

OF

CONDOMINIUMS WEST, INC.

Burlington, Alamance County, North Carolina

I. IDENTITY. These are By-Laws of Condominiums West, Inc.,

an Association not for profit and subject to the Declaration affecting the land and all improvements thereon known as Condominiums West, Inc.

The Association has been organized for the purpose of administering a Condominium upon the following lands in Alamance County: as recorded in Book 439, page 411.

1. The office of the Association shall be at 2905 S. Fairway Drive,  
Burlington, Alamance County, North Carolina.

2. The fiscal year of the Association shall be the calendar year.

## II. MEMBERS

1. The annual members' meeting shall be held at the office of the Association at 8 o'clock p.m. Eastern Standard Time, on the second Monday in February of each year for the purpose of transacting any business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next succeeding day.

2. Special members' meetings shall be held whenever called by any member of the Association by written notice to other members.

3. Notice of all members' meetings stating the time and place and the objects for which the meeting is called shall be given by the Association member calling the meeting, unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than five (5) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings by vote of the members of the Association.

4. A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes

thereof shall constitute the presence of such member for the purpose of determining a quorum.

5. The vote of the owners of a unit owned by more than one person or by a corporation or other entity shall be cast by the person named in a certificate signed by all of the owners of the unit and filed with the Secretary of the Association. Such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

6. Proxies. Vote may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

7. Approval or disapproval of a unit owner upon any matter, whether or not the subject of an Association meeting, shall be by the same person who would cast the vote of such owner if in an Association meeting.

8. Adjourned meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

9. The order of business at annual members' meetings, and, as far as practical at all other members' meetings, shall be:

- A. Calling of the roll and certifying of proxies.
- B. Proof of notice of meeting or waiver of notice.
- C. Reading and disposal of any unapproved minutes.
- D. Unfinished business.
- E. New business.
- F. Adjournment.

III. POWERS AND DUTIES OF THE ASSOCIATION. All of the powers and duties of the Association shall be exercised by the members in meeting, including those powers existing under the common law and statutes, the Declaration of the Association, and the documents establishing the Condominium. Such powers and duties of the Association shall be exercised in accordance with the provisions of the Declaration of Condominium which governs the use of the land, and shall include but shall not be limited to the following:

- 1. To make and collect assessments against members to defray the costs of the Condominium.
- 2. To use the proceeds of assessments in the exercise of its powers and duties.

3. The maintenance, repair, replacement and operation of the Condominium property, specifically including maintenance of lawns, gardens, parking areas, walkways, exterior surfaces, such as roof, windows, doors, outer walks, etc.

4. The reconstruction of improvements after casualty and the further improvements of the property.

5. To make and amend regulations respecting the use of the property in the Condominium.

6. To enforce by legal means the provisions of the Condominium documents, the Articles of Declaration, the By-Laws of the Association, and the regulations for the use of the property in the Condominium.

7. If so approved by the Association, to contract for the management of the Condominium and to delegate to such contractor all powers and duties of the Association.

8. To pay taxes and assessments which are liens against any part of the Condominium other than individual units and the appurtenances thereto, and to assess the same against the unit subject to such liens.

9. To carry insurance for the protection of unit owners and the Association against casualty and liabilities.

10. To pay the cost of all power, water, sewer and other utility services rendered to the Condominium and not billed to owners of individual units.

11. To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association.

12. Maintaining and repairing any unit, if such maintenance or repair is necessary in the discretion of the Board or by operation of applicable restrictions to protect the common areas and facilities or any other portion of the building and an owner of any unit has failed or refused to perform such maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered or mailed by the Board to said owner, provided that the Board shall levy a special assessment against such owner for the costs of said maintenance or repair.

13. Entering any unit when necessary in connection with any maintenance or construction for which the Board is responsible provided, such entry shall be made during reasonable hours with as little inconvenience to the owner as practicable, and any damage caused thereby shall be repaired by the Board and such expense shall be treated as a common expense.

#### IV. OFFICERS

1. The executive officers of the corporation shall be a President, a Secretary and a Treasurer, who shall be elected annually at an Association meeting.

2. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of president of an association.

3. The Secretary shall keep the minutes of all proceedings of the Association and the members. He shall attend to the giving and serving of all notices to the members of the Association and other notices required by law. He shall keep the records of the Association and shall perform all other duties incident to the office of secretary of an association and as may be required by the

Association or the President. The Secretary may also serve as Treasurer.

4. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the assessment rolls and accounts of members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

5. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration of Condominium shall be supplemented by the following provisions:

A. Assessment Roll. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each unit. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

B. Budget.

(i) The Association shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including but not limited to the following items:

(a) Common expense budget:

(1) Maintenance and operation of common elements:

(a) Landscaping

(b) Street and walkways & Parking areas

✓ (2) Utility Services

✓ (3) Casualty Insurance

✓ (4) Liability Insurance

✓ (5) Administration

(b) Proposed assessments against each member.

(ii) Copies of the proposed budget and proposed assessments shall be transmitted to each member on or before January 1 of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned.

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

D. Unless waived by the Association, an audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the report shall be furnished to each member not later than April 1 of the year following the year for which the report is made.

E. Fidelity bonds shall be required from all officers and employees of the Association and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined by the Association, but shall be at least the amount of the total annual assessments against members for common expenses. The premiums on such bonds shall be paid by the Association.

7. Parliamentary Rules. Roberts Rules of Order (latest edition) shall govern the conduct of Association proceedings when not in conflict with the Articles of Declaration and the By-Laws of the Association.

8. Amendments. Amendments to the By-Laws shall be proposed and adopted in the following manner:

- A. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
- B. A resolution adopting a proposed amendment must receive unanimous approval of the votes of the entire membership of the Association. Members not present at the meetings considering the amendment may express their approval in writing.
- C. Effective Date. An amendment when adopted shall become effective only after being recorded in the Public Records of Alamance County.
- D. These by-laws shall be amended, if necessary, so as to make the same consistent with the provisions of the Declaration of Condominium.

9. No Unit Owner shall make or permit any disturbing noises in the building by himself, his family, employees, agents, visitors and licensees, nor do permit anything by such persons that will interfere with the rights, comforts and convenience of other Unit Owners.

10. No radio or television installation shall be made without the written consent of the Association. Any aerial erected on the roof or exterior walls of the building without the consent of the Association, in writing, is liable to removal without notice.

11. Leasing of the Unit by Unit Owner is not prohibited.

12. The corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes. No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in any political campaign on behalf of any candidate for public office. The corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation contributions to which are deductible under Section 179(c)

(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), or (c) Internal Revenue Code Section 528 (Homeowner's Association) or any other amendments applicable under the Tax Reform Act of 1976.

13. Upon the dissolution of the corporation the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law) as the Board of Directors shall determine. The Board of Directors shall have full power and authority to make, alter, amend or rescind the by-laws of the corporation by the affirmative vote of two-thirds (2/3) of the directors.

14. This corporation is one which does not contemplate pecuniary gain or profit to the members thereof and is organized for non-profit purposes, and no part of any net earnings thereof shall inure to the benefit of any member.

#### RULES AND REGULATIONS

*Exhibit D*

1. The sidewalks, entrances, and parking lot must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the premises.

2. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any Unit Owner on any part of the outside or inside of the demised premises or building without the prior written consent of the Association.

3. No awnings or other projections shall be attached to the outside walls of the building without the prior written consent of the Association.

4. No baby carriages, velocipedes, bicycles or other items shall be allowed to stand in the common areas, or in the parking lot other than spaces provided.

5. The building is equipped with trash and garbage containers and refuse must be disposed of in same.

6. The Association may retain a pass key to the premises. In case new locks are installed, the Unit Owner shall provide the Association with an additional key for the use of the Association pursuant to its rights of access to the demised premises.

7. No Unit Owner shall allow anything whatever to fall from the windows or doors of the premises, nor shall sweep or throw from the premises any dirt or other substance into any of the common elements of the building or grounds. Each Unit Owner will be responsible to keep in good repair all exterior windows and screens and/or doors. P 6 X

8. No garbage cans, supplies or other articles shall be indiscriminately placed or strewn in the common elements, nor shall anything be hung from the windows or placed upon the window sills. Neither shall any linens, cloths, clothing, curtains, rugs, or mops be shaken or hung from any of the windows or doors.

9. The violation of any rule or regulation adopted by the Association or the breach of any By Law contained herein, or the breach of any provision of the Declaration, shall give the Association the right, in addition to any other rights set forth in these By Laws or other documents: (a) to enter the unit in which or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Association shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

10. (a) All maintenance and any repairs to any unit, structural or nonstructural, including glass windows and doors, ordinary or extraordinary, (other than maintenance of and repairs to any common areas and facilities contained therein and not necessitated by the negligence, misuse or neglect of the owner of such unit) shall be made by the owner of such unit. Each unit owner shall be responsible for all damages to any and all other units and to the common areas and facilities that his failure so to do may engender. X  
(b) All maintenance, repairs and replacements to the common areas and facilities, whether located inside or outside of the units (unless necessitated by the



negligence, misuse or neglect of a unit owner, in which case such expense shall be charged to such unit owner), shall be made by the Association and be charged to all the unit owners as a common expense.

11. Each unit owner shall own and be responsible for the repair maintenance, and upkeep of the equipment (air conditioner, heater, hot water heater, electrical, mechanical and plumbing) which serves his unit.

12. No unit owner shall make any structural addition, alteration, or improvement in or to his unit, without the prior written consent thereto of the Association. The Association shall have the obligation to answer any written request by a unit owner for approval of a proposed structural addition, alteration or improvement in such unit owner's unit, within thirty (30) days after such request and failure to do so within the stipulated time shall constitute a consent by the Association to the proposed addition, alteration or improvement.

13. In addition to any other requirements, the use of the property of the condominium shall be in accordance with the following provisions:

(a) Each of the units shall be occupied only as a residence and for no other purpose. No unit may be divided into smaller units or any portion thereof sold or otherwise transferred without first amending these By Laws to show the changes in the units to be effected thereby.

(b) The common elements shall be used for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the units.

(c) No use or practice shall be permitted on the property which is the source of annoyance to unit owners or which interferes with the peaceful possession and proper use of the property by the unit owners. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage allowed to accumulate nor any fire hazard allowed to exist. It shall be the responsibility of each unit owner and the Association to prevent the development of conditions which render the property or the building unclean, unsightly or unkept or which substantially decrease the beauty of the area as a whole. No unit owners shall permit any use of his unit or of the common elements which will increase the rate of insurance upon the Condominium property.

All valid laws, zoning ordinances, and regulation of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification, or repair of the Condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.