

BYLAWS  
OF  
WYNGATE HOMEOWNER'S ASSOCIATION

ARTICLE I  
DEFINITIONS

Section 1. The following terms used in these Bylaws shall have the following meanings (unless otherwise expressly provided herein):

- 1.1. "Act" means the North Carolina Nonprofit Corporation Act as promulgated.
- 1.2. "Articles" means the Association's Articles of Incorporation.
- 1.3. "Association" means Wyngate Homeowner's Association, Inc., a nonprofit North Carolina corporation.
- 1.4. "Board of Directors" means the Board of Directors for the Association.
- 1.5. "Bylaws" means the Association's Bylaws.
- 1.6. "Common Area" means all real property, including the lake, and improvements thereon or associated therewith, which is/are owned or leased by, or located in an easement granted to or reserved by, the Association and which has/have been designated by Declarant, record owner of newly annexed land, or the Association as "Common Area" or some other similarly descriptive term, on a recorded plat, in a Declaration of Annexation (as defined in the Declaration), or in a deed or other written instrument. Common Area shall also refer to all subdivision signage, water lines, sewer lines, sewer easements, storm water ponds, storm pipes, water retention and detention devices located within the Properties which are not otherwise dedicated to a governmental entity or serving only a single Lot and also shall refer to all personal property owned or leased by the Association and designated as Common Area by Declarant or the Association. All Common Area shall be subject to the terms and conditions of the Declaration.
- 1.7. "Declarant" means MACaroni Development Company, LLC, a North Carolina limited liability company, and its successors and assigns designated as Declarant.

- 1.8. "Declaration" means the Declaration of Covenants, Conditions and Restrictions of Wyngate Subdivision, recorded in Book \_\_\_\_\_, Page \_\_\_\_\_, Wake County Registry, and any amendments thereto.
- 1.9. "Director" means each individual elected or appointed, pursuant to the provisions of these Bylaws, to serve on the Board of Directors of the Association.
- 1.10. "Living Unit" means any structure or part of a structure built for occupancy as a single family residence and shall include single family residences, townhouses, villas, and any other single family dwelling unit located on the Properties, including attached or detached units.
- 1.11. "Lot" means any numbered or lettered plot of land described by a metes and bounds description shown upon any recorded subdivision plat recorded in the office of the Wake county Register of Deeds, Wake County, North Carolina, which is made subject to the Declaration, as it may be amended.
- 1.12. "Lot in Use" means any Lot, Living Unit or Multiple - Family Lot which has been conveyed by the Declarant to a subsequent purchaser. Except, in the event the Lot or Multiple-Family Lot is vacant, the Lot or Multiple-Family Lot does not become a Lot in Use until such time as a certificate of occupancy for Improvements located thereon is initially granted or twelve (12) months from the date of conveyance, whichever is earlier. In no event shall it mean a Lot or Multiple-Family Lot owned by the Declarant on which no Improvements have been constructed.
- 1.13. "Member" means every "Owner" subject to assessment as provided in the Declaration.
- 1.14. "Multiple-Family Lot" means any Lot or improved or unimproved parcel of land located within the Properties, developed or to be developed as apartments. For the purpose of these Bylaws, a parcel of land shall not be deemed a Multiple-Family Lot until such time as it's exact metes and bounds have been surveyed and a plat thereof identifying or designating such property for Multiple-Family use is recorded in the Register of Deeds of Wake County, North Carolina.
- 1.15. "Owner" means the record owner, whether one or more Persons or entities, of a fee or undivided interest in any Lot, Living Unit or Multiple-Family Lot which is pursuant to the Declaration, subject to assessment by the Association, including contract sellers, but excluding those having an interest merely as security for the

performance of an obligation.

- 1.16. "Person" means an individual, a trust, an estate, or a domestic corporation, a foreign corporation, a professional corporation, a partnership, a limited partnership, a limited liability company, a foreign limited liability company, an unincorporated association, or other entity.
- 1.17. "Properties" means that certain real property described in Exhibit "A" attached hereto and incorporated herein by reference and any real property annexed thereto which is subjected to the Declaration, including the real property identified on Exhibit "B" attached hereto and incorporated herein by reference.
- 1.18. "Restricted Common Area" shall mean and refer to those tracts of land and any improvements thereon which are designated as "Common Area" in any map of a portion of the Properties which is under the control and jurisdiction of a Sub-Association and which is reserved and restricted for the use of Members of said Sub-Association.
- 1.19. "Sub-Association" shall mean and refer to sub-classes of membership in the Association created in accordance with the provisions of Article V of the Declaration.
- 1.20. "Subdivision" means Wyngate Subdivision as shown on the recorded subdivision plat(s) of the Properties.

## ARTICLE II ORGANIZATION OF THE CORPORATION

Section 1. Name. The name of the corporation is Wyngate Homeowner's Association, Inc. ("Association").

Section 2. Principal Office. The principal office of the Association shall be located at 7200 Stonehenge Drive, Suite 201, Raleigh, Wake County, North Carolina 27613. The Board of Directors of the Association may fix the location of its principal office from time to time.

Section 3. Registered Office and Registered Agent. The office of the Association's registered agent shall be at its initial principal office and the name of its initial registered agent at such office shall be Michael G. Sandman.

ARTICLE III  
PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate a pecuniary gain or profit to the Members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation, and architectural control of each Lot, Living Unit, Multiple-Family Lot, the Common Area and the Restricted Common Area within the Properties and for this purpose to:

- (a) 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 the same may be amended from time to time, being incorporated herein as if set forth at length;
- (b) fix, levy, collect, and enforce payment 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 the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;
- (c) subject to all applicable laws of the City of Raleigh, acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer or dedicate for public use real or personal property in connection with the affairs of the Association;
- (d) 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 two thirds of each class of Members agreeing to such dedication, sale, or transfer, provided, that this subsection shall not preclude the Board of Directors of the Association from granting easements to public authorities or others for the installation and maintenance of sewage, utilities, drainage facilities, upon, over, under and across the Common Area without the assent of the membership when, in the sole opinion of such Board, such easements do not interfere with the use and enjoyment of a Common Area or are necessary for the convenient use and enjoyment of the Common Area;
- (e) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional real property, and Common Area, provided that any such merger, consolidation, or annexation shall

have the consent of the Members and the City of Raleigh as provided in the Declaration;

- (f) have and to exercise any and all powers, rights and privileges which a corporation organized under the Act may now or hereafter have or exercise.

#### ARTICLE IV MEMBERSHIP

Section 1. Membership. Every Person who is an Owner shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, Living Unit or Multiple-Family Lot which is subject to assessment by the Association. Ownership of such Lot, Living Unit or Multiple-Family Lot shall be the sole qualification for membership. The Board of Directors may make reasonable rules relating to the proof of ownership of a Lot in this subdivision.

Section 2. Suspension of Membership. During any period in which a Member shall be in default in the payment of any annual or special assessment levied by the Association, said Member's voting rights and rights to use the Common Area may be suspended by the Board of Directors until such assessment has been paid. Such rights of a Member may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area.

#### ARTICLE V PROPERTY RIGHTS

Section 1. Member's Easements of Use and Enjoyment. Every Member shall have a right and easement of use and enjoyment in and to the Common Area, including the rights of ingress and egress, and such easement shall be appurtenant to and shall pass with the right to every Lot, Living Unit or Multiple-Family Lot subject to the terms and conditions contained in the Declaration.

#### ARTICLE VI VOTING RIGHTS

Section 1. Voting Classes. The Association shall have three classes of voting membership:

- (a) Class A Members shall be all those Owners of Lots and Living Units, other than Multiple-Family Lots (with the exception of the Declarant). Declarant shall, however, be a Class A member upon the termination of Class C membership. Class A members shall be entitled to one (1) vote for each Lot or Living Unit in which they hold the

interest required for membership under the Declaration. When more than one Person holds such interest in any Lot or Living Unit, all such Persons shall be Members. The vote of that Lot or Living Unit shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any Lot or Living Unit. Fractional voting is prohibited.

- (b) Class B Members shall be all Owners, including Declarant, its successors and assigns, of a Multiple-Family Lot. Until such time as apartments are constructed on any Multiple-Family Lot, Class B Members shall be entitled to one vote for each vacant Multiple-Family Lot in which they hold the interest required for membership under Article IV. Following the construction of apartments on any Multiple-Family Lot, Class B Members shall be entitled to that number of votes which shall be equal to (1) the number of apartment units approved for occupancy by the City of Raleigh which are located on each Multiple-Family Lot in which they hold the interest required for membership under Article IV, (ii) multiplied by eight percent (8%). When more than one Person holds such interest in any Multiple-Family Lot, all such Persons shall be Members, and the vote for such Multiple-Family Lot shall be exercised as the majority of such Persons among themselves determine; however, in no event may more than one vote be cast with respect to any one Multiple-Family Lot. Fractional voting shall be prohibited. At any meeting of the Members, a representation by any of such Persons that a majority of such Persons have agreed as to the vote for such Multiple-Family Lot shall be conclusive unless another of such Persons contests such representation at such meeting prior to the casting of such vote.
- (c) The Class C Member shall be the Declarant. The Class C Member shall be entitled to three (3) votes for each Lot or Living Unit owned. The Class C membership shall cease and be converted to Class A membership upon the earlier of:
- (i) Declarant's written consent to termination; or
  - (ii) Declarant's conveyance of seventy-five percent (75%) of the Lots and Multiple-Family Lots; or
  - (ii) Ten (10) years following the date of incorporation of the Association.

Notwithstanding anything contained in sub-paragraphs (i) and (ii) above to the contrary, the Class C membership shall be reinstated if after termination by written consent or conveyance of Lots and Multiple-Family Lots,

as provided in this Section 1(c), and before the time stated in sub-paragraph (ii) below, such additional lands are annexed to the Properties without the assent of Class A Members because of development of such additional lands by Declarant, as provided for in Article III, Section 2 of the Declaration; or

Section 2. Membership Sub-Classes. Declarant shall have authority, and is hereby authorized at its discretion, to create membership sub-classes of those who are Class A or Class B Members and to designate and to delineate sub-membership areas within the Properties, each such sub-membership classification and area delineation shall consist of Owners of like or similar type dwelling units, such as, Owners of all townhouses, or a particular group of townhouses, Owners of all apartment complexes or a particular group of apartment complexes and so forth for each type of dwelling unit.

Section 3. Purpose of Sub-Classes. Sub-classes of Class A and Class B membership may be designated by Declarant for the purpose of establishing special assessment districts among similar class members because of a need, or obligation of any such designated membership sub-classification to pay assessments which may differ from those required of other sub-classifications based on the obligation upon the Association to provide differing degrees of care and maintenance to the Restricted Common Area held by such Sub-Association.

## ARTICLE VII MEETINGS OF MEMBERS

Section 1. Annual Meeting. An annual meeting of the Members will be held at such time and date as shall be designated by the Board of Directors as stated in the notice of meeting. The Board of Directors may change the date of the annual meeting from time to time. The purposes of the annual meeting need not be enumerated in the notice of such meeting, unless otherwise required by these Bylaws, the Declaration or the Act.

Section 2. Special Meetings. Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by either (1) the Board of Directors, (2) the President, or (3) upon the written request of Members who hold not less than 10% of any Class of the Members entitled to vote on any issue proposed to be considered at the special meeting. A meeting called by the Members shall be held within thirty (30) days of the Association's request therefore.

Section 3. Place of Meetings. The Board of Directors shall designate the place of meeting in Wake County, North Carolina for the annual meeting of the Members. Provided, however, if no designation is made, or if a special meeting be otherwise called,

the place of meeting shall be the principal office of the Association.

Section 4. Notice of Meetings. Except as may otherwise be provided in the Declaration, written notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called shall be delivered not less than ten (10) days nor more than sixty (60) days before the date of the meeting, by or at the direction of the Secretary or person authorized to call the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two (2) calendar days after being deposited in the United States Mail, addressed to the Member at its address as it appears on the books of the Association, with postage thereon prepaid.

In the case of a special meeting, the notice of meeting shall include a description of the purpose or purposes for which the meeting is called; but, in the case of an annual or substitute annual meeting, the notice of meeting need not include a description of the purpose or purposes for which the meeting is called unless such a description is required by the provisions of the Act.

Section 5. Record Date. For the purpose of determining the Members entitled to notice of, or to vote at, any meeting of Members or any adjournment thereof or in order to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. Unless otherwise determined by the Board of Directors, if a determination of Members entitled to vote at any meeting of Members has been made as provided in this section, such determination shall apply to any adjournment thereof.

Section 6. Quorum. Members holding at least ten percent (10%) of the votes of each class of membership, represented in person or by proxy, shall constitute a quorum for any action at any meeting of Members except as otherwise provided in these Bylaws or the Declaration. In the absence of a quorum at any such meeting, a majority of the Members so represented may adjourn the meeting from time to time, for a period not to exceed sixty (60) days, without further notice. However, if at the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of Members whose absence would cause less than a quorum to be present.

Section 7. Manner of Acting. Except in the election of Directors as governed by the provisions of Article VIII, if a quorum exists, the affirmative vote of a majority of the votes cast shall be the act of the Members, unless a greater vote is required by the Act, the Bylaws, or the Declaration. Cumulative voting is expressly prohibited.

Section 8. Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Association before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

Section 9. Action by Written Consent. Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is taken by all Members entitled to vote on the action. The action taken shall be evidenced by one (1) or more written consents describing the action taken, signed before or after such action by the Members entitled to vote thereon, and delivered to the Association for inclusion in the minutes or for filing with the corporate records. The record date for determining Members entitled to take action without a meeting shall be the date the first Member signs the written consent.

Section 10. Waiver of Notice. When any notice is required to be given to any Member, a waiver thereof in writing signed by the person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice. A Member's attendance, in person or by proxy, at a meeting (a) waives objection to lack of notice or defective notice of the meeting, unless the Member or his proxy at the beginning of the meeting objects to holding the meeting or conducting business at the meeting, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Owner or his proxy objects to considering the matter before it is voted upon.

#### ARTICLE VIII BOARD OF DIRECTORS

Section 1. General powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be managed under the direction of, the Board of Directors.

Section 2. Number and qualifications. The number of directors constituting the Board of Directors shall be not less than three (3) nor more than nine (9). Directors need not be Members of the Association.

Section 3. Term. At the first annual meeting of members

(which meeting shall be held before the end of the 1998 calendar year), Members shall elect one-third of the directors for a term of one year, one-third of the directors for a term of two years and one-third of the directors for a term of three years. At each annual meeting thereafter the Members shall elect one-third of the directors for a term of three years, and thereafter until their successors are elected and qualified.

Section 4. Nomination of Directors. Nomination for election to the Board of Directors shall be made by a Nominating Committee to be established in accordance with these Bylaws. Nominations may also be made from the floor at the annual meeting of Members. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made only from among Members.

Section 5. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of Article VI. The persons receiving the largest number of votes shall be elected. Cumulative voting is expressly not permitted.

Section 6. Expiration of Term. A Director's term shall expire upon such Director's death, resignation, or removal. The term of a Director elected to fill a vacancy expires at the next meeting of Members at which directors are elected. A decrease in the number of directors does not shorten an incumbent Director's term. Despite the expiration of a Director's term, such Director shall continue to serve until a successor shall be elected and qualifies.

Section 7. Removal. Except as herein stated, any Director may be removed at any time with or without cause by a vote of the Members if the number of votes cast to remove such Director would be sufficient to elect the Director at a meeting to elect Directors. A Director may not be removed by the Members at a meeting unless the notice of the meeting states that the purpose, or one of the purposes, of the meeting is removal of the Director. If any Directors are so removed, new Directors may be elected at the same meeting. A majority of the Directors then in office may remove any Director elected by the Board of Directors; provided, however, any Director elected by the Board of Directors

to fill the vacancy of a Director elected by the Members may be removed only by the Members.

Section 8. Vacancies. Any vacancy occurring in the Board of Directors, including without limitation a vacancy resulting from a failure by the Members to elect the full authorized number of Directors, may be filled by the Members or by the Board of Directors, whichever group shall act first. If the Directors remaining in office do not constitute a quorum, the Directors may fill the vacancy by the affirmative vote of a majority of the remaining Directors.

Section 9. Compensation. No Director shall receive compensation for any service he may render to the Association in his capacity as Director; provided, however, any Director may be reimbursed for any and all expenses incurred by him in connection with such services.

#### ARTICLE IX MEETINGS OF DIRECTORS

Section 1. Regular meetings. A regular meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of Members. In addition, the Board of Directors may provide, by resolution, the time and place, for the holding of additional regular meetings.

Section 2. Special meetings. Special meetings of the Board of Directors may be called by or at the request of the President or by any two (2) Directors, after not less than three (3) days notice to each Director.

Section 3. Notice of meetings. Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall, at least three (3) days before the meeting, give or cause to be given notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called unless otherwise required by the Act or these Bylaws. Any duly convened regular or special meeting, may be adjourned by the Directors to a later time without further notice.

Section 4. Waiver of notice. Any Director may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the Director entitled to the notice, and delivered to the Association for inclusion in the minutes or filing with the corporate records. A Director's attendance at, or participation in, a meeting waives any required notice of such meeting unless the Director at the beginning of the meeting, or promptly upon arrival, objects to holding the meeting or to transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 5. Quorum. Unless the Articles or these Bylaws provide otherwise, a majority of the number of directors fixed by or pursuant to these Bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 6. Manner of acting. Except as otherwise provided in these Bylaws, including Section 9 of this Article IX, the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7. Presumption of assent. A Director who is present at a meeting of (i) the Board of Directors or (ii) committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless (a) he objects at the beginning of the meeting, or promptly upon his arrival, to holding it or to transacting business at the meeting, or (b) his dissent or abstention from the action taken is entered in the minutes of the meeting, or (c) he files written notice of his dissent or abstention with the presiding officer of the meeting before its adjournment or with the Association immediately after the adjournment of the meeting. Such right of dissent or abstention is not available to a Director who votes in favor of the action taken.

Section 8. Action without meeting. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all Directors then in office. The action shall be evidenced by one or more written consents signed by each Director before or after such action, describing the action taken, and included in the minutes or filed with the corporate records reflecting the action taken.

Section 9. Committees of the Board. The Board of Directors may create an Architectural Review Committee, as provided in the Declaration, a Nominating Committee, as provided in these Bylaws, and any other committee as deemed appropriate in carrying out its purposes, and appoint members of the Board of Directors to serve on them. The creation of a committee of the Board of Directors and appointment of members to it must be approved by the greater of (a) a majority of the number of Directors in office when the action is taken or (b) the number of Directors required to take action pursuant to this Article IX. Each committee of the Board of Directors must have two or more members and, to the extent authorized by law and specified by the Board of Directors, shall have and may exercise all of the authority of the Board of Directors in the management of the Association. Each committee member serves at the pleasure of the Board of Directors. The provisions in these Bylaws governing meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board of Directors apply to committees of the Board of Directors established under this section.

ARTICLE X  
OFFICERS

Section 1. Officers of the Association. The officers of the Association shall consist of a President, a Vice-President, who shall at all times be members of the Board of Directors, a Secretary, a Treasurer, and such other officers as may from time to time be appointed by the Board of Directors. Any two or more offices may be held by the same person, but no officer may act in more than one capacity where action of two or more officers is required.

Section 2. Election and term. The officers of the Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed or otherwise disqualified to serve. Such elections may be held at any regular or special meeting of the Board. Each officer shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualified.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board with or without cause; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Duties.

- (a) President. The President shall preside at all meetings of the Board of Directors and all meetings of the Members; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes.
- (b) Vice Presidents. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of that office. In addition, he shall perform such other duties and have such other powers as the Board of Directors shall prescribe.
- (c) Secretary. The Secretary shall keep accurate records of the acts and proceedings of all meetings of Members and Directors. He shall have general charge of the corporate books and records and of the corporate seal, and shall affix the corporate seal to any lawfully executed instrument requiring it. He shall keep, at the registered or principal office of the Association, a record of Members showing the name and address of each Member. He shall sign such instruments as may require his signature, and, in general, shall perform

all duties incident to the office of Secretary and such other duties as may be assigned him from time to time by the Board of Directors.

- (d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors. He shall keep full and accurate accounts of the finances of the Association in books especially provided for that purpose. He shall cause an annual review (or, if requested by a resolution of the Board of Directors, an audit) of the corporate books to be made by an independent certified accountant at the completion of each fiscal year and shall prepare an annual budget and a statement of income and expenditures to be presented to the Members at its regular annual meeting, delivering a copy of each to each of the Members. The Treasurer shall, in general, perform all duties incident to his office and such other duties as may be assigned to him from time to time by the Board of Directors.

#### ARTICLE XI BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member or his designated agent. The Declaration, the Articles and the Bylaws shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

#### ARTICLE XII CORPORATE SEAL

The corporate seal of the Association shall consist of a circular impressed seal containing the name of the Association around the outer area and the word "seal" in the inner area.

#### ARTICLE XIII AMENDMENTS

These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of the majority of the Members.

#### ARTICLE XVI FISCAL YEAR

The fiscal year of the Association shall be from January 1 through December 31 of every year, except that the first fiscal year shall begin on the date of incorporation.

EXHIBIT "A"  
[Property now subject to Declaration]

BEING all of Tract 3, containing 43.403 acres, as shown on map entitled, "Survey For MACaroni Development Company, LLC", prepared by Smith and Smith Surveyors, dated November 28, 1995, and recorded in Book of Maps 1996, Page 142, Wake County Registry.

EXHIBIT "B"

[Property which may be subjected to Declaration]

BEING all of the following parcels of land:

Parcel 1, containing 22.925 acres, as shown on plat (the "Record Plat") entitled, "Survey For MACaroni Development Company, LLC", prepared by Smith and Smith Surveyors, dated November 28, 1995, and recorded in Book of Maps 1996, Page 142, Wake County Registry;

Parcel 2, containing 10.713 acres, as shown on the Record Plat;

Parcel 3, containing 43.403 acres, as shown on the Record Plat;

Parcel 4, containing 11.697 acres, as shown on the Record Plat;

Parcel 5, containing 12.495 acres, as shown on the Record Plat;

Parcel 6, containing 24.283 acres, as shown on the Record Plat; and

Parcel 1B, containing 24.221 acres, as more particularly described on Exhibit "C" attached hereto and incorporated herein by this reference.

EXHIBIT "C"  
[Parcel 1B Legal Description]

BEGINNING at an existing iron pipe located on the northern line of the property belonging to Seby B. Jones, Trustee (now or formerly), as described in Deed Book 6372, Page 946, Wake County Registry (the "Jones Property"), said iron pipe being the southwestern corner of Lot 19, Westwind Subdivision - Phase One, as shown on plat recorded in Book of Maps 1995, Page 355, Wake County Registry (the "Record Plat"); thence from said beginning point, continuing with the northern line of the Jones Property, South 89-50-43 West 202.06 feet to an existing iron pipe; thence continuing with the northern line of the Jones Property, South 89-50-43 West 199.52 feet to an existing iron pipe; thence continuing with the northern line of the Jones Property, South 89-50-43 West 200.48 feet to an existing iron pipe; thence continuing with the northern line of the Jones Property, South 89-50-43 West 200.01 feet to an existing iron pipe; thence continuing with the northern line of the Jones Property, South 89-50-43 West 80.64 feet to an iron pipe set; thence leaving the northern line of the Jones Property, North 00-09-17 West 233.75 feet to an iron pipe set; thence North 20-38-50 West 249.37 feet to an iron pipe set; thence North 19-23-10 East 759.02 feet to an iron pipe set, said pipe set being located in the southern right-of-way of Westgate Road (N.C.S.R. 1837); thence continuing with the southern right-of-way of Westgate Road, North 88-33-45 East 96.78 feet to an iron pipe set; thence continuing with the southern right-of-way of Westgate Road, North 86-36-09 East 97.32 feet to an iron pipe set; thence continuing with the southern right-of-way of Westgate Road, North 85-31-33 East 106.54 feet to an iron pipe set; thence continuing with the southern right-of-way of Westgate Road, North 85-02-56 East 451.64 feet to an iron pipe set, said pipe set being the northwestern corner of the property belonging to Agatha Dillard McGhee Johnson (now or formerly); thence leaving the southern right-of-way of Westgate Road, South 00-50-20 West 215.87 feet to an existing iron

pipe, said iron pipe being the northwestern corner of Lot 9, Westwind Subdivision - Phase One ("Westwind"), as shown on the Record Plat; thence continuing with the western line of Westwind, as shown on the Record Plat, South 00-50-27 West 461.99 feet to an existing iron pipe; thence continuing with the western line of Westwind, as shown on the Record Plat, S 00-50-27 West 403.15 feet to an existing iron pipe; thence continuing with the western line of Westwind, as shown on the Record Plat, South 00-50-27 West 155.00 feet to an existing iron pipe, said iron pipe being the POINT AND PLACE OF BEGINNING, said parcel containing 24.221 acres, the same being denoted as Lot 1B, all as shown on plat entitled "Subdivision For Westwind Associates, LLC", prepared by Smith and Smith Surveyors, dated March 21, 1996.