

## ARTICLE 1 - PLAN OF UNIT OWNERSHIP

- Section 1. Unit Ownership. The Property located in Moore County, State of North Carolina, and more particularly described in the Declaration to which these By-Laws are attached has been submitted to the provisions of Chapter 47A of the North Carolina General Statutes entitled "Unit Ownership Act" by the Declaration recorded in the Office of the Register of Deeds of Moore County, State of North Carolina, simultaneously herewith, and shall hereinafter be known as "ERIN HILLS CONDOMINIUM" (hereinafter called the "Condominium").
- Section 2. Applicability of By-laws. The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the building and all other improvements thereon (including the units, the common areas and facilities and the limited common areas and facilities), owned in fee simple absolute (subject only to easements of record), and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Chapter 47A of the North Carolina General Statutes, entitled "Unit Ownership Act."
- Section 3. Application. All present and future owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to the Declaration, these By-Laws and Rules and Regulations made pursuant hereto and any amendment to these By-Laws upon the same being passed and duly set forth in an amendment to the Declaration, duly recorded.

The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a Unit shall constitute an agreement that these By-Laws (and any Rules and Regulations made pursuant hereto) and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified and will be complied with.

## ARTICLE II - UNIT OWNERS

- Section 1. Place of Meetings. All meetings of the association of Unit Owners (hereinafter referred to as "Unit Owners") of the Condominium shall be held at the Property or at such other place either within or without the State of North Carolina, as shall be designated in a notice of the meeting.
- Section 2. Annual Meetings. An annual meeting of the Unit Owners shall be held at 2:00 P.M. on the second day of October of each year if not a legal holiday, and if a legal holiday, then at the same time on the next day following not a legal holiday for the purpose of electing members of the Board of Administrators and for the transaction of such other business as may be properly brought before the meeting.

~~Section 3. Annual Meetings.~~ If the annual meeting shall not be held on the day designated by the By-Laws, a substitute Annual Meeting may be called in accordance with the provisions of Section 4 of this Article. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 4. Special Meetings. Special meetings of the Unit Owners may be called at any time by the Board of Administrators or upon the written request of not less than 25% in common interest, in the aggregate, of the Unit Owners.

Section 5. Notice of Meetings. Written or printed notice stating the place, day and hour of the meeting shall be delivered or mailed not less than ten (10) nor more than fifty (50) days before the date thereof, either personally or by mail at the direction of the Board of Administrators or Unit Owners calling the meeting, to each person entitled to vote at such meeting.

In case of an annual or substitute meeting, the notice of meeting need not specifically state the business to be transacted thereat unless it is a matter other than the election of administrators on which the vote of Unit Owners is expressly required by the provisions of the North Carolina Unit Ownership Act. In the case of a special meeting the notice of meeting shall specifically state the purpose or purposes for which the meeting is called.

When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. When a meeting is adjourned for less than thirty (30) days in any one adjournment, it is not necessary to give any notice of the adjourned meeting other than by announcement at the meeting at which the adjournment is effective.

Section 6. Quorum. The presence in person or by proxy at any meeting of the voting members (as defined in Section 7 of this Article) having a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Unit Owners at which a quorum is present upon the affirmative vote of the meeting. If there is no quorum at the opening of the meeting of Unit Owners, such meeting may be adjourned from time to time by the vote of a majority of the voting members present, either in person or by proxy; and at any adjourned meeting at which a quorum is present any business may be transacted which might have been transacted at the original meeting.

The voting members at a meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough voting members to leave less than a quorum.

Section 7. Voting Rights. There shall be one person with respect of each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known and hereafter referred to as a "Voting Member". Such voting member may be the owner or one of the group composed of all of the owners of a unit ownership, or may be some other person designated by

such owner or owners to act as proxy on his or their behalf and who need not be a owner. Such designation shall be made in writing to the Board and shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator, or by written notice to the Board by the owner or owners. The total number of votes of all voting members shall be 100, and each owner or group of owners (including the Board of Administrators, if the Board of Administrators, or its designee, shall then hold title to one or more units) shall be entitled to the number of votes equal to the total of the percentage of ownership in the common areas and facilities applicable to his or their unit ownership as set forth in Exhibit "C" of the Declaration.

- Section 8. Cumulative Voting. In all elections for members of the Board of Administrators, each voting member shall be entitled to vote on a cumulative voting basis and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected.
- Section 9. Waiver of Notice. Any Unit Owner may, at any time waive notice of any meeting of the Unit Owners in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Unit Owner at any meeting of the Unit Owners shall constitute a waiver of notice by him of the time and place thereof except where a Unit Owner attends a meeting for the express purpose of objecting to the transact of any business because the meeting was not lawfully called. If all the Unit Owners are present at any meeting of the Unit Owners, no notice shall be required and any business may be transacted at such meeting.
- Section 10. Informal Action by Unit Owners. Any action which may be taken at a meeting of the Unit Owners may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the persons who would be entitled to vote upon such action at a meeting, (that is, the voting members) and filed with the Secretary of the Condominium to be kept in the Condominium Minute Book.

ARTICLE III - BOARD OF ADMINISTRATORS

- Section 1. Number. The business and property of the Condominium shall be managed and directed by the Board of Administrators composed of five (5) persons or by such Executive Committees as the Board may establish pursuant to these By-Laws.
- Section 2. Initial Administrators. The initial Administrators shall be selected by the Declarant and need not be Unit Owners. The name of the persons who shall serve on the initial Board of Administrators from the date upon which the Declaration is recorded in the Moore County, North Carolina, Public Registry until the first annual meeting of the members or until such time as their successors are duly elected and qualify, are as follows:

Jack A. Furman  
 Don C. Collett  
 P. Holcomb Hector  
 David A. Busfield  
 Robert A. Chute

- Section 3. Election, Term and Qualification. Except as provided in Section 2 and 5 of this Article, the Administrators shall be elected at the annual meeting of Unit Owners and those persons who receive the highest number of votes shall be deemed to have been elected. The size of the Board of Administrators may be increased or decreased from time to time upon the affirmative vote of 2/3rds of the total of the Unit Owners provided that said Board shall not be less than three in number. Each Administrator shall hold office for a period of one year or until his death, resignation, retirement, removal, disqualification or his successor is elected and qualifies. Each member of the Board (after the first annual meeting of the association of Unit Owners and the election and qualification of the successors to the initial Board of Administrators) shall be one of the owners or co-owners or a spouse of an owner or co-owner; provided, however, that in the event an owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any officer or director of such corporation, partner of such partnership, beneficiary of such trust or manager of such other legal entity, shall be eligible to serve as a member of the Board.
- Section 4. Removal. Administrators may be removed from office with or without cause by affirmative vote of the Unit Owners having a majority of the total votes entitled to vote at an election of administrators. However, unless the entire Board is removed an individual administrator may not be removed if the number of Unit Owners voting against the removal would be sufficient to elect an administrator if such Unit Owners voted cumulatively at an annual election. If any administrators are so removed, new administrators may be elected at the same meeting.
- Section 5. Vacancies. A vacancy occurring in the Board of Administrators, including administratorships not filled by the Unit Owners, may be filled by a majority of the remaining Administrators, though less than a quorum, or by the sole remaining Administrator; but a vacancy created by an increase in the authorized number of Administrators shall be filled only by election at an annual meeting or a special meeting of Unit Owners called for that purpose. Voting members may elect an Administrator at any time to fill any vacancy not filled by the Administrators.
- Section 6. Compensation. The Board of Administrators shall receive no compensation for their services unless expressly allowed by the Board at the direction of the Unit Owners having two-third (2/3) of the total votes.
- Section 7. Executive Committees. The Board of Administrators may, by resolution adopted by a majority of the number of Administrators fixed by these By-Laws, designate two or more Administrators to constitute an Executive Committee, which committee to the extent provided in such resolution shall have and may exercise all of the authority of the Board of Administrators in the management of the Condominium.
- Section 8. Powers and Duties. The Board of Administrators shall have the power and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things, except such acts as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Administrators. Such powers and duties of the Board of Administrators shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep, repair, maintenance and replacement of the common areas and facilities and payments therefor.
- (b) Determination of the common expenses required for the affairs of the Condominium, including without limitation, the operation and maintenance of the Property.
- (c) Collection of the common charges from the Unit Owners.
- (d) Employment and dismissal of the personnel necessary for the maintenance, repair and replacement of the common areas and facilities.
- (e) The adoption and amendment of such reasonable rules and regulations as it may deem advisable for the maintenance, conservation, and beautification of the Property, and for the health, comfort, safety and general welfare of the owners and occupants of the Property. Written notice of such rules and regulations shall be given to all owners and occupants and the entire Property shall at all times be maintained subject to such rules and regulations.
- (f) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.
- (g) Purchasing or leasing or otherwise acquiring in the name of the Board of Administrators, or its designee, corporate or otherwise, on behalf of all Unit Owners, units offered for sale or lease or surrendered by their owners to the Board as provided by the Declaration.
- (h) Purchasing of Units at foreclosure or other judicial sales in the name of the Board of Administrators, or its designee, corporate or otherwise, on behalf of all Unit Owners.
- (i) Selling, mortgaging, voting the votes appurtenant to or otherwise dealing with units acquired by the Board of Administrators or its designee, corporate or otherwise, on behalf of all Unit Owners, subject to the Declaration and other applicable restrictions, and organizing corporations to act as designees of the Board in acquiring title to units on behalf of all Unit Owners.
- (j) 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.
- (k) 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 expenses shall be treated as a common expense.

- (l) Signing all agreements, contracts, deeds and vouchers for payment of expenditures and other instruments in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the Treasurer and countersigned by the Chairman of the Board.
- (m) Obtaining of insurance for the Property, including the units, pursuant to the applicable provisions of the Declaration.
- (n) Making of repairs, additions, and improvements to or alterations or restoration of the Property in accordance with the other provisions of these By-Laws and the Declaration, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceeding.

Section 9. Managing Agent. The Board of Administrators for the Condominium may engage the services of any person, firm or corporation to act as managing agent at a compensation established by the Board, to perform such duties and services as the Board of Administrators, shall authorize including but not limited to the duties listed in subdivisions (a), (c), (d), (j), (k), (m), and (n) of Section 8 of this Article III. The Board may delegate to the managing agent, all of the powers granted to the Board of Administrators by these By-Laws other than the powers set forth in subdivisions (b), (e), (f), (g), (h), (i) of Section 8 of this Article III.

#### ARTICLE IV - MEETINGS OF ADMINISTRATORS

- Section 1. Organization Meeting. The first meeting of a newly elected Board of Administrators shall be held within fifteen (15) days following the meeting of the Unit Owners at which the Board was elected. No notice shall be necessary to the newly elected members of the Board of Administrators in order to legally constitute such meeting, providing a quorum shall be present.
- Section 2. Regular Meetings. A regular meeting of the Board shall be held immediately after, and at the same place as the annual meeting or substitute annual meeting of the Unit Owners. In addition, the Board of Administrators may provide by resolution the time and place either within or without the State of North Carolina, for the holding of a regular meeting of the Board.
- Section 3. Special Meetings. Special meetings of the Board of Administrators may be called by or with the request of the Chairman or by any two Administrators. Such meetings may be held either within or without the State of North Carolina.
- Section 4. Notice of Meetings. Regular meetings of the Board of Administrators may be held without notice. The person or persons who called a special meetings of Administrators shall, at least two days before the meeting, give notice thereof by any usual means of communications. Such notice need not specify the purpose for which the meeting is called.

Attendance by an Administrator at a meeting shall constitute a waiver of notice of such meeting except where an Administrator attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called.

Section 5. Waiver of Notice. Any member of the Board of Administrators may at any time waive notice of any meeting of the Board of Administrators in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Administrators are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 6. Quorum. A majority of the number of Administrators fixed by these By-Laws shall be required for and shall constitute a quorum for the transaction of business at any meeting of the Board of Administrators.

Section 7. Manner of Acting. Except as otherwise provided in this section, the act of the majority of the Administrators present at a meeting at which a quorum is present shall be the act of the Board of Administrators.

A vote of a majority of the number of Administrators fixed by the By-Laws shall be required to adopt a resolution constituting an Executive Committee. The vote of a majority of the Administrators then holding office shall be required to adopt, amend, or repeal a By-Law. Vacancies in the Board of Administrators may be filled as provided in Article III, Section 5, of these By-Laws.

Section 8. Organization. Each meeting of the Board of Administrators shall be presided over by the Chairman of the Board, and in the absence of the Chairman, by any person selected to preside by vote of the majority of the Administrators present. The Secretary, or in his absence, an Assistant Secretary, or in the absence of both the Secretary and Assistant Secretary any person designated by the Chairman of the meeting, shall act as Secretary of the meeting.

Section 9. Informal Action of Administrators. Action taken by a majority of the Administrators without a meeting is nevertheless Board action if written consent to the action in question is signed by all of the Administrators and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

Section 10. Minutes. The Board shall keep minutes of its proceedings.

Section 11. Fidelity Bonds. The Board of Administrators may require all officers and employees of the Condominium handling or responsible for Condominium funds to be covered by an adequate fidelity bond. The premiums on such bonds shall constitute a common expense.

Section 12. Liability of the Board. The members of the Board of Administrators shall not be liable to the Unit Owners for any mistake of judgement, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board against all contractual liability to others arising out of contracts made by the Board on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or these By-Laws.

It is intended that the members of the Board of Administrators shall have no personal liability with respect to any contract made by them on behalf of the Condominium, except to the extent that they are Unit Owner (s). It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Administrators or out of the aforesaid indemnity in favor of the members of the Board shall be limited to such proportion of the total liability thereunder as his interest in the common areas and facilities bears to the interests of all the Unit Owners in the common areas and facilities. Every agreement made by the Board or by the managing agent on behalf of the Condominium shall provide that the members of the Board of Administrators, or the managing agent, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability as his interest in the common areas and facilities bear to the interest of all Unit Owners in the common areas and facilities.

#### ARTICLE V - OFFICERS

- Section 1. Number. The principal officers of the Condominium shall consist of a Chairman of the Board, a Secretary, a Treasurer, and such Vice Chairmen, Assistant Secretaries, Assistant Treasurers, and other officers as the Board of Administrators may from time to time elect. Any two or more offices may be held by the same person except the offices of Chairman and Secretary.
- Section 2. Election and Term. The officers of the Condominium shall be elected by, and from among the Board of Administrators. Such elections may be held at the regular annual meeting of the Board.
- Each officer shall hold office for a period of one year or until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualifies.
- Section 3. Removal. Any officer or agent elected or appointed by the Board of Administrators 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. Compensation. No officer shall receive any compensation from the Condominium for acting as such.
- Section 5. Chairman of the Board. The Chairman of the Board shall be the principal executive officer of the Condominium and, subject to the control of the Board of Administrators, shall supervise and control the management of the Condominium. The Chairman shall when present, preside at all meetings of the Board and of the Unit Owners and, in general, shall perform all duties incident to the office of Chairman of the Board and such other duties as may be prescribed from time to time by the Board.
- Section 6. Vice-Chairman. The Vice-Chairman, and if there be more than one, the Vice-Chairman designated by the Board of Administrators shall, in the absence or disability of the Chairman, have the powers and perform the duties of said office. In addition, each Vice-Chairman shall perform such other duties and have such other powers as shall be prescribed by the Chairman of the Board.

Section 7. Secretary. The Secretary shall keep accurate records of the acts and proceedings of all meetings of Unit Owners and Administrators. He shall give, or cause to be given, all notices required by law and by these By-Laws. He shall have general charge of the minute books and records of both the Unit Owners and the Board. 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 Chairman of the Board or by the Board of Administrators.

Section 8. Treasurer. The Treasurer shall have custody of all Condominium funds and securities and shall receive, deposit or disburse the same under the direction of the Board of Administrators. He shall keep full and accurate accounts of the finances of the Condominium in books especially provided for that purpose. He shall cause a true statement of its assets and liabilities as of the close of each fiscal year, and of the results of its operations and of changes in surplus for each fiscal year, all in reasonable detail, to be prepared and distributed to all Unit Owners and members of the Board of Administrators on or before the 15th day of the third month following the close of each fiscal year. The statement so filed shall be kept available for inspection by any Unit Owner for a period of three (3) years and the Treasurer shall mail or otherwise deliver a copy of the latest such statement to each Unit Owner annually on or before March 15 covering the preceding calendar year. The Treasurer shall also prepare and file all reports and returns required by Federal, State or Local law and shall generally perform all other duties as may be assigned to him from time to time by the Chairman of the Board or the Board of Administrators.

Section 9. Assistant Secretaries and Treasurers. The Assistant Secretaries and Assistant Treasurers, if any, shall, in the absence or disability of the Secretary and Treasurer, respectively, have all the powers and perform all of the duties of those officers, and they shall in general perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the Chairman of the Board or the Board of Administrators.

#### ARTICLE VI - OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of the Common Charges. The Board of Administrators shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of the common charges payable by the Unit Owners to meet the common expenses of the Condominium, and allocate and assess such common charges among the Unit Owners according to their respective common interests. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Administrators pursuant to the provisions of the Declaration. The common expenses may also include such amounts as the Board of Administrators may deem proper for the operation and maintenance of the property, including without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Administrators or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale. The Board of Administrators shall advise all Unit Owners, promptly, in writing, of the amount of common charges payable by each of them, respectively, as determined by the Board of Administrators, as aforesaid, and shall furnish copies of each budget on which such common charges are based, to all Unit Owners and to their mortgagees.

Section 2. Payment of Common Charges. All Unit Owners shall be obligated to pay the common charges assessed by the Board of Administrators pursuant to the provisions of Section 1 of this Article VI at such time or times as the Board shall determine.

No Unit Owner shall be liable for the payment of any part of the common charges assessed against his unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of the Declaration and applicable restrictions of record) of such unit, together with his interest in the common areas and facilities (and Limited Common Areas, if any) as defined in the Declaration. A purchaser of a unit shall be jointly and severally liable with the seller for the payment of common charges assessed against such unit prior to the acquisition by purchaser of such unit without prejudice to the purchaser's right to recover from the seller the amounts paid by the purchaser therefor. Provided that a mortgagee or other purchaser of a unit at a foreclosure sale of such unit shall not be liable for and such unit shall not be subjected to a lien for the payment of common charges assessed prior to the foreclosure sale. Such unpaid common charges shall be deemed to be common charges collectible from all of the Unit Owners including such purchaser, his successor and assigns.

Section 3. Collection of Assessments. The Board of Administrators shall assess common charges against the Unit Owners from time to time and at least annually and shall take prompt action to collect any common charges due from any Unit Owner which remains unpaid for more than 30 days from the due date for payment thereof:

The Board of Administrators shall notify the holder of the first mortgage on any condominium unit (of which it has notice) for which any common charge assessed pursuant to these By-Laws remains unpaid for more than 30 days from the due date for payment thereof and in any other case where the Unit Owner of such unit is in default with respect to the performance of any other obligation hereunder for a period in excess of thirty (30) days.

Section 4. Default in Payment of Common Charges. In the event of default by any Unit Owner in paying to the Board of Administrators the common charges as determined by the Board, such Unit Owner shall be obligated to pay interest at the legal rate on such common charges from the due date thereof; together with all expenses, including attorney's fees (if permitted by law), incurred by the Board in any proceeding brought to collect such unpaid common charges. The Board shall have the right and duty to attempt to recover such common charges, together with interest thereon, and the expenses of the proceedings, including attorney's fees (if permitted by law), in an action to recover a money judgment for the same brought against such Unit Owner, or by foreclosure of the lien on such unit in like manner as a deed of trust or mortgage of real property.

Section 5. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board to foreclose on a unit because of unpaid common charges, the Unit Owner shall be required to pay a reasonable rental for the use of his unit and the plaintiff in such foreclosure actions shall be entitled to the appointment of a receiver to collect the same. The Board, acting on behalf of all Unit Owners, or on behalf of any one or more

individual Unit Owners if so instructed, shall have the power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same subject, however, to applicable restrictions of record. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same.

- Section 6. Statement of Common Charges. The Board of Administrators shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid charges due from such Unit Owner.
- Section 7. Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these By-Laws: (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 Board 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 at the expense of the defaulting Unit Owner.
- Section 8. Maintenance and Repair. (a) All maintenance and any repairs to any unit, or the exterior decks and balconies (if any) associated therewith, structural or non-structural, 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/or to the common and limited common areas and facilities that his failure to do so may engender. (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 Board and be charged to all the Unit Owners as a common expense.
- Section 9. Additions, Alterations or Improvements by Unit Owners. No Unit Owner shall make any structural addition, alteration, or improvement in or to his unit, without the prior written consent thereto of the Board of Administrators. The Board 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 not constitute a consent by the Board of Administrators to the proposed addition, alteration or improvement.
- Section 10. Use of Common Areas and Facilities. A Unit Owner shall not interfere with the use of the common areas and facilities by the remaining Unit Owners and their guests.
- Section 11. Right of Access. A Unit Owner shall grant a right of access to his unit to the managing agent and/or any other person authorized by the Board of Administrators or the managing agent, for the purpose of making inspection or for the purpose of correcting any condition originating in his unit and threatening another unit or a common area and facility, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common areas

and facilities in his unit or elsewhere in the buildings or to correct any condition which violated the provisions of any mortgage covering another unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In the case of an emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not.

Section 12. Rules of Conduct. Rules and Regulations concerning the use of the units and the common areas and facilities may be promulgated and amended by the Board with the approval of a majority of the Unit Owners. Copies of such rules and regulations shall be furnished by the Board to each Unit Owner, prior to the time when the same shall become effective.

Section 13. Electricity. Electricity is supplied by the public utility company serving the area directly to each unit through a separate meter and each Unit Owner shall be required to pay the bills for electricity consumed or used in his unit. The electricity serving the common areas and facilities shall be separately metered, and the Board of Administrators shall pay all bills for electricity consumed in any portions of the common areas and facilities as a common expense.

ARTICLE VII - RECORDS AND AUDITS

The Board of Administrators or the managing agent shall keep detailed records of the actions of the Board and the managing agent, minutes of the meetings of the Board of Administrators, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each unit which, among other things, shall contain the amount of each assessment of the common charges against such unit, the date when due, the amounts paid thereof, and the balance remaining unpaid. The financial record and books of account shall be available for examination by all the Unit Owners, their duly authorized agents or attorneys at convenient hours on working days that shall be set and announced for general knowledge. A written report summarizing all receipts and expenditures of the Condominium shall be rendered by the Board to all Unit Owners on or before the 15th day of the third month following the close of each fiscal year covering the preceding year. In addition, an annual report of the receipts and expenditures of the Condominium shall be rendered by the Board to all Unit Owners and to all mortgagees of units who have requested the same, promptly after the end of each fiscal year.

ARTICLE VIII - AMENDMENT

These By-Laws may be amended by a vote of at least 66-2/3% in common interest of all unit owners, cast in person or by proxy, at a meeting duly held in accordance with the provisions of these By-Laws, provided that such amendment shall be effective only upon the recordation in the office of the Register of Deeds, Moore County, North Carolina, of an amendment to the Declaration setting forth such amendment to these By-Laws. A description of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment is to be voted upon.

**RULES AND REGULATIONS**  
**ERIN HILLS CONDOMINIUM ASSOCIATION**

- No outdoor clothes lines and no articles of clothing, rugs, etc. shall be hung on the exterior of any apartment.
- Car washing is not permitted in the parking or common areas.
- Boats, boat trailers and/or campers may use parking area but campers are not to be lived in while here.
- Owners may park their golf carts in the parking area or adjacent to their porches.
- No livestock of any description may be kept or permitted in any apartment with the exception of dogs, cats and other animals which are qualified household pets and which do not make objectionable noise or constitute a nuisance or inconvenience to owners of other apartments.

No raising, breeding, training or dealing in dogs, cats or other animals may be permitted on or from any apartment. No more than two dogs or two cats, or one dog and one cat are allowed in an owner's apartment or apartments. All dogs and cats when outside the apartment, must be leashed or in the company of the owner or a member of his family or a guest.

- Television and radio antennas are not permitted on any of the buildings.
- Trash and garbage cans shall be kept, at all times, in assigned lockers.  
**YOUR GARBAGE MUST BE PLACED IN PLASTIC BAGS AND DEPOSITED IN CONTAINER.**
- The storage and laundry rooms shall have lights turned off when not in use. Laundry should be removed promptly from washers and dryers.
- Discreet doorknockers and nameplates are permitted.
- Storm and screen doors are permitted if they are painted to match the door molding on the units.
- No occupant shall so act as to create a nuisance that may be disturbing to other occupants and owners.
- **NO OUTDOOR COOKING OF ANY KIND** shall be permitted on the balconies or exterior porches of the condominium units, except by special permission of the Board of Administrators.

**Note: A copy of the Rules and Regulations should be posted in all Rental Units.**