

BYLAWS
OF
HAMBURG MOUNTAIN HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Name, Membership, Applicability and Definitions

Section 1. Name. The name of Association shall be at Hamburg Mountain Homeowners Association, Inc., (hereinafter sometimes referred to as the "Association").

Section 2. Membership. The Association shall have one class of membership, being all of the Owners of Lots in "Hamburg Mountain", a subdivision on Hamburg Mountain in the Town of Weaverville in Reems Creek Township of Buncombe County, North Carolina. Being all that property subject to the Amended and Restated Declaration of Covenants, Conditions and Restrictions (Hamburg Mountain Subdivision) recorded in Deed Book 4878, Page 891 of the Buncombe County Registry, as may be amended from time to time (hereinafter "Declaration"). Owners shall have one vote per Lot in the affairs of the Association regardless of the size of the Lot or the number of Owners of such Lot. In the event that there I more than one owner of a particular Lot, such Owners shall designate in writing to the Association a particular Owner entitled to vote in the affairs of the Association.

Section 3. Definitions. The words used in these Bylaws shall have the same meaning as set forth in the Declaration unless the context shall clearly imply otherwise. "Owners" shall be considered owners of any and all Lots subject to the Declaration.

ARTICLE II

Association: Meetings, Quorum, Voting, Proxies

Section 1. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors, either in the Community or as convenient thereto as possible and practical.

Section 2. Annual Meetings. Annual meetings shall be set by the Board so as to occur no later than thirty (30) days before the close of the Association's fiscal year. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following, which is not a legal holiday (excluding Sunday). Business transacted at the annual meeting shall include election of directors, approval of the annual budget for the succeeding year, and approval of any proposed management agreement.

Section 3. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of the Board of Directors or upon a petition signed by at least twenty-five (25%) percent of the Owners. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting, except as sited in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail, email, or to cause to be delivered to the owner of record of each Lot a notice of each annual or special meeting of the Association stating the purpose of the special meeting, as well as the time and place where it is to be held. If an Owner wishes notice to be given at an address other than his or her lot, he or she shall have designated by notice in writing to the Secretary such other address. The mailing or delivery of a notice of a meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not less than ten (10) nor more than sixty (60) days before a meeting.

Section 5. Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of notice of the time, date, and place thereof, unless such member specifically objects to lack of proper notice at the time the meeting is called to order.

Section 6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 7. Voting. The voting rights of the members shall be as set forth in the Declaration and Articles of Incorporation, and such voting rights are specifically incorporated herein. Each member has one vote on all matters affecting the affairs of the Association.

Section 8. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically expire upon conveyance of that member's Lot, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a member, or of written revocation, or upon the expiration of eleven (11) months from the date the proxy was issued.

Section 9. Quorum. A quorum is present throughout any meeting of the Association if persons entitled to cast twenty five percent (25%) of the votes which may be cast for election of

the Board of Directors are present in person or by proxy at the beginning of the meeting. In the event business cannot be conducted at any meeting because a quorum is not present, that meeting may be adjourned to a later date by the affirmative vote of a majority of those present in person or by proxy. The quorum requirement at the next meeting shall be one-half (1/2) of the quorum requirement applicable to the meeting adjourned for lack of a quorum. This provision shall continue to reduce the quorum by fifty percent (50%) from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted.

Section 10. Action by written ballot. Any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the Association delivers a written ballot to every member entitled to vote on the matter. Any requirement that any vote of the members be made by written ballot may be satisfied by a ballot submitted by electronic transmission, including electronic mail, provided that such electronic transmission shall either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the member or the member's proxy. A written ballot shall: (1) Set forth each proposed action; and (2) Provide an opportunity to vote for or against each proposed action. Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the same total number of votes were cast. All solicitations for votes by written ballot shall indicate the time by which a ballot shall be received by the corporation in order to be counted. Except as otherwise provided in the Articles of Incorporation or Bylaws, a written ballot shall not be revoked.

ARTICLE III

Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

Section 1. Governing Body; Composition. The affairs of the Association shall be governed by the Board of Directors. The Director shall be in good standing at the time of the election with respect to payment of duly levied assessments and shall be members or spouses of members; provided, however, no person and his or her spouse may serve on the Board at the same time.

Section 2. Number of Directors. The Board shall consist of five (5) members.

Section 3. Nomination of Directors. Elected Directors shall be nominated from the floor and may also be nominated by a Nominating Committee, if such a committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

Section 4. Election and Term of Office. Directors shall be elected at annual meetings of the membership. Terms of the Directors shall be staggered, so that at least two (2) Directors

shall be elected at each annual meeting. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association.

Section 5. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed, with or without cause, by a majority of the Owners and a successor may then and there be elected to fill the vacancy thus created. A Director whose removal has been proposed by the Owners shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and shall be given the opportunity to be heard at the meeting. Additionally, any Director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than twenty (20) days may be removed by a majority vote of the Directors at a meeting, a quorum being present.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason, excluding the removal of a Director by vote of the Association, shall be filled by a vote of the majority of the remaining Directors, even though less than a quorum is present, at any meeting of the Board of Directors. Each person so elected shall serve the unexpired portion of the term of the member being replaced.

B. Meetings.

Section 7. Organization Meetings. The first meeting of the members of the Board of Directors following each annual meeting of the membership shall be held within thirty (30) days thereafter at such time and place as shall be fixed by the Board.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of the regular schedule shall constitute sufficient notice of such meetings.

Section 9. Special Meetings. Special meetings of the Board of Directors shall be held when requested by the President, Vice-President, or by any two (2) directors. The notice shall specify the time and place of the meeting and the nature of any business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery by the secretary of the Association; (b) by written notice by first class mail, postage prepaid; (c) by telephone, communicating such notice promptly to the director; or (d) by email. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or email shall be given at least forty-eight (48) hours before the time set for the meeting.

Section 10. Waiver of Notice. The transactions of any meeting of the Board of Directors,

however called or wherever held, shall be valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting, at which a quorum is present, shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the remaining members. If any meeting cannot be held because a quorum is not present, a majority of the Directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time that the original meeting was called. At such adjourned meeting at which a quorum is present, any business that might have been transacted at the original meeting may be transacted without further notice.

Section 12. Compensation. No Director shall receive any compensation from the Association for acting as such unless approved by a majority of the Owners.

Section 13. Open Meetings. All meetings of the Board shall be open to all members, but members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by the Board.

Section 14. Executive Session. The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may be involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall be announced in open session.

Section 15. Action Without A Formal Meeting. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the Directors. A Director's consent to action taken without meeting may be in electronic form and delivered by electronic means.

C. Powers and Duties.

Section 16. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the

members. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and be responsible for the following, in way of explanation, but not limitation:

(a) prepare and adopt an annual budget in which there shall be established a budgetary amount for community expenses and annual general assessments and any necessary special assessments (within the limitations set by the Declaration) as provided for in the Declaration. Within 30 days after adoption of any proposed budget for the planned community, the Board shall provide to all Owners a summary of the budget and a notice of the meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. The Board shall set a date for a meeting of the Owners to consider ratification of the budget, such meeting to be held not less than 10 nor more than 60 days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting a majority of all the Owners in the Association rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board;

(b) make expenditures for the operation of the Association and the maintenance of the property maintained by the Association, provided that any expenditure that exceeds the annual budget approved by the members must be approved by a majority vote of the Board of Directors, before the Association becomes obligated to make such expenditure;

(c) provide for the operation, care, upkeep, and maintenance of all areas that are the maintenance responsibility of the Association;

(d) designate, hire, and dismiss the personnel necessary for the operation of the Association and, where appropriate, providing for the compensation of such personnel and for the purpose of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(e) levy assessments to defray the common expenses as determined and limited by the duly adopted budget, establish the means and methods of collecting such assessments, collect the assessments, deposit the proceeds thereof in a bank depository that it shall approve, and use the proceeds to administer the Association;

(f) make and amend use restrictions and the rules and regulations;

(g) open bank accounts on behalf of the Association and designating the signatures required;

(h) enforce by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it, and bring any proceedings that may be instituted on behalf of

the Association or two or more Owners whose interests are affected;

(i) obtain and carry insurance against casualties and liabilities on the common areas, as well as officers and directors liability insurance in an amount determined by the Board of Directors, and pay the premium cost thereof;

(j) keep books with detailed accounts of the receipts and expenditures affecting the Association and its administration, and specify the maintenance and repair expenses and any other expenses incurred; and

(k) contract with any person for the performance of various duties and functions.

ARTICLE IV

Officers

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President and Treasurer shall be members of the Board of Directors.

Section 2. Election, Term of Office, and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby.

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and the Board of Directors. The president shall have all the general powers and duties which are incident to the office of the president of a corporation organized under N.C. Gen. Stat. §55A-1 et seq.

Section 5. Vice President. The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board or Directors and shall have charge of such books and papers as the Board of Directors may direct and shall, in general, perform all duties incident to the office of the secretary of a corporation organized in accordance with North Carolina law.

Section 7. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors.

Section 8. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE V

Committees

Section 1. General. Committees to perform such tasks and to serve for such periods as may be designated by the Board are hereby authorized. Each committee shall be composed and shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

ARTICLE VI

Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Association shall be determined by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

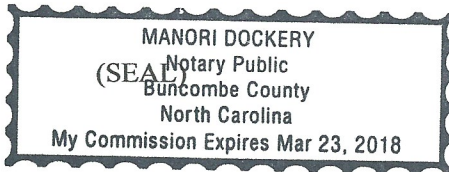
Section 2. Parliamentary Rule. Roberts Rules of Order (current edition) shall govern the conduct of all Association proceedings, when not in conflict with North Carolina law, the Articles of Incorporation, the Declaration, these Bylaws, or a ruling made by the person presiding over the proceeding.

Section 3. Conflicts. If there are conflicts or inconsistencies between the provisions of North Carolina law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of North Carolina law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

Section 4. Amendment. These Bylaws may be amended by the affirmative vote of two-

thirds of the eligible votes of the Association, and such amendment shall be effective upon execution.

This the 31 day of March, 2016.



**HAMBURG MOUNTAIN HOMEOWNERS
ASSOCIATION, INC.**

North Carolina
Buncombe County
Kathryn Lightcap + Marta Whitten Personally
appeared before me this day and acknowledged
the due execution of the foregoing instrument.
Witness my hand and official seal, this the 31
day of March, 2016

Notary Public: Manori Dockery

By: [Signature]

President

Attest: [Signature]
Secretary