales office, construction office, storage area, model Unit(s), construction yard(s), parking area(s), heavy equipment, vehicles, signs and signposts and temporary structures related to any of the limited purposes.

Section 6. Animals. Animals, other than tame and domesticated household pets, and limited to one such pet per Unit, shall not be kept at or allowed at, on or in the Common Area or Units. The By-Laws may further define and restrict the keeping of household pets, and the Board may allow additional household pets to be kept or maintained in individual cases. In no event shall pets be permitted to run loose or at large, nor shall animal pens or enclosures be placed on maintained on the Common Area. An Owner who keeps or allows an animal at, on or in the Common Area or Units shall indemnify, save and hold harmless the Association from any liability, loss or damage that may result from or on account of the presence of such animal. The Association does not and shall not have authority to assume any liabilities related to animals.

Section 7. Clothes Drying. The drying, airing or displaying of clothes, bedding or fabrics out-of-doors shall not be permitted at or on the Common Area or at or on a Unit, and no clothes-hanging devices (lines, reels, poles, frames, etc.) shall be erected, maintained, stored or kept at or on the Common Area or on a Unit.

Section 8. Trees and Shrubbery. The planting of trees and shrubbery in or on the Common Area shall not be permitted other than by the Declarant or the Association or by or with the direction or permission of the Declarant or the Association. The Association may, by By-Law, govern and restrict (or grant relief to) all persons in the planting and maintaining of plants, shrubbery, trees and ground cover in or on the Common Area.

Section 9. Signs. Signs or signposts shall not be permitted at or on the Common Area or on any Unit or visible within a Unit other than those posted and placed by the Declarant or the Association for the purpose of Unit, street or area designation; uniform traffic control; safety or convenience; location of utilities and services. No commercial or business signs or displays of any kind shall be permitted except as may be contemplated by Section 5 herein.

Section 10. Common Area. The Common Area shall not be used for the storage or discarding of supplies, personal property (including vehicles), trash, refuse or rubbish except trash, refuse and rubbish may be deposited into receptacles provided for that purpose at places designated by the Association. A Common Area shall not be obstructed or used for other than its intended purposes. No activity shall be carried on or allowed or condition maintained in or on the Common Area, or any part thereof, which in any way despoils the appearance of the Common Area or its quiet enjoyment by others. The Association may, by By-Law, further define, limit or restrict use of the Common Area.

Section 11. Unit Exteriors. Nothing shall be placed or allowed to remain upon Unit exteriors. Unit exteriors shall not be altered or changed in any way other than by the Association in furtherance of its obligations and responsibilities or as may specifically be allowed by the Association; in all cases Association action and decisions with respect to Unit exteriors shall be uniformly applied or followed.

Section 12. Parking. The Association shall, by By-Law, or Rules and Regulations made pursuant thereto, govern parking in the Common Area subject to the following restrictions:

(a) boats, boat trailers, recreational vehicles, campers, trailers and similar vehicles shall be parked only in an area designated for that use.

(b) parking shall not be permitted elsewhere than in designated parking spaces or areas.

(c) parking, other than incidental and temporary service, maintenance and delivery parking, shall be restricted to private passenger-carrying vehicles; and trucks, property-hauling vehicles, equipment type or related vehicles and commercial vehicles shall be prohibited from parking.

(d) the number of vehicles permitted to be parked accorded each Unit may not be less than two, but need not be more than two.

(e) should parking be designated, then and in that event, each Unit shall be accorded parking to consist of no less than one space designated to that Unit and as near as practicable to the front entrance of that Unit, and one space in common.

ARTICLE IX

COVENANT FOR ASSESSMENTS

Section 1. (a) Creation of the Lien and Personal Obligation for Assessments. The Declarant, for each Unit owned within the Property, hereby covenants, and each Owner by acceptance of a deed to a Unit, whether or not it shall be expressly set forth in such deed, is deemed to covenant and agree to pay to the Association upon proper notice and levy: (1) annual assessments; (2) special assessments for capital improvements; (3) special assessments

for other purposes permitted by By-Law; and (4) charges properly related to his Unit, which are not common to all Units, but which are borne or advanced as provided by By-Law. Annual and special assessments, if any, are to be established and collected as hereinafter (and by By-Law) provided. Annual and special assessments as established, together with interest, costs, and reasonable attorney's fees related to their collection, shall be a charge on the Unit and shall be a continuing lien upon the Unit against which each such assessment is made. Annual and special assessments, together with interest, costs and reasonable attorney's fees related to their collection, shall also be the personal obligation of the Unit Owner at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title unless that obligation is expressly assumed by them, except as in Article IX, Section 7.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively in payment of Common Expenses to promote the security, safety, welfare, health, recreation, and property interests of the residents of Sycamore and in particular to provide for the maintenance and improvement of the Common Area, and for the acquisition of services and facilities devoted to those purposes, and for the enhanced use and enjoyment of the Common Area. Use of assessment monies for the foregoing general and particular purposes may include, but shall not be limited to: the cost of repairs, replacements and additions; the cost of labor, equipment, security, management and supervision; the payment of licenses, taxes and governmental fees and charges levied or imposed upon the Association; the procurement and maintenance of insurance related to the Common Area, including the Limited Common Area, and its use; the procurement and maintenance of insurance for Units (and specifically, but not by way of limitation, fire and extended coverage insurance), provided any such insurance is uniformly procured and maintained for all Units; the employment of attorneys to represent the Association; and the employment of accountants and auditors for Association purposes.

Section 3. Annual Assessments.

(a) The annual assessment period shall be the calendar year.

(b) The annual assessment basis (first) for each Unit for the assessment period ending December 31, 1981 shall be One Hundred Seventy-Five Dollars (\$175.00) per percent of undivided interest in the Common Area appurtenant to each respective Unit as set forth in Exhibit "B" attached hereto. Pursuant to this Section, and by way of example, the assessment for Unit 100 for 1981 would be calculated as follows:

$\$175.00 \text{ (assessment basis)} \times 2.07867 \text{ percentage} = \363.77^*

*annual assessment, \$363.77, equals \$30.31 per month assessment until such time as the Board may change the payment schedule for the annual assessment.

(c) From and after the calendar year 1981 the annual assessment against each Unit shall be established by the Board, subject to the limitation that no annual assessment may be established which exceeds the annual assessment of the year immediately preceding it by an amount of more than five percent plus the percentage increase shown on the most recent U.S. Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners, all areas, or if such index shall cease to exist, by the index most nearly comparable thereto. The Board may set the annual assessment at any amount not in excess of the amount established by the foregoing limitation.

(d) The annual assessment may be increased by the Association without limit by a vote of two-thirds (2/3) of the voting power of the Association present in person or by proxy at an Association meeting duly called for such purpose.

(e) At no time shall there be an assessment, annual or special, against the Declarant for or on account of any vacant, unsold Unit, contrary authority, if any, found in the Declaration or elsewhere notwithstanding. This paragraph shall not apply in the case of a Unit reacquired by the Declarant.

(f) The annual assessments as herein provided shall commence as to all Units subject to assessment on the first assessment due date following the recording of this Declaration in the Forsyth County Registry. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. A Unit shall not be subject to assessment until such time as it is first conveyed to an Owner other than the Declarant. In the case of a first Owner other than the Declarant, the annual assessment against such Unit shall be prorated according to the number of months remaining in that annual assessment period, and the first assessment due date shall be the first day of the first month following that first Owner's acquisition of such Unit.

(g) The Board shall set the amount of the annual assessment against each Unit subject to assessment at least sixteen (16) and not more than sixty (60) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto prior to January 1st of each year.

(h) The dates for payment of the annual assessment shall be as established by the Board. However, in the absence of Board action, annual assessments established for each Unit shall be payable by or on account of the Owner at the office of the Association in twelve (12) equal installments, each being due and payable on the first day of each month beginning with January of each annual assessment period, without additional notice from the Association. The Association may accept advance payments of annual assessments.

Section 4. Special Assessments, Association Vote.
In addition to the annual assessments, the Association may levy special assessments for any purpose in furtherance of its purposes, including defraying, in whole or in part, the cost of construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures, structures

and personal property related thereto, provided that any such assessment shall have the votes of two-thirds (2/3) of the voting power of the Association present in person or by proxy at an Association meeting duly called for such purpose.

Section 5. Uniform Rate of Assessment. Annual and special assessments levied by the Association must be fixed at a uniform rate for all Units subject to assessment and may be collected on a monthly basis.

Section 6. Notice. Written notice of a meeting called for the purpose of taking any action authorized under Sections 3(d) and 4 herein shall be required and shall be sent to all Association members not less than ten (10) days nor more than sixty (60) days in advance of the meeting.

Section 7. Nonpayment of Assessments: Effect, Remedies. Any assessment of the Association not paid within thirty (30) days after the due date shall bear interest from the due date at the maximum rate allowed by law. The Association may bring an action at law against the Owner personally obligated to pay an assessment or may foreclose the lien against the Unit, and interest, costs and reasonable attorney's fees for such action or foreclosure shall be added to the amount of the assessment. In the event a Unit is to be leased, sold or mortgaged at the time when payment of any assessment against that Unit and Unit Owner due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association), then the rent or proceeds of such sale or mortgage, shall be applied by the lessee, purchaser or mortgagee first to the payment of any then delinquent assessment due to the Association and then to the payment of any rent, sale or mortgage proceeds to the Owner who is responsible for payment of such delinquent assessment. In any voluntary conveyance of a Unit, the purchaser thereof shall be jointly and severally liable with seller for all unpaid assessments against seller made prior to the time of such voluntary conveyance, without prejudice to the rights of the purchaser to recover from seller the amounts paid by purchaser therefor. No Owner may waive or otherwise escape liability for any assessment of the Association by non-use of the Common Area or abandonment of his Unit.

Section 8. Subordination of the Lien to Mortgages. Article IX liens provided shall be subordinate to the lien of any mortgage, mortgages, or deeds of trust. Sale or transfer of any Unit shall not affect an assessment lien or a lien established by Section 7 herein. However, the sale or transfer of any Unit which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereon or any proceeding, conveyance or assignment in lieu of foreclosure, shall extinguish the lien of such assessment with respect to payment thereof which became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from liability for any assessments thereafter coming due or from the lien thereon, but the lien herein provided shall continue to be subordinate to the lien of any mortgage, mortgages, or deeds of trust.

Section 9. Certificate of Payment. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth the status of assessments on a specified Unit. A properly executed certificate of the Association as to the status of assessments on a Unit shall be binding upon the Association as of the date of its issuance.

ARTICLE X

ENCROACHMENTS AND EASEMENTS

Section 1. Encroachments. In the event that any Unit or any of its permitted appurtenant improvements shall encroach upon the Common Area, or any other Unit for any reason not caused by the purposeful or negligent act of the Unit Owner, or agents of such Owner, then an easement appurtenant to such Unit shall exist for the continuance of such encroachment upon the Common Area or upon a Unit for as long as such encroachment shall naturally exist; and, in the event that any portion of the Common Area shall encroach upon any Unit, then an easement shall exist for the continuance of such encroachment of the Common Area upon such Unit for so long as such encroachment shall naturally exist. If any Unit or Common Area shall be partially or totally destroyed as a result of fire or other casualty, or as a result of condemnation or eminent domain proceedings, and if upon reconstruction of such Unit or Common Area as elsewhere herein provided, there exist encroachments of portions of the Common Area upon any Unit, or of any Unit upon any other Unit or upon any portion of the Common Area, then such encroachments shall be permitted and a valid easement for the maintenance thereof shall exist so long as such encroachments shall naturally remain. Encroachments provided for herein, if any shall be found or come to exist, shall not be interpreted to be encumbrances affecting the marketability of title to any Unit.

Section 2. Easements, Utilities and Services. Easements for installation and maintenance of utilities service and drainage are reserved as shown on the several recorded plats of the Property or portions thereof. Easement for the installation and maintenance of heating and air conditioning equipment and to garbage can location is reserved to each Owner respectively, the location of said easement being along the obvious access route and of sufficient width to permit useful access, said easement to be reserved to the respective Unit Owner and excepted from general use by the Association and to be appurtenant to and conveyed with each Unit. Within these easements no structure, planting or other material shall be placed or permitted to remain which may interfere with access to or installation and maintenance of utilities or heating and air conditioning equipment or garbage cans, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

ARTICLE XI

ANNEXATION-MERGERS

Section 1. Annexation By Declarant. At any time within seven years from date of this Declaration, the Declarant shall have the right to commit and dedicate to the terms and conditions of this Declaration by annexation or merger, additional lands contiguous to the Property as then may appear. Annexation(s) herein contemplated may be made in stages or portions.

Section 2. Annexation By Association. Additional land outside of the area described as Sycamore may be annexed to the Property and brought within the plan and design of this Declaration and the jurisdiction of the Association with the assent of the members entitled to at least three-fourths (3/4) of the voting power of the Association present in person or by proxy.

Section 3. Mergers. The Association may participate in mergers or consolidations with other non-profit corporations organized for the same or similar purposes as the Association, thereby adding to the Association the property, rights and obligations of the non-profit corporation with which it merges or consolidates. Any such merger or consolidation shall have the assent of the members entitled to at least three-fourths (3/4) of the voting power of the Association present in person or by proxy, and no such merger or consolidation shall revoke, change or add to this Declaration or any of its provisions.

Section 4. Consent of Declarant to Amendment for Annexation or Merger. The Declarant presently owns the Property, solely and entirely, in fee simple, and it hereby gives, grants, dedicates and covenants its consent to any and all amendments to this Declaration that may be necessary to permit or bring about any and all annexations or mergers that may be necessary or desirable to accomplish ultimate development (build-out) of Sycamore at 225 Units, through phases, and according to that site plan submitted to and approved by the Winston-Salem Board of Aldermen, thereafter incorporated by reference in a Special Use District Permit. In giving, granting, dedicating and covenanting its consent as appears herein, the Declarant intends to forever and irrevocably bind itself and its purchasers, successors and assigns, and specifically its successors in title to the Property and any part thereof, to the end that:

(a) Its consent shall be an appurtenance to the Property and title thereto and to such Units as shall appear thereon;

(b) Chapter 47A of the General Statutes of North Carolina generally, and G.S. 47A-6 specifically shall be observed;

(c) Unanimous consent of all Owners (the Declarant presently being the only Owner) to amendment of the Declaration for the purposes stated herein shall be assured.

The intent of this Section is to provide for the orderly, phased development of Sycamore according to plan, said plan being before the public and available to it, and approved by the local governing body. If, for any reason, successors in title to the Property, or any part thereof, shall challenge or otherwise object to an amendment to the Declaration as, and for reasons, contemplated herein being unanimously consented to as herein sought to be accomplished, then they, and each of them, by assuming title covenant and agree to, and do, give their consent to such amendment, even if that requires or effects a change on the face of or amendment to that portion of their deed which relates to undivided interest in Common Area. The consent of the Declarant as herein given, granted, dedicated and covenanted shall be deemed to apply to all land owned by it and coming within

the definition of Property. This Section shall serve as notice to any person or entity acquiring an undivided interest in the Common Area (Owner), or a security interest therein, that the ratio of the undivided interest in the Common Area that he acquires with title may (will likely) change and decrease from time to time as annexations or mergers take place as herein permitted, by unanimous consent to amendment to the Declaration, for the purposes set out herein, being given, granted, dedicated and covenanted--until ultimately, and permanently, the ratio of undivided interest of all Owners in the Common Area will be based on a ratio which shall be in the approximate relation that the fair market value of each respective Unit bears to the aggregate fair market value of all Units (eventually 225 by plan) having an interest in the Common Area.

Section 5. Supplementary or Amended Declarations.
The additions authorized under Sections 1 through 4 herein shall be made by filing of record with the Forsyth County Registry Supplementary or Amended Declarations with respect to the additional land which shall extend the plan and design of this Declaration and the jurisdiction of the Association to such Property. Supplementary or Amended Declarations may contain such complimentary additions to and modifications of the easements, covenants, conditions and restrictions contained in this Declaration as may be reasonably necessary to facilitate the annexation or merger. Supplementary or Amended Declarations relating to annexations or mergers made for purposes of this Article XI shall include a reworking of the ratios of undivided interest in the Common Area of Unit Owners as appear in Exhibit "B".

ARTICLE XII

AMENDMENT

The covenants, conditions and restrictions of this Declaration shall run with, be appurtenant to, and bind the Property and all Units for a term of twenty (20) years from the date this Declaration is first recorded in the Forsyth County Registry, and after that period they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by the Declarant with consent of the Association expressed in writing, or by an instrument signed by not less than ninety percent (90%) of the Owners and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Owners, provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements, as herein provided, or affect any lien for the payment thereof established herein, and provided further, that no amendment shall relieve the Property of the applicability of the provisions of the R-2-S zoning district of Section 25 of the Code of Winston-Salem, North Carolina, or such sections or provisions as may succeed or amend it. Any amendment to this Declaration must be properly recorded in the Forsyth County Registry to be effective. With respect to additions to the Property by annexation or merger by Declarant as in Article XI herein provided, unanimous consent of the Owners has been given, granted, dedicated and covenanted (and is here reaffirmed), and additional evidence of such consent shall not be necessary.

ARTICLE XIII

PARTY WALLS

Section 1. General Rules of Law to Apply.

Each wall, including ceiling/floors, which is built as a part of the original construction of the dwelling units and placed on the dividing line between the Units shall constitute a party wall (even though technically such wall, including ceiling/floors, may be found, by legal definition, not to be a part of either Unit), and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply.

Section 2. Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, the adjoining Owners who make use of the wall shall restore it and they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owner to call for a larger contribution from the other Owner under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. An Owner who by his negligent or willful act or omission causes the party wall to be exposed to the elements shall bear the whole cost of furnishing necessary protection to the Unit(s) against the elements.

Section 5. Right to Contribution Runs with Unit. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the Unit and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, that dispute shall be settled by arbitration in the manner provided under the Uniform Arbitration Act of North Carolina (Chapter 45A of the North Carolina General Statutes).

ARTICLE XIV

ARCHITECTURAL CONTROL

No building, fence, wall, antenna or other structure of any kind shall be commenced, erected or maintained upon the Common Area or any Unit, nor shall any addition to or change or alteration of the exterior of any existing structure within the Property be made until plans and specifications showing the nature, kind, shape, heights, materials, and location of the structure shall have been submitted to and approved by the Board or by an architectural control committee composed of

three (3) or more representatives appointed by the Board. Approval as herein required must be secured in writing, which writing shall contain factual findings that the proposed structure conforms to the overall design and appearance of the Sycamore development and will not detract from the overall appearance of the area where it is sought to be located. In the event said Board, or its designated committee, shall fail to approve or disapprove the application (design, location, etc.) within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required, and it will be deemed that this Article XIV has been fully complied with. The Association shall have the right to charge a reasonable fee for reviewing each such application. Nothing herein contained shall be construed to permit any interference with the development of the Property by the Declarant, its successors or assigns, in accordance with its general plan of development for Sycamore.

ARTICLE XV

EXTERIOR MAINTENANCE

Section 1. General Maintenance. In addition to providing maintenance of and upon the Common Area, the Association shall provide exterior maintenance upon each Unit which is subject to Association assessment, such maintenance to include, but not be limited to: painting, repairing, replacing of roofs, skylights, gutters, downspouts and exterior building surfaces. Exterior maintenance shall not include the replacement or repair of window glass, hardware, exterior lighting on the Units nor the cleaning of patios, walkways, stairways, decks, and stoops of the Units. The determination of the need, quality, extent and cost of exterior maintenance shall be made by the Board, which determination shall be reasonable and made upon consistent and non-arbitrary principles adopted by the Board.

Section 2. Extraordinary Maintenance. In the event that the need for exterior maintenance is occasioned by insurable damages from fire or other casualties or is caused through the willful or negligent act or omission of a Unit Owner, his family, tenants, guests, invitees or lessees, the cost of such maintenance or repairs shall be paid immediately by the Unit Owner. The Board may, in its discretion, delay commencement of such required exterior maintenance and repairs until the cost thereof is paid by the Unit Owner to the Association.

Section 3. Limited Common Area. Use of Limited Common Area shall be as the Association may determine by Rules or Regulations properly adopted as by By-Law provided, however the Association shall have no authority to restrict or expand useage of Limited Common Area adjoining or adjacent to a Unit (and clearly accessible from and servicing a Unit), which Limited Common Area is expressly restricted and reserved to use by the respective Unit Owner, his family, guests, invitees and lessees, to the exclusion of all others. Maintenance of the Limited Common Area shall be provided by the Association except that the Unit Owner to whom is reserved restricted use of a Limited Common Area shall be responsible for routine maintenance to keep the Limited Common Area in a neat, orderly and sanitary condition.

ARTICLE XVI

OWNER MAINTENANCE AND REPAIR

Every Unit Owner shall promptly attend to all maintenance and repair work within his Unit which, if omitted, would adversely affect Sycamore in its entirety or any part belonging to other Unit Owner(s), and each Unit Owner it expressly made responsible for damages or liability which his failure to attend to necessary maintenance and repairs may bring about. In addition to general standards of maintenance and repair the Association may, by Rule or Regulation adopted as by By-Law provided, set maintenance and repair standards relating to Units and placing upon the respective Unit Owners the obligation of adherence to those standards. Upon written notice to him by the Association, a Unit Owner shall bring his Unit to a state of maintenance and repair acceptable to general standard, or the standard adopted by the Association within thirty (30) days, and the failure of a Unit Owner to timely comply with the notice request shall be a default which shall entitle the Association to provide the maintenance and repairs to such Unit and charge the cost thereof to the respective Unit Owner, which cost shall immediately be due and payable to the Association. Should any item(s) of maintenance, repair or replacement for which the Association would otherwise be obligated be occasioned by any negligent or willful act or omission on the part of a Unit Owner, his immediate family, guests, invitees, or lessees, the Unit Owner shall pay to the Association immediately on presentation of its bill the cost of the required maintenance, repair or replacement subject to the provision that should such loss or damage be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of making such maintenance, repair or replacement, and the Unit Owner who is responsible for the act causing the loss or damage shall be required to pay that portion of the cost of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement.

ARTICLE XVII

INSURANCE

Section 1. Association Authority. The Board shall have authority, without limit, to procure and maintain such insurance coverages as it determines necessary, proper, desirable, or appropriate to carry out the obligations of the Association as set forth in this Declaration and elsewhere. Any and all insurance procured and maintained by the Association pursuant to authority found in this Article XVII shall be a Common Expense.

Section 2. Fire and Extended Coverage. The Association shall procure and maintain fire and extended coverage insurance covering all Units and covering structures and improvements in, at or upon the Common Area of a minimum amount of no less than eighty percent (80%) of the replacement value of each individual Unit, structure or improvement. Nothing herein shall prevent the Association from procuring and maintaining coverages in amounts greater than the minimum amounts set forth herein. Upon all such policies of fire and extended coverage insurance the Association shall be the named insured, and others named upon such policies shall be additional insureds as their respective interests may appear.

Section 3. Proceeds. All policies of insurance purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear and shall provide that all proceeds payable as result of casualty losses shall be paid to the Association. The Association shall hold and use such proceeds for the benefit of the Association, the Unit Owners and their mortgagees as their interests shall appear, subject to the following:

(a) The Association shall have final and conclusive authority to make determinations of whether or not, and the extent to which, repairs or replacements shall be made following a casualty loss which is insured against by the Association.

(b) In the event a mortgagee endorsement has been issued with respect to a Unit covered under a policy of insurance paid for by the Association, the share of the Unit Owner, in the event of a distribution, shall be held for the mortgagee and the Unit Owner as their interests may appear; no mortgagee shall have the right to participate in the determination made with respect to reconstruction or repair of a Unit.

(c) In the event damage for which recovery is made upon a policy of insurance paid for by the Association is to be repaired or the Unit reconstructed, proceeds shall be used to pay the costs of such repair to or reconstruction of the Unit. Any proceeds remaining after the payment of such costs shall be distributed to the beneficial Unit Owner. All such remittances shall be made payable to the Unit Owner and his mortgagee jointly. This is a covenant for the benefit of a mortgagee of a Unit and may be enforced by it.

(d) In the event it is determined the damage for which recovery is made upon a policy of insurance paid for by the Association is not to be repaired or the Unit not reconstructed, proceeds therefrom shall be distributed to the beneficial Unit Owner and his mortgagee jointly.

Section 4. By Unit Owner. Each Unit Owner, at his expense, shall have and keep in force comprehensive personal liability insurance for damages to persons or property with limits of no less than One Hundred Thousand Dollars (\$100,000) per individual occurrence. Evidence of such insurance shall be provided to and kept current with the Association, and the Association shall be a named additional insured on such policy of insurance. The Association shall have authority to, and may from time to time, increase the minimum limits of insurance coverage required to be carried by each Unit Owner. Nothin herein shall prevent or deny a Unit Owner the right to purchase whatever additional insurance upon a Unit he desires to have.

ARTICLE XVIII

RIGHTS OF FIRST MORTGAGEES

Section 1. Notification of Default by Mortgagor.

The First Mortgagee of a Unit shall be entitled, upon written request to the Association and payment of a reasonable charge, to written notification by the Association of any default by the mortgagor of such Unit in the performance of such mortgagor's obligations under these Declarations when such default is not cured within thirty (30) days from its occurrence.

Section 2. Assent of First Mortgagees to Certain Actions by the Association. The following shall require the assent in writing of at least seventy-five percent (75%) of the First Mortgagees (based upon one vote for each first lien deed of trust) which assent shall be deemed given if arbitrarily withheld:

(a) Alteration or amendment of the method of determining the obligations, assessments or other charges which may be levied against a Unit.

(b) Waiver or abandonment of any code or design regulations or enforcement thereof, pertaining to the architectural design or the exterior appearance of any building, fence, wall or other structure upon the Common Area, the exterior maintenance of Units, or maintenance of the Common Area generally.

(c) Use of hazard insurance proceeds for losses to improvements located on Association property for other than the repair, replacement or reconstruction of such improvements.

Section 3. Consent by Silence. In the event a First Mortgagee fails to respond to a written request for assent within thirty (30) days after such request has been submitted to it by the Association, written assent will not be required of said First Mortgagee and said First Mortgagee shall be deemed to have given its assent in compliance with this Section.

ARTICLE XIX

ENFORCEMENT

Section 1. Obligation to Comply; Remedies. The Unit Owners shall be governed by and shall comply with the provisions of this Declaration, which, by acceptance of a deed to a Unit, they respectively covenant and agree to do, together with the By-Laws and the Articles of Incorporation of the Association. A default by a Unit Owner upon any of his covenants and agreements as contained in, or provided for, by this Declaration shall entitle the Association or any other Unit Owner to remedies for relief which shall include, but not be limited to: an action at law to recover sums due, or for damages, injunction, foreclosure of lien, or any combination of the foregoing. Any remedy exercised by the Association or a Unit Owner to enforce a covenant and agreement contained in, or provided for, by this Declaration shall be cumulative and shall not constitute an election of remedy, and it shall not preclude the exercise of other remedies, available at law or equity, by the aggrieved party.

Section 2. Failure to Enforce - No Waiver. The failure of the Declarant, the Association, a Unit Owner, or the holder of a mortgage or deed of trust upon a Unit to enforce any covenant, condition or restriction contained in this Declaration, the By-Laws or the Articles of Incorporation of the Association shall not constitute a waiver of the right to enforce any covenant, condition or restriction in the future by said party.

ARTICLE XX

MISCELLANEOUS

Section 1. Severability. Invalidation of any one (or part of one) of the covenants, conditions or restrictions set forth in this Declaration by judgment or other court order shall not affect any other provision, all of which shall remain in full force and effect to the end that only the invalidated portion shall be a nullity.

Section 2. Construction. The provisions of this Declaration shall be liberally construed to enable the orderly development of Sycamore, in phases and according to plan, as a condominium development; and to promote the well-being, comfort and economic security of the Unit Owners.

Section 3. Word Use. Wherever the context of this Declaration requires, the use of words in the singular shall be construed to include the plural, and words in the plural, the singular; and words whether in the masculine, feminine or neuter shall be construed to include all genders.

Section 4. Captions. The captions used in this Declaration are inserted solely as a matter of convenience, and they shall not be relied upon and/or used in construing the effect or meaning of any of the text.

Section 5. Termination. Termination of Sycamore, or any part thereof, as a condominium, if that shall be, shall be as by statute provided.

Section 6. Declarant's Rights End. Any remaining rights or responsibilities reserved to, or imposed upon, the Declarant by this Declaration, other document, or operation of law which are related to Sycamore, shall cease to exist seven years from the date of this Declaration except those rights and responsibilities which may apply to the Declarant as a Unit Owner as in the case of all other Unit Owners.

Section 7. Default. Any assessment, charge or obligation due to be paid or performed by a Unit Owner to, or for the benefit of, the Association shall be delinquent, if not paid or performed immediately upon notice, and shall be deemed a default if not paid or performed within thirty (30) days of the date of the notice, and defaults shall entitle the Association to all remedies available to it.

Section 8. Successors. This Declaration, as supplemented and amended from time to time, shall be binding on all persons, fiduciaries and entities having or acquiring any right, title or interest in the Units, or any of them, or any part of them.

Section 9. Agent for Process. The person to receive service of process for the Association and for any other purpose contemplated by Chapter 47A of the General Statutes of North Carolina (specifically G.S. 47A-13(8)) is: L. Wayne Yarbrough, 5197 Country Club Road, Winston-Salem, North Carolina, 27104.

IN WITNESS WHEREOF, the Declarant (SYCAMORE, INC.)
has caused this Declaration of Covenants, Conditions and
Restrictions to be executed by its President this the
8th day of July, 1981, which is the effective date hereof.

SYCAMORE, INC.

By George M. Cleland
George M. Cleland
President



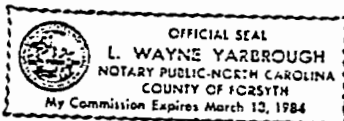
Patricia E. Williams
Patricia E. Williams
Secretary

* * * * *

NORTH CAROLINA)
)
FORSYTH COUNTY)

This 8th day of July, 1981, personally came before
me, L. Wayne Yarbrough, a Notary Public, Patricia E.
Williams, Secretary, who, being by me duly sworn, says that
she knows the Common Seal of SYCAMORE, INC. and is acquainted
with George M. Cleland, who is the President of said Corporation,
and that she, the said Patricia E. Williams, is the Secretary
of the said Corporation, and saw George M. Cleland, President,
sign the foregoing instrument, and saw the Common Seal of said
Corporation affixed to said instrument by George M. Cleland,
President, and that she, Patricia E. Williams, signed her
name in attestation of the execution of said instrument in
the presence of George M. Cleland, President of said Corporation.

Witness my hand and notarial seal, this the 8th day
of July, 1981.



My Commission Expires:

March 12, 1984

L. Wayne Yarbrough
Notary Public

BRANCH BANKING AND TRUST COMPANY of Lexington,
North Carolina, as holder of a promissory note secured
by a deed of trust on the property herein described,
and Michael K. Goodman, as Trustee under said deed of
trust, join in the execution hereof for the purpose of
subjecting the aforesaid deed of trust to the terms and
provisions of this Declaration of Covenants, Conditions
and Restrictions of Condominium.

This the 8 day of July, 1981.

BRANCH BANKING AND TRUST COMPANY

By Carl C. Hughes, Jr.
Carl C. Hughes, Jr.
Assistant Vice President

ATTEST:

Denise L. Black
Assistant Cashier

Michael K. Goodman
Michael K. Goodman, Trustee

* * * * *

NORTH CAROLINA)
DAVIDSON COUNTY)

This 8 day of July, 1981, personally came before
me, Arlene C. Edwards, a Notary Public of Davidson
County, North Carolina, Denise L. Black, who,
being by me duly sworn, says that she knows the Common Seal
of Branch Banking and Trust Company and is acquainted with
Carl C. Hughes, Jr., who is the Assistant Vice President
of that Corporation and that she, Denise L. Black,
is an Assistant Cashier of that Corporation and saw Carl C.
Hughes, Jr. sign the foregoing instrument and saw the said
Common Seal of Branch Banking and Trust Company affixed to
the instrument by Carl C. Hughes, Jr., and that she, the
Assistant Cashier, signed her name in attestation of the
execution of the instrument in the presence of Carl C.
Hughes, Jr., Assistant Vice President of that Corporation.

Witness my hand and notarial seal, this 8 day
of July, 1981.

Arlene C. Edwards
Notary Public

My Commission Expires:

7-14-82

NORTH CAROLINA)
DAVIDSON COUNTY)

I, Arlene C. Edwards, a Notary Public of Davidson County, North Carolina, do hereby certify that Michael K. Goodman, Trustee, personally appeared before me this day and acknowledged the execution of the foregoing Declaration of Covenants, Conditions and Restrictions of Condominium.

Witness my hand and notarial seal, this 8 day of July, 1981.

Arlene C. Edwards
Notary Public

My Commission Expires:

4-14-82

* * * * *

NORTH CAROLINA)
FORSYTH COUNTY)

The foregoing certificates of L. Wain Yarborough, a Notary Public for Forsyth County, North Carolina, and Arlene C. Edwards, a Notary Public for Davidson County, North Carolina, are ~~advised~~ to be correct. Let the instrument and the certificates be registered.

This the 8th day of July, 1981.

Eunice Ayers, Register of Deeds

Osae Golden
~~Deputy Clerk of Superior Court~~

Probate Fee \$ 1.00 paid.

Filed for registration on the _____ day of July, 1981 at _____ o'clock _____ M., and duly recorded in the office of the Register of Deeds of Forsyth County, North Carolina, in Deed Book _____, Page _____.

EUNICE AYERS, Register of Deeds

By _____
Deputy Register of Deeds

PRESENTED FOR
REGISTRATION
Fee \$ 54.00 paid
RECORDED

JUL 8 11 34 AM '81

EUNICE AYERS
REGISTER OF DEEDS
FORSYTH CO., N.C.

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BOOK 1339P 0032

EXHIBIT "A"

BY-LAWS

OF

SYCAMORE HOMEOWNERS ASSOCIATION, LTD.

A North Carolina Not for Profit Corporation

ARTICLE I

GENERAL

Section 1. Preliminary Statement of Scope and Effect. The within By-Laws are attached to the Declaration of Covenants, Conditions and Restrictions of Condominium (the "Declaration") pursuant to the provisions of Chapter 47A of the General Statutes of North Carolina. The purpose hereof is to provide for the establishment of a Unit Owners Association for the government of the Common Area within Sycamore in the manner provided by the Declaration and the within By-Laws. All present or future Owners or tenants or their employees, or any other person occupying or using the Common Area in any manner, shall be subject to the covenants, conditions, restrictions, provisions and regulations contained in the Declaration and the within By-Laws and shall be subject to any restriction, condition and regulation hereafter adopted by the Board of Directors of the Association (the "Board"). The mere acquisition or rental of any of the Units located within the Property described in the Declaration, or the mere act of occupancy of any of the Units, will constitute acceptance and ratification of the Declaration and the within By-Laws.

Section 2. Name. The name of the Association shall be "Sycamore Homeowners Association, Ltd.", a North Carolina not for profit corporation (the "Association").

Section 3. Principal Office. The principal office of the Association shall be at 5197 Country Club Road, Winston-Salem, North Carolina, or at such other place as may be subsequently designated by the Board. All books and records of the Association shall be kept at the principal office.

Section 4. Definitions. As used in these By-Laws, terms defined in the Declaration shall mean the same herein. Terms defined herein shall be as appear.

BOOK 1339P0033

ARTICLE II

THE ASSOCIATION

Section 1. Authority-Responsibility. The Association shall have exclusive control, authority and responsibility with respect to the management, operation and administration of the Common Area.

Section 2. Membership. Each Unit Owner, upon acquisition of title to a Unit, shall automatically become a member of the Association. Membership may be held in the name of more than one owner. Such membership shall terminate upon the sale or other disposition by such member of his or her Unit, at which time the new Owner of such Unit shall automatically become a member of the Association. Membership in the Association shall inure automatically to Owners upon acquisition of the fee simple title - whether encumbered or not - to any one or more Units. The date of recordation of the conveyance in the Forsyth County Registry of a Unit shall govern the date of ownership of that Unit. In the case of death of an Owner, the transfer of ownership of a Unit shall occur on date of death in the case of intestacy, or the date of probate of Will in Forsyth County in the case of testacy. The Association shall presume that a deceased Owner died intestate and that presumption shall continue until such time as a deceased Owner's Will is probated in Forsyth County.

Section 3. Voting Rights. The Association shall have two classes of voting membership.

(a) "Class A" members shall be all Owners, with the exception of the Declarant initially, and shall be entitled to one vote for each Unit owned; and

(b) "Class B" member(s) shall be the Declarant and shall be entitled to four votes for each Unit owned. The Class B membership shall cease and be converted to Class A membership on the happening of the earliest to occur of the following events:

(1) the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership, or

(2) the Declarant shall elect to convert its membership to Class A, or

(3) July 8, 1988.

(c) Where a Unit is owned by two or more persons (whether individually or in a fiduciary capacity), the vote appurtenant to that Unit may be cast by any one of the co-owners, in person or by proxy. If more than one of the co-owners vote, the unanimous action of all co-owners voting shall be necessary to effectively cast the vote allocated to that Unit and to participate in the quorum.

(d) In the case of a Unit owned or held in the name of a corporation or a partnership, a certificate signed by the Unit Owner shall be filed with the Secretary of the Association naming the person authorized to cast votes for such Unit, which certificate shall be conclusive until a subsequent substitute certificate is filed with the Secretary of the Association. If such certificate is not on file, the vote of such corporation or partnership shall not be considered nor shall the presence of a representative of the Owner in the case of a corporation, or one or more partners in the case of a partnership, be considered in determining whether a quorum requirement has been met.

(e) In the case of a Unit owned exclusively by a husband and wife, no certificate need be filed with the Secretary of the Association naming the person authorized to cast votes for such Unit, and either spouse, but not both, may vote in person or by proxy and be considered in determining whether the quorum requirement has been met at any meeting of the Association, unless prior to such meeting either spouse has notified the Secretary of the Association in writing that there is a disagreement as to who shall represent their Unit, in which case each spouse may exercise the proportion of the voting power of their Unit that is equivalent to his or her proportionate interest in their Unit.

(f) The Owner of a life estate in a Unit shall be entitled to cast the vote appurtenant to that Unit. The provisions of Section 3(c) of this Article II shall also apply to those owning life estates or joint or multiple life estates in Units.

(g) Fiduciaries and minors who are Unit Owners may vote their respective interests as Unit Owners. The provisions of Section 3(c) of this Article II shall also apply to fiduciaries and minors who are Unit Owners.

(h) No person, other than Declarant, shall be entitled to vote until such person has presented to the Secretary of the Association or a Voting Inspector appointed at such meeting, reasonable evidence of fee simple ownership, or of partial fee simple ownership, or of a life estate in a Unit.

Section 4. Meeting of Members.

(a) Prior to First Annual Meeting. So long as Units to which less than twenty-five percent (25%) of the undivided interests in the Common Area appertain have been sold and conveyed by the Declarant, the Declarant shall have the right to elect or designate all six Board members. Not later than the time that Units to which twenty-five percent (25%) of the undivided interests in the Common Area appertain have been sold and conveyed by the Declarant, the Association shall meet and the Unit Owners, other than the Declarant, shall elect a total of two Board members who shall replace two of the Board members previously elected or designated by the Declarant. Not later than the time that Units to which fifty percent (50%) of the undivided interests in the Common Area appertain have been sold and conveyed by the Declarant, the Association shall meet and the Unit Owners, other than the Declarant, shall elect one additional

Board member who shall replace one of the Board members previously elected or designated by the Declarant. The Declarant shall have the sole right to designate Board members who are to be replaced pursuant to this paragraph.

(b) First Annual Meeting. Within 30 days after the earlier of (a) seven years following the date of the establishment of the Association (which date shall be the date of filing for record of the deed or other evidence of ownership following the first sale of a Unit) or (b) the date of the sale and conveyance by the Declarant of Units to which appertain eighty percent (80%) or more of the undivided interests in the Common Area to purchasers in good faith for value, the Association shall meet (herein referred to as the "First Annual Meeting") and elect all six members of the Board and all officers of the Association, and all persons previously elected or designated, whether by the Declarant or by the other Unit Owners, shall immediately resign; provided, however, that such persons who are members of the Association shall be eligible for reelection to the Board. The persons so elected at the First Annual Meeting shall take office upon such election and shall serve such terms for which they are elected in accordance with Section 4 of Article III.

(c) Determination of Percentages to Determine Assumption of Control. To determine the percentages of undivided interests in the Common Area which have been sold and conveyed for the purposes of determining the assumption of control of the Association pursuant to Paragraphs (a) and (b) of this Section 4, the total number of Units which have been sold and conveyed shall be divided by the maximum number of Units, i.e., 225 residential Units.

(d) Annual Meeting. The annual meeting of the Association for the election of members of the Board, the consideration of reports to be presented at such meeting, and the transaction of such other business as may properly be brought before such meeting shall be held at such time and at such place on the Property or at such other place within Forsyth County, North Carolina, as may be designated by the Board and specified in the notice of such meeting. The annual meeting of the Association shall be held in each succeeding year on the first Thursday of the month in which the first annual meeting was held, if not a legal holiday, and if a legal holiday, then on the next succeeding business day.

(e) Special Meetings. After the First Annual Meeting, special meetings of the Association may be held on any business day when called by the President of the Association, or by the Board, by action at a meeting or by a majority of the Directors acting without a meeting, or by members entitled to exercise at least twenty-five percent (25%) of the voting power of the Association. Upon request in writing delivered either in person or by certified mail to the Secretary of the Association by any persons entitled to call a meeting of members, such officer shall forthwith cause to be given to the members entitled thereto notice of a meeting to be held on a date not less than ten nor more than 60 days after the receipt

of such request as such officer may set. If such notice is not given within ten days after the delivery or mailing of such request, the person(s) calling the meeting may themselves set the time of the meeting and give notice thereof. Each special meeting shall convene at such time and at such place on the Property, or at such other place within Forsyth County, North Carolina, as are specified in the notice of meeting. Notice of such meetings shall specify the purposes for which the meeting is called. No business other than that specified in the call and set forth in the notice shall be considered at any special meeting.

(f) Notice of Meetings. Not less than ten nor more 60 days before the day fixed for an annual or special meeting of the Association, written notice stating the time, place and purpose of such meeting shall be given by or at the direction of the Secretary of the Association or any other person or persons required or permitted by these By-Laws to give such notice. Such notice shall be given by personal delivery or by mail to each member of the Association who is a Unit Owner of record as of the day preceding the day on which notice is given. If mailed, such notice shall be addressed to the members of the Association and others entitled to such notice at their respective addresses as they appear on the records of the Association and deposited, post paid, into the United States Mail. Notice of the time, place and purpose of any meeting of the Association may be waived in writing by any member of the Association, either before or after the holding of such meeting, which writing shall be filed with or entered upon the records of the meeting. The attendance of any member of the Association at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice, shall be deemed to be a waiver by him of notice of such meeting.

(g) Quorum; Adjournment. Except as may be otherwise provided by law or by the Declaration, at any meeting of the Association, the members of the Association entitled to exercise a majority of the voting power of the Association present in person or by proxy shall constitute a quorum for such meeting. No action may be authorized or taken by a lesser percentage than required by law, by the Declaration or by these By-Laws. The members of the Association entitled to exercise a majority of the voting power represented at a meeting of members, whether or not a quorum is present, may adjourn such meeting from time to time until a quorum shall be present. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting.

(h) Order of Business at Regular Meetings. The order of business at all regular meetings of members of the Association shall be as follows:

- (1) Calling of meeting to order, establishing quorum;
- (2) Proof of notice of meeting or waiver of notice;

- (3) Reading of minutes of preceding meeting, approval;
- (4) Reports of officers;
- (5) Reports of committees;
- (6) Election of Voting Inspector;
- (7) Election of Directors;
- (8) Unfinished and/or old business;
- (9) New Business;
- (10) Adjournment.

(i) Business at Special Meetings. The only business at each special meeting shall be that business specified in the notice thereof.

(j) Actions Without a Meeting. All actions, except removal of a Director, which may be taken at a meeting of the Association, may be taken without a meeting with the approval of, and in a writing or writings signed by, members having the percentage of voting power required to take such action if it had been taken at a meeting. Such writings shall be filed with the Secretary of the Association. A copy of the action taken, when approved, shall be mailed promptly to all members of the Association.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Board of Directors. The Board shall constitute for all purposes the Board of Directors referred to in the Articles of Incorporation of the Association, the Declaration, these By-Laws and the laws of the State of North Carolina.

Section 2. Number and Qualification. The Board shall consist of six (6) persons, each of whom, subject to the provisions of Section 1 of Article XII, must be a Unit Owner, except that in the case of a Unit held by a corporation, partnership, fiduciary, or nominee, the designated representative thereof shall be eligible to serve as a member of the Board.

Section 3. Election of Directors; Vacancies. The required Directors shall be elected at each annual meeting of members of the Association, but when the annual meeting is not held or Directors are not elected thereat, they may be elected at a special meeting called and held for that purpose. Election shall be by written secret ballot whenever requested by any member; but unless such request is made, the election may be conducted in any manner approved at such meeting. Only persons nominated as candidates shall be eligible for election as Directors. Each member may vote for as many candidates as there are vacancies in the Board, however caused. Candidates receiving the votes representing the greatest percentages of voting power of the Association shall be elected Directors. The office of a Director who ceases to be qualified to serve as such shall automatically become vacant immediately thereupon. The remaining Directors, even if less than a majority of the authorized number of Directors, shall, by the vote of a majority of their number, fill any vacancy on the Board for the unexpired term of the Director whose office shall be vacant. This Section 3 provides for election by plurality vote, but does not establish cumulative voting, which is expressly denied in Association voting.

Section 4. Term of Office; Resignations. Except as herein provided, each Director shall hold office until the second annual meeting of the Association following that at which he/she was elected and until his/her successor is elected, or until his/her earlier resignation, removal from office or death. Any Director may resign at any time by oral statement to that effect made at a meeting of the Board or by a writing to that effect delivered to the Secretary of the Association; such resignation shall take effect immediately or at such other time as the Director may specify. At the First Annual Meeting of the Association, the term of office of three Directors shall be fixed so that their terms will expire on the date of the next annual meeting of the Association; the term of office of the remaining three Directors shall be fixed so that their terms will expire on the date of the second annual meeting following the First Annual Meeting. The candidates receiving votes representing the greatest percentages of the voting power of the Association shall be elected for the longest terms. Tie votes shall be decided by a drawing of lots. At the expiration of such initial term of office of each of the Directors elected at the First Annual Meeting, their respective successor Directors shall be elected to serve two-year terms.

Section 5. Organizational Meeting. Immediately after each annual meeting of the Association, or special meeting held in lieu thereof, the newly elected Directors and those Directors whose terms hold-over shall hold an organizational meeting for the purpose of electing officers and transacting any other business as may properly be brought before it. This Section 5 shall not apply to the First Annual Meeting.

Section 6. Regular Meetings. Regular meetings of the Board may be held at such times and places within Forsyth County, North Carolina, as shall be determined from time to time by a majority of the Directors by resolution. At least four regular meetings of the Board shall be held each year.

Section 7. Special Meetings Notice. Special meetings of the Board may be held at any time upon call by the President or any two Directors. Notice of the time, place and purpose of each special meeting shall be given to each Director by the Secretary of the Association or by the person(s) calling such meeting. Such notice shall state the purpose or purposes of the meeting and may be given in any manner or method and at such time so that the Director receiving it may have reasonable opportunity to attend the meeting. Such notice shall, in all events, be deemed to have been properly and duly given if delivered or mailed at least 48 hours prior to the meeting and directed to the residence of each Director as shown upon the records of the Secretary of the Association. The giving of notice shall be deemed to have been waived by any Director who shall attend and participate in such meeting and may be waived, in writing or by telegram, by any Director either before or after such meeting. Unless otherwise indicated in the notice thereof, any business may be transacted at any organizational, regular or special meeting of the Board.

Section 8. Open Meetings. All meetings of the Board shall be open to all Unit Owners. Adequate notice of all meetings shall be posted conspicuously on the Property at least 48 hours in advance of meetings of the Board except in case of emergency.

Section 9. Quorum; Adjournment. A majority of the Board shall constitute a quorum for the transaction of business, except that a majority of the Directors in office shall constitute a quorum for filling a vacancy on the Board. Whenever less than a quorum is present at the time and place appointed for any meeting of the Board, a majority of those present may adjourn the meeting from time to time until a quorum shall be present. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are set and announced at such meeting. At each meeting of the Board at which a quorum is present, all questions and business shall be determined by a majority vote of those present, except as may be otherwise expressly provided in the Declaration or in these By-Laws.

Section 10. Actions Without a Meeting. All actions, except removal of officers, which may be taken at a meeting of the Board, may be taken without a meeting with the unanimous consent in writing of all of the members of the Board. Such writing, signed by each member of the Board, shall be filed with the minutes and proceedings of the Board.

Section 11. Removal of Directors. Except as otherwise provided herein, the Board may remove any Director and thereby create a vacancy in the Board if by order of court he/she has been found to be of unsound mind, or if he/she is physically incapacitated, adjudicated a bankrupt, or fails to attend three consecutive meetings of the Board. At any regular or special meeting of the Association properly called at which a quorum shall be present, any one or more of the Directors may be removed with or without cause by the vote of members entitled to exercise a majority of the voting power of the Association, and a successor or successors to such Director or Directors so removed may be elected at the same meeting for the unexpired term for each such removed Director. Any Director whose removal has been proposed by the members of the Association shall be given an opportunity to be heard at such meeting prior to the vote on his/her removal.

Section 12. Compensation. The Directors shall not receive any salary or compensation for their services, as such; provided that nothing herein contained shall be construed to preclude any Director from having dealings with the Association in any other capacity and receiving compensation therefor; and provided that a Director may be reimbursed for actual out-of-pocket expenses to him/her on account of his/her services to the Association in the course of Association business.

Section 13. Regulations. For the government of its actions, the Board may adopt such Regulations, consistent with the Declaration and these By-Laws, as it deems necessary and appropriate.

Section 14. Powers and Duties. Except as otherwise provided by law, the Declaration or these By-Laws, all power and authority of the Association shall be exercised by the Board. The Board shall be responsible for maintenance, repairs, improvements and replacements within the Common Area and Limited Common Area. In carrying out the purposes of the Association and subject to the limitations prescribed by law, by the Declaration or by these By-Laws, the Board, for and on behalf of the Association may:

- (a) purchase or otherwise acquire, lease as lessee, hold, use, lease as lessor, sell exchange, transfer, and dispose of property of any description or any interest therein;
- (b) make contracts, pay taxes, purchase insurance;
- (c) pay lawful Association debts;
- (d) borrow money, and issue, sell and pledge notes, bonds and other evidences of indebtedness of the Association provided that if such borrowing is in excess of \$25,000 the prior approval of the members of the Association entitled to exercise a majority of the voting power of the Association shall be obtained at a special meeting duly held for such purpose;
- (e) establish assessments, charges and fees;
- (f) employ a managing agent and such other persons or firms to perform such duties and services as may be necessary or desirable;
- (g) create and enforce Rules and Regulations for the use and enjoyment of the Common Area; and
- (h) do all things permitted by law and exercise all power and authority within the purposes stated in the Declaration or incidental thereto.

Section 15. Committees. The Board may by resolution provide for such standing or special committees as it deems desirable, and discontinue the same at its discretion. Each such committee shall have such powers and perform such duties, not inconsistent with law, as may be delegated to it by the Board. Each such committee shall keep such records and accounts of its proceedings and transactions as may be appropriate. All action by any such committee shall be reported to the Board at its meeting next succeeding such action and shall be subject to control, revision and alteration by the Board; provided that no rights of third persons shall be prejudicially affected thereby. Each such committee shall fix its own rules of procedure as appropriate and shall meet as provided by such rules or by resolutions of the Board, and it shall also meet at the call of the President of the Association or of any two members of the committee. Unless otherwise provided by such rules or by such resolutions, the provisions of Section 7 of this Article III relating to the notice required to be given of special meetings of the Board shall also apply to meetings of each such committee.

A majority of the members of a committee shall constitute a quorum. Each such committee may act in writing or by telegram or by telephone with written confirmation, without a meeting, but no such action shall be effective unless concurred in by all members of the committee. Vacancies on committees shall be filled by the Board or as it may provide.

ARTICLE IV

OFFICERS

Section 1. General Provisions. The Board shall elect a President, such number of Vice Presidents as the Board may from time to time determine, a Secretary and a Treasurer. The Board may from time to time create such other offices and appoint such other officers, subordinate officers and assistant officers as it may desire to have. The President and any Vice President who succeeds to the office of President shall be, but the other officers need not be, chosen from among the members of the Board. Any two of such offices, other than that of President and Vice President, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument of the Association in more than one capacity.

Section 2. Term of Office. The officers of the Association shall serve at the pleasure of the Board. They shall serve, unless sooner removed by the Board, until the organizational meeting of the Board following the next annual meeting of members of the Association; they may be reelected, one or all, for like terms. The Board may remove any officer at any time, with or without cause. A vacancy in any office, however created, shall be filled by the Board.

Section 3. No Compensation to Officers. No officer of the Association shall receive compensation for his/her services as such.

ARTICLE V

DUTIES OF OFFICERS

Section 1. President. The President shall be the chief executive officer of the Association, shall preside at all meetings of members and of the Board and shall exercise supervision over the affairs of the Association and over its several officers, subject, however, to the control of the Board. The President shall have authority to sign all contracts, notes and other instruments requiring his/her signature, and shall have all the power and duties prescribed by law and such other powers and duties as the Board may from time to time assign him/her.

Section 2. Vice Presidents. The Vice Presidents shall perform such duties as are conferred upon them by these By-Laws or as may from time to time be assigned to them by the Board or the President. At the request of the President, or in his/her absence or disability, the Vice President designated by the President (or in the absence of such designation, the Vice President designated by the Board) shall perform all the duties of the President, and when so acting, shall have all the power of the President. The authority of Vice Presidents to sign in the name of the Association shall be as authorized by the Board, and as the Board may establish, such authority may be general or specific.

Section 3. Secretary. The Secretary shall keep minutes of all the proceedings of the Association and Board and shall have authority to sign all contracts, notes and other instruments executed by the Association requiring his/her signature; give notice of meetings of the Association and Board keep such books as may be required by the Board; and perform such other and further duties as may from time to time be assigned to him/her by the Board.

Section 4. Treasurer. The Treasurer shall have general supervision of all finances; he/she shall receive and have in charge all money, bills, notes, documents and similar property belonging to the Association, and shall do with the same as may from time to time be required by the Board. He/she shall cause to be kept adequate and correct accounts of the business transactions of the Association, including accounts of its assets, liabilities, receipts, expenditures, profits and losses, together with such other accounts as may be required, and upon the expiration of his/her term of office shall turn over to his/her successor or to the Board all property, books, documents and money of the Association in his/her hands; and he/she shall perform such other duties as from time to time may be assigned to him/her by the Board.

Section 5. Assistant and Subordinate Officers. The Board may appoint such assistant and subordinate officers as it may deem desirable. Each such officer shall hold office at the pleasure of the Board, and perform such duties as the Board may prescribe. The Board may, from time to time, authorize any officer to appoint and remove subordinate officers and to prescribe the duties of the various subordinate officers.

Section 6. Delegation of Authority and Duties; Control of Officers. In the absence of any officer of the Association, or for any other reason the Board may deem sufficient, the Board may delegate the powers or duties, or any of them, of such officers, to any other officer, or to any Director, or to a managing agent. In addition, the Board is authorized generally to control the actions of the officers and to require the performance of duties in addition to those mentioned herein.

Section 7. Fidelity Bonds. The Board shall require that all officers and employees of the Association handling or responsible for Association funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association and shall be a Common Expense.

ARTICLE VI

INDEMNIFICATION

Section 1. Indemnification of Directors and Officers. The Association shall indemnify any Director or officer or any former Director or officer of the Association against reasonable expenses, including attorneys' fees, judgments, decrees, fines, penalties or amounts paid in settlement actually and necessarily incurred by him/her in connection with the defense of any pending or threatened action, suit, or proceeding, criminal or civil, to which he/she is or may be made a party by reason of being or having been such Director or officer, provided it is determined in the manner hereinafter set forth (a) that such Director or

officer was not, and is not adjudicated to have been, guilty of misconduct in the performance of his/her duty to the Association, (b) that he/she acted in good faith in what he/she reasonably believed to be in the best interest of the Association, (c) that, in any matter the subject of a criminal action, suit or proceeding, he/she had no reasonable cause to believe that his/her conduct was unlawful, and (d) in the case of settlement, that the amount paid in the settlement was reasonable. Such determination shall be made either (1) by the Board acting at a meeting at which a quorum consisting of Directors who are not parties to or threatened with any such action, suit or proceeding is present, or (2) in the event of settlement, by a written opinion of independent legal counsel selected by the Board.

Section 2. Advance of Expenses. Funds to cover expenses, including attorneys' fees, with respect to any pending or threatened action, suit, or proceeding, may be advanced by the Association prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amounts unless it shall ultimately be determined that he/she is entitled to indemnification hereunder.

Section 3. Indemnification Not Exclusive; Insurance. The indemnification hereinabove provided for in this Article VI shall not be exclusive but shall be in addition to (a) any other rights to which any person may be entitled under the Articles of Incorporation of the Association, the Declaration, any agreement, the laws of North Carolina, any insurance provided by the Association, or otherwise; or (b) the power of the Association to indemnify any person who is or was an employee of the Association to the same extent and in the same situations and subject to the same determinations as are hereinabove set forth with respect to a Director or officer. The Association may purchase and maintain insurance on behalf of any person who is or was a Director, officer or employee against any liability asserted against him/her or incurred by him/her in any such capacity or arising out of his/her status as such whether or not the Association would have the power to indemnify him/her against such liability under the provisions of this Article VI.

Section 4. Indemnification by Unit Owners. The Directors shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the Directors against all contractual liability to third parties arising out of the contracts made on behalf of the Association except with respect to any such contract made in bad faith or contrary to the provisions of the Declaration or By-Laws. It is intended that the Directors shall have no personal liability with respect to contracts entered into on behalf of the Association. The liability of Unit Owners under the foregoing indemnity shall be proportionate to the respective undivided interest of each Unit Owner in the Common Area. Each contract entered into by the Association shall provide that the officers or Directors executing the same are acting only as agents for the Association and have no personal liability thereunder.

ARTICLE VII

FISCAL YEAR

The Fiscal Year of the Association shall be the calendar year and shall end on the 31st day of December of each year. The Board may adopt a different fiscal year.

ARTICLE VIII

GENERAL POWERS OF THE ASSOCIATION

Section 1. Payments As Common Expenses. The Association, for the benefit of all the Owners, shall pay for, out of Association funds as Common Expenses, the following:

(a) Utilities and Related Facilities. The cost of water, waste removal, electricity, or any other necessary utility service for the Common Area, and the cost of gas, water, hot and cold water lines, waste removal and any utilities which are not separately metered or otherwise directly charged to individual Owners. In the event any utility service for a Unit is paid by the Association of a kind or nature not furnished to all Unit Owners, the Association shall charge monthly to the Owner of such Unit an estimated cost for such usage. However, the Association may discontinue payments of such utility service at any time, in which case each Owner shall be responsible for direct payment of his/her share of such expense as shall be determined by the Board. The Association shall have the right to levy additional assessments against any Owner to reimburse it for excessive use of any utility service by such Owner in such amounts as shall be determined by the Board.

(b) Casualty Insurance. Premiums upon a policy or policies of fire insurance, with extended coverage, vandalism and malicious mischief endorsements, as provided in the Declaration, the amount of which insurance shall be reviewed annually.

(c) Liability Insurance. Premiums upon a policy or policies insuring the Association, the members of the Board, and the Owners against any liability, to the public or to the Owners, their tenants, invitees or licensees, on account of the Common Area or Units, or the use of either, as provided in the Declaration, the limits of which policy or policies shall be reviewed annually.

(d) Other Insurance. Premiums for other insurance effected in accordance with the provisions of the Declaration or these By-Laws.

(e) Worker's Compensation. The costs of workman's compensation insurance to the extent necessary to comply with any applicable laws, or Board resolution.

(f) Wages and Fees for Services. The fees for services of any person or firm employed by the Association, including, without limitation, the services of a person or firm to act as a manager or managing agent of the Association, the services of any person or persons required for the maintenance or operation of the Common Area, and legal and accounting services necessary

or useful in the operation of the Association or the enforcement or interpretation of the Declaration, or of these By-Laws or for the organization, operation and enforcement of the rights of the Association.

(g) Care of Common Area. The cost of maintaining, improving or repairing, and of making replacements and additions to-- the foregoing may include but not be limited to, landscaping, gardening, security, snow removal, painting, cleaning, decorating, refurbishing, and rehabilitation--the Common Area including the Limited Common Area, and Unit exteriors.

(h) Maintenance of Certain Units. The cost of the maintenance and repair of any Unit, if such maintenance or repair is necessary, in the discretion of the Board, for public safety or to protect the Common Area or any other portion of any building from damage or destruction, and if the Owner of such Unit has failed or refused to perform such maintenance or repair within a reasonable time after written notice of the necessity thereof delivered by the Association to such Unit Owner; provided that the Association shall levy a special assessment against such Unit Owner for the cost of such maintenance or repair.

(i) Discharge of Mechanic's Liens. Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property or any part thereof which may in the opinion of the Association constitute a lien against the Property, rather than solely against the interests therein of any particular Unit Owner; it being understood, however, that the foregoing authority shall not be in limitation of any statutory provisions relating thereto. Where one or more Unit Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging such lien, and any costs incurred by the Association by reason of such lien shall be specially assessed against such Owner or Owners.

(j) Additional Expenses. The cost of any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, or other expenses which the Association is required or permitted to secure or pay for pursuant to the terms of the Declaration, these By-Laws, or by law, or which, in the Board's opinion, shall be necessary or proper for the maintenance and operation of Sycamore as a first-class condominium property, or for the enforcement or interpretation of the Declaration and these By-Laws.

Section 2. Capital Additions, Alterations and Improvements. Notwithstanding anything set out in the By-Laws or in the Declaration which authorizes expenditures, no single expenditure shall be made by the Board for any addition, alteration or improvement (as distinguished from maintenance, repair or replacement) of the Common Area, including the Limited Common Area, and Unit exteriors, which shall exceed a total of Ten Thousand Dollars (\$10,000), nor shall annual expenditures aggregating in excess of Twenty-Five Thousand Dollars (\$25,000), for all such additions, alterations or improvements, be made without having the prior approval of the members of the Association

entitled to exercise a majority of the voting power of the Association present in person or by proxy at an annual or a special meeting duly held for such purpose. If such approval is obtained, the Board shall proceed with such additions, alterations or improvements and shall, if required, assess all Unit Owners for the cost thereof as a Common Expense. The limitations on expenditures by the Board contained in this Section 2 of Article VIII shall in no event apply to repair of the Common Area or a Unit or Units as a result of casualty loss or to emergency repairs immediately necessary for the preservation and safety of the Common Area or a Unit or Units, for the safety of persons or to avoid suspension of any necessary services.

Section 3. Association's Right to Enter Units. The Association or its agents may enter any Unit when necessary in connection with any maintenance or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Unit Owner as practicable, and prior notice shall be given except in an emergency situation; any damage caused thereby shall be repaired by the Association, and the cost thereof charged as a Common Expense. At an Owner's request the Association shall have authority to possess keys to a Unit, but in the absence of such a request the Association may not retain or possess pass keys or duplicate keys to a Unit. Pass keys and duplicate keys possessed by the Association at a Unit Owner's request shall be kept in a secure manner. In the event of any emergency originating in or threatening any Unit, the management agent or representative or any other person designated by the Board may enter the Unit immediately, whether the Owner is present or not, provided that the Association shall notify such Unit Owner of such entry as soon as practicable after the fact.

Section 4. No Active Business to be Conducted for Profit. Nothing herein contained shall be construed to give the Association authority to conduct an active business for profit on behalf of itself or of all the Unit Owners or any of them.

Section 5. Miscellaneous Income. Any monies received by the Association in addition to assessments, fees and charges shall be applied to the Common Expense.

Section 6. Special Services. The Association may arrange for the provision of any special services and facilities for the benefit of such Unit Owners and/or occupants as may desire to pay for the same including, without limitation, cleaning, repair and maintenance of Units and provision of special recreation, educational or medical facilities. Fees for such special services and facilities shall be determined by the Board and may be charged directly to participating Unit Owners, or paid from the maintenance fund and levied as a special assessment against such participating Unit Owners.

Section 7. Delegation of Duties. Nothing herein contained shall be construed so as to preclude the Association, through the Board or officers of the Association, from delegating to persons, firms, or corporations of its choice, including any manager or

managing agent, such duties and responsibilities of the Association as the Board shall from time to time specify, and to provide for reasonable compensation for the performance of such duties and responsibilities.

Section 8. Acquisition or Lease of Real Property.
Whenever the Board determines to acquire or lease real property or any interest therein, the Board shall submit such acquisition or lease to the vote of the Unit Owners, and, upon the affirmative vote of the Unit Owners entitled to exercise not less than seventy-five percent (75%) of the voting power of the Association present in person or by proxy at an annual meeting or a special meeting duly held for such purpose; the Board may proceed with such acquisition or lease, in the name of the Association and on behalf of all Unit Owners, and the costs and expenses incident thereto shall constitute part of the Common Expense.

Section 9. Applicable Laws. The Association shall be subject to and governed by the provisions of any statute, existing or hereafter adopted or amended, applicable to property submitted to the Unit Ownership form of ownership including, without limitation, Chapter 47A of the General Statutes of North Carolina. In the event of any conflict or inconsistency between the provisions of the Declaration and the Articles of Incorporation of the Association and/or By-Laws, the terms and provisions of the Declaration shall prevail, and the Owners and all persons claiming under them covenant and agree to vote in favor of such amendments to the Articles of Incorporation of the Association or By-Laws as will remove such conflicts or inconsistencies.

ARTICLE IX

RULES AND REGULATIONS

The Association, by the affirmative vote of the members entitled to exercise a majority of the voting power of the Association present in person or by proxy at an annual or special meeting duly held for such purpose, or the Board, by the vote of a majority of the authorized number of Directors, may adopt and amend Rules and Regulations supplementing the Rules and Regulations set forth in the Declaration or these By-Laws, as it may deem advisable, governing the operation and use of the Common Area or Units of any portion thereof. Written notice setting forth any such Rules and Regulations shall be given to all Unit Owners and occupants prior to the effective date of such Rules and Regulations; and all persons at, on, or using the Common Area or Units shall at all times be subject thereto. In the event such Rules and Regulations shall conflict with any provision of the Declaration or of these By-Laws, the provisions of the Declaration or of these By-Laws, as the case may be, shall govern. No Rule or Regulation of the Association adopted as provided in this Article IX shall in any way interfere with, attempt to interfere with, or be interpreted to interfere with, the normal incidents of privacy and quiet enjoyment associated with home ownership.

ARTICLE X

ASSESSMENTS

Section 1. Determination of Assessments. The Board shall determine and set from time to time the sum or sums necessary and adequate for the Common Expense of the Association (items enumerated in Section 1 of Article VIII herein), and any other expenses designated from time to time by the Board as Common Expenses. The Board is specifically empowered on behalf of the Association to set the annual operating budget and collect assessments based thereon; and to maintain, repair and replace the Common Area including Limited Common Area and Unit exteriors. Funds for the payment of Common Expenses shall be assessed against the Units in the manner and proportions provided in the Declaration and these By-Laws and such assessments shall be payable as provided therein. Special assessments, if any should be required by the Board, shall be levied and paid as provided in the Declaration.

Section 2. Notice and Payment of Assessments. When the Board has determined the amount of any assessment, the Secretary or Treasurer of the Association shall mail or present a statement of the assessment to each of the Unit Owners. All assessments shall be payable to the Association, and, upon request, the Secretary or Treasurer shall give a receipt for each payment made. Regular assessments shall be levied against Units, as provided, in an amount no less than required to provide funds in advance for payment of all the anticipated current Common Expenses and for all of the unpaid Common Expenses previously incurred. It shall be the duty of each Unit Owner to pay his/her proportionate share of the Common Expenses as assessed against his/her Unit, the share of each to be in the same ratio as his/her undivided ownership interest in the Common Area as set forth in the Declaration. Payment of assessments shall be made in such amounts and at such times as may be determined by the Board.

Section 3. Budget and Assessment. The Board shall, on or before the first day of December of each year subsequent to the First Annual Meeting of the Association, prepare a budget which shall be based on its estimate of the total amount ("The Estimated Cash Requirement") that will be required during the following fiscal year to pay the Common Expenses and to provide a reserve for contingencies and replacements. On or before December 15th of each year, the Board shall submit such budget in writing to each Unit Owner including therein The Estimated Cash Requirement together with a reasonable itemization thereof. Promptly thereafter an assessment shall be made by the Board against each Unit to be that Unit's proportionate share of Common Expense in accordance with each Unit Owner's undivided interest in the Common Area as set forth in the Declaration and subject to the limitations contained in the Declaration. Such assessment shall be due and payable by each Unit Owner commencing on January 1 or on the first day of each succeeding calendar month of such ensuing year in monthly installments (which may or may not be equal as, and if, determined by the Board. If the amount of such assessment proves to be inadequate for any reason, including non-payment

by any Unit Owner of his/her assessment, the deficiency shall be assessed against the Units according to each Unit Owner's undivided interest in the Common Area and in such case the Board shall give written notice of such additional assessment to all Unit Owners indicating therein the reasons therefor, the amounts payable by each, and the adjusted monthly amounts reflecting such additional assessments thereafter shall be payable by each Unit Owner. In all cases the provisions of the Declaration shall govern assessments. If at any time the Board determines that the Association has collected an amount in excess of the amount required for Common Expenses in any year, such amount shall be credited promptly, after the same has been determined, according to each Unit Owner's undivided interest in the Common Area, to the monthly installment(s) next due from Unit Owners under the current assessment until the surplus has been exhausted.

Section 4. Reserve for Contingencies and Replacements. The Board shall establish and maintain for the Association a reasonable reserve for contingencies and replacements. Upon the sale of a Unit by a Unit Owner, such Unit Owner shall have no right to any portion of the funds in the reserve account; nor shall such Unit Owner have any claim against the Association with respect thereto. Reasonable reserves are Common Expenses.

Section 5. Budget for First Year. When the Board is elected at the First Annual Meeting and takes office as provided in Article II herein, within 30 days after such election, it shall review the existing budget and assessments, and it shall have the authority to change or adjust both the budget and assessments for the remainder of that fiscal year, adopting the provisions of Section 3 of this Article X for that purpose. No assessment shall exceed the limits set out in the Declaration.

Section 6. Failure to Prepare Annual Budget or Make Current Assessments. The failure or delay of the Board in the preparation of any budget or in the giving of notice thereof to Unit Owners or any delay in the making of assessments against Units or any of them shall not constitute a waiver or release of the obligation imposed upon each Unit Owner to pay an assessment levied against his/her Unit for Common Expenses when the same shall be due and payable. In the absence of any annual estimate of Common Expenses or of any budget or assessments based thereon, Unit Owners shall continue to pay the monthly assessments at the existing monthly rate established for each Unit then in effect until the first monthly assessment payment becomes due pursuant to a new assessment by the Board in the manner provided in Section 3 of this Article X and covering that current period.

Section 7. Interim Assessments Prior to Election of New Board. Until such time as the First Annual Meeting of the Association is held and a new Board is elected and sets the assessments to be levied against the Units, monthly assessments shall be paid by Unit Owners as established in the Declaration, and the Board serving prior to the First Annual Meeting shall have authority to set assessments as provided in the Declaration.

Section 8. Assessments Appurtenant to Unit.

All assessments as provided in the Declaration and these By-Laws are levied and made against Units, and the obligation to pay assessments runs with and is appurtenant to individual Units; the respective individual Unit Owners also assume the obligation to pay assessments levied or made against his/her Unit as a personal obligation.

Section 9. Status of Funds Collected by Association.

All funds collected hereunder shall be held and expended solely for the purposes designated herein, and, except for such special assessments as may be levied against less than all of the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments, shall be deemed to be held for the use, benefit and account of all of the Unit Owners in proportion to each respective Unit Owner's undivided interest in the Common Area as provided in the Declaration. All sums of the Association, except as Section 13, Article X, may be commingled in a single fund or divided into more than one fund, as determined by the Board. All assessment payments by a Unit Owner shall be applied as provided herein and in the Declaration.

Section 10. Books and Records of Association.

The Association shall keep full and correct books of account and the same shall be open for inspection by any Unit Owner or his/her mortgagee, or by any representative of a Unit Owner duly authorized in writing, at reasonable times and upon request. Upon ten (10) days notice to the Board, any Unit Owner shall be furnished a statement of his/her account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

Section 11. Annual Statements.

At or before each annual meeting of the Association, the Board shall furnish to each Unit Owner a financial statement consisting of (a) a balance sheet containing a summary of the assets and liabilities of the Association as of the previous fiscal year and (b) a statement of the income and disbursements (including an itemized accounting of Common Expenses actually incurred) for the period commencing with the date marking the end of the period for which the last preceding statement of income and disbursements required hereunder was made and ending with the date of said balance sheet, or in the case of the first such statement, from the formation of the Association to the date of said balance sheet. The financial statement shall have appended thereto a certificate signed by the President and the Treasurer of the Association or by a Certified Public Accountant verifying that the financial statement presents fairly the financial position of the Association and the results of its operations in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period except as specified therein.

Section 12. Annual Audit. The books of the Association shall be formally reviewed once a year by the Board, and such review shall be completed prior to each annual meeting. If requested by three members of the Board, such review shall be made by a Certified Public Accountant. In addition, at any time upon the request of Unit Owners holding fifty percent (50%) or more of the voting power of the Association, or upon request of three members of the Board, the Board shall cause a review of the books of the Association to be made by a Certified Public Accountant, any such additional review to be a Common Expense of the Association.

Section 13. Security Deposits from Certain Unit Owners. If the equity (fair market value less encumbrances) of any Unit Owner in his/her Unit shall at any time be less than ten percent (10%) and such equity in the judgment of the Board shall be insufficient to assure realization (whether by foreclosure of any lien for unpaid assessments or otherwise) of all past due and future assessments levied by the Association against such Unit, then whether or not such Unit Owner shall be delinquent in the payment of assessments due the Association, the Board shall have the right to require such Unit Owner to establish and maintain a security deposit in an amount which the Board deems reasonably necessary for such purpose. In the event that any Unit Owner shall thereafter fail to pay any assessments or other charges which may be due the Association hereunder or shall otherwise violate any provision of North Carolina law relating to unit ownership or ownership of real property generally, or any covenant, condition or restriction of the Declaration or these By-Laws, the Association shall have the right, but not the obligation, to apply such security deposit in reduction of its alleged damages resulting from such failure or violation, which right shall be in addition to all other remedies provided by law, the Declaration or these By-Laws. Upon any sale by such Unit Owner of his/her Unit, or at such time as the Board shall deem that such Unit Owner's equity in his/her Unit is sufficient, the security deposit remaining to the credit of such Unit Owner shall be refunded, provided that such Unit Owner shall not then be in default under any of his/her obligations under the Declaration or these By-Laws. The Association shall have the right to maintain all security deposits held by it as aforesaid in a single savings account. The interest earned on such security deposit shall be credited and paid to such Unit Owner annually. Such security deposits shall at all times be subject and subordinate to any lien of the Association for unpaid Assessments under the Declaration or By-Laws and all rights thereto shall inure to the benefit of the Association.

ARTICLE XI

AMENDMENT

Section 1. Requirements for Adoption. These By-Laws may only be altered or amended at a duly called meeting of the voting members of the Association, provided (a) that the notice of the meeting shall contain a full statement of the proposed amendment; and (b) that there be an affirmative vote thereat in person or by proxy of members entitled to exercise seventy-five percent (75%) of the voting power of the Association. No amendment of these

By-Laws shall be effective which would operate to impair or prejudice the rights and/or liabilities of any mortgagee.

Section 2. Form of Amendment Proposals. No By-Law shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended, new words shall be inserted in the text underlined, and words to be deleted shall be lined through. If the proposed change is so extensive that the above procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and interlining as indicators of words added or deleted, but a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of By-Law. See By-Law _____ for present text."

Section 3. Nonmaterial Errors or Omissions. Nonmaterial errors or omissions in the By-Law amendment process shall not invalidate an otherwise properly promulgated amendment.

Section 4. Effective Date of Amendment. An amendment to these By-Laws shall be effective upon the filing in the Forsyth County Registry of an amendment to the Declaration setting forth the amendment to these By-Laws.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1. Declarant's Rights Pending First Annual Meeting. Between the date that the Association is established and the date of the event which gives rise to the First Annual Meeting, the Declarant or persons designated by the Declarant shall have the right to appoint and remove members of the Board of Directors and officers of the Association and to exercise the powers and responsibilities otherwise assigned by law or the Declaration to the Association, the Board or the officers of the Association so long as such rights are not preempted in the Declaration or these By-Laws. Notwithstanding the provisions of Section 2 of Article III, such Directors and officers appointed by Declarant need not be Unit Owners.

Section 2. Copies of Notice to Mortgagees. Upon written request to the Board, the holder of any duly recorded mortgage or deed of trust with respect to any Unit ownership shall be given a copy of any and all notices permitted or required by the Declaration or these By-Laws to be given to the Unit Owner whose Unit is subject to such mortgage or deed of trust.

Section 3. Service of Notices on the Board. Notices required to be given to the Board or to the Association may be delivered to any Director or the President, Vice President or Secretary of the Association either personally or by mail, addressed to such Director or officer.

Section 4. Service of Notices on Devisees and Personal Representatives. Notices required to be given any devisee or personal representative of a deceased Unit Owner may be delivered either personally or by mail to such party at his/her/its address appearing on the records of the Court wherein the estate of such deceased Unit Owner is being administered.

Section 5. Non-Waiver of Covenants. No covenants, restrictions, conditions, obligations or provisions contained in the Declaration or these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 6. Agreements for Professional Management. Notwithstanding the power conferred upon the Board elsewhere herein to employ, in its discretion, a managing agent, no such employment agreement entered into prior to the First Annual Meeting shall extend more than one year thereafter unless such agreement is renewed by the affirmative vote of the Association members entitled to exercise a majority of the voting power of all members present in person or by proxy at such First Annual Meeting or a special meeting called for that purpose.

Section 7. Agreements Binding. All agreements and determinations lawfully made by the Association or the Board in accordance with authority, properly exercised, established in the Declaration and these By-Laws shall be deemed to be binding on all Units, Unit Owners, their successors, heirs and assigns.

Section 8. Notices of Mortgages. Any Unit Owner who mortgages his/her Unit shall notify the Association, in such manner as the Association may direct, of the name and address of his/her Mortgagee and thereafter shall notify the Association of the full payment, cancellation or other alteration in the status of such mortgage. The Association shall maintain such information in a book entitled "Mortgages on Units".

Section 9. Rights of Mortgagee. A Mortgagee of a Unit shall be entitled to written notice from the Association of any default by the mortgagor which is not cured in thirty (30) days. Any mortgagee may from time to time request a written statement from the Board setting forth any and all unpaid assessments due and owing from its mortgagor, Unit Owner, with respect to the Unit subject to the lien of its mortgage and the Board shall comply within twenty (20) days from receipt thereof. Any mortgagee holding a mortgage on a Unit may pay any overdue unpaid assessment with respect to such Unit and upon such payment such mortgagee shall have a lien on such Unit for the amounts so paid in the same priority as the lien of its mortgage.

Section 10. Owner's Agreement. Each Unit Owner, for himself/herself, his/her heirs, successors and assigns, agrees to the provisions contained in the Declaration relating to default regardless of the harshness of the remedy available to the Association and regardless of the availability of other equally adequate legal procedures. It is the intent of all Unit Owners to give to the Association rights and procedures which will enable it at all times to operate on a business-like basis, to collect those monies due and owing from the Unit Owners, and to preserve each Unit Owner's right to enjoy his/her Unit, free from unreasonable restraint and nuisance.

Section 11. Severability. The invalidity of any covenant, restriction, condition, limitation, or any other provision of these By-Laws, or of any part of the same, shall not impair or affect in any manner the validity, enforceability or effect the balance of these By-Laws.

Section 12. Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants or rights created by these By-Laws shall be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the President of the United States who shall be serving at the time these By-Laws are first recorded in the Forsyth County Registry, and his then living lawful descendants.

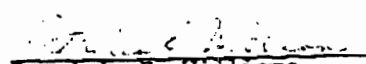
Section 13. Word Use. Wherever the context requires, the use of words herein in the singular shall be construed to include the plural, and words in the plural, the singular, and words whether in the masculine, feminine or neuter gender shall be construed to include all genders.

Section 14. Captions. The captions used in these By-Laws are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text.

Certification of
Resolution of Board of Directors

I hereby certify that I am the duly elected and qualified temporary Secretary of the Sycamore Homeowners Association, Ltd., and as such I am the keeper of the records and the corporate seal of the Sycamore Homeowners Association, Ltd., and that the foregoing By-Laws, comprised of 23 pages, of the Sycamore Homeowners Association, Ltd. are a true and correct copy of the By-Laws adopted at the organizational meeting of the Board of Directors of the Sycamore Homeowners Association, Ltd. in accordance with Article 3 of Section 55B of the General Statutes of North Carolina, at 102 South Cherry Street, Winston-Salem, North Carolina, on the 1st day of July, 1981, and the said resolution adopting the foregoing By-Laws and the By-Laws themselves have not been amended, modified or repealed.

In Witness Whereof, I have hereunto affixed my name as Corporate Secretary (temporary) and have caused the corporate seal of said Corporation to be hereto affixed this 8th day of July, 1981.


Patricia E. Williams
Secretary

SEAL

BOOK 1339P0056

EXHIBIT "B"

Ratio of undivided interest of each Unit Owner in the
Common Area and Facilities expressed as a decimal

<u>Unit #</u>	<u>Ownership</u>	<u>Street Address*</u>
100	.0207867	5355 Heathcote Drive
101	.0207867	5357 Heathcote Drive
102	.0207867	5359 Heathcote Drive
103	.0207867	5361 Heathcote Drive
104	.0191144	5363 Heathcote Drive
105	.0191144	5365 Heathcote Drive
106	.0191144	5367 Heathcote Drive
107	.0191144	5369 Heathcote Drive
108	.0229418	5350 Larch Court
109	.0228915	5352 Larch Court
110	.0228915	5354 Larch Court
111	.0229418	5356 Larch Court
112	.0415295	5357 Larch Court
113	.0211507	5359 Larch Court
114	.0415295	5361 Larch Court
115	.0211507	5363 Larch Court
116	.0367441	5365 Larch Court
117	.0368956	5367 Larch Court
118	.0368956	5369 Larch Court
119	.0367441	5371 Larch Court
120	.0367441	198 Kinloch Court
121	.0368956	196 Kinloch Court
122	.0211507	192 Kinloch Court
123	.0211507	194 Kinloch Court
124	.0211507	188 Kinloch Court
125	.0211507	190 Kinloch Court
126	.0245336	186 Kinloch Court
127	.0245336	184 Kinloch Court
128	.0211507	180 Kinloch Court
129	.0211507	182 Kinloch Court
130	.0211507	176 Kinloch Court
131	.0211507	178 Kinloch Court
132	.0367441	185 Kinloch Court
133	.0368956	187 Kinloch Court
134	.0368956	189 Kinloch Court
135	.0368956	191 Kinloch Court
136	.0367441	193 Kinloch Court

100%

*should street address change or otherwise conflict with
Unit number, the Unit number shall control and in all cases
conclusively locate and identify a Unit.

BOOK 1339 P 0057



37

THIS INSTRUMENT DRAFTED BY:

(SIGNATURE OF DRAFTSMAN)

Mail: Sycamore, Inc.
102 South Cherry St.
W. S. N. C. 27101

AMENDMENT

TO

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF CONDOMINIUM

This AMENDMENT is made on the 15th day of July, 1981 by Sycamore, Inc., a North Carolina Corporation of Winston-Salem, Forsyth County, North Carolina, to a Declaration of Covenants, Conditions and Restrictions of Condominium filed with the Forsyth County Registry on July 8, 1981.

W I T N E S S E T H :

WHEREAS, a Declaration of Covenants, Conditions and Restrictions of Condominium was filed with the Forsyth County Registry on July 8, 1981 at Book 1339 at Page 0006 et seq, relating to that condominium development known as Sycamore; and

WHEREAS, Article XII thereof provided for amendment; and

WHEREAS, the Declarant, by and with consent of more than ninety percent (90%) of the Owners, now desires and has need to amend the Declaration;

NOW THEREFORE

1. The Declaration is thereby amended by adding thereto an Article V-A to follow immediately after Article V thereof and to read and appear and be as follows:

"ARTICLE V-A

LIMITATION OF CERTAIN ACTS
RELATING TO COMMON AREA, MANAGEMENT

Section 1. Common Area. Except as provided by Statute in case of condemnation or substantial loss to the Units and/or Common Area of Sycamore, unless at least three-fourths (3/4) of the first mortgagees (based upon one vote for each mortgage owned), or Owners (other than the Declarant) of the individual Units have given their prior written approval, the Association shall not be entitled to, by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by Sycamore shall not be deemed a transfer within the meaning of this Section.)

COLK1339P1096

Section 2. Professional Management. Any agreement for professional management of Sycamore, or any other contract providing for services by the Declarant, may not exceed three years but may, by By-Law, be limited to less than three years. Any agreement for professional management services of or at Sycamore as contemplated by this Section or elsewhere is and must be terminable by either party without cause and without payment of a termination fee on the giving of ninety (90) days written notice."

2. As enacted this Amendment shall be part of the Declaration and shall be read and understood within that context as though it were part of the original Declaration; and

3. This Amendment shall be effective immediately upon its recordation within the Forsyth County Registry and any section or sections of the Declaration inconsistent with the Amendment shall be, and the same are, hereby repealed.

IN WITNESS WHEREOF, the Declarant (SYCAMORE, INC.) has caused this Amendment to Declaration of Covenants, Conditions and Restrictions of Condominium to be executed by its President this the 15th day of July, 1981, which is the effective date hereof.

SYCAMORE, INC.

By George M. Cleland
George M. Cleland
President

ATTEST:

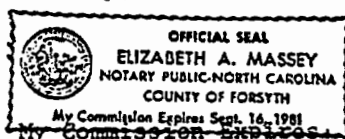
Patricia E. Williams
Patricia E. Williams
Secretary

* * * * *

NORTH CAROLINA)
FORSYTH COUNTY)

This 15th day of July, 1981, personally came before me, Elizabeth A. Massey (Turner), a Notary Public, Patricia E. Williams, Secretary, who, being by me duly sworn, says that she knows the Common Seal of SYCAMORE, INC. and is acquainted with George M. Cleland, who is the President of said Corporation, and that she, the said Patricia E. Williams, is the Secretary of the said Corporation, and saw George M. Cleland, President, sign the foregoing instrument, and saw the Common Seal of said Corporation affixed to said instrument by George M. Cleland, President, and that she, Patricia E. Williams, signed her name in attestation of the execution of said instrument in the presence of George M. Cleland, President of said Corporation.

Witness my hand and notarial seal, this the 15th day of July, 1981.



Elizabeth A. Massey (Turner)
Notary Public

BRANCH BANKING AND TRUST COMPANY of Lexington,
North Carolina, as holder of a promissory note secured
by a deed of trust on the property herein described,
and Michael K. Goodman, as Trustee under said deed of
trust, join in the execution hereof for the purpose of
subjecting the aforesaid deed of trust to the terms and
provisions of this Amendment to Declaration of Covenants,
Conditions and Restrictions of Condominium.

This the 15 day of July, 1981.

BRANCH BANKING AND TRUST COMPANY

By

Carl C. Hughes, Jr.
Assistant Vice President

ATTEST:

Dennis L. Black
Assistant Cashier

Michael K. Goodman
Michael K. Goodman, Trustee

* * * * *

NORTH CAROLINA)
)
DAVIDSON COUNTY)

This 15 day of July, 1981, personally came before
me, Arlene C. Edwards, a Notary Public of Davidson
County, North Carolina, Dennis L. Black, who,
being by me duly sworn, says that she knows the Common Seal
of Branch Banking and Trust Company and is acquainted with
Carl C. Hughes, Jr., who is the Assistant Vice President
of that Corporation and that she, Dennis L. Black,
is an Assistant Cashier of that Corporation and saw Carl C.
Hughes, Jr. sign the foregoing instrument and saw the said
Common Seal of Branch Banking and Trust Company affixed to
the instrument by Carl C. Hughes, Jr., and that she, the
Assistant Cashier, signed her name in attestation of the
execution of the instrument in the presence of Carl C.
Hughes, Jr., Assistant Vice President of that Corporation.

Witness my hand and notarial seal, this 15 day
of July, 1981.

Arlene C. Edwards
Notary Public

My Commission Expires:

2-14-82

NORTH CAROLINA)
DAVIDSON COUNTY)

I, Arlena C. Edwards, a Notary Public of Davidson County, North Carolina, do hereby certify that Michael K. Goodman, Trustee, personally appeared before me this day and acknowledged the execution of the foregoing Amendment to Declaration of Covenants, Conditions and Restrictions of Condominium.

Witness my hand and notarial seal, this 15 day of July, 1981.

Arlena C. Edwards
Notary Public

My Commission Expires:

4-14-82

* * * * *

NORTH CAROLINA)
FORSYTH COUNTY)

The foregoing certificates of Elizabeth A. Massey (Turner) a Notary Public for Forsyth County, North Carolina, and Arlena C. Edwards, a Notary Public for Davidson County, North Carolina are certified to be correct. Let the instrument and the certificates be registered.

This the 15 day of July, 1981.

EUNICE AYERS, REGISTER OF DEEDS

By Jessie Golder
Deputy Register of Deeds

Probate Fee \$ 1.00 paid.

Filed for registration on the _____ day of July, 1981 at _____ o'clock _____ M., and duly recorded in the office of the Register of Deeds of Forsyth County, North Carolina, in Deed Book _____, Page _____.

EUNICE AYERS, REGISTER OF DEEDS

By _____
Deputy Register of Deeds

Fee \$ 6.00 paid.

PRESENTED FOR
REGISTRATION
AND RECORDED
JUL 15 11 58 AM '81
EUNICE AYERS
REGISTER OF DEEDS
FORSYTH CTY. N.C.
JB

BOOK 1339P 1099



*Made: George W. Sycamore, Jr.
102 S. Cherry St
W.S. NC 27101*

10

AMENDMENT
(second)

TO

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF CONDOMINIUM

This AMENDMENT is made on the 17th day of March, 1983 by Sycamore, Inc., a North Carolina Corporation of Winston-Salem, Forsyth County, North Carolina, to a Declaration of Covenants, Conditions and Restrictions of Condominium (hereinafter referred to as "Declaration") filed with the Forsyth County Registry on July 8, 1981.

W I T N E S S E T H:

WHEREAS, the Declaration was filed with the Forsyth County Registry on July 8, 1981 at Book 1339 at Page 006 et seq. relating to that condominium development known as Sycamore; and

WHEREAS, Article XII of the Declaration provides for amendment; and

WHEREAS, Article XI of the Declaration provides for annexation; and

BLX1390P0706

WHEREAS, the Declarant, by and with consent of more than ninety percent (90%) of the Owners, now desires and has need to amend the Declaration for the purpose of adding (by annexation) to the Property and the jurisdiction of the Association that certain tract of land containing 0.85% acres, more or less, known as Section 1 of Phase II which is contiguous to the Property and which is more particularly described by reference to the Plat of Section 1 of Phase II of the Sycamore condominium project as the same appears and is recorded at Condominium Book 1 at Page 194 of the Forsyth County Registry, said annexation being in keeping with the plan of phased development approved by the local governing body; and

WHEREAS, the adding (by annexation) of Section 1 of Phase II and the Units contained therein to the Property requires that the percent of individual interest in the Common Area appurtenant to each respective Unit appearing in Exhibit "B" to the Declaration be recalculated as provided by the Declaration;

NOW THEREFORE

1. Article III, Section 9 ("Property") of the Declaration is amended to include the real property known and described as Section 1 of Phase II of Sycamore within the definition of "Property", so that as here amended said Section 9 shall read and appear and be as follows:

"Section 9. "Property" shall mean and refer to that certain real property hereinabove described as Phase I of Sycamore and Section 1 of Phase II of Sycamore, as the same appears and is described at Condominium Book 1 at Page 194, Forsyth County Registry, and such additions thereto as may hereafter be brought within the jurisdiction of the Association."

2. Exhibit "B" to the Declaration as the same now appears is amended by being replaced entirely by a new Exhibit "B" which as here amended shall read and appear and be as follows:

EXX1390P0707

" EXHIBIT "B"

Ratio of undivided interest of each Unit Owner in the Common Area and Facilities expressed as a decimal.

<u>Unit #</u>	<u>Ownership</u>	<u>Street Address*</u>
100	.0154606	5355 Heathcote Drive
101	.0154606	5357 Heathcote Drive
102	.0154606	5359 Heathcote Drive
103	.0154606	5361 Heathcote Drive
104	.0142166	5363 Heathcote Drive
105	.0142166	5365 Heathcote Drive
106	.0142166	5367 Heathcote Drive
107	.0142166	5369 Heathcote Drive
108	.0170634	5350 Larch Court
109	.0170259	5352 Larch Court
110	.0170259	5354 Larch Court
111	.0170634	5356 Larch Court
112	.0308883	5357 Larch Court
113	.0157312	5359 Larch Court
114	.0308883	5361 Larch Court
115	.0157312	5363 Larch Court
116	.0273291	5365 Larch Court
117	.0274418	5367 Larch Court
118	.0274418	5369 Larch Court
119	.0273291	5371 Larch Court
120	.0273291	198 Kinloch Court
121	.0274418	196 Kinloch Court
122	.0157312	192 Kinloch Court
123	.0157312	194 Kinloch Court
124	.0157312	188 Kinloch Court
125	.0157312	190 Kinloch Court
126	.0182473	186 Kinloch Court
127	.0182473	184 Kinloch Court
128	.0157312	180 Kinloch Court
129	.0157312	182 Kinloch Court
130	.0157312	176 Kinloch Court
131	.0157312	178 Kinloch Court
132	.0273291	185 Kinloch Court
133	.0274418	187 Kinloch Court
134	.0274418	189 Kinloch Court
135	.0274418	191 Kinloch Court
136	.0273291	193 Kinloch Court
137	.0284052	5370 Heathcote Drive
138	.0343545	5372 Heathcote Drive
139	.0343545	5374 Heathcote Drive
140	.0343545	5376 Heathcote Drive
141	.0284052	5378 Heathcote Drive
142	.0189441	5371 Heathcote Drive
143	.0208514	5375 Heathcote Drive
144	.0282819	5377 Heathcote Drive
145	.0282819	5379 Heathcote Drive

100%

*should street address change or otherwise conflict with Unit number, the Unit number shall control and in all cases conclusively locate and identify a Unit."

DRA 1390P0708

IN WITNESS WHEREOF, the Declarant (SYCAMORE, INC.) has caused this Amendment to Declaration of Covenants, Conditions and Restrictions of Condominium to be executed by its President this the 17th day of March, 1933, which is the effective date hereof.

SYCAMORE, INC.

By George M. Cleland
George M. Cleland
President

(SEAL)

ATTEST:

Patricia E. Williams
Patricia E. Williams
Secretary

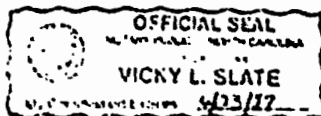
NORTH CAROLINA)
)
FORSYTH COUNTY)

This 17th day of March, 1933, personally came before me, Vicky L. Slate, a Notary Public, Patricia E. Williams, Secretary, who, being by me duly sworn, says that she knows the Common Seal of SYCAMORE, INC. and is acquainted with George M. Cleland, who is the President of said Corporation, and that she, the said Patricia E. Williams, is the Secretary of said Corporation, and saw George M. Cleland, President, sign the foregoing instrument, and saw the Common Seal of said Corporation affixed to said instrument by George M. Cleland, President, and that she, Patricia E. Williams, signed her name in attestation of the execution of said instrument in the presence of George M. Cleland, President of said Corporation.

Witness my hand and notarial seal, this the 17th day of March, 1933.

Vicky L. Slate
Notary Public

My Commission Expires:



6661390P0709

BRANCH BANKING AND TRUST COMPANY of Lexington, North Carolina, as holder of a promissory note secured by a deed of trust on the property herein described, and Carl C. Hughes, Jr. as Substitute Trustee under said deed of trust, join in the execution hereof for the purpose of subjecting the aforesaid deed of trust to the terms and provisions of this Amendment to Declaration of Covenants, Conditions and Restrictions of Condominium.

This the 17th day of March, 1983.

BRANCH BANKING AND TRUST COMPANY

By Frederic R. Coker
Assistant Vice President

(SEAL)

ATTEST:

Walter C. Clark, Jr.
Assistant Cashier

Carl C. Hughes, Jr.
Substitute Trustee

NORTH CAROLINA)
)
DAVIDSON COUNTY)

This 17th day of March, 1983, personally came before me, Carlena C. Edwards, a Notary Public of Davidson County, North Carolina, Ward C. Clark, Jr., who, being by me duly sworn, says that he knows the Common Seal of Branch Banking and Trust Company and is acquainted with Frederic R. Coker, who is the Assistant Vice President of that Corporation, and that he, Ward C. Clark, Jr., is an Assistant Cashier of that Corporation and saw Frederic R. Coker sign the foregoing instrument and saw the said Common Seal of Branch Banking and Trust Company affixed to the instrument by Ward C. Clark, Jr., and that he, the Assistant Cashier, signed his name in attestation of the execution of the instrument in the presence of Frederic R. Coker, Assistant Vice President of that Corporation.

Witness my hand and notarial seal, this the 17th day of March, 1983.

Carlena C. Edwards
Notary Public



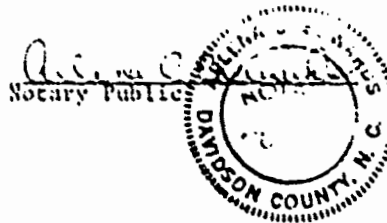
My Commission Expires:
on September 14, 1987

BRK1390P0710

NORTH CAROLINA)
DAVIDSON COUNTY)

I, Arleen C. Edwards, a Notary Public of Davidson County, North Carolina, do hereby certify that Carl C. Hughes, Jr., Substitute Trustee, personally appeared before me this day and acknowledged the execution of the foregoing Amendment to Declaration of Covenants, Conditions and Restrictions of Condominium.

Witness my hand and notarial seal, this the 17th day of March, 1983.



My Commission Expires:
My Commission Expires April 14, 1987

NORTH CAROLINA)
FORSYTH COUNTY)

The foregoing certificates of Arleen C. Edwards, a Notary Public for Forsyth County, and Arleen C. Edwards, a Notary Public for Davidson County, North Carolina, are certified to be correct. Let the instrument and the certificates be registered.

This the 17th day of March, 1983.

EUNICE AYERS, REGISTER OF DEEDS

By Robert L. Ayers
Deputy Register of Deeds

Probate Fee \$1.00 paid.

Filed for registration on the _____ day of March, 1983
at _____ o'clock _____ M., and duly recorded in the office of the
Register of Deeds of Forsyth County, North Carolina, in Deed Book
_____, Page _____

PRESENTED FOR
REGISTRATION
AND RECORDED

EUNICE AYERS, REGISTER OF DEEDS

MAR 18 12 29 PM '83

By _____
Deputy Register of Deeds

Fee \$11.50 EUNICE AYERS
REGISTER OF DEEDS
FORSYTH CO., N.C.

BOOK 1390 P 0711

111 62

Return to: Robert D. Hinshaw - Box
Prepared by: Robert D. Hinshaw, Esquire

STATE OF NORTH CAROLINA)
)
COUNTY OF FORSYTH)

AMENDMENT TO DECLARATION OF CONDOMINIUM
OF
SYCAMORE CONDOMINIUMS

THIS AMENDMENT TO DECLARATION OF CONDOMINIUM of Sycamore Condominiums is made this 20 day of August, 1989, by Sycamore Inc. (the "Declarant"), a North Carolina corporation with its principal office located in Winston-Salem, Forsyth County, North Carolina, and Sycamore Homeowners Ltd. (the "Association"), a non-profit North Carolina corporation with its principal offices located in Winston-Salem, Forsyth County, North Carolina.

W I T N E S S E T H :

WHEREAS, a Declaration of Covenants, Conditions and Restriction of Condominium (the "Declaration") was filed in the Office of the Register of Deeds of Forsyth County, North Carolina, on July 8th, 1981 in Book 1339 at Page 6, and was subsequently amended in Book 1339 at Page 1096, Forsyth County Registry; and

WHEREAS, Article XII thereof provides for amendment by the Declarant and the Association; and

WHEREAS, the Association is desirous of amending the Declaration in order to comply with HUD guidelines in obtaining FHA guaranty of certain loans against the Units; and

WHEREAS, the Association and the Declarant are desirous of amending the Declaration for the above-stated purpose;

NOW, THEREFORE, the original Declaration is hereby amended as follows:

1. Article III - DEFINITIONS. Article III is hereby amended to add the following section:

Section 11. "First Mortgagees" shall include any holder of a first mortgage, insurer or guarantor of a first mortgage, and such holder, insurer or guarantor shall be entitled to the same rights as a "First Mortgagee" for purposes of this Declaration.

2. Article XII - AMENDMENT. Article XII is hereby amended so that after amendment it reads as follows:

This Declaration may be amended only by vote or agreement of Unit Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated. An exception is specifically provided for amendments pursuant to Section 47C-1-107 of the North Carolina Condominium Act and any other amendments required by law. Each amendment to the Declaration must be recorded in every county in which a portion of the Condominium is located and the amendment is effective only upon recordation. Furthermore, any amendments are subject to the consent requirements as more particularly provided in Article XVIII below.

3. Article XVII - INSURANCE. Article XVII is hereby amended to add Section 5 and Section 6 as follows:

Section 5. Liability Insurance. Liability insurance, including medical payments insurance, in an amount determined by the Association but in no event less than \$1,000,000 covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements and the activities of the Association must be maintained by the Association as an Association expense.

Section 6. Fidelity Bond. A blanket fidelity bond must be provided for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services.

4. ARTICLE XVIII - RIGHTS OF FIRST MORTGAGEES. Article XVIII is hereby amended to delete the current Section 2 and to add as a new Section 2 the following:

Section 2. Assent of First Mortgagees to Certain Actions by the Association. The following acts shall require the approval of fifty-one percent (51%) of the eligible holders, insurers or guarantors of First Mortgages on Units:

(a) Any election to terminate the condominium regime after substantial destruction or substantial taking by condemnation of the Condominium property;

(b) Any restoration or repair which is not substantially in accordance with the Declaration or the original plans and specifications of the project;

(c) Material amendment of any provision of the Declaration, By-Laws or equivalent documents of the Condominium or to add any material provisions thereto which establish, provide for, govern or regulate any of the following:

(1) Voting;

(2) Assessments, assessment liens or subordination of such liens;

- 3) Reserves for maintenance, repair and replacement of Common Elements;
- (4) Insurance or fidelity bonds;
- (5) Rights to use any of the Common Elements;
- (6) Responsibility for maintenance and repair of the several portions of the Condominium;
- (7) Expansion or contraction of the condominium regime or the addition, annexation or withdrawal of property to or from the regime;
- (8) Boundaries of any Units;
- (9) The interests in the general or limited Common Areas;
- (10) Convertibility of Units and the Common Elements or of Common Elements in the Units;
- (11) Leasing of Units;
- (12) Imposition of any right of first refusal or similar restriction on the right of the Unit Owner to sell, transfer or otherwise convey his or her Unit in the Condominium; and
- (13) Amendment of any provision of the Condominium documents which are for the express benefit of the holders, insurers or guarantors of First Mortgages on the Units in the Condominium.

5. ARTICLE XX - MISCELLANEOUS. Section 5 of Article XX is hereby amended so that after amendment it reads as follows:

Section 5. Termination. Termination of the Condominium may be accomplished only in accordance with Section 47C-2-118 of the North Carolina Condominium Act.

6. ARTICLE XX - MISCELLANEOUS. Article XX is hereby amended by adding the following Section 10:

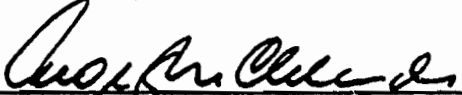
Section 10. Condemnation. If part or all of the Condominium is taken by any power having the authority of eminent domain, all compensation for damages and on account of the taking shall be payable in accordance with Section 47C-1-107 of the North Carolina Condominium Act.

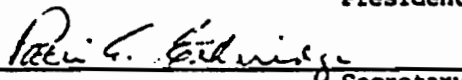
6. The purpose of this Amendment is to comply with HUD regulations and guidelines as more specifically stated in Appendix 24 of "Revised Legal Policies" dated October 1980 and as amended subsequent thereto. To the extent necessary for approval under HUD guidelines for FHA approval, any conflict between the Declaration and the guidelines as stated in Appendix 24 shall be resolved in favor of the guidelines as stated in Appendix 24.

Notwithstanding the foregoing, the provisions of N.C.G.S. 47A and 47C shall control if there is a conflict between the condominium documents, HUD guidelines and State law.

IN WITNESS WHEREOF, the undersigned have caused these presents to be signed by their corporate officers and sealed with their corporate seals the day and year first above written.

1 SYCAMORE INC.

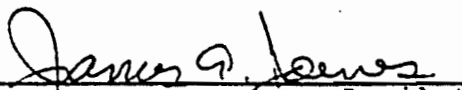
By 
President

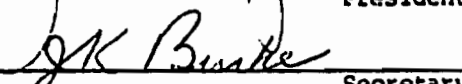
By 
Secretary

(Corporate Seal)



2 SYCAMORE HOMEOWNERS, LTD.

By 
President

By 
Secretary

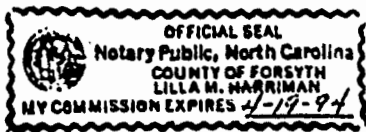
(Corporate Seal)



STATE OF NORTH CAROLINA - County of Forsyth) :

Lilla M. Harriman, a Notary Public of Forsyth County, North Carolina, do hereby certify that Patricia A. Etheridge personally appeared before me and acknowledged that ~~she~~ is the Secretary of SYCAMORE INC., a North Carolina corporation, and that by authority duly given and as the act of the said Corporation, the foregoing instrument was signed in its corporate name by its President, sealed with its corporate seal and attested by ~~xxx~~/her as its Secretary.

WITNESS my hand and official seal this 25th day of August, 1989.



Lilla M. Harriman
Notary Public

My Commission Expires: April 19, 1994

STATE OF NORTH CAROLINA - County of Forsyth) :

I, Walter Eugene Nail, a Notary Public of Forsyth County, North Carolina, do hereby certify that J. K. Burke personally appeared before me and acknowledged that (s)he is the present elected Secretary of SYCAMORE HOMEOWNERS LTD., a North Carolina non-profit corporation, and that by authority duly given and as the act of the said Corporation, the foregoing instrument was signed in its corporate name by its elected President, sealed with its corporate seal and attested by him/her as its elected Secretary.

WITNESS my hand and official seal this 20th day of August, 1989.

Walter Eugene Nail
Notary Public

My Commission Expires: November 4, 1990

STATE OF NORTH CAROLINA - County of Forsyth) :

The foregoing certificates of Lilla M. Harriman N.P.
Forsyth Co. N.C. & Walter Eugene Nail N.P.
Forsyth Co. N.C.
are hereby certified to be correct. This the 28 day of Aug, 1989.

L. E. SPEAS, Register of Deeds

PRESENTED FOR
REGISTRATION
AND RECORDED

By

Jessie Hadden Deputy

AUG 28 1 53 PM '89

L. E. SPEAS
REGISTER OF DEEDS
FORSYTH CO. N.C.

\$14.00 fee AH

1674P2945

RK1766 P2286

-- 103

AMENDMENT TO DECLARATION OF CONDOMINIUM

OF

SYCAMORE CONDOMINIUMS

THIS AMENDMENT to Declaration of Condominium of Sycamore Condominiums is made this 13 day of August, 1992 by SYCAMORE HOMEOWNERS LIMITED ("the Association") a non-profit corporation with its principal offices located in Winston-Salem, Forsyth County, North Carolina.

WITNESSETH:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions of Condominium ("the Declaration") was filed in the Office of Register of Deeds of Forsyth County, North Carolina on July 8, 1981 in Book 1339 at Page 6 and was subsequently amended in Book 1339 at Page 1096 and Book 1674, Page 2941, Forsyth County Registry; and

WHEREAS, Article XII thereof provides for amendment by the Association; and

WHEREAS, the Association is desirous of amending the Declaration in certain respects as hereinafter set forth; and

WHEREAS, at a duly convened special meeting of the Association on August 13, 1992, after due notice as provided by law, the following amendment was approved by seventy-five percent (75%) of the homeowners voting in person or by proxy;

NOW, THEREFORE, the original Declaration as amended is hereby amended as follows:

1. ARTICLE IX COVENANTS FOR ASSESSMENTS. "Section 3. Annual Assessments (c) is hereby amended so that after amendment it reads as follows:

(c) From and after the calendar year 1992, the annual assessment against each unit and the rate of each assessment shall be established by the Board, subject to the limitation that no annual assessment shall be established which exceeds the annual assessment of the year immediately preceding it by an amount of more than Five percent (5%) plus the percentage increase shown on the most recent U.S. Bureau of Labor Statistics Consumer Price Index for urban wage earners, all areas, or if such index shall cease to exist, by the index most nearly comparable thereto. The Board may set the annual assessment in any amount not in excess of the amount established by the foregoing limitation and may utilize any basis, including size, quality or value of units as permitted by law in the establishment of the assessment for each unit. All common expense elements which are dependent upon the size of a unit

to the units equally. The Board, in its sole discretion, shall determine which common expenses shall be allocated equally or on the basis of "Exhibit B".

"Exhibit B" - "Ratio of undivided interest of each unit owner in the common areas and facilities expresses a decimal" is hereby amended so that after amendment it reads as follows:

Ratio of undivided interest of each Unit Owner in the Common Area and Facilities expressed as a decimal.

<u>Unit #</u>	<u>Ownership</u>	<u>Street Address*</u>
100	0.0191	5355 Heathcote Drive
101	0.0191	5357 Heathcote Drive
102	0.0191	5359 Heathcote Drive
103	0.0191	5361 Heathcote Drive
104	0.0191	5363 Heathcote Drive
105	0.0191	5365 Heathcote Drive
106	0.0191	5367 Heathcote Drive
107	0.0191	5369 Heathcote Drive
108	0.0203	5350 Larch Court
109	0.0203	5352 Larch Court
110	0.0203	5354 Larch Court
111	0.0203	5356 Larch Court
112	0.0247	5357 Larch Court
113	0.0191	5359 Larch Court
114	0.0247	5361 Larch Court
115	0.0191	5363 Larch Court
116	0.0247	5365 Larch Court
117	0.0247	5367 Larch Court
118	0.0247	5369 Larch Court
119	0.0247	5371 Larch Court
120	0.0247	198 Kinloch Court
121	0.0247	196 Kinloch Court
122	0.0191	192 Kinloch Court
123	0.0191	194 Kinloch Court
124	0.0191	188 Kinloch Court
125	0.0191	190 Kinloch Court
126	0.0203	186 Kinloch Court
127	0.0203	184 Kinloch Court
128	0.0191	180 Kinloch Court
129	0.0191	182 Kinloch Court
130	0.0191	176 Kinloch Court
131	0.0191	178 Kinloch Court
132	0.0247	185 Kinloch Court
133	0.0247	187 Kinloch Court
134	0.0247	189 Kinloch Court
135	0.0247	191 Kinloch Court
136	0.0247	193 Kinloch Court
137	0.0247	5370 Heathcote Drive
138	0.0247	5372 Heathcote Drive
139	0.0247	5374 Heathcote Drive
140	0.0247	5376 Heathcote Drive

BK1766 P2288

141	0.0247	5378 Heathcote Drive
142	0.0203	5371 Heathcote Drive
143	0.0203	5375 Heathcote Drive
144	0.0247	5377 Heathcote Drive
145	0.0247	5379 Heathcote Drive

*should street address change or otherwise conflict with Unit number, the Unit number shall control and in all cases conclusively locate and identify a Unit.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed by their corporate officers and sealed with their corporate seals the day and year first above written.

SYCAMORE HOMEOWNERS LIMITED

By: Jack Burke, President

Attest:

Secretary

(Corporate Seal)

NORTH CAROLINA
FORSYTH COUNTY

This 13th day of August, 1992, personally came before me, Diana H. Simerson a notary public, Robert Rustad, who being by me duly sworn, says that he knows the Common Seal of Sycamore Homeowners Limited and is acquainted with Jack Burke who is the President of said Corporation, and that he, the said Robert Rustad is the Secretary of the said Corporation, and saw the said President sign the foregoing instrument, and saw the Common Seal of said Corporation affixed to said instrument by said President, and the he, the said Robert Rustad signed his name in attestation of the execution of said instrument in the presence of said President of said Corporation.

Witness my hand and notarial seal or stamp this the 13th day of August, 1992.

My Commission Expires:

Diana H. Simerson
Notary Public



DIANA H. SIMERSON
NOTARY PUBLIC
DAVIDSON COUNTY, NC

My Commission Expires 4/20/95

STATE OF NORTH CAROLINA—Forsyth County

The foregoing (or annexed) certificate of Diana H. Simerson, Notary Public
(here give name and official title of the officer signing the certificate passed upon)

is (are) certified to be correct. This the 21st day of December, 1992

L. E. Speas, Register of Deeds

92 DEC 21 P 1:40 By John Taggart Deputy Assistant

Probate and Filing Fee \$ 10.00 paid.

L. E. SPEAS
REGISTER OF DEEDS
FORSYTH CO., N.C.

John Taggart

Return To:
Sycamore Homeowners Limited
Attn: Sharon Rahn
5101 Country Club Rd. WSA 27104

**AMENDMENT
(fourth)**

FORSYTH CO., NC 79 FEE: \$ 12.00
PRESENTED & RECORDED: 09/19/1996 2:01PM
JOHN HOLLEMAN REGISTER OF DEEDS BY: WILLIAT

TO

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF CONDOMINIUMS

THIS AMENDMENT to Declaration of Condominium of Sycamore Condominiums is made this 19 day of December, 1995 by SYCAMORE HOMEOWNERS LIMITED ("the Association") a non-profit corporation with its principal offices located in Winston-Salem, Forsyth County, North Carolina.

WITNESSETH:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions of Condominium ("the Declaration") was filed in the Office of Register of Deeds of Forsyth County, North Carolina on July 8, 1981 in Book 1339 at Page 6 and was subsequently amended in Book 1339 at Page 1096, Book 1674, Page 2941 and Book 1766, Page 2286, Forsyth County Registry; and

WHEREAS, Article XII thereof provides for amendment by the Association; and

WHEREAS, the Association is desirous of amending the Declaration in certain respects as hereinafter set forth; and

WHEREAS, at a duly special proxy vote of the Association on October 15, 1995, after due notice as provided by law, the following amendment was approved by seventy-five percent (75%) of the homeowners voting in person or by proxy;

NOW, THEREFORE, the original Declaration as amended is hereby amended as follows:

1. **ARTICLE VII THE ASSOCIATION. "Section 4. Meeting of Members (d) Annual Meeting** is hereby amended so that after amendment it reads as follows:

(d) Annual Meeting. The annual meeting of the Association for the election of members of the board, the consideration of reports to be presented at such a meeting and the transaction of such other business as may be properly brought before such meeting shall be held at such time and at such place on the Property or at such other place within Forsyth County, North Carolina, as may be designated by the Board and specified in the notice of such meeting. The annual meeting of

the Association shall be held on the third Tuesday in January, if not a legal holiday, and if a legal holiday, then on the next succeeding business day.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed by their corporate officers and sealed with their corporate seals the day and year first above written.

SYCAMORE HOMEOWNERS LIMITED

By: Sham C. Puth

Attest:

[Signature]

Secretary

(Corporate Seal)



NORTH CAROLINA)

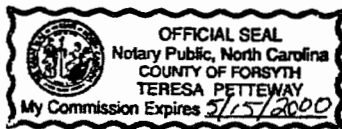
FORSYTH COUNTY)

This 19 day of Sept, 1996, personally came before me,
TERESA PETTEWAY, a Notary Public, Robert L. Rustad, Secretary, who being by
me duly sworn, says that he knows the Common Seal of Sycamore, Inc. and is acquainted with
Sharon Ruth who is acting President of said Corporation, and that he, the said Robert L. Rustad,
is the Secretary of the said Corporation, and saw Sharon Ruth, acting President, sign the
foregoing instrument, and saw the Common Seal of said Corporation affixed to said instrument
by Sharon Ruth, acting President, and that he Robert L. Rustad, signed his name in attestation of
the execution of said instrument in the presence of Sharon Ruth, acting President of said
Corporation.

Witness my hand and notarial seal, this the 19 of Sept, 1996.

Teresa PetteWAY
Notary Public

SEAL



My Commission Expires:

5/15/2000

STATE OF NORTH CAROLINA-Forsyth County

The foregoing (or annexed) certificate _____ of Teresa PetteWAY KP
(Here give name and official title of the officer signing the certificate, preceded upon)

is (are) certified to be correct. This the 19 day of Sept, 1996.

John Holleman, Register of Deeds

By J Edwards Deputy-Register

Probate and Filing Fee \$ _____ paid

BK1918 P2113

MAIL TO:

ROBERT RUSTAD
185 KINLOCH CT
WINSTON-SALEM, NC 27104

DRAFTED BY
ROBERT RUSTAD

AMENDMENT
(fifth)

TO

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF CONDOMINIUMS

FORSYTH CO-NC 115 FEE: \$ 18.00
PRESENTED & RECORDED: 09/23/1997 2:47PM
DICKIE C. WOOD REGISTER OF DEEDS BY: HODDWA

THIS AMENDMENT to Declaration of Condominium of Sycamore Condominiums is made this 23 day of SEPTEMBER, 1997 by SYCAMORE HOMEOWNERS LIMITED ("the Association") a non-profit corporation with its principal offices located in Winston-Salem, Forsyth County, North Carolina.

WITNESSETH:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions of Condominium ("the Declaration") was filed in the Office of Register of Deeds of Forsyth County, North Carolina on July 8, 1981 in Book 1339 at Page 6 and was subsequently amended in Book 1339 at Page 1096, Book 1674 at Page 2941, Book 1766 at Page 2286 and Book 1918 at Page 2111 Forsyth County Registry; and

WHEREAS, Article XII thereof provides for amendment by the Association; and

WHEREAS, the Association is desirous of amending the Declaration in certain respects as hereinafter set forth; and

WHEREAS, at a duly convened special meeting of the Association on September 16, 1997, after due notice as provided by law, the following amendment was approved by seventy-five percent (75%) of the homeowners voting in person or by proxy;

NOW, THEREFORE, the original Declaration as amended is hereby amended as follows:

1. ARTICLE III DEFINITIONS. "Section 7. Limited Common Area" is hereby amended so that after amendment it reads as follows:

"Limited Common Area" shall mean and refer to those areas within the Common Area designated as such on the plat of the Property, or portions or sections thereof, as recorded in the Forsyth County Registry. Patios, decks and driveways, for those units with garages, shall be referred to as "Limited Common Area".

2. ARTICLE VII THE ASSOCIATION. "Section 4. Meeting of Members (f) Notice of Meeting is hereby amended so that after amendment it reads as follows:

(f) Notice of Meeting. Not less than ten nor more than sixty days before the day fixed for an annual or special meeting of the Association, written notice stating the date, time, place, purpose and an agenda for such meeting shall be given by or at the direction of the Secretary of the Association or any other person or persons required or permitted by these By-Laws to give such notice. Such notice shall be given by personal delivery or by mail to each member of the Association who is a Unit Owner of record as of the day preceding the day on which notice is given. If mailed, such notice shall be addressed to the members of the Association and others entitled to such notice at their respective addresses as they appear on the records of the Association and deposited, post paid, into the United States Mail. Notice of the time, place and purpose of any meeting of the Association may be waived in writing by any member of the Association, either before or after the holding of such meeting, which writing shall be filed with or entered upon the records of the meeting. The attendance of any member of the Association at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice, shall be deemed to be a waiver by him of notice of such meeting.

3. ARTICLE VII THE ASSOCIATION. "Section 4. Meeting of Members (g) Quorum; Adjournment is hereby amended so that after amendment it reads as follows:

(g) Quorum; Adjournment. Except as may be otherwise provided by law or by the Declaration, when fifty percent (50%) of the members of the Association are represented at any meeting of the Association, either in person or by proxy, they shall be entitled to exercise a majority of the voting power for such a meeting. No action may be authorized or taken by a lesser percentage than required by law, by the Declaration or by these By-Laws. The members of the Association entitled to exercise a majority of the voting power represented at a meeting of members, whether or not a quorum is present, may adjourn such meeting from time to time until a quorum shall be present. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting.

4. ARTICLE IX COVENANT FOR ASSESSMENTS. Section 7. "Nonpayment of Assessments; Effect and Remedies is hereby amended so that after amendment it reads as follows:

Section 7. Nonpayment of Assessments; Effect and Remedies. Any assessment of the Association not paid within fifteen (15) days after the due date shall bear a late fee charge of \$10.00 for the initial month and a \$5.00 charge for each additional month the assessment remains unpaid. There is a \$20.00 charge for a returned check. The Association may bring an action at law against the Unit owner personally obligated to pay an assessment or may foreclose the lien against the Unit, and interest, cost and reasonable attorney's fees for such action of foreclosure shall be added to the amount of the assessment. In the event a Unit is to be leased, sold or mortgaged at the time when payment of any assessment against the Unit and Unit owner due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association), then the rent or proceeds of such sale or mortgage, shall be applied by the lessee, purchaser or mortgagee first to the payment of any delinquent assessment due to the

Association and then to the payment of any rent, sale or mortgage proceeds to the owner who is responsible for payment of such delinquent assessment. In any voluntary conveyance of a Unit, the purchaser thereof shall be jointly and severally liable with seller for all unpaid assessments against seller made prior to the time of such voluntary conveyance, without prejudice to the rights of the purchaser to recover from seller the amounts paid by purchaser therefor. No owner may waive or otherwise escape liability for any assessment of the Association by non-use of the Common Area or abandonment of his Unit.

5. EXHIBIT "A" BY-LAWS. ARTICLE II THE ASSOCIATION. Section 4.
"Meeting of Members. (d) Annual Meeting" is hereby amended so that after amendment it reads as follows:

(d) Annual Meeting. The annual meeting of the Association for the election of members of the board, the consideration of reports to be presented at such a meeting and the transaction of such other business as may be properly brought before such meeting shall be held at such time and at such place on the Property or at such other place within Forsyth County, North Carolina, as may be designated by the Board and specified in the notice of such meeting. The annual meeting of the Association shall be held on the third Tuesday in January, if not a legal holiday, and if a legal holiday, then on the next succeeding business day.

6. EXHIBIT "A" BY-LAWS. ARTICLE II THE ASSOCIATION. Section 4.
"Meeting of Members. (f) Notice of Meeting" is hereby amended so that after amendment it reads as follows:

(f) Notice of Meeting. Not less than ten nor more than sixty days before the day fixed for an annual or special meeting of the Association, written notice stating the date, time, place, purpose and an agenda for such meeting shall be given by or at the direction of the Secretary of the Association or any other person or persons required or permitted by these By-Laws to give such notice. Such notice shall be given by personal delivery or by mail to each member of the Association who is a Unit Owner of record as of the day preceding the day on which notice is given. If mailed, such notice shall be addressed to the members of the Association and others entitled to such notice at their respective addresses as they appear on the records of the Association and deposited, post paid, into the United States Mail. Notice of the time, place and purpose of any meeting of the Association may be waived in writing by any member of the Association, either before or after the holding of such meeting, which writing shall be filed with or entered upon the records of the meeting. The attendance of any member of the Association at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice, shall be deemed to be a waiver by him of notice of such meeting.

7. EXHIBIT "A" BY-LAWS. ARTICLE III BOARD OF DIRECTORS. Section
14. "Powers and Duties. (b)" is hereby amended so that after amendment it reads as follows:

(b) make and approve contracts, pay taxes, purchase insurance;

8. EXHIBIT "A" BY-LAWS. ARTICLE V DUTIES OF OFFICERS. Section 1.
"President" is hereby amended so that after amendment it reads as follows:

Section 1. President. The President shall be the chief executive officer of the Association, shall preside at all meetings of the members and of the Board and shall exercise supervision over the affairs of the Association and over its several officers, subject, however, to the control of the Board. The President shall have authority to sign all board approved contracts, notes and other instruments requiring his/her signature, and shall have all the power and duties prescribed by law and such other powers and duties as the Board may from time to time assign him/her.

BK1965 P3066

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed by
their corporate officers and sealed with their corporate seals the day and year first above written.

SYCAMORE HOMEOWNERS LIMITED

By: 

President (acting)

Attest:


Secretary (acting)



BK1965 P3067

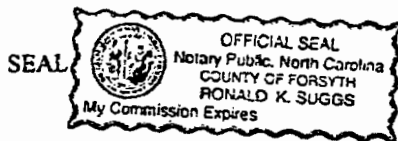
NORTH CAROLINA)

FORSYTH COUNTY)

This 23rd day of SEPTEMBER, 199 7, personally came before me,
RONALD K. SUGGS, a Notary Public, Mattie Barney, acting Secretary, who being
by me duly sworn, says that she knows the Common Seal of Sycamore, Inc. and is acquainted
with Robert Rustad who is acting President of said Corporation, and that she, the said Mattie
Barney, is the acting Secretary of the said Corporation, and saw Robert Rustad, acting President,
sign the foregoing instrument, and saw the Common Seal of said Corporation affixed to said
instrument by Robert Rustad, acting President, and that she Mattie Barney, signed her name in
attestation of the execution of said instrument in the presence of Robert Rustad, acting President
of said Corporation.

Witness my hand and notarial seal, this the 23rd of SEPTEMBER, 199 7.

Ronald K. Suggs
Notary Public



My Commission Expires:

FEBRUARY 27, 2000

STATE OF NC - FORSYTH CO
The foregoing certificate of Ronald K. Suggs ^{NP(s)}
is certified to be correct this the 23 day of Sept, 199 7
Dickie C. Wood, Register of Deeds by: R. Connelley ^{Sec/Deputy}

BK1965 P3068

✓
 FORSYTH CO, NC 110 FEE: \$ 16.00
 PRESENTED & RECORDED: 09/16/1999 2:02PM
 DICKIE C. WOOD REGISTER OF DEEDS BY: BOLES
 BK2085 P4303 - P4307

P. Boles AMENDMENT
 (sixth)

Robert Rustad
 185 KINLOCH CT
 WINSTON-SALEM, NC 27111

TO
 DECLARATION
 OF COVENANTS, CONDITIONS AND RESTRICTIONS
 OF CONDOMINIUMS

THIS AMENDMENT to Declaration of Condominium of Sycamore Condominiums is made this 16 day of SEPTEMBER, 1999 by SYCAMORE HOMEOWNERS LIMITED ("the Association") a non-profit corporation with its principal offices located in Winston-Salem, Forsyth County, North Carolina.

WITNESSETH:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions of Condominium ("the Declaration") was filed in the Office of Register of Deeds of Forsyth County, North Carolina on July 8, 1981 in Book 1339 at Page 6 and was subsequently amended in Book 1339 at Page 1096, Book 1674 at Page 2941, Book 1766 at Page 2286, Book 1918 at Page 2111 and Book 1965 at Page 3063 Forsyth County Registry; and

WHEREAS, Article XII thereof provides for amendment by the Association; and

WHEREAS, the Association is desirous of amending the Declaration in certain respects as hereinafter set forth; and

WHEREAS, at a duly convened special meeting of the Association on September 16, 1997, after due notice as provided by law, the following amendment was approved by seventy-five percent (75%) of the homeowners voting in person or by proxy;

NOW, THEREFORE, the original Declaration as amended is hereby amended as follows:

1. ARTICLE III DEFINITIONS. Section 5. Common Expenses is hereby amended so that after amendment it reads as follows:

Section 5. "Common Expenses" shall mean all expenses incurred in the administration, maintenance and repair of the Common area; expenses incurred by the Association for common area maintenance or improvements on each unit; expenses incident to the proper administration and management of the Association; reasonable reserves for capital improvements; expenses

deemed by the Association to be common to all Unit Owners and which are lawfully assessable against the Units as provided in this Declaration and the By-Laws.

2. ARTICLE III DEFINITIONS. Section 10. Unit or Condominium Unit is hereby amended so that after amendment it reads as follows:

Section 10. "Unit or Condominium Unit" shall mean and refer to an individual residential dwelling or dwelling site from "Unit Boundaries" inward (whether or not the same touches or communicates directly with the ground) within Sycamore.

3. ARTICLE III DEFINITIONS. Section 11. "Unit Boundaries" is hereby added to reads as follows:

Section 11. "Unit Boundaries". Where walls, floors or ceilings are designated as boundaries of a unit, than all lath, furring, wall boards, plaster, paneling, tiles, wallpaper, paint, and ceilings and any other materials constituting any part of the finished surfaces thereof are a part of the unit; and all other portions of such walls, floors or ceilings are a part of the common area.

4. ARTICLE XIII PARTY WALLS. Section 2. Repair and Maintenance and Section 3. Fire or other Casualty are deleted.

5. ARTICLE XV EXTERIOR MAINTENANCE. Section 1. General Maintenance is hereby amended so that after amendment it reads as follows:

Section 1. General Maintenance. In addition to providing maintenance of and upon the Common Area, the Association shall provide "Common Area" maintenance upon each Unit which is subject to Association assessment, such maintenance to include, but not limited to: painting, repairing, replacement of roofs, skylights, gutters, down spouts, "Common Area" support framing and exterior building surfaces. This maintenance shall not include the replacement or repair of window glass, hardware, internal or exterior water or sewage pipes, exterior lighting on the Units nor the cleaning of patios, walkways, decks, and stoops of the Units. The determination of the need, quality, extent and cost of exterior maintenance shall be made by the Board, which determination shall be reasonable and made upon consistent and non-arbitrary principles adopted by the Board.

6. ARTICLE XVII INSURANCE. Section 4. "By Unit Owner" is hereby amended so that after amendment it reads as follows:

Section 4. By Unit Owner. Each Unit owner, at his expense, shall have and keep in force comprehensive personal liability insurance for damages to persons or property with limits of no

less than One Hundred Thousand Dollars (\$100,000) per individual occurrence and casualty insurance with limits to insure complete restoration of Unit in the event of the total destruction. Evidence of such insurance shall be provided to and kept current with the Association, and the Association shall be a named additional insured on such policies of insurance. The Association shall have authority to, and may from time to time, increase the minimum limits of insurance coverage required to be carried by each Unit owner. Nothing herein shall prevent or deny a Unit owner the right to purchase whatever additional insurance upon a Unit he desires to have.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed by their corporate officers and sealed with their corporate seals the day and year first above written.

SYCAMORE HOMEOWNERS LIMITED

By: Matthew B.
President

Attest:

[Signature]

Secretary

ROBERT L RUSTAD



NORTH CAROLINA)

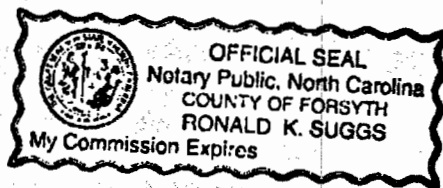
FORSYTH COUNTY)

This 16th day of SEPTEMBER, 1999, personally came before me,
RONALD K. SUGGS, a Notary Public, Robert Rustad, Secretary, who being by me
 duly sworn, says that he knows the Common Seal of Sycamore, Inc. and is acquainted with
 Mattie Barney who is President of said Corporation, and that he, the said Robert Rustad, is the
 Secretary of the said Corporation, and saw Mattie Barney, President, sign the foregoing
 instrument, and saw the Common Seal of said Corporation affixed to said instrument by Mattie
 Barney, President, and that he Robert Rustad, signed his name in attestation of the execution of
 said instrument in the presence of Mattie Barney, President of said Corporation.

Witness my hand and notarial seal, this the 16th of SEPTEMBER, 1999.

Ronald K. Suggs
 Notary Public

SEAL



My Commission Expires:

FEBRUARY 27, 2000

STATE OF NC - FORSYTH CO

The foregoing certificate(s) of:

Ronald K. Suggs

NP(s)

is/are certified to be correct at the date of recording shown on the first page thereof.

Dickie C. Wood, Register of Deeds by:

W. L. C. Wood Deputy/Asst.

2004068512 00135

FORSYTH CO, NC FEE \$20.00

RECORDED & RETURNED:

09-30-2004 11:35 AM

DICKIE C WOOD

REGISTER OF DEEDS

By: PATSY RUTH DAVIS DFTY

BK: RE 2508

PG: 3159-3161

ENVELOPE

Mail to:
 Mattio Barney
 191 Kinloch Ct
 Winston Salem
 NC 27104

AMENDMENT
 (SEVENTH)

TO

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF CONDOMINIUMS

THIS AMENDMENT to Declaration of Condominium of Sycamore Condominiums is made this 29 day of September, 2004 by SYCAMORE HOMEOWNERS LIMITED ("the Association") a non-profit corporation with its principal offices located in Winston Salem, Forsyth County, North Carolina.

WITNESSETH:

WHEREAS, The Declaration of Covenants, Conditions and Restrictions of Condominium ("the Declaration") was filed in the Office of Register of Deeds of Forsyth County, North Carolina on July 8, 1981 in Book 1339 at Page 6 and was subsequently amended in Book 1339 at Page 1096, Book 1674 at Page 2941, Book 1766 at Page 2286, Book 1918 at Page 2111 and Book 1965 at Page 3063, Book 2085 at Page 4303-4307 Forsyth County Registry: and

WHEREAS, Article XII thereof provides for amendment by the Association; and

WHEREAS, the Association is desirous of amending the Declaration in certain respects as Hereinafter set forth; and

WHEREAS, a duly special proxy vote of the Association on July 15, 2004, after due notice as provided by law, the followings amendment was approved by ninety one percent (91%) of the homeowners voting by proxy.

NOW, THEREFORE, the original Declaration as amended is hereby amended as follows:

1. ARTICLE IX COVENANT FOR ASSESSMENTS. Section 7 "Nonpayment of Assessments: Effect and Remedies is hereby amended so that after amendment it reads as follows:

Section 7, Nonpayment of Assessments: Effect and Remedies. Any assessment of the Association not paid within fifteen (15) days after the due date (monthly assessment dues are due by the 15th of each month) shall bear a late fee charge of \$10.00 for the initial month, \$25.00 for the second month, \$50.00 for the third month to be applied per schedule as follows:

	15-30 days	30-60 days	60-90 days	Total Late Fees
\$10.00				\$10.00
\$10.00		\$25.00		\$35.00
\$10.00		\$25.00	\$50.00	\$85.00

There is a \$20.00 charge for a returned check. The Association may bring an action at law against the Unit owner personally obligated to pay an assessment or may foreclose the lien against the Unit, and interest, cost and reasonable attorney's fees for such action of foreclosure shall be added to the amount of the assessment. In the event a Unit is to be leased, sold or mortgaged at the time when payment of any assessment against the Unit and Unit owner due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association), then the rent or proceeds of such sale or mortgage, shall be

applied by the lessee, purchaser or mortgagee first to the payment of any delinquent assessment due to the association and then to the payment of any rent, sale or mortgage proceeds to the owner who is responsible for payment of such delinquent assessment. In any voluntary conveyance of a Unit, the purchaser thereof shall be jointly and severally liable with seller for all unpaid assessments against seller made prior to the time of such voluntary conveyance, without prejudice to the rights of the purchaser to recover from seller the amounts paid by purchaser therefore. No owner may waive or otherwise escape liability for any assessment of the Association by non-use of the Common Area or abandonment of his Unit.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed by their corporate officers and sealed with their corporate seals the day and year first above written.

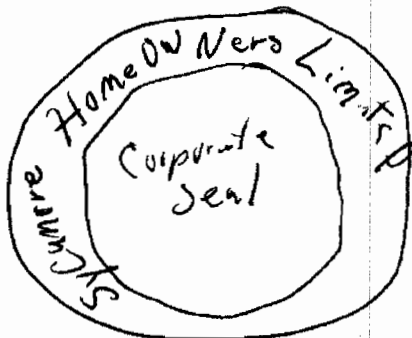
SYCAMORE HOMEOWNERS LIMITED

By: Matthew H. Barney
President

Attest:

William P. Bette
Secretary

Corporate Seal



NORTH CAROLINA)

FORSYTH COUNTY)

This 29 day of SEPTEMBER, 2004 personally came before me,
R. Jason Joslyn, a Notary Public, William P Brittain,
 Secretary, who being by me duly sworn, says that he knows the Common
 Seal of Sycamore ~~TX~~ and is acquainted with Mattie H. Barney, who is
 President of said corporation, and that he, the said William P. Brittain is the
 Secretary of the said corporation, and saw Mattie H. Barney, the President,
 sign the foregoing instrument and saw the Common Seal of said Corporation
 affixed to said instrument by Mattie H. Barney, President, and that he
 William P. Brittain signed his name in attestation of the execution of said
 instrument in the present of Mattie H. Barney, President, of said
 Corporation.

**Sycamore HomeOwners Limited*

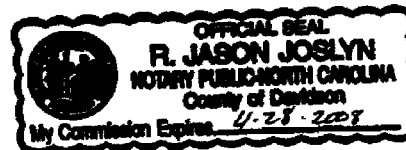
Witness by hand and notarial seal, this 29 day of SEPTEMBER,
2004.


 Notary Public

SEAL

My Commission Expires:

4-28-2008

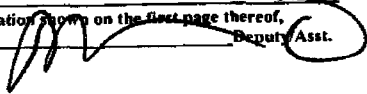


STATE OF NC - FORSYTH CO

The foregoing certificate(s) of:

R. Jason Joslyn

NP(s)

is certified to be correct at the date of recordation shown on the first page thereof,
 Dickie C. Wood, Register of Deeds by: 

Deputy Asst.

2008031579 00174

FORSYTH CO, NC FEE \$23.00
PRESENTED & RECORDED:

06-17-2008 04:27 PM

KAREN GORDON
REGISTER OF DEEDS
BY: E NAVARRO
DPTY

BK: RE 2839

PG: 988-991

AMENDMENT

(8th.)

TO

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF CONDOMINIUMS

Original to Matthe Barney

THIS AMENDMENT to Declaration of Condominium of Sycamore Condominiums is made this 12 day of June, 2008 by SYCAMORE HOMEOWNERS LIMITED ("the Association") a non-profit with its principal offices located in Winston-Salem, Forsyth County, North Carolina.

WITNESSETH:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions of Condominium ("the Declaration") was filed in the office of Register of Deeds of Forsyth County, North Carolina on July 8, 1981 in Book 1339 at Page 6 and was subsequently amended in Book 1339 at Page 1096, Book 1674 at Page 2941, Book 1766 at Page 2286, Book 1918 at Page 2111, Book 1965 at Page 3063, Book 2085 at Page 4303-4307, Book 2508 at Page 3159-3161 Forsyth County Registry.

WHEREAS, Article XII thereof provides for amendment by the Association.

WHEREAS, the Association is desirous of amending the Declaration in certain respects as hereinafter set forth:

WHEREAS, a duly annual meeting of the homeowners of the Association on January 22, 2008, after due notice as provided by law, the following amendments were approved by 75% of the homeowners voting in person or by proxy.

NOW, THEREFORE, the original Declaration as amended is amended as follows:

1. ARTICLE VI - THE COMMON AREA, UNITS SUBJECT OF RESTRICTIONS
Section 2 (add) USE AND ENJOYMENT-Every Owner shall have a right and

Requirement for Adoption. These By Laws may only be altered or amended at a duly called meeting of the voting members of the Association and (b) that there be an affirmative vote thereat in person or by proxy of members entitled to exercise two thirds of the voting power of the association.

EXISTING AMENDMENTS TO THE DECLARATION

Amendment (fifth)

1. #2(f) Notice of Meeting amended as Declaration's Article VII Section 4 (f) above
2. #3 (g) Quorum and Adjournment amended as Declaration's Article VII Section 4 (g) above.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed by their officers and sealed with their seal the day and year first above written.

SYCAMORE HOMEOWNERS LIMITED

BY: Mattie H. Barney
President

Attest:

W. P. Brittain
Secretary

Seal



NORTH CAROLINA
FORSYTH COUNTY

This 12 day of June, 2003 personally came before me, Royanne W. Gray, a Notary Public, William P. Brittain, Secretary, who being by me duly sworn, says that he knows the Common Seal of Sycamore Homeowners Limited and is acquainted with Mattie H. Barney, who is President and that he, the said William P. Brittain is the Secretary and saw Mattie H. Barney, the President, sign the foregoing instrument and saw the Common Seal affixed to said instrument by Mattie H. Barney,

2009003627 00052

FORSYTH CO, NC FEE \$20.00
PRESENTED & RECORDED:

02-02-2009 12:25 PM

C. NORMAN HOLLEMAN

REGISTER OF DEEDS

BY: E NAVARRO

DFTY

BK: RE 2871

PG: 2159-2161

AMENDMENT

(9th.)

TO

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
CONDOMINIUMS. *Original to Mattie Barney*

THIS AMENDMENT to Declaration of Condominium of Sycamore Condominiums is made
this 2 day of February, 2009 by SYCAMORE HOMEOWNERS LIMITED ("the
Association") a non-profit with its principal offices located in Winston Salem, Forsyth County,
North Carolina.

WITNESSETH:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions of Condominium
("the Declaration") was filed in the office of Register of Deeds of Forsyth County, North
Carolina on July 8, 1981 in Book 1339 at Page 6 and was subsequently amended in Book 2339 at
Page 1096, Book 1674 at Page 2941, Book 1766 at Page 2286, Book 1918 at Page 2111, Book
1965 at Page 3063, Book 2085 at Page 4303-4307, Book 2508 at Page 3159-3161, Book 2839 at
Page 988-991 Forsyth County Registry.

WHEREAS, Article XII thereof provides for amendment by the Association.

WHEREAS, the Association is desirous of amending the Declaration in certain respects as
hereinafter set forth:

WHEREAS, a duly annual meeting of the homeowners of the Association on January 22,
2008, after due notice as provided by law, the following amendments were approved by 75% of
the homeowners voting in person or by proxy.

NOW, THEREFORE, the original Declaration as amended is amended, corrected and re-
recorded as follows:

laws or regulations of the city, county or pet community rules of the Association Board, the owner may be assessed fines up to \$100.00 per incident by the Association Board.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed by their officers and sealed with their seal the day and year first above written.

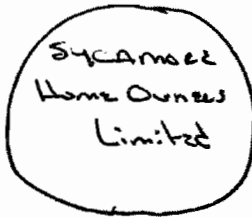
SYCAMORE HOMEOWNERS LIMITED

BY: Mattie H. Barney
President

Attest:

W. P. Brittain
Secretary

SEAL



NORTH CAROLINA
FORSYTH COUNTY

This 2 day of Feb., 2009 personally came before me, Roxanne W. Gray a Notary Public, William P Brittain, Secretary, who being by me duly sworn, says that he knows the Common Seal of Sycamore Homeowners Limited and is acquainted with Mattie H. Barney, who is President and that he, the said William P. Brittain is the Secretary and saw Mattie H. Barney, the President, sign the foregoing instrument and saw the Common Seal affixed to said instrument by Mattie H. Barney, President, and that he William P. Brittain signed his name in attestation of the execution of said instrument in the present of Mattie H. Barney, President.

Witness by hand and notarial seal, this 2 day of February, 2009.

Seal



Roxanne W. Gray
Notary Public

My Commission Expires: 10-27-2010