

EXHIBIT B TO DECLARATION

BYLAWS OF  
OVERLOOK EXECUTIVE OFFICES UNIT OWNERS ASSOCIATION, INC.  
CHAPEL HILL, NORTH CAROLINA

ARTICLE I - PLAN OF UNIT OWNERSHIP

1. Unit Ownership: The Property described in the Declaration to which these Bylaws are attached as Exhibit B, has been submitted to the provisions of Chapter 47C of the North Carolina General Statutes entitled "North Carolina Condominium Act" by the Declaration recorded in the Office of the Register of Deeds of for each County in which said Property is located, simultaneously herewith, and such Property shall hereinafter be known as Overlook Executive Offices.

2. Applicability of Bylaws: The provisions of these Bylaws are applicable to the Property of Overlook Executive Offices and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the buildings and all other improvements thereon, including the units and the common elements owned in fee simple absolute, 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 submitted to the provisions of said Chapter 47C of the North Carolina General Statutes, entitled "North Carolina Condominium Act."

3. Application: All present and future owners, mortgagees, lessees and occupants of Units and their employees, agents, guests and any other persons who may use the facilities of the Property in any manner are subject to the Declaration, these Bylaws and the Rules and Regulations made pursuant hereto and any amendment to these Bylaws upon the same being passed and duly set forth in an Amendment to the Bylaws duly recorded.

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

ARTICLE II - ASSOCIATION OF UNIT OWNERS

1. Composition and Powers: The Association of Unit Owners shall be composed of all the unit owners of the project, including Eastpointe Partnership (hereinafter referred to as Declarant) so long as the Declarant retains ownership of one or more of the project units. The Association shall have all of the powers with respect to the operation and regulation of the condominium project conferred upon the Association or which may be conferred upon the Association by or pursuant to a) the provisions of Chapter 47C of the General Statutes of North Carolina, being the North Carolina Condominium Act and b) the Declaration of Unit Ownership for Overlook Executive Offices filed of record in the Office of the Register of Deeds for each County in which the Property is located, to which Declaration these Bylaws are appended. Except as otherwise provided for herein allowing for the exclusive control by Declarants of the acts, decisions and resolutions of the Association until such time as all of the Overlook Executive Offices units have been sold, until two (2) years from and after all declarants have ceased to offer units for sale in the ordinary course of business, until two (2) years after any development right to add new units was last exercised, or until December 31, 1990, whichever event comes first, the acts, decisions, and resolutions of the Association shall be effective

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upon adoption by vote of a majority of the votes of the unit owners as defined by Chapter 47C of the General Statutes of North Carolina, the holders of such majority being the owners of more than fifty percent (50%) of the aggregate interest in the common areas and facilities as established by the Declaration, assembled at a duly called meeting of the unit owners.

2. Present Existence of Association of Unit Owners: The Association of Unit Owners, referred to hereinafter as either the "Association" or "Unit Owners," shall be in and have an existence from and after the filing of record by Declarants of the Declaration for Overlook Executive Offices, to which Declaration these Bylaws are appended. Declarant shall hold an initial meeting of the Association at any time at its selection within thirty (30) days from and after the date of the filing of the Declaration for the purpose of designating an initial Board of Directors and for the purpose of transacting all other matters required for the organization of the Association. In the event that there is a unit owner or there are unit owners other than Declarant at the time of the holding of such initial meeting of the Association, such meeting shall be held upon ten (10) days' written notice given by Declarant to such other unit owner or unit owners.

3. Annual Meetings: An annual meeting of the Unit Owners shall be held at 8:00 o'clock p.m., on the first Tuesday of December 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 Directors (except as initially limited by the terms and provisions of Article III, Section 2, hereinafter appearing) and for transacting such other business as may be properly brought before the meeting.

4. Substitute Annual Meetings: If the annual meeting shall not be held on the day designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 5 of this Article. A meeting so called shall be designated and treated for all purposes as an annual meeting.

5. Special Meetings: Special meetings of the Unit Owners may be called at any time by the Board of Directors or upon the written request of unit owners owning not less than twenty percent (20%) of the aggregate interest in the common areas and facilities.

6. Notice of Meetings: Written 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 stated date of such meeting, either personally or by mail at the direction of the Board of Directors or Unit Owners calling the meeting, to each person entitled to vote at such meeting.

In the case of an annual or substitute annual 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 Directors on which the vote of Unit Owners is expressly required by the provisions of the North Carolina Condominium Act. In the case of a special meeting the notice of meeting shall specifically state the 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, 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.

7. Quorum: The presence in person or by proxy at any meeting of the voting members as defined in Section 8 of this Article having twenty percent (20%) of the total votes (which may be cast for election of directors) shall constitute a quorum. Unless otherwise expressly provided for herein or in the Declaration or by law, any action may be taken at any meeting of the Unit Owners at which a quorum is present upon the affirmative vote of the voting members having a majority of the total votes present at such 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.

8. Voting Rights: There shall be one person or entity with respect to each unit who or which shall be entitled to vote at any meeting of the Unit Owners. Such person or entity shall be known and hereafter referred to as a "voting member." Such voting member may be the owner or one of the group comprising all of the owners of a unit, or may be some other person (who need not be an owner) designated by such owner or owners to act as proxy on his or her or its or their behalf. Such designation shall be made in writing to the Board of Directors and shall be revocable at any time by actual notice to the Board of Directors of the death or judicially declared incompetence of any designator, or by written notice to the Board of

Directors by the owner or owners. The total number of votes of all voting members shall be one hundred (100), and each owner or group of owners (including Declarant and/or the Board of Directors, if Declarants and/or the Association and their/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 her or its or their unit ownership as set forth in the Declaration.

9. Cumulative Voting: In all elections for members of the Board of Directors, 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.

10. Waiver of Notice: Any Unit Owner at any time may 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 transaction 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.

11. 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 and



filed with the Secretary of the Association to be kept in the Association Minute Book.

ARTICLE III - BOARD OF DIRECTORS

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.

2. Number, Term and Qualifications: The initial Board of Directors of the Association shall be initially comprised of three (3) Directors to be designated by Declarant at the initial meeting of the Association as referred to in Article II hereinabove set forth. The initial Board of Directors so designated by Declarant shall serve until such time as one hundred percent (100%) of the units have been sold by Declarant, until two (2) years from and after Declarant has ceased to offer units for sale in the ordinary course of business, two (2) years after any development right to add new units was last exercised, or December 31, 1990, whichever event comes first, and the initial Board of Directors so designated by Declarant shall not be subject to change as to composition or size by any vote of the Association during such period of time. Not later than sixty (60) days after twenty-five percent (25%) of the units have been sold and conveyed by Declarant at a time prior to the expiration of the initial period set forth above, at least one member and not less than twenty-five percent (25%) of the members of the Board of Directors shall be elected by unit owners rather than Declarant, and the Board shall be increased to four (4) Directors. Not later than sixty (60) days after fifty percent (50%) of the units have been sold and conveyed by Declarant at a time prior to the expiration of the initial period set forth above, not less than thirty-three percent (33%) of

the members of the Board of Directors shall be elected by unit owners rather than Declarant, and the Board shall be increased to five (5) Directors. Upon the termination of the initial period set forth above, the unit owners shall select a Board of Directors, at least a majority of whom must be unit owners.

The size of the Board of Directors thereafter may be increased or decreased from time to time upon the affirmative vote of the unit owners owning sixty-seven percent (67%) of the aggregate interest in the common areas and facilities, provided that said Board shall not be less than three (3) in number. Except as otherwise provided herein for the initial directors appointed by Declarant during the period of Declarant control, 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 qualified. A majority of the members of the Board shall be unit owners or co-owners or a spouse of a unit owner or co-owner; provided, however, that in the event an owner or co-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, trustee or beneficiary of such trust or manager of such legal entity shall be eligible to serve as a member of the Board.

3. Election of Directors: Except as provided in Section 2 and in Section 4 of this Article, the Directors 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.

4. 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.

5. Compensation: The Board of Directors shall receive no compensation for their services unless allowed and provided for by a resolution of the Unit Owners passed by the affirmative vote of the Unit Owners owning sixty-seven percent (67%) of the aggregate interest in the common areas and facilities.

6. Executive Committees: The Board of Directors may, by resolution adopted by a majority of the number of Directors fixed by these Bylaws, designate three or more Directors to constitute an Executive Committee, which committee to the extent provided for in such resolution shall have and may exercise all of the authority of the Board of Directors in the management of the Condominium.

7. Powers and Duties: The Board of Directors shall have the powers 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 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, including the exteriors of the several buildings.

(b) Determination of the common expenses required for the affairs of the Condominium, including without limitation, the operations 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 and operation of the common areas and facilities.

(e) At the direction of the Unit Owners declared by the affirmative vote (at any meeting called for such purpose, or by written consent and ratification thereof) of Unit Owners owning sixty-seven percent (67%) of the aggregate interest in the common areas and facilities, the adoption and amendment of such reasonable Rules and Regulations as may be deemed necessary for the use, enjoyment, care, conservation and beautification of the Property and for the health, comfort, safety and general welfare of the Unit Owners and the occupants of the Property. Written notice of such Rules and Regulations shall be given to all Unit Owners and occupants and the entire Property shall at all times be maintained subject to such Rules and Regulations. Declarant as Owner of one hundred percent (100%) of the aggregate interest in the common areas and facilities as of the time of the filing of the Declaration to which these Bylaws are appended, shall promulgate and issue an initial set of Rules and Regulations, which from and after such promulgation shall be and continue in force and effect until such time as they may be amended by the Board of Directors as herein provided. A copy of such initial Rules and Regulations shall be furnished by Declarant to each Unit Owner at the time of such owner acquiring from Declarant his, her or its ownership interest in the unit, and such Rules and Regulations need not be recorded in order to be enforceable.

(f) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.

(g) Maintaining and repairing any unit (in addition to the exteriors of the several buildings) if such maintenance or repair is necessary in the opinion of the Board of Directors or by operation of applicable restrictions or ordinance or regulation to protect the common areas and facilities or any other portion of any building and the owner of such unit in disrepair 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 has been delivered or mailed by the Board of Directors to said owner, provided that the Board of Directors shall levy a special assessment against such owner for the costs of said maintenance or repair.

(h) Entering any unit when necessary in connection with any maintenance, repair, or construction for which Declarant, the Association, or any unit owner is responsible or allowed; provided, however, that such entry shall be made during reasonable hours with as little inconvenience to the occupant as practicable, and any damage caused thereby shall be repaired by the person or entity causing such damage.

(i) Signing all agreements, contracts, deeds, vouchers for payment of expenditures and other instruments in such manner as from time to time shall be determined to be necessary as evidenced by written resolution of the Board of Directors.

(j) Applying for and obtaining the issuance of contracts of insurance for the Property, including the individual units, pursuant to the provisions of the Declaration.

(k) Making repairs, additions and improvements to or alterations of the Property and repairs as to and restoration of the 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.

8. Managing Agent: The Board of Directors may engage the services of any person, firm or corporation to act as managing agent at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize.

ARTICLE IV - MEETINGS OF DIRECTORS

1. Organizational Meeting: The first meeting of the members of the Board of Directors shall immediately follow the initial meeting of the Unit Owners. It shall not be necessary for notice to be given to the three (3) initial members of the Board of Directors designated by Declarant to serve in order to legally constitute such meeting, providing a quorum shall be present.

2. Regular Meetings: A regular meeting of the Board of Directors 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 designate by resolution the time and place within the State of North Carolina for the holding of a regular meeting of the Board of Directors.

3. Special Meetings: Special meetings of the Board of Directors may be called by or at the request of the President, a majority of the Board of Directors, or by unit owners having twenty percent (20%) of the votes in the Association.

4. Notice of Meetings: Not less than 10 nor more than 50 days in advance of any meeting, the Secretary shall cause notice to be hand-delivered or sent pre-paid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit owner. Such notice must specify the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the declaration or bylaws, any budget changes, and any proposal to remove a director or officer. 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.

5. Waiver of Notice: Any member of the Board of Directors at any time may 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 of Directors at any meeting of the Board of Directors shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

6. Quorum: A majority of the number of directors fixed by these Bylaws as amended from time to time shall be required for and shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

7. Manner of Action: Except as otherwise provided for 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 fixed by the Bylaws shall be required to adopt a resolution constituting an Executive Committee. Vacancies in the Board of Directors may be filled as provided in these Bylaws.

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 his absence, the Assistant Secretary, or in the absence of both the Secretary and the Assistant Secretary, any person designated by the Chairman of the meeting, shall act as Secretary of the meeting.

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.

10. Minutes: The Board of Directors shall keep written minutes of its proceedings.

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

12. Liability of the Board of Directors: 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 willful



misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to 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 they are Unit Owners. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Directors or out of the aforesaid liability in favor of the members of the Board of Directors 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 contract made by the Board of Directors of by the managing agent on behalf of the Association shall provide that the members of the Board of Directors, 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 thereunder as his interest in the common areas and facilities bears to the interest of all Unit Owners in the common areas and facilities.

#### ARTICLE V - OFFICERS

1. Number: The principal officers of the Association shall consist of a President and Chairman of the Board, 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 offices may be held by the same person except the offices of President and Secretary. The Treasurer of the Association may retain the services of a bookkeeper or he may act himself as bookkeeper for the Association at a compensation determined by the Board of Directors as evidenced by written resolution of the Board of Directors.

2. Election and Term: The officers of the Association shall be elected by the Board of Directors from and among the Unit Owners. It is not required that an officer, other than the President, be a Director. Such elections may be held at the regular meeting of the Board of Directors. 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.

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

4. Compensation: No officer shall receive any compensation from the Association for acting as such, except for the Treasurer in the event of the approval of same by the Board of Directors as provided for in Item 1 hereinabove.

5. President and Chairman of the Board: The President and Chairman of the Board shall be the President and principal executive officer of the Association and, subject to the control of the Board of Directors, shall supervise and control the management of the Condominium. The President,

when present, shall preside at all meetings of the Board of Directors and of the Unit Owners and, in general, shall perform all duties incident to the office of President and such other duties as may be prescribed from time to time by the Board of Directors.

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

7. Secretary: The Secretary shall keep accurate records of the acts and proceedings of all meetings of Unit Owners and Directors. He shall give, or cause to be given, all notices required by law and by these Bylaws. He shall have general charge of the Minute Books and records of both the Unit Owners and the Board of Directors. 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 President or by the Board of Directors.

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 to be prepared and distributed to all Unit Owners and members of the Board of Directors on or before the last day of

the third month following the close of each fiscal year a true statement of the assets and liabilities of the Association as of the close of each fiscal year, and of the results of its operations and of changes in surplus for such a fiscal year, all in reasonable detail. The statements so prepared shall be kept available for inspection by any Unit Owner for a period of three (3) years. 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 President of the Board or by the Board of Directors.

9. Assistant Secretaries and Treasurers: The Assistant Secretaries and Assistant Treasurers, if any, shall have all the powers and perform all of the duties of the offices of Secretary and Treasurer respectively, and in general shall perform such other duties as shall be assigned to them by the Secretary or the Treasurer respectively or by the President or by the Board of Directors.

#### ARTICLE VI - OPERATION OF THE PROPERTY

1. Determination of Common Expenses and Fixing of Common Charges: The Board of Directors shall from time to time, and at least annually, prepare a budget for the Association, 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 interests in the common areas and facilities. The common areas and facilities shall include, among other things:

(a) Costs of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors,

including specifically but not limited to (1) fire and extended casualty coverage insuring the building(s) comprising the Condominium, though not the contents of the individual units located therein, and (2) liability insurance relative to the use, operation and occupancy of the Condominium.

(b) Water and sewer charges, unless and to the extent the units are separately metered. The Association may assess all units proportional to their respective interests in the condominium, or may separately meter some or all units to determine the respective charges therefore.

(c) Expenses incurred in the maintenance of the grounds and the maintenance and/or replacement of the parking lots, roadways, recreational facilities, building exteriors, building roof and utility lines.

(d) Common area electric and lighting costs.

(e) All other reasonable expenses and costs which may be incurred incident to the use and occupancy of the common areas of the Condominium, and which may be incurred incident to the operation of the Condominium.

The common expenses may also include such amounts as the Board of Directors may deem proper for working capital of the Association, 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 Board of Directors shall advise all Unit Owners within 30 days after adoption of any proposed budget as determined by the Board of Directors, shall mail copies of each budget on which such common charges are based to all Unit Owners and also to their mortgagees, if so requested, and shall set a date for meeting of the Unit Owners to consider ratification of the budget not less than 14 nor more than 30 days after such mailing. The budget is ratified unless at

such meeting a majority of all the Unit Owners rejects the budget, in which event the periodic budget last ratified shall be continued until a subsequent budget is ratified.

2. Special Assessments for Capital Improvements: In addition to the common charges authorized above, the Board of Directors, by and with the assent of Unit Owners owning in excess of fifty percent (50%) of the aggregate interest in the common areas and facilities, may levy in any year a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a described capital improvement situate upon or relating to the common areas, including the necessary fixtures and personal property related thereto. Any action authorized under Section 2 shall be taken at a meeting called for that purpose, written notice of which shall be sent to all Unit Owners not less than ten (10) days nor more than thirty (30) days in advance of the meeting. If the proposed action is favored by a majority of the votes cast at such meeting, but such vote is less than the requisite majority of the vote of all Unit Owners, Unit Owners who were not present in person or by proxy may give their assent in writing, provided the same is given and obtained not later than thirty (30) days from the date of such meeting.

3. Payment of Common Charges and Special Assessments: 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 VI on the first day of each month and shall be obligated to pay the special assessments at such time or times as the Board of Directors may determine.



No Unit Owner shall be liable for the payment of any part of the common charges or special assessments assessed against his unit subsequent to a sale, transfer or other conveyance by him 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 common charges and special assessments 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.

Notwithstanding the provisions set forth hereinabove, 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 and special assessments assessed prior to the foreclosure sale. Such unpaid common charges and special assessments shall be deemed to be common charges and special assessments collectible from all of the Unit Owners including such purchaser, his successor and assigns.

4. Creation of Lien and Personal Obligation for Common Charges and Special Assessments: Each Unit Owner by his acceptance of a deed or instrument of conveyance for a unit located therein, whether or not it shall be so expressed in any such deed or instrument of conveyance, is deemed to covenant and agree to pay to the Association: (1) all common charges assessed and (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinabove provided. Such common charges and special assessments, together with interest thereon after default and costs of collection thereof,

including reasonable attorneys' fees, shall be a charge on the unit in question and shall be a continuing lien upon the property against which each such common charge or special assessment is made. Each such common charge or special assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person or persons or entity who or which was the owner of such property at the time when the common charge or special assessment became due and owing.

5. Effect of Nonpayment of Common Charges and Special Assessments; Remedies of the Association: Any common charge or special assessment which is not paid when due shall be delinquent. If the common charge or special assessment is not paid within thirty (30) days after the due date, such common charge or special assessment shall bear interest from the due date at the rate of eighteen percent (18%) per annum, and the Association may bring an action at law for recovery of such against the Unit Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such common charge or special assessment. No Unit Owner may waive or otherwise avoid liability for the common charge or special assessment provided for herein by non-use of the common area or abandonment of the unit. In any action brought by the Association to foreclose on a unit because of unpaid common charges or special assessments, the Unit Owner shall be required to pay a reasonable rental for the use of his unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Directors, acting on behalf of the Association, 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, and convey or otherwise deal with the same, subject however, to applicable restrictions of record and the provisions of the Declaration. A suit to recover a money judgment for unpaid common charges or special assessments may be maintained without foreclosing or waiving the lien securing the same. In addition to the remedies hereinabove provided, the Board of Directors shall have the right to suspend the privilege of the defaulting Unit Owner to use and enjoy any of the common facilities for such period of time as the default shall continue.

6. Statement of Common Charges: The Board of Directors shall promptly provide any Unit Owner so requesting a written statement of all unpaid common charges and special assessments due from such Unit Owner.

7. Abatement and Enjoinment of Violations by Unit Owners: The violation of any Rule or Regulation adopted by the Board of Directors of the breach of any Bylaw contained herein or the breach of any provision of the Declaration shall give to the Board of Directors in addition to the other rights set forth in these Bylaws: (a) the right 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 thereby shall not be deemed guilty in any manner of trespass; (b) the right to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach, and (c) the right to provide a hearing before an adjudicatory panel

to determine if a unit owner should be fined not to exceed \$150.00 for a violation of the declaration, bylaws, or rules and regulations of the Association, as provided in General Statutes Section 47C-3-107A.

8. Maintenance Repair: (a) All maintenance and repairs to any unit, structural or non-structural (including window glass and doors), ordinary or extraordinary (other than maintenance of and repairs to any common areas and facilities contained therein and not necessitated by the negligence, misuse or neglect of the owner of such unit), shall be made by the owner of such unit. Each Unit Owner shall be responsible for all damages resulting to other units and/or to the common areas and facilities which are occasioned by the negligence, misuse or neglect of such Unit Owner. (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 of Directors and shall be charged to all the Unit Owners as a common expense. (c) All maintenance, repairs and replacements to a limited common element (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 of Directors and shall be charged to the unit to which that limited common element is assigned.

9. Additions, Alterations and Improvements by Unit Owners: No Unit Owner shall make any interior structural addition, alteration or improvement or any exterior structural addition, alteration or improvement in or to his unit without the prior written consent thereto given by the Board of

Directors. The Board of Directors shall have the obligation to answer any written request by a Unit Owner for approval of a proposed interior structural addition, alteration or improvement in or to such Unit Owner's unit within thirty (30) days after such request, and failure to do so within the stipulated time will constitute a consent by the Board of Directors to the proposed interior structural addition, alteration or improvement. No Unit Owner shall make any exterior structural addition, alteration or improvement in or to his unit without the prior written consent of the Unit Owners as determined by the affirmative vote of the Unit Owners owning sixty-seven percent (67%) of the aggregate interest in the common areas and facilities.

10. Use of Common Areas and Facilities: A Unit Owner shall not place or cause to be placed in or upon any of the common areas and facilities, other than limited common elements to which such Unit Owner has sole access and other than the areas designated as storage areas, any furniture, packages, or objects of any kind.

11. Use Restrictions: In addition to those certain limitations and restrictions upon use set forth in the Declaration, the Property shall be held, sold and conveyed subject to use restrictions as follows:

(a) No noxious or offensive activity shall be carried on upon the common areas or within any unit nor shall anything be done thereon or therein which may be or become an annoyance or nuisance.

(b) No one shall interfere with or otherwise restrict the free right of passage of the owners, their agents, servants, tenants, guests or employees over driveways or passageways leading to their respective units or to the parking areas.

12. Approval of Payment Vouchers: Either the duly elected Treasurer acting alone or the duly appointed Managing Agent acting alone may approve payment vouchers and make payment of same for expenses incurred for reason of contractual undertakings or contractual services rendered for and to the project so long as each of such expense vouchers does not exceed One Thousand Dollars (\$1,000.00) or such larger amount as may be set from time to time by the Board of Directors. A listing of such contractual indebtedness payment vouchers approved and paid by the Treasurer or Managing Agent shall be submitted to the Board of Directors quarterly for review and reaffirmation by the Board of Directors as to its approval for payment of same. All payment vouchers for expenses incurred other than as above set forth shall require the signatures of any two officers of the Association.

#### ARTICLE VII - RECORDS AND AUDITS

The Board of Directors and the Managing Agent or bookkeeper, if one is so employed by the Board of Directors, shall keep detailed records of the actions of the Board of Directors and the Managing Agent, minutes of the meetings of the Board of Directors, minutes of the meetings of the Unit Owners, and the financial records and books of account of the Association. Such records and books of account shall include a chronological listing of receipts and expenditures, as well as a separate account for each unit, which account, among other things, shall contain the amount of each common charge assessment and the amount of each special assessment against such unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. The financial records and books of account shall be available for examination at convenient hours on business days and the several Unit Owners



shall be advised accordingly. All financial records and books of account of the Association shall be kept and maintained in accordance with generally accepted accounting practices, and the Board of Directors may in its discretion and from time to time cause to be made an outside audit of such financial records and books of account.

ARTICLE VIII - AMENDMENTS AND RECORDATION

The administration of the Association shall be governed by these Bylaws, a true copy of which has been appended to the Declaration filed of record in the Office of the Register of Deeds. No modification of or amendment to or repeal of these Bylaws shall be valid unless set forth in an Amendment to the Declaration and such Amendment is duly filed of record in the Office of Register of Deeds in each County in which the Property is located. Except in cases of amendments that may be executed by a Declarant as set forth in General Statutes Section 47C-2-117(a), the affirmative vote of Unit Owners owning sixty-seven percent (67%) in the common areas and facilities shall be required to so modify, amend or repeal a Bylaw. All Unit Owners shall be bound to abide by any such modification or amendment upon the same being duly passed and set forth in an Amendment to the Bylaws, duly recorded, as provided for herein.

IN WITNESS WHEREOF, the Declarant has caused these Bylaws to be executed this the 21 day of December, 1988.

EASTPOINTE PARTNERSHIP

EASTPOINTE PARTNERSHIP

BY: RESOLUTE DEVELOPMENT COMPANY,  
General Partner

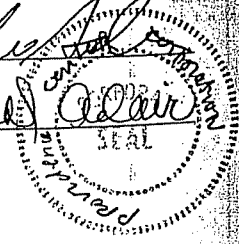
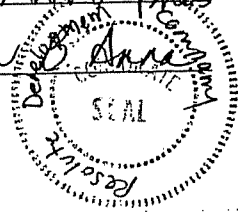
BY: PROVIDENCE CENTER CORPORATION,  
General Partner

By: David F. Anderson

By: [Signature]

Attest: Susan B. Anderson

Attest: [Signature]



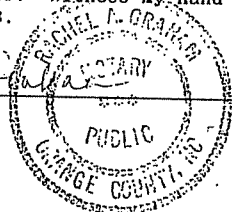
NORTEN, BLUE, LITTLE,  
ROOKS, THIBAUT  
& ANDERSON  
ATTORNEYS AT LAW  
CHAPEL HILL, N. C. 27514

STATE OF NORTH CAROLINA  
COUNTY OF Greene

I, a Notary Public for the State and County aforesaid, hereby certify that SUSAN B. ANNA personally appeared before me this day and acknowledged that he is the Secretary of RESOLUTE DEVELOPMENT COMPANY, a North Carolina corporation, that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that said instrument was signed in its name by its President, attested to and sealed by her as its Secretary in behalf of said corporation as General Partner of EASTPOINTE PARTNERSHIP, a North Carolina general partnership, by its authority duly given, and the said Secretary acknowledged the said writing to be the act and deed of said partnership and said corporation as its general partner. Witness my hand and official seal, this the 21 day of December, 1988.

My Commission Expires: 11/20/89

Rachel A. Graham  
Notary Public

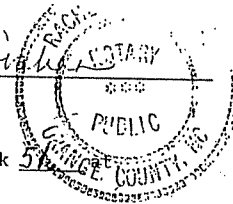


STATE OF NORTH CAROLINA  
COUNTY OF Greene

I, a Notary Public for the State and County aforesaid, hereby certify that BRIAN ADAIR personally appeared before me this day and acknowledged that he is the Secretary of PROVIDENCE CENTER CORPORATION, a North Carolina corporation, that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that said instrument was signed in its name by its President, attested to and sealed by her as its Secretary in behalf of said corporation as General Partner of EASTPOINTE PARTNERSHIP, a North Carolina general partnership, by its authority duly given, and the said Secretary acknowledged the said writing to be the act and deed of said partnership and said corporation as its general partner. Witness my hand and official seal, this the 21 day of December, 1988.

My Commission Expires: 11/20/89

Rachel A. Graham  
Notary Public



For plats, plans, and architect certificate see Plat Book  
Pages 170-174

NORTHERN, BLUE, LITTLE,  
ROOKS, THIBAUT  
& ANDERSON  
ATTORNEYS AT LAW  
CHAPEL HILL, N. C. 27514

PREPARED BY AND RETURN TO:

John A. Northen  
Northen, Blue Law Firm  
P. O. Box 2208  
Chapel Hill, NC 27515-2208

BOOK 781 PAGE 401

PIN: 9890-82-4151.001-.011  
TM: 7.26A..8-8K

FIRST AMENDMENT TO DECLARATION OF CONDOMINIUMS  
FOR OVERLOOK EXECUTIVE OFFICES CONDOMINIUM

THIS AMENDMENT TO DECLARATION OF CONDOMINIUM is made as of the 14th day of March, 1989, by EASTPOINTE PARTNERSHIP, a North Carolina general partnership, Suite 214, 111 Cloister Court, Chapel Hill, NC 27514, hereinafter referred to as "Declarant".

WHEREAS, Declarant as the owner of certain property in Orange County, North Carolina, generally described as Lot 8, Eastowne Hill Subdivision as shown on plat recorded in Plat Book 37, at Page 163, Orange County Registry, has heretofore filed a Declaration of Condominium for said property and improvements located thereon, recorded in Book 768 at Page 376, Orange County Registry; and

WHEREAS, Declarant reserved the right to complete the improvements indicated on the original plats and plans filed with the Declaration, as provided in N.C.G.S. 47C-2-109, and Declarant has now filed an amended plat setting forth the particulars of the buildings, including the layout, location, ceiling and floor elevations, unit numbers and dimensions of the units, and location of the common elements affording access to each unit, bearing the verified statement of a registered architect or licensed professional engineer certifying that said plans are an accurate copy of the plans of said building, as built.

NOW, THEREFORE, pursuant to the right reserved in said Declaration, the Declaration of Condominium for the Overlook Executive Offices Condominium is hereby amended to provide that the particulars of the building, including the layout, location, ceiling and floor elevations, unit numbers and dimensions of the units, and location of the common elements affording access to each unit are as set forth on the amended plat recorded in Plat Book 52 at Page 90, Orange County Registry. Except as expressly modified hereinabove, all remaining provisions of the Declaration of Condominium are hereby ratified and confirmed in all respects.

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ORANGE CTY. LAND RECORDS

NORTHEN, BLUE, LITTLE,  
ROOKS, THIBAUT  
& ANDERSON  
ATTORNEYS AT LAW  
CHAPEL HILL, N. C. 27514

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed this the 14th day of March, 1989.

EASTPOINTE PARTNERSHIP

EASTPOINTE PARTNERSHIP

BY: RESOLUTE DEVELOPMENT COMPANY,

BY: PROVIDENCE CENTER CORPORATION,

General Partner

General Partner

By: Dave [Signature]  
President

By: JM [Signature]  
President

Attest: Susan Kavetski  
Asst. Secretary

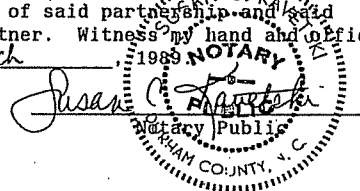
Attest: Rachil R. [Signature]  
Asst. Secretary



STATE OF NORTH CAROLINA  
COUNTY OF Orange

I, a Notary Public for the State and County aforesaid, hereby certify that Rachil R. [Signature] personally appeared before me this day and acknowledged that she is the <sup>Asst.</sup> Secretary of PROVIDENCE CENTER CORPORATION, a North Carolina corporation, that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that said instrument was signed in its name by its President, attested to and sealed by her as its <sup>Asst.</sup> Secretary in behalf of said corporation as General Partner of EASTPOINTE PARTNERSHIP, a North Carolina general partnership, by its authority duly given, and the said <sup>Asst.</sup> Secretary acknowledged the said writing to be the act and deed of said partnership and said corporation as its general partner. Witness my hand and official seal, this the 14<sup>th</sup> day of March, 1989.

My commission expires: 12/3/92



STATE OF NORTH CAROLINA  
COUNTY OF Orange

I, a Notary Public for the State and County aforesaid, hereby certify that Susan Kavetski personally appeared before me this day and acknowledged that she is the <sup>Asst.</sup> Secretary of RESOLUTE DEVELOPMENT COMPANY, a North Carolina corporation, that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that said instrument was signed in its name by its President, attested to and sealed by her as its <sup>Asst.</sup> Secretary in behalf of said corporation as General Partner of EASTPOINTE PARTNERSHIP, a North Carolina general partnership, by its authority duly given, and the said <sup>Asst.</sup> Secretary acknowledged the said writing to be the act and deed of said partnership and said

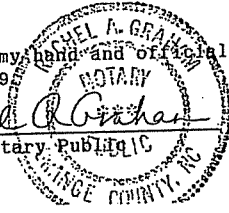
NORTHERN, BLUE, LITTLE,  
ROOKS, THIBAUT  
& ANDERSON  
ATTORNEYS AT LAW  
CHAPEL HILL, N. C. 27514

BOOK 781 PAGE 403

corporation as its general partner. Witness my hand and official seal, this the 14th day of March, 1989

My commission expires: 11/20/89

NORTH CAROLINA - ORANGE COUNTY



NORTH CAROLINA - ORANGE COUNTY

The foregoing certificate(s) of Susan C. Kavetski and Rachel A. Graham,

~~Notary~~ (Notaries) Public of the designated Governmental units is (are) certified to be correct. Filed for registra-

tion this the 17th day of March 19 89, at 9:49 o'clock, A.M.

in Record Book 781 Page 401

Betty June Hayes, Register of Deeds

By: *Joyce B. Harkaw*  
Assistant/Deputy  
Register of Deeds

Return: \_\_\_\_\_

NORTHERN, BLUE, LITTLE,  
ROOKS, THIBAUT  
& ANDERSON  
ATTORNEYS AT LAW  
CHAPEL HILL, N. C. 27514

PREPARED BY AND RETURN TO:

John A. Northen  
 Northen Blue Law Firm, LLP  
 P.O. Box 2208  
 Chapel Hill, NC 27515-2208

FILED  
 06 NOV 2001, at 12:40:29pm  
 Book 2413, Page 392 - 394  
 Joyce H. Pearson  
 Register of Deeds,  
 Orange County, N. C.

**SECOND AMENDMENT TO DECLARATION OF CONDOMINIUMS  
 FOR OVERLOOK EXECUTIVE OFFICES CONDOMINIUM**

THIS SECOND AMENDMENT TO DECLARATION OF CONDOMINIUM is made as of the 29th day of October, 2001, by OVERLOOK EXECUTIVE OFFICES UNIT OWNERS ASSOCIATION, INC. (the "Association"), P.O. Box 17144, Chapel Hill, North Carolina, 27516.

- A. The Association is comprised of all of the owners of all of the units of Overlook Executive Offices Condominium, a condominium that was created out of that 1.58 acre parcel of land located in Orange County, North Carolina, and shown as Lot 8 by plan of survey entitled, "EASTOWNE HILLS SUBDIVISION", of record at Plat Book 37, Page 163, Orange County Registry ("the Property").
- B. The Property was converted into a condominium by that Declaration of Condominium of record at Book 768, Page 376, Orange County Registry, (the "Declaration"), which was amended by the First Amendment to Declaration of Condominium of record at Book 781, Page 401, Orange County Registry (the "First Amendment").
- C. The Declaration and N.C.G.S. § 47C-2-117 provides that the Declaration may be amended by the affirmative vote of owners of units to which at least sixty-seven percent (67%) of the votes in the Association are allocated.
- D. The Association now intends to amend the Declaration and ratify the Bylaws as stated below, and this amendment was authorized by the affirmative vote of owners of units to which one hundred percent (100%) of the votes in the Association were allocated at that substitute annual meeting of the Association held in accordance with the bylaws of the Association on October 16, 2001, pursuant to Section 17 of the Declaration.

*9890-82-4157.001 thru 011.mjb*

Therefore, pursuant to N.C.G.S. § 47C-2-117, the Association hereby amends the Declaration as follows:

1. The First Amendment is hereby amended so as to provide that "...the particulars of the building, including the layout, location, ceiling and floor elevations, unit numbers and dimensions of the units, and location of the common elements affording access to each unit are as set forth on the



plats, recorded in Plat Book 51, at Pages 170-174, as amended by the plat recorded in Plat Book 52, at Page 90, Orange County Registry.

- 2. The Bylaws of the Association, a true and correct copy of which was attached to the Declaration and made binding upon the Association in Sections 4 and 17 of the Declaration, were further adopted, ratified, and confirmed by the Unit Owners.

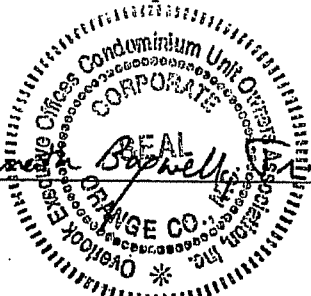
IN WITNESS WHEREOF, the Association has caused this instrument to be executed by its authorized officers and its corporate seal to be affixed hereto on the date shown above.

*\* Condominium*

*83*

Overlook Executive Offices Unit Owners Association, Inc.

ATTEST: O. Kenneth Bagwell  
Secretary



By: J. Milo Dadas  
President

STATE OF NORTH CAROLINA, ORANGE COUNTY

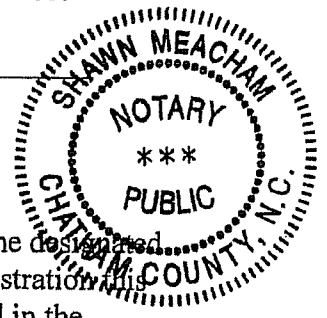
I, Shawn Meacham, a notary public, do hereby certify that O. Kenneth Bagwell, Jr., personally came before me this day and acknowledged that he is the Secretary of Overlook Executive Unit Owners Association, Inc., and that by authority duly given and as the act of that corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by himself as its Secretary.

*87*

Witness my hand and official seal this the 29<sup>th</sup> day of October, 2001.

My commission expires: 04/26/2003

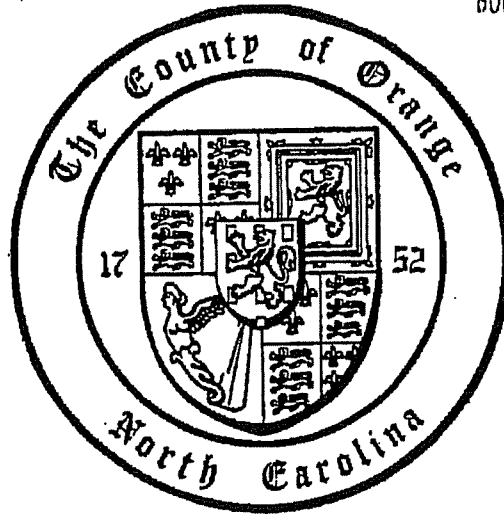
Shawn Meacham  
Notary Public



STATE OF NORTH CAROLINA, \_\_\_\_\_ COUNTY

The foregoing certificate of \_\_\_\_\_, A Notary Public of the designated Governmental unit, is certified to be correct. This instrument was presented for registration on this \_\_\_\_\_ day of \_\_\_\_\_, 2001, at \_\_\_\_\_ o'clock \_\_\_\_\_ M. and duly recorded in the Office of the Register of Deeds of Orange County, North Carolina, in Book \_\_\_\_\_, Page \_\_\_\_\_. This the \_\_\_\_\_ day of \_\_\_\_\_, 2001.

By: \_\_\_\_\_  
Assistant/Deputy Register of Deeds



Joyce H. Pearson  
Register of Deeds  
Orange County  
North Carolina

---

State of North Carolina, County of Orange

The foregoing certificate/s of Shawn Meacham, Notary/Notaries Public for the Designated Governmental units is/are certified to be correct. See filing certificate herein.

This day November 6, 2001

JOYCE H. PEARSON, REGISTER OF DEEDS By:

  
Deputy/Assistant Register of Deeds