

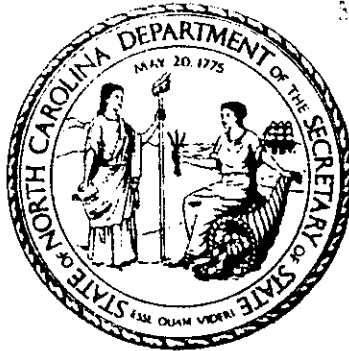
Return to: John H. Hargrove, Jr.  
911 Kildare Farm Rd.  
Cary, N.C. 27511

BOOK 3492 PAGE 595

EXHIBIT  
"D"

BOOK 3504 PAGE 437

# State of North Carolina



Department  
of the  
Secretary of State

To all to whom these presents shall come, Greeting:

I, Thad Eure, Secretary of State of the State of  
North Carolina, do hereby certify the following and  
hereto attached ( 7 sheets) to be a true copy of

ARTICLES OF INCORPORATION

OF

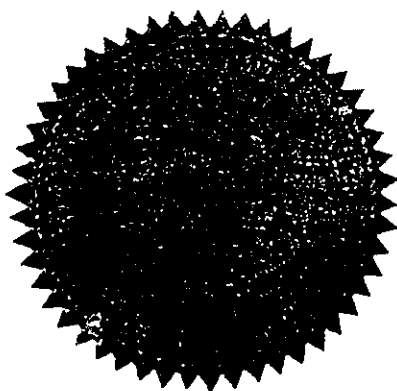
WESTPARK CONDOMINIUMS HOMEOWNERS ASSOCIATION


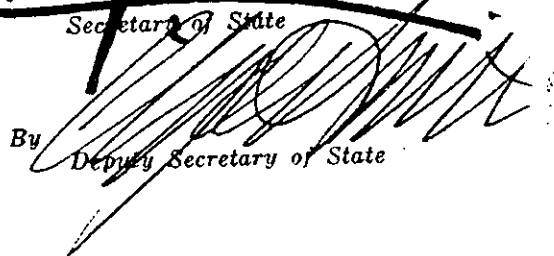
PRESENTED  
FOR  
REGISTRATION  
JUL 5 2 48 PM 1985  
KENNETH C. WILKINS  
REGISTER OF DEEDS  
WAKE COUNTY, NC

and the probates thereon, the original of which was  
filed in this office on the 9th day of April 1985 ,  
after having been found to conform to law.

In Witness Whereof, I have hereunto set my hand  
and affixed my official seal.

Done in Office, at Raleigh, this 9th day  
of April in the year of our Lord 1985.



  
Secretary of State  
By   
Deputy Secretary of State

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BOOK 3501 PAGE 498

ARTICLES OF INCORPORATION  
OF  
WESTPARK CONDOMINIUMS HOMEOWNERS ASSOCIATION

In compliance with the requirements of the laws of the State of North Carolina, the undersigned, who is a resident of Wake County, North Carolina, and is of full age, have signed and acknowledged these Articles of Incorporation for the purpose of forming a non-profit corporation and does hereby certify:

DOCUMENT #355809  
DATE 04/09/85 TIME 13:24

FILED  
THAD EURE  
SECRETARY OF STATE  
NORTH CAROLINA

ARTICLE I

Name

The name of the corporation is Westpark Condominiums Homeowners Association, hereinafter referred to and called the "Association".

ARTICLE II

Duration

The Association shall exist perpetually.

ARTICLE III

Registered Office and Agent

The principle and initial registered office of the Association is located at 919 Kildaire Farm Road, Cary, Wake County, North Carolina 27511 and Kay W. Westbrook is the initial registered agent of the Association at that address.

ARTICLE IV

Purpose Of The Association

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for beautification, maintenance, preservation, and architectural control of the exterior of the multi-family Units and non-residential areas, the residence lots, limited common area and the common area, including the maintenance of private streets, within those certain tracts of property described as:

(a) SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

(b) Such other property as may be annexed at any time with the express consent of two-thirds (2/3) of the votes entitled to be cast by the Class A members and two-thirds (2/3) of the votes entitled to be cast by the Class B members;

and to promote the health, safety, and welfare of the residents on or within the boundaries of the above described property and any additions thereto that hereafter may be brought within the jurisdiction of this Association for this purpose.

## Westpark Condominiums; Articles of Incorporation, Page 2

## ARTICLE V

Association's Powers

Powers Of The Association: The Association shall have the following general powers and any others impliedly arising therefrom, to be exercised in the manner provided and in conformity with applicable law, the Declaration hereinafter referred to, the Bylaws of the Association, and these Articles:

(a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, herein called the "Declaration", applicable to the property, and recorded or to be recorded in the Office of the Register of Deeds of Wake County, North Carolina, and as the same may be amended from time to time as herein provided, said Declaration being specifically incorporated herein by reference as if fully herein set out;

(b) To 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, but specifically not limited to, licenses, taxes, and governmental charges levied or imposed against the property of the Association;

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

(d) To borrow money, mortgage, pledge, deed in trust, or hypothecate its real or personal property as security for money borrowed or debts incurred, subject always to the provisions and limitations of the Declaration;

(e) To participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or to annex additional residential property and common areas subject always to the provisions and limitations set forth in the Declaration;

(f) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act of the State of North Carolina (Chapter 55A, North Carolina General Statutes) by law may now or hereinafter exercise.

## ARTICLE VI

Membership

The Declarant, for so long as it shall be an Owner, and every person who is a record owner of a fee or undivided fee interest in any Unit which is subject by covenants of record to assessments by the Association, including contract sellers, but excluding persons who hold an interest merely as security for the performance of an obligation, shall be a member of the Association. Ownership of such interest shall

be the sole, qualification for membership (other than for Declarant); no owner shall have more than one membership per Unit and there shall be a specified vote per Unit. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment. The Board of Directors may make reasonable rules relating to the proof of ownership of a Unit in this subdivision.

## ARTICLE VII

### Voting Rights

Section 1. Classes of Membership. The Association shall have two classes of voting membership:

(a) Class A. Class A members shall be all owners as defined in Article VI with the exception of the Declarant. There shall be one vote per Unit, (except as provided in subparagraph (b) below), and the total number of votes of all voting members shall be equal to the total number of Units in Westpark Condominiums, (except as provided in subparagraph (b) below). When more than one person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as the owner or owners thereof determine, but in no event shall more than one vote, be cast with respect to any one Unit, and no fractional vote of said vote may be cast with respect to any one Unit.

(b) Class B. The Class B member shall be collectively, Curtis Westbrook, Kay W. Westbrook, William E. Stevens and Sue R. Stevens, hereinafter referred to and known as the "Declarant". The Declarant shall be entitled to three (3) votes for each Unit in which it holds a fee or undivided fee interest; provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(1) When the total votes outstanding in Class A membership equal or are greater than the total votes outstanding in Class B membership; provided, that the Class B membership shall be reinstated with all rights, privileges, and responsibilities, if, after conversion of the Class B membership to Class A membership herein provided, additional lands are annexed to the property by the Declarant in the manner provided in Article IV, Subparagraph (b) hereof; or

(2) on January 1, 1990.

Section 2. Suspension of Voting Rights. The right of any member to vote may be suspended by the Board of Directors for just cause pursuant to its rules and regulations and for any period during which any assessment against the Unit of a member remains unpaid.

## ARTICLE VIII

### Board of Directors

Section 1. Number; Initial Board. The affairs of the Association shall be managed by a Board of not fewer than three (3) nor more than fifteen (15) Directors, who need not be members of the Association. The number of Directors required by the Bylaws of the Association may be changed by

amendment thereof. The initial Board shall consist of four (4) Directors and the names and addresses of the persons who are to act in the capacity of and constitute the initial Board of Directors until the selection and qualification of their successors are:

Name	Address
Curtis Westbrook	919 Kildaire Farm Road Cary, NC 27511
Kay W. Westbrook	919 Kildaire Farm Road Cary, NC 27511
William E. Stevens	434 Westcliffe Ct. Raleigh, NC 27606
Sue R. Stevens	434 Westcliffe Ct. Raleigh, NC 27606

Section 2. Election; Term. At or within ten (10) days after the organizational meeting, the members shall elect the number of Directors required by and pursuant to the Bylaws. The term of Directors thereafter elected shall be as provided in the Bylaws. All Directors shall serve until their successors have been duly elected and qualified.

Section 3. The method of election of Directors after the first election held pursuant to Section 2 shall be as provided in the Bylaws.

#### ARTICLE IX

##### Mergers and Consolidations

To the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit corporations organized for the same or similar purposes; provided, no merger or consolidation may be effectuated unless two-thirds (2/3) of all the votes entitled to be cast by the Class A membership and two-thirds (2/3) of all votes entitled to be cast by the Class B membership are cast in favor of merger or consolidation at an election held for such purpose.

#### ARTICLE X

##### Dissolution or Insolvency

Section 1. Voluntary Dissolution. The Association may be dissolved with the assent given in writing and signed by members having not less than two-thirds (2/3) of the votes of the Class B membership, if any.

Section 2. Election of Successor. Upon dissolution or insolvency of the Association, the members may elect to:

(a) form a non-profit corporation and transfer and assign to such corporation the property of the Association for beautification, maintenance, and preservation of Units, yards, limited common areas and common areas within Westpark Condominiums with power to assess the owners for such purposes; or

(b) transfer, assign, and convey the property of the Association to any non-profit corporation, association, trust, or other organization which is or shall be devoted to purposes and uses that would most nearly conform to the

Westpark Condominiums; Articles of Incorporation, Page 5

purposes and uses to which the common area was required to be devoted by the Association.

Section 3. Transfer of Assets. The Association shall have no capital stock, and in the event of dissolution, no member, Director, or officer of the Association, and no private individual, shall be entitled to share in the distribution of the assets of the Association. If any assets shall remain after satisfaction of its just debts, the Association shall grant, convey and assign such assets to any entity or entities that have accepted and undertaken the care and management of the common area or portions thereof. In the event that more than one entity has undertaken such care and management, the Association may distribute the assets among such entities in a manner which the Association, in its discretion, deems fair and equitable.

ARTICLE XI

Amendments

Section 1. Amendment by Membership. Except as herein provided, any amendment of these Articles of Incorporation shall require the assent of members or proxies entitled to cast seventy-five percent (75%) of the entire vote of the membership.

Section 2. No amendment made pursuant to this Articles XI shall be effective until duly recorded in the North Carolina Secretary of State's Office and the Register of Deeds Office of Wake County, North Carolina.

ARTICLE XII

FHA/VA Approval

Notwithstanding any provision in this instrument to the contrary, as long as there is a Class B membership, and if Declarant desires to qualify sections of Westpark Condominiums for Federal Housing Administration or Veterans Administration approval (but not otherwise), the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, dedication of newly annexed Common Areas; exchange of Area for other portions of the properties, and amendment of the Declaration of Covenants, Conditions and Restrictions.

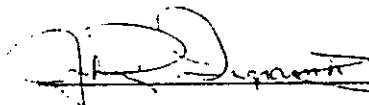
ARTICLE XIII

Incorporator

The name and address of the Incorporator is as follows:

John Randolph Ingram II 919 Kildaire Farm Rd.  
Cary, N. C. 27511

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of North Carolina, the undersigned, as incorporator, has executed these Articles of Incorporation, this the 5<sup>th</sup> day of ~~March~~ April 1985.

 (SEAL)

3492 PAGE 601

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Westpark Condominiums; Articles of Incorporation, Page 6

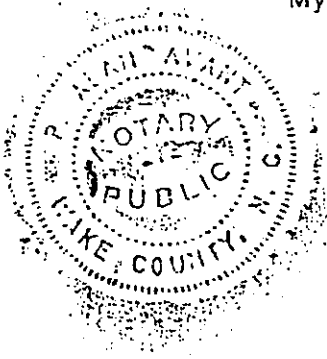
NORTH CAROLINA  
WAKE COUNTY

I, P. Allen Hunt, a Notary  
Public, do certify that John R. DeLoe Jr.,  
personally appeared before me this day and acknowledged the  
due execution of the foregoing instrument.

This the 5 day of March, 1985.

P. Allen Hunt  
Notary Public

My Commission Expires: 8-2-89



All that certain lot or parcel of land situated in Cary Township, Wake County, North Carolina and more particularly described as follows:

Being all of that 3.2438 acre tract according to survey and map of Westbrook-Stevens Property as prepared by Runa A. Cooper, Land Surveyors, bearing date of 2/21/84 as recorded in Book of Maps ~~1204~~ <sup>1885</sup> Page 1141, Wake County Registry, and being more fully described as follows:

Beginning at a point, the intersection of the north right of way line of Dry Avenue with the east right of way line of West Street, thence with the east right of way line of West Street North 04 degrees 13 minutes 20 seconds East 538.50 feet to a point, southwest corner of the property of James L. Finrock; thence with Finrock's line South 65 degrees 03 minutes 25 seconds East 95.61 feet to a point, common corner between the lands of said Finrock and J. G. Hobby; thence with the Hobby line South 48 degrees 40 minutes 46 seconds East 104.61 feet to a point, common corner between said Hobby land and the lands of C. W. Satterwhite; thence with said Satterwhite line South 78 degrees 37 minutes 00 seconds East 62.30 feet and North 77 degrees 48 minutes 05 seconds East 44.58 feet to a point, common corner with the lands of said Satterwhite and the lands of Jewel M. Sopko; thence with the Sopko line North 82 degrees 49 minutes 17 seconds East 143.31 feet to a point, common corner between the lands of said Sopko and Wayne H. Moore; thence with the westerly lines of Carl A. Mills, Jr., of Ruth K. Cooper and of the Methodist Church South 04 degrees 00 minutes 54 seconds West 271.53 feet to a point in the line of Thomas S. Secrest, Sr.; thence with the northerly lines of said Secrest and of Everett C. Sanderford North 84 degrees 44 minutes 48 seconds West 269.56 feet to a point, northwest corner of said Sanderford; thence with Sanderford's west line South 04 degrees 55 minutes 30 seconds West 207.53 feet to a point in the northerly right of way line of Dry Avenue, Sanderford's southwest corner; thence with the north right of way line of Dry Avenue North 85 degrees 59 minutes 30 seconds West 146.83 feet to the point and place of Beginning. (Note: All adjacent landowners named are present or former owners.)



BOOK 3504 PAGE 5

BYLAWS OF WESTPARK CONDOMINIUMS HOMEOWNERS  
ASSOCIATION, INC.

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BOOK 550-1 PAGE 486

BYLAWS  
OF  
WESTPARK CONDOMINIUMS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

PLAN OF UNIT OWNERSHIP

Section 1. Lands submitted to Unit Ownership; Curtis Westbrook, Kay W. Westbrook, William E. Stevens and Sue R. Stevens hereinafter referred to as the "Declarant", is the owner of certain lands lying in the Town of Cary, Wake County, North Carolina, more particularly described in Exhibit "A" attached to the Declaration of Westpark Condominiums (herein referred to as "Declaration") and has submitted portions of said lands and the improvements thereon to Unit Ownership Act by filing simultaneously herewith the Declaration provided for in Chapter 47A of the North Carolina Unit Ownership Act pursuant to the North Carolina General Statutes. The lands and improvements submitted to Unit Ownership by said Declaration shall be known as Westpark Condominiums.

Section 2. Applicability of Bylaws: All present and future owners, mortgagees, lessees, and occupants of Units within the Property, and their agents, servants, and employees, and any other persons who may make use of the facilities of the Property in any manner, are subject to these Bylaws and to the rules and regulations adopted pursuant hereto and to any amendments to these Bylaws upon the same being duly passed and set forth in an amended Declaration, duly recorded.

The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a condominium Unit by any person shall conclusively establish the acceptance and ratification by such person of these Bylaws (and any rules and regulations adopted pursuant hereto), as they may be amended from time to time, and shall constitute and evidence an agreement by such persons to comply with these Bylaws and with the rules and regulations.

ARTICLE II

DEFINITIONS

Section 1. "Homeowners Association of Unit Owners" or "Association" shall mean and refer to the association of Unit Owners of Westpark Condominiums, to be known as the Westpark Condominiums Homeowners Association, Inc.

Section 2. "The Property" shall mean and include the lands, buildings, structures and improvements thereon, and all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith, which are herein submitted to the provisions of the Unit Ownership Act.

Section 3. "Declarant" shall mean Curtis Westbrook, Kay W. Westbrook, William E. Stevens and Sue R. Stevens and their successors and assigns to whom their rights under the Declaration are expressly transferred, in whole or in part, and subject to such terms and conditions as the Declaration may impose.

Section 4. "Declaration" shall mean the instrument, duly recorded, by which the Property is submitted to the Unit Ownership Act, and as it, from time to time, may be lawfully amended.

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Bylaws, Westpark Condo. Homeowners Assoc., Inc.  
Page 2

Section 5. "Board of Directors" or "Board" shall mean those persons elected or appointed acting collectively as the Directors of the Association.

Section 6. "Rules and Regulations" shall mean those written actions of the Board, duly adopted, and amendments thereto, interpreting and applying the provisions of the Declaration and these Bylaws and establishing and prescribing the administration and management of the Property and the use, operation, and maintenance of the common areas.

Section 7. "Common expenses" means and includes:

- (a) All sums lawfully assessed against the Unit Owners by the Association;
- (b) Expenses of administration, maintenance, repair, or replacement of the common areas and facilities;
- (c) All ad valorem taxes and public assessments levied against the common areas;
- (d) All water and sewer charges for water and sewer service provided to the Property, including water and sewer service provided to individual Units for so long as they are not individually metered;
- (e) Expenses agreed upon as common expenses by the Board of Directors of the Association;
- (f) Expenses declared to be common expenses by the provisions of the Unit Ownership Act, by the Declaration or by the Bylaws; and
- (g) Hazard, and such other insurance premiums as the Declaration and/or Bylaws may require the Association to purchase.

### ARTICLE III

#### HOMEOWNER'S ASSOCIATION OF UNIT OWNERS

Section 1. Members: Every Owner of a Unit within the Property shall be a member of the homeowners association of Unit Owners of Westpark Condominiums, to be known as the Westpark Condominiums Homeowners Association, Inc.

Section 2. Organizational Meeting: An organizational meeting of the members of the Association shall be held, for the purpose of electing members of the Board of Directors and for the transaction of such other business as may be properly brought before the meeting, when called by the Board of Directors upon the happening of the earlier of the following events:

- (a) 120 days after the sale and conveyance of 75% of all Units to Unit Owners, provided, that if these Bylaws are amended to add and cover additional annexed lands to the Condominiums prior to the sale of 75% of the original thirty-six (36) Units, then said meeting shall be held 120 days after 75% of all Units covered by the Declaration have been conveyed to Unit Owners; or

(b) five years from the conveyance of the first Unit

Said Directors elected at this organizational meeting shall serve until the next annual meeting in January as set forth in Section 3 of this Article.

Section 3. Annual Meetings: An annual meeting of the Association shall be held for the purpose of electing members of the Board of Directors and for the transaction of such other business as may be properly brought before the meeting. The annual meetings shall be held at 7:00 p.m. on the Third Monday of January each year, unless such day shall be a legal holiday, in which event the meeting shall be held at the same time on the day next following which is not a legal holiday.

Section 4. Substitute annual meetings: If an annual meeting is not held on the day designated in the Bylaws, a substitute annual meeting may be called in the same manner as a special meeting. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 5. Special meetings: Special meetings of the Association may be called at any time by the President of the Association, a majority of the members of the Board of Directors or upon the written request of the Owners of not less than twenty-five percent (25%) of the total number of Units.

Section 6. Place of meetings: All meetings of the Association shall be held at the Property or at such other place in the Town of Cary, North Carolina, as shall be designated in the notice of the meetings.

Section 7. Notice of meetings: Written or printed notice stating the place, day and hour of the meeting shall be delivered or mailed by first class mail, postage prepaid, not less than ten (10) nor more than thirty (30) days prior to the date of the meeting, either by the Unit Owners calling the meeting or as the Board of Directors shall direct, to each person entitled to vote at such meeting; provided, however, that in the event fire or other casualty, in the opinion of the Board of Directors, has destroyed more than fifty percent (50%) of the Property, an emergency meeting may be called by prominently posting notice of such meeting in not less than ten (10) locations across the Property and not less than twelve (12) hours prior to such emergency meeting, and such meeting shall be a duly constituted meeting if a quorum is present; and provided, further, that the notice of a meeting to increase the annual assessment must comply with the requirements of Article VII, Section 2(b) of these Bylaws.

In the case of an annual or substitute annual meeting, the notice of meeting need not specifically state the business to be transacted unless it is a matter other than the election of Directors 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. Notice of any meeting at which the Declaration is to be amended shall state the proposed amendment.

When a meeting is adjourned for (30) days or more, notice of the reconvening 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 shall not be necessary to give notice of the reconvening of the adjourned meeting other than by an announcement at the meeting at which the adjournment is effective.

Section 8. Quorum: The presence in person or by proxy at any meeting of members having a majority of the total votes entitled to be cast shall constitute a quorum. Unless otherwise expressly provided herein or provided in the North Carolina Unit Ownership Act, as now written or hereafter amended, any action, consistent with the notice of such meeting, may be taken at any meeting of the Association at which a quorum is present upon the affirmative vote of members having a majority of the total votes present at such meeting.

If a quorum is not present at the opening of any meeting, the meeting may be adjourned from time to time by vote of a majority of the voting members present, either in person or by proxy, and shall be reconvened at the date and time determined at the adjourned meeting, subject to the notice requirements set forth in Section 7 of this Article.

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

Section 9. Voting members; proxies: There shall be one person with respect to each Unit who shall be entitled to vote at any meeting of the Association, herein referred to as the "voting member". The voting member may be the Owner of a Unit, or an Owner designated by a majority of a group composed of all the Owners of a Unit 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 an Owner. Designation of the voting member or of a proxy shall be made in writing to the Board and shall be revocable at any time by written notice to the Board by the Owner or a majority of the Owners or by the death or judicially declared incompetence of any designee.

Section 10. Voting rights:

(a) Classes of Membership. The Association shall have two classes of voting membership:

(1) Class A. Class A members shall be all the Members as defined in Article III with the exception of the Declarant. There shall be one vote per Unit, (except as provided in subparagraph (b) below), and the total number of votes of all voting members shall be equal to the total number of Units in Westpark Condominiums, (except as provided in subparagraph (b) below). When more than one person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as the Owner of Owners thereof determine, but in no event shall more than one vote be cast with respect to any one Unit, and no fractional vote of said vote may be cast with respect

to any one Unit. Each Owner or group of Owners (including the Board of Directors, if it or its designee shall hold title to one or more Units) shall be entitled to the number of votes equal to the number of Units respectively owned.

(2) Class B. The Class B member shall be collectively, Curtis Westbrook, Kay W. Westbrook, William E. Stevens and Sue R. Stevens, hereinafter referred to as the "Declarant". The Declarant shall be entitled to three (3) votes for each Unit in which it holds a fee or undivided interest; provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

/a/ When the total votes outstanding in Class A membership equal or are greater than the total votes outstanding in Class B membership; provided that the Class B membership shall be reinstated with all rights, privileges and responsibilities if, after conversion of the Class B membership to Class A membership herein provided, additional lands are annexed to the Property by the Declarant in the manner provided in Article IV of the Association's Charter; or

/b/ on January 1, 1990.

(b) Suspension of voting rights. The right of any member to vote may be suspended by the Board of Directors for just cause pursuant to its Rules and Regulations and for any period during which any assessment against the Unit of a member remains unpaid for more than 30 days.

Section 11. Waiver of notice: Any Unit Owner, at any time may waive notice of any meeting of the Association 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 Association 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 transaction of any business because the meeting was not lawfully called. If all of the voting members are present at any meeting of the Association, no notice shall be required, and any business may be transacted at any meeting.

Section 12. Informal action by Unit Owners: Any action which may be taken at a meeting of the Association 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 an action at a meeting (that is, the voting members), and filed with the Secretary of the Association to be kept in the Association minute book.

Section 13. Order of Business: The order of business at annual meetings of the Association's members, and as far as practical at other meetings of the members, shall be:

- (a) Election of Chairman of the meeting.
- (b) Calling of the roll and certifying of proxies.
- (c) Proof of notice of meeting or waiver of notice.

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Bylaws, Westpark Condo. Homeowners Assoc., Inc.  
Page 6

- (d) Reading and disposal of any unapproved minutes.
- (e) Reports of officers.
- (f) Reports of Committees.
- (g) Election of inspectors of election.
- (h) Election of Directors.
- (i) Unfinished business.
- (j) New business.
- (k) Adjournment.

#### ARTICLE IV

##### BOARD OF DIRECTORS

Section 1. General Powers: The business and Property of the Condominium shall be managed and directed by the Board of Directors or by such Executive Committee as the Board may establish pursuant to these Bylaws.

##### Section 2. Number, Term and Qualification:

(a) The initial Board of Directors of the Association, as set forth in the corporate charter shall serve until 120 days after 75% of the original thirty-six (36) Units of Westpark Condominiums have been conveyed to Unit Owners provided that if an amendment or amendments to these Bylaws add additional lands and Units to the Condominiums prior to the sale of 75% of the original thirty-six (36) Units then 120 days after 75% of all Units covered by the Declaration have been conveyed to Unit Owners, or five years following the first conveyance of a Unit to a Unit Owner, whichever shall first occur. In the event of vacancies and if there are no remaining Directors, the vacancies shall be filled by the Developer.

(b) Upon the occurrence of one of the events in subparagraph (a) above, the size of the Board of Directors may be increased or decreased from time to time upon the affirmative vote of the voting members of the Association representing 51% of the total number of Units, provided that said Board shall not be less than three in number. Each Director shall hold office for a period of one year or until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualifies. Upon termination of control by the Declarant, each member of the Board 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 authorized 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 3. Election of Directors: Except as provided in Section 5 of this Article, the Directors shall be elected at the annual meeting of the Association and those persons who receive the highest number of votes shall be deemed to have been elected. There shall be no cumulative voting.

Section 4. Removal: Directors may be removed from office with or without cause by an affirmative vote of the Unit

Owners having a majority of the total votes entitled to vote at an election of Directors. If any Directors are so removed, new Directors may be elected at the same meeting.

Section 5. Vacancies: A vacancy occurring in the Board of Directors, including Directorships not filled by the Unit Owners, may be filled by a majority of the remaining Directors, though less than a quorum, or by the sole remaining Director; but a vacancy created by an increase in the authorized number of Directors 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 a Director at any time to fill any vacancy not filled by the Directors.

Section 6. Executive Committee: The Board of Directors may, by resolution adopted by a majority of the number of Directors fixed by these Bylaws, designate two or more Directors 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 Directors in the management of Westpark Condominiums.

Section 7. Compensation. The Board of Directors shall receive no compensation for their services as Directors unless expressly allowed by the Board and upon the affirmative vote of the voting members representing two-thirds (2/3) of the total number of Units, but the Board may reimburse any Director for any direct expense incurred by him on behalf of the Association and such reimbursement shall be a common expense.

Section 8. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of Westpark Condominiums and may do all such acts and things, except such acts as by law or by the Declaration or by these Bylaws may not be delegated to the Board of Directors. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

(a) Operation, care, upkeep and maintenance of the common areas and facilities.

(b) Determination of the common expenses required for the affairs of the Condominiums, including, without limitation, the operation and maintenance of the Property.

(c) Levying and collection of the common charges from the Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the common areas and facilities, including the employment of a manager for the Condominiums Property.

(e) The adoption, amendment and publishing of such reasonable Rules and Regulations as it may deem advisable for the maintenance, conservation, and beautification of the Condominiums Property, and for the health, comfort, safety and general welfare of the Owners and occupants of the said Property. Written notice of such Rules and Regulations shall be given to all Owners and occupants, and the entire Condominiums Property shall at all times be maintained subject to such Rules and Regulations.



(f) Designate depositories for Association funds and the officers, agents and/or employees having the authority to deposit and withdraw such funds, and to require such officers, agents and employees to be bonded.

(g) Purchasing of Units at foreclosure or other sales in the name of the Board of Directors, or its designee, corporate or otherwise, on behalf of all Unit Owners.

(h) Selling, leasing, mortgaging, voting appurtenant to or otherwise dealing with Units acquired by the Board of Directors or its designee, corporate or otherwise, on behalf of all Unit Owners, subject to the Declaration and other applicable restrictions.

(i) Organizing corporations or other entities to act as designees of the Board in acquiring possession or title to Units on behalf of all Unit Owners.

(j) Maintaining and repairing the exterior of any Unit, if such maintenance or repair is necessary in the discretion of the Board. Any cost for maintenance or repair necessitated by the fault of the Owner shall be reimbursed to the Association by the Owner. Any Owner of any Unit who has failed or refused to reimburse the Association within a reasonable time after written notice of the cost of said maintenance or repair delivered or mailed by the Board to said Owner, shall be subject to a levy of a special assessment against such Owner for reimbursement of the costs of said maintenance or repair.

(k) Entering any Unit when necessary in connection with and maintenance or construction for which the Board is responsible; provided, such entry shall be made during such reasonable hour with as little inconvenience to the occupant as practicable, and any damage caused by the entry or repairs shall be repaired by the Board and such expense shall be treated as a common expense.

(l) Granting easements, 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.

(m) Procuring and maintaining adequate insurance of such nature and in such amounts as is provided in the Declaration and such other insurance as the Board may deem necessary and appropriate, and further to settle and collect any claims against such insurance.

(n) Making repairs, additions and improvements to or alterations of the Condominiums' Property and repairs to and restoration of the said Property in accordance with the other provisions of these Bylaws and the Declaration, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(o) Entering any Unit when necessary in case of any emergency originating in or threatening any condominium Unit, regardless of whether the Owner is present at the time of such emergency, for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate, and to facilitate entry in the event of such emergency, may require the Owner or Owners of each Unit to

deposit under the control of the Association a key to such Unit.

Section 9. Managing Agent: The Board of Directors for the Condominiums 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 shall authorize including but not limited to the duties listed in subparagraphs (a), (c), (d), (j), (k), (n) and (o) of Section 8 of this Article IV. The Board of Directors may delegate to an authorized representative including an insurance trustee the powers and duties to carry out the provisions of subparagraph (m). The Board may delegate to the managing agent, all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in subparagraphs (b), (e), (f), (g), (h), (i), (l) and (m) of Section 8 of this Article IV.

Section 10. Assessments: The Board of Directors shall make and collect assessments against members to defray the costs and expenses of the Condominiums properties. The Unit Owners are bound to contribute pro rata based on the total number of Units owned by each Owner and such pro rata assessments shall constitute a lien against each Unit to the extent unpaid.

Section 11. Regulations: The Board of Directors shall make and amend reasonable Rules and Regulations respecting the use of the Condominiums Property and the common areas and facilities. Unit Owners shall at all times obey such Rules and Regulations and amendments thereto, and use their best efforts to see that they are faithfully observed by lessees, employees, invitees, and persons over whom they have or may exercise control and supervision, it being understood that such Rules and Regulations and amendments thereto, shall apply and be binding upon all Unit Owners and their tenants. Provisions of the North Carolina Unit Ownership Act pertaining to Rules and Regulations are incorporated herein by reference and shall be deemed a part hereof.

Section 12. Enforcement: The Board of Directors shall enforce, by any available legal remedy the provisions of the Unit Ownership Act, the Declaration, the Articles of Incorporation, these Bylaws and the Rules and Regulations for the use of the Condominiums Property and its common areas and facilities.

Section 13. Liability of Board: The members of the Board of Directors shall not be liable to the Unit Owners for any mistake of judgment, negligence or otherwise except for their own individual malfeasance or willful neglect of duty. The Association shall indemnify and hold harmless each member of the Board against all contractual liability to others arising out of contracts made by the Board on behalf of the Association unless any such contracts shall have been made in bad faith or in willful disregard of the provisions of the Declaration or these Bylaws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association, except to the extent of their liability as Unit Owners. It is also intended that the liability of any Unit Owner arising out of any contracts

made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board shall be limited to such proportions of the total liability thereunder as his ownership in the number of Units owned by him bears to the total number of Units in Westpark Condominiums. Every agreement made by the Board or by the manager on behalf of the Association shall provide that the members of the Board of Directors or the manager, whichever the case may be, are acting only as agents for the Association, 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 to the total liability thereunder as his ownership in the the number of Units owned by him bears to the total number of Units in Westpark Condominiums.

#### ARTICLE V

##### MEETINGS OF DIRECTORS

Section 1. Organizational Meeting: The initial Board of Directors shall meet prior to conveyance of the first Unit by the Declarant. No notice to the Directors shall be necessary in order to legally constitute such meeting, provided that a quorum shall be present.

Section 2. Regular Meeting: 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 Directors may provide by resolution the time and place within the State of North Carolina for the holding of any regular meetings of the Board.

Section 3. Special Meeting: Special meetings of the Board of Directors may be called by the Chairman, the President of the Association or by any two Directors.

Section 4. Notice of Meetings: Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of Directors shall, at least two days before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting except where a Director 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 Directors may, at any time, waive notice of any meeting of the Board of Directors 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 except where a Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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Section 6. Quorum: A majority of the number of persons then serving as Directors shall be required for and shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 7. Manner of Acting: Except as otherwise provided in this section, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. A vote of a majority of the number of Directors then holding office shall be required to adopt a resolution creating an Executive Committee. Vacancies in the Board of Directors may be filled as provided in Article IV, Section 5, of these Bylaws.

Section 8. Organization: Each meeting of the Board of Directors 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 Directors present. The Secretary, or in her or 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 Directors: Action taken by a majority of the Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all of the Directors 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 written minutes of its proceedings.

Section 11. Fidelity Bonds: The Owners Association shall maintain fidelity bonds for officers, Directors, trustees and employees of the Owners' Association and all other persons handling or responsible for funds of or administered by the Homeowners' Association. If the Association delegates some or all of its responsibility for handling funds to a management agent, then in that event, fidelity bonds are required for the officers, employees, and agents of the management agent handling or responsible for funds of or administered on behalf of the Association.

Section 12. Amendments:

(a) There shall be no amendment to establish self management when professional management has been previously required by any Mortgage Holder, Insurer or Guarantor, without the consent of the voting members representing 67% of the total number of Units and of Mortgage Holders holding mortgages or deeds of trust on 51% of the Units. Any Mortgage Holder that receives a written request for consent to additions or amendments that does not deliver or post to the requesting party a negative response within 30 days shall be deemed to have approved such request. In addition, no action will be taken on the following items without the consent of Mortgage Holders holding mortgages or deeds of trust on 51% of the Units, or 51% of the remaining Units, as the case may be:

(1) Approval of restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard which will not

be in substantial accordance with the Declaration and original plans and specifications; and

(2) Approval of reallocation of interests in the Common Areas resulting from a partial condemnation or partial destruction of the Condominium.

(b) A resolution amending or repealing the Bylaws may be proposed by the Board of Directors of the Condominium Association acting upon a vote of a majority of the Directors then holding office. A resolution amending or repealing the Bylaws may also be proposed by the members of the Association at any meeting of the Association, at which a quorum is present. Approval of any such proposed resolution shall be by an affirmative vote of the voting members representing 75% of the total number of Units.

(c) No amendment shall discriminate against any Unit Owner or against any Unit or class or group of Units unless the Unit Owners so affected shall consent.

(d) A copy of each amendment to the Bylaws shall be certified by the President and Secretary of the Association as having been duly adopted and shall be effective when recorded as an Amendment to the Declaration in the public records of Wake County, North Carolina, pursuant to the Unit Ownership Act. All Unit Owners shall be bound to abide by any amendment upon the same being passed and set forth in an Amendment to the Declaration, duly recorded.

Section 13. Adjourned Meetings: If at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any reconvening of an adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 14. Order of Business: The order of business at the annual Director's meeting and as far as practical at such other meetings of the Directors shall be:

- (a) Call of roll.
- (b) Proof of due notice of meeting.
- (c) Reading and disposal of any unapproved minutes.
- (d) Reports of officers and committees.
- (e) Election of officers.
- (f) Unfinished business.
- (g) New business.
- (h) Adjournment.

## ARTICLE VI

### OFFICERS

Section 1. Designation: The principal officers of the Association shall be a President, a Secretary, a Treasurer and such Vice Presidents, Assistant Secretaries, Assistant Treasurers and other officers as the Board of Directors may from time to time elect. Any two or more officers may be held by the same person except that the offices of President and Secretary may not be held by the same person.

Section 2. Election and term: The officers of the Association shall be elected by and from the Board of

Directors, and such elections may be held at the regular annual meetings of the Board, provided, however, that prior to the first annual meeting, the Declarant shall appoint the officers from among the initial Board.

Each officer shall hold office for a period of one (1) year or 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, and any officer or agent appointed or designated by the Declarant may be removed by the Declarant with or without cause. Such removal, however, 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 Association for acting as such, but the Board may reimburse any officer for any direct expenses incurred by him in the performance of his duties as such officer and such reimbursement shall be a common expense.

Section 5. President: The President shall be the principal executive officer of the Association and subject to the control of the Board of Directors, shall supervise and control the management of the Property. The President shall, when present, preside at all meetings of the Board and of the Association, and, in general, shall perform all duties incident to the office of the President and such other duties as may be prescribed from time to time.

Section 6. Vice President: The Vice President, and if there be more than one, the Vice Presidents shall, in the absence or disability of the President, have the powers and perform the duties of said office. In addition, each Vice President shall perform such other duties and have such other powers as shall be prescribed by the President.

Section 7. Secretary: The Secretary shall keep accurate records of the acts and proceedings of all meetings of the Association and of the Board. He shall give, or cause to be given, all notices required by law and these Bylaws. He shall have general charge of the minute books and records of both the Association and of 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 to him from time to time by the President or by the Board of Directors.

Section 8. Treasurer: The Treasurer shall have custody of all Association funds and securities and shall receive, deposit, or disburse the same under the direction of the Board of Directors. He shall keep full and accurate records of the finances of the Association in books especially provided for that purpose. He shall cause a true statement to be prepared as of the close of each fiscal year as shall be determined by the Board of Directors, setting forth, in reasonable detail, the assets and liabilities of the Association and the Property, the changes in surplus for such fiscal year, and the result of the operations of the Association and Property. The statement shall be filed and kept available for inspection by any Unit Owner for a period of three (3) years and the Treasurer shall mail or otherwise

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deliver a copy of the latest statement to each Unit Owner and member of the Board of Directors 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 laws, and shall generally perform all other duties as may be assigned to him from time to time by the President or the Board of Directors.

Section 9. Assistant Secretaries and Treasurers:

The Assistant Secretaries and Assistant Treasurers, if any, shall, in the absence or disability of the Secretary or the 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 Treasurer, respectively, or by the President or Board of Directors.

Section 10. Liability of the Officers: The officers of the Association shall not be liable to the Unit Owners for any mistake of judgment, negligence or otherwise except for their own individual malfeasance or willful neglect of duty. The Association shall indemnify and hold harmless each of the officers against all contractual liability to others arising out of contracts made by the officers on behalf of the Association unless any such contracts shall have been made in bad faith or in willful disregard of the provisions of the Declaration or these Bylaws. It is intended that the officers shall have no personal liability with respect to any contract made by them on behalf of the Association, except to the extent of their liability as Unit Owners. It is also intended that the liability of any Unit Owner arising out of any contracts made by the officers or out of the aforesaid indemnity in favor of the officers shall be limited to such proportions of the total liability thereunder as his interest in the number of Units owned by him bears to the total number of Units in Westpark Condominiums. Every agreement made by the officers or by the manager on behalf of the Association, shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion to the total liability thereunder as his interest in the in the number of Units owned by him bears to the total number of Units in Westpark Condominiums.

ARTICLE VII

FISCAL MANAGEMENT AND OPERATION OF THE PROPERTY

Section 1. Determination of common expenses and fixing of common charges. The Board of Directors, from time to time, and at least annually, shall prepare a budget for the Property, determine the amount of the common charges payable by the Unit Owners to meet the common expenses of the Property, and allocate and assess the common charges of the Property among the Unit Owners thereof according to their respective common interests. A part of the common expenses of the Property shall include, among other things, and without limitation, the administrative expenses of the Association and Property, the costs of all premiums for insurance obtained pursuant to the provisions of the Declaration, and may include an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the common areas and facilities and the maintenance and repair

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of the exterior of the Units. The budget of the Property, in the discretion of the Board, and as necessary, may include, without limitation, amounts for funding deficits for any prior year; a reserve for working capital and a general operating reserve.

Unless all mortgagees and voting members representing 67% of the total number of Units elect to the contrary, the exterior portions of all buildings that were initially stained or painted shall be restained or repainted not less than once in every seven (7) years and the roofs of all buildings shall be replaced not less than once in every twenty (20) years.

The common expenses of the Property may also include such amounts as may be required for the purchase or lease by the Board or its designee, corporate or otherwise, on behalf of the Association, of any Unit whose Owner has elected to sell or lease such Unit or any Unit which is to be sold at foreclosure or other judicial sale. The Board of Directors 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 Directors as aforesaid, and shall furnish copies of each budget on which such common charges are based to all Unit Owners and, when requested, to their mortgagees, at least thirty (30) days before such budget becomes effective, provided, however, that failure to do so shall not affect the validity of the assessments of common charges.

Section 2. Assessment Increases:

(a) Increase by Board of Directors: The annual assessment effective for any year after 1985 may be increased for each succeeding year by the Board of Directors, without a vote of the membership by a percentage which may not exceed the percentage increase reflected in the U. S. City Average, Consumer Price Index - United States and selected areas for urban wage earners and clerical workers, all items most recent index and percentage changes from selected dates, (as determined by the U. S. Bureau of Labor Statistics, Washington, D.C.), or such other Index as may supercede the Consumer Price Index, for the twelve month period ending the immediately preceding October 1. The membership may veto the Board's decision to increase the annual assessment by an affirmative vote of the voting members representing 67% of the total number of Units at a meeting duly called for such purpose, written notice of which has been given pursuant to (b) below.

(b) Increase by Members: From and after December 31, 1985, the annual assessment may be increased by a percentage greater than permitted by this Article by an affirmative vote of the voting members representing 67% of the total number of Units at a meeting duly called for such purpose, written notice of which, setting forth the purpose of the meeting, shall be sent to all members not less than thirty (30) days nor more than sixty (60) day in advance of the meeting.

Section 3. Payment of common charges: All Unit Owners shall be obligated to pay the common charges assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article VII at such time or times as the



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Board shall determine and such assessments shall constitute a lien against each Unit to the extent unpaid..

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 as defined in the Declaration. A purchaser of a Unit shall be jointly and severally liable with the seller for the payment of the common charges assessed against such Unit prior to the acquisition by the purchaser of such Unit, without prejudice to the purchaser's right to recover from the seller the amounts paid by the purchaser therefor, provided, however, that in the case of a foreclosure of a first lien mortgage or deed of trust, 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 subject to, a lien for the payment of common charges assessed prior to such foreclosure sale, and such unpaid common charges shall be deemed to be common charges collectable from all of the Unit Owners, including such purchaser, his successors and assigns to the extent that such common charges have not been recovered from the prior Owner's equity, if any, arising out of such foreclosure sale..

Section 4. Collection of assessments: The Board of Directors 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 charge due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date of the payment thereof.

Section 5. Default in payment of common charges: In the event of default by any Unit Owner in paying to the Board of Directors the common charges as determined by the Board, such Unit Owner shall be obligated to pay interest at the highest rate permitted by law, but not more than eighteen (18%) percent, on such common charges from the due date thereof, together with all expenses, including reasonable attorneys' fees 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 proceeding, including reasonable attorneys' fees and a reasonable rental fee for the Unit. In the event of a foreclosure in order to enforce the payment of common charges, reasonable attorney's fees shall not exceed 5% of the sale price. However, if services are rendered by an attorney in an attempt to collect the common charges other than by foreclosure, reasonable attorney's fees shall not be governed by the 5% limitation.

Section 6. 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 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 money judgment for unpaid common charges may

be maintainable without foreclosing or waiving the lien securing the same.

Section 7. Statement of common charges: The Board of Directors, or such person as the Board shall designate, shall promptly provide any Unit Owner making written request therefor, a written statement of all unpaid common charges due from such Unit Owner.

Section 8. Abatement and restraint of violations by Unit Owners: The violation of any rule or regulation adopted by the Board, the breach of any Bylaw contained herein, or the breach of any provision of the Declaration shall give the Association and any aggrieved Unit Owner the right, in addition to any other rights set forth in these Bylaws,

(a) To a cause of action for the recovery of damages which result from such violation or breach,

(b) To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach or violation.

Section 9. Maintenance and repair:

(a) Exterior maintenance of Unit: All maintenance and repair of the exterior of any Unit shall be done by the Association at the Board of Director's discretion. Any cost for maintenance or repair necessitated by the fault of the Owner and not covered by insurance shall be reimbursed to the Association by the Owner. Any Owner of any Unit who has failed or refused to reimburse the Association within a reasonable time after written notice of the cost of said maintenance or repair delivered or mailed by the Board to said Owner, shall be subject to a levy of a special assessment against such Owner for reimbursement of the costs of said maintenance or repair.

(b) Other maintenance of Unit: All maintenance and repairs to any Unit, 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 other Unit and/or to the common areas and facilities that his failure so to do may endanger.

(c) Maintenance of common areas: 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, or a Unit Owner's tenants, employees, invitees, or immediate family, in which case such expense shall be charged to such Unit Owner), shall be made by the Board and shall be charged to all Unit Owners as a common expense of the Property.

Section 10. Utility equipment: Each Unit Owner shall own and be responsible for the repair, maintenance and upkeep of all equipment, (such as heating and air conditioning equipment and hot water heaters,) pipes, ducts, wires and conduits subsequent to their point of entry through interior surfacing materials of the Unit. The Association shall be responsible for the repair, maintenance

and upkeep of all equipment including all pipes, ducts, wires, conduits and other facilities for the furnishing of utilities and other services (including garbage incineration) to the Condominium Units and Condominium Common Areas and Facilities up to and including the point of entry of such pipes, ducts, wires, and conduits through the interior surfacing material of walls and ceilings and subflooring surfacing materials of floors.

Section 11. Additions, alterations or improvements by Unit Owners: No Unit Owner shall make any addition, alteration or improvement in or to his Unit which is structural without the prior written consent of the Board of Directors. 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 Owner's Unit within sixty (60) days after such request is received in writing by the Board, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition, alteration or improvement. It is suggested that additions, alterations and improvements be permitted if they do not adversely affect the value and/or use of Units belonging to other Unit Owners.

Section 12. Use of Units and common areas and facilities: The use of the Units, common areas and facilities, limited common areas, and other property and appurtenances within the Property shall be in accordance with the following provisions:

(a) Each of the Units shall be occupied only as a residence and for no other purpose. No Unit may be divided into smaller Units and no divided portion of a Unit may be sold or otherwise transferred without first amending these Bylaws to show the changes in the Units to be affected thereby.

(b) The common areas and facilities shall be used only for the purpose for which they are intended in furnishing services and facilities for the enjoyment of the Units.

(c) No use or practice shall be permitted on the Property which is the source of annoyance to Unit Owners or which interferes with the peaceful possession and proper use of the Property by the Unit Owners. All parts of the Property shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage shall be allowed to accumulate nor any fire hazard allowed to exist. It shall be the responsibility of each Unit Owner and the Board of Directors to prevent the development of conditions which render the Property, or any portion thereof, unclean, unsightly, or unkept, or which substantially decreases the beauty of the area as a whole. No Unit Owner shall make or permit any use of his Unit or of the common areas which will increase the rate of insurance upon the Property or any Unit or which shall cause the cancellation of such insurance. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof. Garbage receptacles shall be located in accordance with reasonable standards established by the Board. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of the Property

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shall be the same as the responsibility for the maintenance and repair of the Property concerned.

(d) Until all of the lands of the Declarant referred to in Article I, Section 1, hereof have been sold, neither the Unit Owners nor the Board shall interfere with the sale of additional Units. The Owner of the unsold Units may facilitate such completion and sale, including, but not limited to, the rental of the same, showing of the Property and the display of signs.

Section 13. Entry by Board: In the event any Unit Owner permits any use of the premises or practice in violation of the provisions of Sections 11 or 12 of this Article VII, and such Owner fails to cure said violation within thirty (30) days of the Board's request to do so, agents of the Board may enter upon the premises and cure said violations at the expense of such Unit Owner or Owners.

Section 14. Rules of conduct: Rules and regulations concerning the use of the Units and common areas and facilities may be promulgated and amended by the Board. Copies of such rules and regulations shall be furnished by the Board to each Unit Owner, and all amendments and new rules and regulations shall be furnished to Unit Owners prior to the time that the amendment or new rule or regulation becomes effective.

Section 15. Water and electricity charges: All charges for water, sewer and electricity used in connection with the maintenance and use of the common areas and facilities shall be a common expense of the Property.

#### ARTICLE VIII

##### RECORDS AND AUDITS

The Board of Directors or the manager shall keep detailed records of actions of the Board and the manager, minutes of the meetings and resolutions of the Board of Directors, minutes of meetings and resolutions of the Association, the financial records and books of accounts of the Property, including a chronological listing of receipts and expenditures, which, among other things, shall contain the amount of each assessment of the common charges against each Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid and all other records and accounts required by the laws of the State of North Carolina whether similar or dissimilar to those listed herein. The financial record and books of account shall be available for examination by any Unit Owner or his duly authorized agent or attorney at convenient hours on working days by prior arrangement with the Board or the manager. An outside audit of all receipts and expenditures of the Association and Property 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 calendar year, covering the preceding year. All books and records shall be kept in accordance with generally accepted accounting practices. A copy of the audit shall be furnished to all mortgagees of Units who have requested the same.

ARTICLE IX

OPERATION PRIOR TO INITIAL MEETING OF BOARD

Prior to the first meeting of the initial Board of Directors, all functions of the Association and of the Board of Directors as herein set forth shall be performed and carried out by the the initial Board of Directors as set out in the Association's Charter, through its officers and agents.

ARTICLE X

AMENDMENT OF BYLAWS

Section 1. Unit Owner Approval: These Bylaws may be amended with the approval of Unit Owners collectively owning at least seventy-five percent (75%) of the total number of Units in Westpark Condominiums.

Thereupon, the Board of Directors shall, within thirty (30) days, reasonably assure itself that the amendment has been executed by the required percentage of Unit Owners. (For this purpose, the Board may rely on its roster of members and shall not be required to cause any title to any Unit to be examined). The Board of Directors then shall cause to be attached to the amendment a certification as to its validity, which certification shall be executed by the Association in the same manner that deeds are executed. The following form of certification is suggested:

CERTIFICATION OF VALIDITY OF AMENDMENT TO BYLAWS  
OF WESTPARK CONDOMINIUMS

By authority of its Board of Directors, Westpark Condominiums Homeowners Association, Inc. hereby certifies that the foregoing instrument has been duly executed by Unit Owners collectively owning at least seventy-five percent (75%) of the total number of Units of Westpark Condominiums and is, therefore, a valid amendment to the existing Bylaws of Westpark Condominiums Homeowners Association, Inc.

WESTPARK CONDOMINIUMS  
HOMEOWNER'S ASSOCIATION, INC.

By \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

Such amendment shall be executed in the name of the Association named herein by the President (or Vice-President) and by the Secretary (or Assistant Secretary) of the Association and recorded in the Office of the Register of Deeds of Wake County. No such amendment shall be effective until recorded as aforesaid. As to all bona fide purchasers for value, an amendment shall be conclusively presumed to be valid if such amendment contains a certification which in form and substance substantially conforms to the foregoing suggested certification. All amendments duly passed in compliance with these Bylaws and any applicable Declaration provision shall be binding upon all Unit Owners, their heirs, assigns and successors.

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Section 2. Amendment by Declarant or the Board: The Declarant, for so long as it controls the Board, and thereafter, the Board of Directors, may amend these Bylaws without the consent of the owners to conform the Bylaws to the requirements of any law or governmental agency having legal jurisdiction over the Property or to qualify the Property or any Units therein for mortgage or improvement loans made, guaranteed or insured by a governmental agency, including, without limitation, Veterans Administration, Federal Housing Administration, Federal National Mortgage Association and Federal Home Loan Mortgage Corporation, or to comply with the requirements of law or regulations of any governmental corporation or agency regarding purchase or mortgage interests in Units by such agency. A letter from any such agency stating that a change is desired in order to qualify the Property or any Units for loans eligible to be guaranteed by, insured by or purchased by such agency, shall be sufficient authority for the amendment of these Bylaws.

Section 3. FHA/VA Approval: Notwithstanding the provisions of Section 2 of this Article X or any other provision of this instrument to the contrary, as long as the Declarant controls the Association, and if Declarant desires to qualify sections of Westpark Condominiums or Units thereof for Federal Housing Administration or Veterans Administration approval (but not otherwise), the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments to these Bylaws.

#### CERTIFICATION

The foregoing were adopted as the Bylaws of Westpark Condominiums Homeowners Association, Inc., a non-profit corporation organized under the laws of the State of North Carolina, at the first meeting of the Board of Directors on the 31st day of ~~April~~ <sup>May</sup>, 1985.

BOARD OF DIRECTORS  
WESTPARK CONDOMINIUMS  
HOMEOWNER'S ASSOCIATION, INC.

*George Westlerock*  
*[Signature]*  
*Joe S. Stevens*  
*[Signature]*