

BYLAWS OF
328 EAST MARKET STREET CONDOMINIUM
ASSOCIATION, INC.

ARTICLE 1

Name, Offices and Fiscal Year

Section 1.1 Name. The name of this organization is 328 East Market Street Condominium Association, Inc. (hereinafter referred to as the "Association").

Section 1.2 Principal Office and Registered Office. The initial principal office of the Association shall be located at 328 East Market Street, Suite 200, Greensboro, NC 27401. The address of the initial registered office of the Association shall be 328 East Market Street, Suite 200, North Carolina 27401.

Section 1.3 Other Offices. The Association may have other offices at such other places within the State of North Carolina as the Board may from time to time determine or as the affairs of the Association may require.

Section 1.4 Fiscal Year. The fiscal year of the Association shall be the calendar year:

ARTICLE 2

Purpose

Section 2.1 Purpose. The purpose of the Association is to act on behalf of its members collectively as their governing body with respect to the administration and operation of the Property (as defined in the Declaration of Condominium for 328 East Market Street Condominium, recorded in the Office of the Register of Deeds for Guilford County, North Carolina), which Property is submitted to condominium ownership pursuant to the provisions of Chapter 47C of the North Carolina General Statutes, the North Carolina Condominium Act, and as such to own and acquire any real estate or interest or rights therein or appurtenant thereto and any and all personal property in connection therewith as may be incidental or necessary to such purpose.

Section 2.2 Definitions. The words, phrases and terms used in these Bylaws shall have the meanings as set forth in the Declaration of Condominium for 328 East Market Street Condominium, recorded in the Office of the Register of Deeds for Guilford County, North Carolina (the "Declaration").

Section 2.3 Applicability of Bylaws. The provisions of these Bylaws are applicable to the Property and the use and occupancy thereof. The term "Property" as used in these Bylaws shall include the Property and all easements, rights, and appurtenances belonging thereto, and all other property, personal or fixed, intended for use in connection therewith. All present and future Unit Owners, mortgagees including First Mortgagees, lessees and Occupants of any portion of the Property and their employees, and any other persons who may use the facilities of the Property in any manner are subject to the Declarations, these Bylaws and the Rules and Regulations and any amendment to these Bylaws or the Declaration upon the same being approved and recorded in the Declarations. The acceptance of a

deed or conveyance or the entering into of a lease or the act of occupancy of a Unit or any portion of the Property shall constitute an agreement that these Bylaws and the Rules and Regulations and the provisions of the Declaration or other agreements or restrictions to which such Property may be subject as they may be amended from time to time, are accepted, ratified, and will be complied with.

ARTICLE 3

Membership

Section 3.1 Qualification. Membership in the Association shall be limited to the Unit Owners, and every Unit Owner shall automatically be a member of the Association. Membership in the Association shall be appurtenant to and may not be separated from Unit ownership. Membership in the Association shall inure automatically to Unit Owners upon acquisition of the fee simple title (whether encumbered or not) to any one or more Units. The date of recordation in the Office of the Register of Deeds of Guilford County of the conveyance of the Unit in question shall govern the date of ownership of each particular Unit.

Section 3.2 Unit Ownership. Title to portions of the Property may be taken in the name of an individual, or in the names of two or more persons as tenants in common or as joint tenants or as tenants by the entirety, or in the name of a corporation or partnership or association, or in the name of a fiduciary, and the same, collectively if more than the one person or entity, shall be deemed the Unit Owner for the purposes of these Bylaws.

Section 3.3 Place of Meetings. All meetings of the membership shall be held at the Property or at such other suitable place convenient to the Unit Owners as may be designated by Board and stated in the notice of the meeting.

Section 3.4 Annual Meetings. There shall be an annual meeting of the Unit Owners at 7:00 p.m. on the first Monday in April of each year; if not a legal holiday, and if a legal holiday, then at the same time on the next business day following the legal holiday. At such meetings, the Unit Owners shall elect new members to the Board to fill vacancies thereon in accordance with Section 4.4 of these Bylaws, and the Members shall transact such other business as may properly come before them.

Section 3.5 Substitute Annual Meetings. If an 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 3.6 and Section 3.7. A meeting so called shall be designated and treated for all purposes as the Annual Meeting.

Section 3.6 Special Meetings. After the first Annual Meeting of the Members, Special Meetings of the Members may be called at any time (i) by the President; (ii) by Unit Owners having at least twenty percent (20%) of the votes in the Association; or (iii) by not less than fifty-one percent (51%) of the Board members. No business shall be transacted at a Special Meeting except as stated in the notice.

Section 3.7 Notice Of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners at least fourteen (14) but not more than fifty (50) days

prior to such meeting, stating the time and place where the meeting is to be held and the items on the agenda, including the general nature of any proposed amendment to the Declarations or these Bylaws, any budget changes, and any proposal to remove Board members or officers. The notice shall be hand-delivered or mailed postage prepaid to each Unit Owner of record at such address as such Unit Owner shall have designated by notice in writing to the Secretary. Notice shall be deemed given upon personal delivery or deposit in the United States mail. Notice given to any one tenant in common, tenant by entirety or other joint Unit Owner of a Unit shall be deemed notice to all joint Unit Owners of the subject Unit. Notice shall also be mailed postage prepaid to all First Mortgagees so requesting under the provisions of Article XVII of the Declarations, who may request a representative to attend the meeting of Unit Owners.

Section 3.8 Voting Rights. There shall be one person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners (the "Voting Member"). The Voting Member may be the Unit Owner, or one of a group composed of all of the owners of a Unit or may be some other person designated by such Unit Owners to act as proxy on his or their behalf, and who need not be a Unit Owner. Each Unit Owner or group of owners shall be entitled to one vote for each Unit owned. No votes allocated to a Unit or Units owned by the Association may be cast.

Section 3.9 Waiver of Notice of Meeting. Any Unit Owner may, at any time, 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 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.

Section 3.10 Proxies. Voting Members may vote either in person or by agents duly authorized by written proxy executed by the subject Member or by his duly authorized attorney-in-fact. A proxy is not valid after the earlier of the terms stated therein or the expiration of twelve (12) months from the date of its execution. Unless a proxy otherwise provides, any proxy holder may appoint in writing a substitute to act in his place. In order to be effective, all proxies must be filed with the Secretary or duly acting Secretary either during or prior to the meeting in question. A member may not revoke a proxy given pursuant to this Section 3.10 except by written notice of revocation delivered to the person presiding over a meeting of the Association. A proxy is void if it is not dated.

Section 3.11 Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Unit Owners having at least fifty-one percent (51%) of the total votes which may be cast for election of the Board shall constitute a quorum at all meetings of the Unit Owners. If any meeting of the Unit Owners cannot be held because a quorum has not attended, a majority in number of those Unit Owners present at such meeting may adjourn the meeting, and at any adjourned meeting the quorum required and shall be reduced by 50% of the original quorum required. At any such reconvened meeting at which a quorum is present, any business which might have been transacted at the meeting originally called and adjourned may be transacted without further notice. The Voting Members at a meeting at which a quorum was present may continue to do business until adjournment, notwithstanding the withdrawal of enough Voting Members to leave less than a quorum.

Section 3.12 Majority Vote. The vote of a majority of the Voting Members present at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where by law or in the Declaration or these Bylaws a higher percentage vote is required.

Section 3.13 Actions Without Meeting. Any action which may be taken at a meeting of the membership may be taken without a meeting if consent or ratification, in writing, setting forth the action so taken or to be taken shall be signed by all of the persons who would be entitled to vote upon such action at a meeting and such consent is filed with the Secretary of the Association and inserted in the minute book of the Association.

ARTICLE 4

Board

Section 4.1 General Powers. The business, property and affairs of the Association shall be managed by the Board (the "Board") or by such committees as the Board may establish pursuant to these Bylaws. Provided, however, the Board may not act on behalf of the Association to amend the Declaration, to terminate the Condominium, to elect members of the Board, or to determine the qualifications, powers and duties, or terms of office of Board members. The Board may, however, fill vacancies in its membership for the unexpired portion of any term.

Section 4.2 Number And Qualification. The initial Board shall consist of at least three (3) but no more than five (5) individuals appointed by Declarant whose names are set forth in the Articles of Incorporation of the Association.

Section 4.3 Powers And Duties. The Board shall have the powers and duties necessary or convenient for the administration of the affairs of the Association and Condominium and may do all such acts and things except those which by law or by the Declaration or by these Bylaws may not be delegated to the Board. The powers of the Board shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep and maintenance of the Property other than the Units.
- (b) Determination of the Common Expenses required for the affairs of the Association.
- (c) Collection of Common Expenses from Unit Owners as herein or in the Declaration provided.
- (d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Property.
- (e) Adoption and amendment of Rules and Regulations covering the details of the operation and use of the Property. Written notice of such Rules and Regulations shall be given to all Unit Owners or Occupants, and the Property shall at all times be maintained subject to such Rules and Regulations.

- (f) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.
- (g) Supervising all officers, agents and employees of the Association and insuring that their duties are properly performed.
- (h) Enforcing, on behalf of the Association, the obligations and assessments provided in the Declaration, including, but not limited to, the institution of civil actions to enforce payment of the assessments as provided in the Declaration, the institution of actions to foreclose liens for such assessments in accordance with the terms of N.C.G.S. § 47C-3-116, the imposition of charges for late payment of assessments, and after notice and an opportunity to be heard, levying reasonable fines not to exceed One Hundred and No/100 Dollars (\$100.00) for violations of the Declaration, Bylaws and rules and regulations of the Association.
- (i) Enforcing by any legal means or proceeding the provisions of the Articles of Incorporation of the Association, these Bylaws, the Declaration or the rules and regulations hereinafter promulgated governing use of the Common Elements.
- (j) Paying all taxes and assessments which are or may become liens against any part of the Condominium, other than the Units, and to assess the same against the Unit Owners in the manner herein provided.
- (k) Purchasing or leasing or otherwise acquiring in the name of the Association or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or surrendered by their Unit Owners to the Association.
- (l) Purchasing of units at foreclosure or other judicial sales in the name of the Association or its designee, corporate or otherwise, on behalf of all Unit Owners.
- (m) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board), or otherwise dealing with units acquired by, and subleasing units leased by the Association, or its designee, corporate or otherwise, on behalf of all Unit Owners.
- (n) Organizing corporations to act as designees of the Board in acquiring title to or leasing of units on behalf of all Unit Owners.
- (o) Obtaining insurance as required or permitted under the terms of the applicable provisions of these Bylaws or the Declaration.
- (p) Making of repairs, additions and improvements to or alterations of the Property other than the Units and repairs to and restoration of the Property other than the units in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty or as a result of condemnation of eminent domain proceedings.

(q) Signing all agreements, contracts, deeds and vouchers for payment of expenditures and other instruments in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the Treasurer of the Association, and countersigned by any member of the Board.

(r) Furnishing certificates setting forth the amounts of unpaid assessments that have been levied upon a Unit to the Unit Owner or Mortgagee of such Unit, or a proposed purchaser or Mortgagee of such Unit, and imposing and collecting reasonable charges therefor.

(s) Exercising any other powers and duties reserved to the Association exercisable by the Board in the Declaration, the Articles of Incorporation, these Bylaws, or the North Carolina Condominium Act.

Section 4.4 Election of Board Members. Except as provided herein, the members of the Board (also referred to as 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. Notwithstanding anything herein to the contrary, the Board shall consist of three Directors during the period that Declarant is entitled to appoint a majority of the Directors. The Declarant shall have the right to appoint or remove the Directors during the period commencing on the date of the Declarations and terminating on the earlier of the following three (3) dates: (a) within 120 days after the date by which 75% of the Units (including any Units which may be created pursuant to Special Declarant Rights) have been conveyed to Unit purchasers other than Declarant; (b) two years after all Declarants have ceased to offer Units for sale in the ordinary course of business, or (c) two years after any development right to add additional Units under the Act was last exercised.

Within 60 days after conveyance of 25% of the Units (including Units which may be created pursuant to Special Declarant Rights) to Unit Owners other than the Declarant, at least one Director and not less than 25% of the directors of the Board shall be elected by Unit Owners other than the Declarant. Within 60 days after conveyance of 50% of the Units (including Units which may be created pursuant to Special Declarant Rights) to Unit Owners other than the Declarant, not less than 33% of the Directors of the Board shall be elected by Unit Owners other than the Declarant.

The Declarant may voluntarily surrender the right to appoint and remove Directors prior to such dates in its sole discretion by causing all or part of its appointed Directors to resign, whereupon it shall be the affirmative obligation of Unit Owners other than the Declarant to elect Directors and assume control of the Association. Provided at least 30 days notice of Declarant's decision to cause its appointees to resign is given to Unit Owners, neither the Declarant, nor such appointees, shall be liable in any manner in connection with such resignations even if the Unit Owners other than the Declarant refuse or fail to assume control. Notwithstanding the surrender of the right to appoint and remove Directors, any action that pursuant to the terms of these Bylaws or the Declarations requires Declarant's approval during the Declarant Control Period, shall continue to require Declarant approval until the expiration of the Declarant Control Period.

Notwithstanding anything contained herein, and to the extent not in violation of the North Carolina Condominium Act, upon the sale and conveyance of fifty percent (50%) of the Units to parties other than Declarant, the Board shall be comprised of four (4) members: two (2) members appointed by the owner(s) of Unit(s) on the first floor of the Condominium and two (2) members from owner(s) of Unit(s) on the second floor of the Condominium.

The Association shall publish the names and addresses of all officers and Board Members of the Association within thirty (30) days of the election.

Section 4.5 Independent Manager. The Board may employ or enter into a management contract with any individual, firm or entity it deems appropriate and in the best interest of the Association concerning the routine management of the condominium. The Board may delegate to such person, firm or entity (the "Manager" or "Independent Manager") such duties and responsibilities in the management of the Property as the Board deems appropriate. Provided, the Board may not delegate to the Independent Manager the complete and total responsibilities and duties of the Association in violation of the North Carolina Nonprofit Corporation Act or the North Carolina Condominium Act. The Board shall have authority to fix the reasonable compensation for the Independent Manager. The Independent Manager shall at all times be answerable to the Board and subject to its direction. Any management agreement for the Condominium shall be terminable by either party without cause and without payment of a termination fee or penalty upon 90 days or more written notice thereof and the terms of such agreement may not exceed one year, renewable by agreement of the parties for successive one year terms. Any management agreement shall be terminable by either party for cause upon the giving of not less than 30 days written notice.

Section 4.6 Term Of Office and Qualification. The term of office of each member of the Board shall be three years. Each member of the Board shall hold office until his successor shall have been elected and qualified. If the number of members of the Board shall at any time be increased, the terms of such additional members shall be fixed so that terms of at least one-third (1/3) but not more than one-half (1/2) of the members of the Board shall expire annually. Nothing herein contained shall be construed to prevent the election of a Director to succeed himself. Each Board member, except those selected by the Declarant pursuant to these Bylaws, shall be one of the Unit Owners or co-owners, provided, however, that in the event a Unit Owner is a corporation, partnership trust or other legal entity other than a natural person or persons, then an officer or director of such corporation, partner of such partnership, beneficiary of such trust or manager of such other legal entity shall be eligible to serve as a member of the Board.

Section 4.7 Removal. At any regular or special meeting of Unit Owners at which a quorum is present, any one or more of the members of the Board may be removed with or without cause by a vote of at least 67% of all Voting Members present and titled to vote, other than members of the Board appointed by the Declarant, who may be removed only with the prior written consent of the Declarant. Provided, the notice of the meeting must state that the question of such removal will be acted upon at the subject meeting. If any members of the Board are so removed, their successors as Board members may be elected by the membership at the same meeting to fill unexpired terms of the Board members so removed. Any member of the Board whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting.

Section 4.8 Resignation. Any Board member may resign at any time, by sending a written notice of such resignation to the Association delivered to the Secretary thereof. Unless otherwise specified therein, such resignation shall take effect upon receipt thereof by the Secretary.

Section 4.9 Vacancies. Vacancies on the Board caused by any reason other than the removal of a member thereof by a vote of the Unit Owners shall be filled by a vote of a majority of the remaining members of the Board at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, provided that there is a quorum of the then remaining members present at such meeting. Each person so elected shall be a member of the Board for the remainder of the term of his predecessor and until a successor shall be elected at the next annual meeting of the Unit Owners. In the event that Declarant, in accordance with these Bylaws, selects any person to serve on the Board, Declarant shall have the absolute right at any time, in its sole discretion, to replace such person with another person to serve on the Board. Replacement of any person designated by the Declarant to serve on the Board shall be made by written instrument to any officer of the Association.

Section 4.10 Chairperson. A member of the Board shall be elected as Chairperson of the Board by the Board members at the first meeting of the Board. The Chairperson shall preside at all meetings of the Board and perform such other duties as may be directed by the Board. Prior to the election of a Chairperson and/or in the event that the Chairperson is not present at any meeting of the Board, the President shall preside.

Section 4.11 Compensation. No member of the Board shall receive any stated salary or fixed fee for their services but, by resolution of the Board, shall be reimbursed for their reasonable expenses incurred in attendance at regular and special meetings of the Board. Members of the Board shall be reimbursed for all expenditures made by them on behalf of the Association or the Board. All such reimbursements shall be deemed part of the common expenses and as such shall be subject to the review of the Unit Owners.

Section 4.12 Loans to Board Members and Officers. No loans shall be made by the Association to its Board members or officers. The Board members who vote for or assent to the making of a loan to an Board member or officer of the Association, and any officer or officers participating in the making of such loan, shall be jointly and severally liable to the Association for the amount of such loans until the repayment thereof.

Section 4.13 Meetings of the Board.

(a) Regular Meetings. The first meeting of the initial Board designated by the Declarant shall be held at such time as Declarant shall determine, but in no event later than one year from the date of incorporation of the Association. Thereafter, regular meetings shall be held, without notice, at such hour and address as may be fixed from time to time by resolution of the Board. Should any such meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. At regular intervals, the Board shall provide Unit Owners an opportunity to attend a portion of the Board Meeting and speak to the Board about their issues and concerns. The Board may place reasonable restrictions on the number of persons who speak on each side of an issue and may place reasonable time restrictions on persons who speak.

(b) Special Meetings. Special meetings shall be held when called by the President of the Association, or by any two Board members, after not less than three (3) or more than thirty (30) days written notice to each member of the Board.

(c) Notices of Special Meetings. The notice provided for herein may be waived by written instrument signed by those Board members who do not receive said notice. Except to the extent otherwise required by law, the purpose of a Board members' special meeting need not be stated in the notice. Notices shall be deemed received upon the happening of any one of the following events: (i) one day following deposit of the same in the United States mail with proper postage paid and addressed to the Board member at his last known address on file with the Association; (ii) deposit of same in his Unit mail box; or (iii) delivery to the Board member. Attendance by an Board member at a meeting shall constitute a waiver of notice of such meeting unless the subject Board member gives a written statement at the meeting to the person presiding objecting to the transaction of any business because the meeting is not lawfully called and gives such notice prior to the vote on any resolution.

(d) Approved Meeting Place. All Board meetings shall be held in Guilford County, North Carolina.

(e) Quorum. A majority of the Board members then holding office shall constitute a quorum for the transaction of business and every act or decision done or made by a majority of the Board members present at a duly held meeting at which quorum is present shall be regarded as the act or decision of the Board.

(f) Minutes. The Board shall keep minutes of its proceedings, which shall be available for inspection by the Unit Owners during reasonable business hours.

Section 4.14 Action Without Meeting. The members of the Board shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the members of the Board. Any such action or authorization shall have the same force and effect as if taken or authorized at a meeting of the Board. Said written approval shall be filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

Section 4.15 Presumption of Assent. A Board member who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a member of the Board who voted in favor of such action.

Section 4.16 Fidelity Bonds. The Board may obtain adequate fidelity bonds for all officers and employees of the Association handling or responsible for Association funds. The premiums on such bonds shall constitute a common expense.

ARTICLE 5

Committees

Section 5.1 Creation. The Board, by resolutions adopted by a majority of the number of Board members then holding office, may create such committees as they deem necessary and appropriate in aiding the Board to carry out its duties and responsibilities with respect to the management of the Condominium. Each committee so created shall have such authorities and responsibilities as the Board members deem appropriate and as set forth in the resolutions creating such committee. The Board shall elect the members of each such committee. Provided, each committee shall have in its membership at least one (1) officer or one (1) member of the Board.

Section 5.2 Vacancy. Any vacancy occurring on a committee shall be filled by a majority of the number of Board members then holding office at a regular or special meeting of the Board.

Section 5.3 Removal. Any member of a committee may be removed at any time with or without cause by a majority of the number of Board members then holding office.

Section 5.4 Minutes. Each committee shall keep regular minutes of its proceedings and report the same to the Board when required.

Section 5.5 Responsibility of Board Members. The designation of committees and the delegation thereto of authority shall not operate to relieve the Board or any member thereof of any responsibility or liability imposed upon it or him by law.

If action taken by a committee is not thereafter formally considered by the Board, a member of the Board may dissent from such action by filing his written objection with the Secretary with reasonable promptness after learning of such action.

ARTICLE 6

Officers

Section 6.1 Designation. The officers of the Association shall be a President, a Vice-President, a Secretary, a Treasurer and such assistants to such officers and such other officers as the Board may deem necessary from time to time, all of whom shall hold office at the pleasure of the Board. The President, Vice President, Secretary and Treasurer shall be elected from among the Board, and all other officers, if any, need only be a Unit Owner. The officers elected by the initial Board are not required to be Unit Owners.

Section 6.2 Election and Term. The officers of the Association shall be elected annually by the Board at its Annual Meeting. Each officer shall hold office for a period of one year, or until his death, resignation, removal or until his successor is elected and qualified.

Section 6.3 Removal. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his successor elected at any annual meeting of the Board or at any special meeting of the Board called for such purpose.

Section 6.4 Vacancy. A vacancy in any office may be filled by the election by the Board of a successor to such office. Such election may be held at any meeting of the Board. The officer elected to such vacancy shall serve for the remaining term of the officer he replaces.

Section 6.5 Multiple Offices. The person holding the office of President shall not also hold the office of Secretary or Treasurer at the same time. Any other offices may be simultaneously held by one person.

Section 6.6 President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Unit Owners. In the absence of an elected Chairperson, he shall preside at all meetings of the Board. He shall have all of the general powers and duties which are incident to the office of president of a corporation organized under Chapter 55A of the North Carolina General Statutes in the supervision and control of the management of the Association in accordance with these Bylaws.

Section 6.7 Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President or Vice President is able to act, the Board shall appoint some other member of the Board to act in place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board or which shall be delegated to him by the President.

Section 6.8 Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners; keep records of Unit Ownership, each Unit Owner's vote total and the total authorized vote; he shall have charge of such books and papers as the Board may direct; and he shall, in general, perform all the duties incident to the office of secretary of a corporation organized under Chapter 55A of the North Carolina General Statutes.

Section 6.9 Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial books of account showing all receipts and disbursements, and for the preparation of all required financial statements. He shall be responsible for the deposit of all monies and other valuable effects in the name of the Board, or the Independent Manager, in such depositories as may from time to time be designated by the Board, and he shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under Chapter 55A of the North Carolina General Statutes.

Section 6.10 Agreements, Contracts, Deeds, Checks, Etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any two officers of the Association or by such other person or persons as may be designated by the Board.

Section 6.11 Compensation. Officers shall not be compensated on a regular basis for the usual and ordinary services rendered to the Association incident to the offices held by such officers. The Board may, however, with a unanimous vote, compensate any officer or officers who render unusual and

extraordinary services to the Association beyond that called for to be rendered by such person or persons on a regular basis. Officers shall be reimbursed for all expenditures made by them on behalf of the Association. All such reimbursements shall be deemed part of the common expenses and as such shall be subject to the review of the Unit Owners.

Section 6.12 Indemnification. To the extent permitted by the provisions of the North Carolina Nonprofit Corporation Act in effect at the applicable times, each officer is hereby indemnified by the Association with respect to any liability and expense of litigation arising out of his activities as an officer. Such indemnity shall be subject to approval by the Members only when such approval is required by said Act.

ARTICLE 7

Operation of the Property

Section 7.1 Determination of Common Expenses and Fixing of Common Charges. The Board shall, from time to time, and at least annually, prepare or cause to be prepared a budget for the Association based on an estimation of expenses, income and establishment of necessary reserves for the following year. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance to be or which have been obtained by the Board pursuant to the provisions hereof. The Common Expenses shall also include any payments to be made to members of the Board and Officers paid in accordance with the provisions hereof. The Common Expenses shall also include such amounts as the Board may deem proper for the operation and maintenance of the Property, including without limitation, an amount for working capital of the Association, for a general operating reserve, for a reserve fund for replacements, a Capital Improvement Fund, and to make up for any deficit in income against expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Association or its designee, corporate or otherwise, on behalf of all Unit Owners, of any unit in accordance with the provisions of these Bylaws including any unit which is to be sold at a foreclosure or other judicial sale.

Within 30 days after adoption of a proposed budget by the Board, the Board shall furnish a summary of such budget to each Unit Owner and to his Mortgagee and shall given notice of a date for a meeting of the Unit Owners to consider ratification of the budget not less than 14 nor more than 30 days after mailing of the summary and notice. Notwithstanding anything herein to the contrary, a quorum is not required at the meeting to ratify the budget. The budget is ratified unless at the meeting a majority of all the Unit Owners, whether or not present at the meeting, votes to reject the budget. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Board. Until a new annual budget is sent to each Unit Owner by the Board, each Unit Owner shall continue to pay that amount which had been established on the basis of the previous budget. If at any time the Board shall deem the amount of the total Unit Owners' common charges to be inadequate by reason of its revision in its estimate of either expenses or income, the Board shall prepare and cause to be delivered to the Unit Owners a revised annual budget for the balance of the year and thereafter common charges shall be determined and paid on the basis of such revision.

Section 7.2 Payment Of Common Expenses. All Unit Owners shall be obligated to pay (a) Annual Assessments of Common Expenses assessed by the Board pursuant to the provisions of Section 7.1; (b) special assessments to be established and collected as provided herein, and (c) specific assessments against any Unit which are established pursuant to the terms of these Bylaws. Annual Assessments shall be due and payable in monthly installments on the first day of every month. A late payment charge in an amount to be determined by the Board shall be assessed for any installment not paid within ten (10) days of the date when due. Any installment not paid during the month in which it is due shall be subject to the late payment charge and shall accrue interest as provided in Section 7.6, and shall constitute a lien on the Unit as provided in Section 7.7.

No Unit Owner shall be liable for the payment of any part of the Common Expenses 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 Elements (and Limited Common Elements, if any). A purchaser of a Unit shall be jointly and severally liable with the seller for the payment of Assessments assessed against such Unit prior to the acquisition by the purchaser of such Unit only if the purchaser expressly assumes such obligation in writing; provided, however, the lien assessed against such Unit shall remain in full force and effect. Any such purchaser shall be entitled to a statement from the Board setting forth the amount of the unpaid Assessments against the seller, and the Unit conveyed shall not be subject to a lien for any unpaid assessments in excess of the amount shown on the statement. Provided, however, that an Institutional Lender or other purchaser of a Unit at a foreclosure sale of such Unit or an Institutional Lender who takes a deed in lieu of foreclosure shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Expenses assessed prior to the foreclosure sale or deed in lieu of foreclosure. Such unpaid Common Expenses shall be deemed to be Common Expenses collectible from all of the Unit Owners, including such purchaser, his successors and assigns.

Section 7.3 Special Assessments. The Association may levy Special Assessments for Common Expenses not covered by the Annual Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements, including fixtures and personal property related thereto, provided that any such Assessment shall have the assent of two thirds of the Voting Members at a meeting duly called for this purpose. Such Special Assessments shall be charged to the Units according to their Allocated Interests in the Common Elements. In addition, the Board may levy Special Assessments against one or more, but less than all, of the Units to cover repairs or maintenance for which such Unit Owner or Unit Owners are responsible and which they have failed to make, or for repairs or maintenance required of a Unit Owner or Unit Owners which impair the value of the Common Elements or the Unit or Units, or expenses which are incurred in the abatement of or as a result of a violation by a Unit Owner or Owners of the provisions of the Declaration, the Bylaws or the Rules and Regulations, or for fines levied for said violations, or where the Board of purchased a Unit on behalf of one or more Unit Owners. The period of assessment and manner of payment of such assessment shall be determined by the Board.

Section 7.4 Collection Of Common Expenses. The Board shall assess Common Expenses against the Unit Owners from time to time, at least annually, and shall take prompt action to collect

charges due from any Unit Owner which remain unpaid for more than thirty (30) days from the date due for payment thereof.

The Board shall notify First Mortgagees pursuant to the provisions of the Declarations of any amount assessed pursuant to these Bylaws that remains unpaid for more than 60 days from its due date and in any other case where the Unit Owner is in default with respect to the performance of any obligation hereunder for a period in excess of 60 days.

Section 7.5 Default in Payment of Assessment. In the event of default by any Unit Owner in paying to the Board any amounts assessed by the Board, such Unit Owner shall be obligated to pay a late payment charge not to exceed the greater of twenty dollars (\$20.00) per month or ten percent (10%) of any unpaid assessment, and interest at the rate of eighteen (18%) on such amounts from their due date; together with all costs, expenses, fees (including service fees, collection fees, administrative fees and costs and consulting fees) including attorneys' fees (as permitted by law), incurred by the Board in collecting such unpaid sums. If a Unit Owner shall be in default in payment of an installment of an Assessment, including but not limited to, the monthly installment based on the annual budget, the Board may accelerate the remaining installments upon ten days' written notice to such Unit Owner, whereupon the entire unpaid balance of such Assessment shall become due upon the date stated in such notice.

The Board may appoint an Adjudicatory Panel composed of five (5) Unit Owners, which shall be composed of Unit Owners who are not officers or members of the Board. The Adjudicatory Panel or the Board shall have the authority to levy fines not to exceed One Hundred Dollars (\$100.00) per violation for each violation of the Declaration, these Bylaws, or any Rules and Regulations enacted by the Board and without further hearing for each day more than five (5) days after the decision that the violation occurs. Prior to the imposition of any such fine, the Adjudicatory Panel shall send to the defaulting Unit Owner written notice of the charge and proposed fine and notice of the date, time and location for a hearing before the Adjudicatory Panel at which time the defaulting Unit Owner and the panel may present evidence. The notice of hearing shall be delivered personally or sent by certified mail before the hearing date. The Adjudicatory Panel shall provide the defaulting Unit Owner written notice of its decision once it is reached. The fine shall be an assessment secured by a lien under Section 47C-3-116 of the Act.

In the event that the Board or Adjudicatory Panel hearing the evidence regarding a charge or violation determines that a suspension of condominium privileges should be imposed, the suspension may be continued without further hearings until the violation or delinquency is cured. A Unit Owner may appeal a decision of the Adjudicatory Panel to the full Board by delivering written notice of appeal to the Board within fifteen (15) days after the date of the decision. The Board may affirm, vacate or modify the decision of the Adjudicatory Panel.

Section 7.6 Lien and Personal Obligation. Each Assessment provided for in this Article, together with late payment charges, interest and expenses, including attorneys' fees (as permitted by law), shall be a charge on and a continuing lien upon the Unit against which the Assessment is made when a notice of such lien has been filed of record in the office the Clerk of Superior Court of Guilford County, North Carolina, in the manner provided by Article 8, Chapter 44, of the North Carolina General Statutes, provided such notice of lien shall not be recorded until such sums assessed remain unpaid for a

period of 30 days after the same shall become due. Said notice of lien shall also secure all Assessments against the Unit becoming due thereafter until the lien has been satisfied. Said lien may be foreclosed in the manner as a deed of trust on real property. In addition, each Unit Owner shall be personally liable for any Assessment against his Unit becoming due and payable while he is the Owner of such Unit.

Section 7.7 Priority of Assessment Lien. The lien of the Assessments provided for in this Article shall be prior and superior to all other liens except (a) ad valorem taxes and (b) all sums unpaid on deeds of trust, mortgages or other encumbrances against the Unit prior to the docketing of the Assessment lien. The sale or transfer of any Unit shall not affect the Assessment lien against such Unit. Provided, however, the sale of a Unit pursuant to the foreclosure sale or execution sale instituted by a superior lien holder or conveyance to Mortgagees by deed in lieu of foreclosure shall extinguish the inferior Assessment lien against the subject Unit but no such sale or transfer shall relieve each Unit from liability for any Assessments thereafter becoming due or for any future lien in connection therewith. The Association shall share in the excess, if any, realized by the sale of any Unit pursuant to a foreclosure or action instituted by a superior lien holder, to the extent of its lien.

Section 7.8 Owners Non-Use. No Unit Owner may exempt himself from liability for Assessments and his other obligations to the Association by waiver of the use or enjoyment of any portion of the Common Elements or by the abandonment or sale of his Unit.

Section 7.9 Foreclosure of Liens for Unpaid Assessments. The Board, 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, vote the votes appurtenant to, convey or otherwise deal with the same, subject, however, to applicable restrictions of record. A suit to recover a money judgment for unpaid Assessments shall be maintainable without foreclosure or waiver of the Assessment lien. Where an institutional lender or the purchaser of a Unit obtains title to the Unit as a result of foreclosure of a mortgage, such purchaser, its successors and assigns, shall not be liable for the share of the Common Expenses or Assessments by the Board chargeable to such Unit which became due prior to the acquisition of title to such Unit by such purchaser. Such unpaid share of Common Expenses or Assessments shall be deemed to be a common Expense collectible from all Unit Owners, including such purchaser, its successors and assigns.

Section 7.10 Abatement and Enjoinder 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 Board the right, in addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which, or as to which, such violation or breach exists, and to make any repairs, and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing, or condition which may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass, but no items of construction shall be altered or demolished pursuant to this authority before judicial proceedings are instituted; (b) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, at the expense of the defaulting Unit Owner, the continuance of any such breach; (c) in any case of flagrant or repeated violation by a Unit Owner, to require such Unit Owner to give sufficient sureties for his future compliance with such Condominium documents; or (d) after notice and an opportunity to be heard, to levy reasonable assessments and fines in accordance with Sections 47C-3-

107 and 47C-3-107.1 of the Act for such violations. The failure of the Board of Adjudicatory Panel to so act with respect to any such violation or breach shall not be deemed a waiver of the Board's or Adjudicatory Panel's right to act with respect to the same or any other breach.

Section 7.11 Foreclosure Of Liens for Unpaid Common Charges. In any action brought by the Board to foreclose a lien on a unit because of unpaid common charges, the Unit Owner shall be required to pay a reasonable rental for the use of his unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board, acting on behalf of all Unit Owners, shall have 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. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 7.12 Statement Of Common Charges. The Board shall promptly provide any Unit Owner so requesting the same in writing with a written statement of all unpaid Common Expenses due from such Unit Owner.

Section 7.13 Maintenance And Repair.

(a) All maintenance of and repairs to any Unit or the appurtenances thereto, structural or non-structural, ordinary or extraordinary including but not limited to maintenance, repair, or replacement of components of the heating and air conditioning unit, bathroom and kitchen fixtures and appliances, doors, floors, ceilings, carpeting and other items within the Units (other than maintenance of and repairs to any Common Elements and facilities contained therein or appurtenant thereto and not necessitated by the negligence, misuse or neglect of the owner of such Unit) shall be made by the Unit Owner of such Unit. Each Unit Owner shall clean the Limited Common Elements appurtenant to his Unit and replace all light bulbs in fixtures (if any) located in such Limited Common Elements. Each Unit Owner shall be responsible for all damages to any and all Units and/or to the Common Elements and facilities caused by him or that his failure to maintain and repair his Unit may engender. Should any Unit Owner fail to so maintain and repair his Unit and such failure results in a condition hazardous to the health and safety of the occupants of the Property or the structural integrity thereof, or in case of emergency, the Board may make any and all necessary repairs and any costs or expenses thereby incurred shall be charged to such Unit Owner and shall be deemed a common charge against his Unit subject to the lien provided in this Article 7.

(b) All maintenance, repairs and replacements to the Common Elements and facilities, and to the Limited Common Elements and facilities, whether located inside or outside of the Units, shall be made by the Board and shall be charged to all Unit Owners as a Common Expense, unless such maintenance, repair, or replacement is necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner and shall be deemed a Common Expense against his Unit subject to the lien provided in this Article 7.

Section 7.14 Restriction on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the value of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) The Units shall be used only by the owner or owners thereof, their agents, guests and invitees for uses permitted in by the applicable zoning district in which the Property is located, subject to and for such other uses as set forth in the Declaration.

(b) The Common Elements and facilities shall be used only for the furnishing of the services and facilities for which they are reasonably intended and which are customarily incident to the use and occupancy of the Units.

(c) No nuisances shall be allowed on the Property, nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.

(d) No improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning laws and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the Property shall be corrected, by and at the sole expense of the Unit Owners or the Board, whichever shall have the obligation to maintain or repair such portion of the Property.

Section 7.15 Additions, Alterations or Improvements By Board. Whenever in the judgment of the Board the Common Elements and facilities shall require additions, alterations or improvements costing in excess of \$10,000.00 and there are not adequate reserves established to pay for such work without assessing additional common charges against the Unit Owners, the Board shall proceed with such additions, alterations and improvements and shall assess all Unit Owners for the costs thereof as a Common Expense, subject to the provisions of Sections 7.3 above. Any additions, alterations or improvements costing \$10,000.00 or less, or where there are adequate reserves established to pay for such work, may be made by the Board without approval of Unit Owners or any mortgagees of Units and the cost thereof shall constitute part of the Common Expenses or shall be charged against appropriate reserve accounts, if any, as the Board may determine.

Section 7.16 Additions, Alterations Or Improvements By Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to his Unit or do any exterior painting or make any exterior alteration or addition (including awnings, grills, etc.) without the prior written consent thereto by the Board. 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 thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board only, without, however, incurring any liability on the part of the Board or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

Section 7.17 Use Of Common Elements And Facilities. A Unit Owner shall not place or cause to be placed in the stairways or other Common Elements or facilities, including the limited Common Elements and facilities, other than the areas designated as storage areas, any furniture, packages, or objects of any kind. The entry passages, stairways, entry bridges, etc. shall be used for no purpose other than for normal transit through them.

Section 7.18 Right Of Access. Each Unit Owner hereby grants a right of access to his unit to the Manager and/or any other person authorized by the Board for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Area or facility, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements or facilities in his Unit or elsewhere, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Section 7.19 Rules And Regulations. Rules and Regulations concerning the use of the Units and the Common Elements and facilities may be promulgated, amended and supplemented from time to time by the vote of two-thirds (2/3) of the members of the Board. Copies of such Rules and Regulations shall be furnished by the Board to each Unit Owner prior to the time when the same shall become effective.

Section 7.20 Conveyance or Encumbrances of Common Elements. All or a portion of the Common Elements may be conveyed or subjected to a security interest by the Association in accordance with the provisions of Section 47C-3-112 of the Act.

Section 7.21 Nonwaiver of Remedies.

(a) The failure of the Association or any Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or the Unit Owner to enforce such right, provision, covenant or condition in the future.

(b) The failure of Declarant to enforce any right, privilege, covenant or condition which may be granted to it by the Condominium Documents shall not constitute a waiver of the right of Declarant to thereafter enforce such right provision, covenant or condition in the future.

(c) The failure of a mortgagee to enforce any right, provision, privilege, covenant or condition which may be granted to it or them by the Condominium Documents shall not constitute a waiver of the right of said party or parties to thereafter enforce such right, privilege, covenant or condition in the future.

ARTICLE 8

Mortgages

Section 8.1 Notice Of Board. A Unit Owner who mortgages his Unit shall notify the Board of the name and address of his mortgagee and shall file a confirmed copy of the note and mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

Section 8.2 Notice Of Unpaid Common Charges. The Board, whenever so requested in writing by a mortgagee of a Unit, shall promptly report any then unpaid common charges due from or any other default by the Owner of the mortgaged Unit.

Section 8.3 Notice Of Default. The Board, when giving notice to a Unit Owner of a default in paying common charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board.

ARTICLE 9

Sales and Transfers of Interest of Units

Section 9.1 Severance Of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein the Allocated Interests, it being the intention hereof to prevent any severance of such combined ownership. For the purpose of these Bylaws, the "Allocated Interests" shall mean, collectively (i) the Unit Owner's undivided interest, if any, in the Common Elements and facilities appurtenant to and necessary for the operation of the Unit as determined in accordance with the North Carolina Condominium Act; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board or its designee on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Association. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 9.2 Sale To Board. A Unit Owner may, subject to mutual agreement of the parties, and subject to the provisions of this Article, sell his Unit to the Association, or its designee. Any such purchase by the Association or any other purchase or lease of any Unit by the Association in accordance with the provisions of these Bylaws, including the purchase of a Unit which is to be sold at a foreclosure or other judicial sale, shall have the prior approval of Unit Owners holding at least two-thirds (2/3) of the total authorized vote, cast in person or by proxy in accordance with these Bylaws.

Section 9.3 Financing Of Purchased Units By Board. Acquisition of Units by the Board, or its designee, on behalf of all Unit Owners, may be made from the working capital and common charges in the hands of the Board, or if such funds are insufficient the Board may levy an assessment against

each Unit Owner in proportion to his ownership in the Common Elements and facilities as a common charge, which assessment shall be enforceable in the same manner as provided herein for other common charges and subject to the lien for nonpayment thereof, or the Board, in its discretion, may borrow money to finance the acquisition of such units, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the units, together with the Allocated Interests, so to be acquired by the Board.

Section 9.4 Waiver Of Right Of Partition With Respect To Such Units As Are Acquired By The Board, Or Its Designee, On Behalf Of All Unit Owners, As Tenants In Common. In the event that a Unit shall be acquired by the Association, or its designee, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such unit.

Section 9.5 Gifts And Devises. Any Unit Owner shall be free to convey or transfer his unit by gift, or to devise his Unit by will, or to pass the same by intestacy, without restriction.

Section 9.6 Payment Of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or sell his unit unless and until he shall have paid in full to the Board all unpaid common charges theretofore assessed by the Board against his unit and until he shall have satisfied all unpaid liens against such unit, except permitted mortgages. Notwithstanding the foregoing, a Unit Owner may convey or sell his unit, subject to all other provisions of these Bylaws, to a purchaser who in writing assumes all unpaid common charges and who agrees to take such unit subject to all unpaid liens against same or in accordance with the provisions of Article 7 hereof.

ARTICLE 10

Condemnation

In the event of a taking on condemnation or by eminent domain of a part or all of the Common Elements and facilities, the award made for such taking shall be payable to the Board which shall disburse the proceeds of such award as provided in the Declaration.

ARTICLE 11

Records

The Board shall keep or cause to be kept detailed records of the actions of the Board, minutes of the meetings of Unit Owners and minutes of meeting of the Board, and financial records and books of account of the Association, including a listing of receipts and expenditures and a listing of assets and liabilities, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of common charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. The Association shall make an annual income and expense statement and balance sheet available to all Unit Owners at no charge and within seventy-five (75) days after the close of the fiscal year to which the information relates. The Board shall also cause such books and records to be audited at least annually by an independent auditor and furnish a copy of such audit

report to all Unit Owners within one hundred twenty (120) days of the Association's fiscal year end. Each Unit Owner, a Unit Owner's authorized agent, and each mortgagee of a Unit shall be permitted to examine the books of account of the Association at the place such records are maintained during regular business hours on not less than 24 hours advance notice, but not more often than once in each quarter.

ARTICLE 12

Amendments to Bylaws

12.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.

12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board or by not less than one third of the members of the Association. Directors and members of the Association not present in person or by proxy at the meeting considering the amendment may express their approval in writing provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be by not less than a majority of the votes of members of the Association represented at a meeting at which a quorum has been attained.

12.3 Limitation. No amendment may be adopted which would eliminate, modify, prejudice, abridge, or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Declarant or Eligible Mortgage Holders without the consent of said Declarant and Eligible Mortgage Holder in each instance. No amendment shall be made that is in conflict with the Articles of Incorporation of the Association or Declaration without satisfaction of the requirements therein contained. So long as the Declarant controls the Association and the Federal Housing Administration (FHA) holds or insures any First Mortgage on a Unit, the Federal Housing Administration (FHA) shall have the right to veto any amendment to the Bylaws. No amendment to this Section shall be valid.

12.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment to the Declaration and Bylaws, which certificate shall be executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Declarant alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Declarant. The amendment shall be effective when the certificate and a copy of amendment is recorded in the Office of the Register of Deeds for Guilford County, North Carolina.

ARTICLE 13

Architectural Control

No building, fence, or other structure shall be commenced or maintained upon the Common Elements, including the Limited Common Elements, nor shall any exterior addition, change or alteration therein be made until plans and specifications showing the nature, kind, shape, height, materials, and location of same shall have been submitted to and approved in writing as to harmony of external design and location in relation to the surrounding structure and topography by the Board of the Association or by any

architectural committee appointed by the Board. All structures shall be of standard design employed by Declarant in the original construction of such amenities in the Condominium project. In the event the Board or its designated committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required, and this Article XIII shall be deemed to have been fully complied with. Provided that nothing herein contained shall be construed to permit interference with the development of the Condominium property by the Declarant.

ARTICLE 14

Execution of Instruments and Seal

Section 14.1 Execution Of Instruments. All instruments of the Association shall be executed under the seal by such officer or officers as the Board may designate, or may be otherwise authorized.

Section 14.2 Seal. The seal of the Association shall contain the name of the Association, the word "Seal", year of incorporation and such other words and figures as desired by the Board.

ARTICLE 15

Conflicts

These Bylaws are set forth to comply with the provisions of the North Carolina Condominium Act. In case any of these Bylaws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

ARTICLE 16

Miscellaneous

Section 16.1 Insurance Trustee. The Insurance Trustee, if any, shall be a bank (including a national banking association) qualified to do business in the State of North Carolina and so designated by the Board. The Board shall pay the fees and disbursements of any Insurance Trustee.

Section 16.2 Ad Valorem Taxes. Each Unit shall be deemed to be a separate parcel and shall be separately assessed and taxed. Each Unit Owner shall be liable solely for the amount of tax assessed against his Unit and shall not be affected by the consequences resulting from the tax delinquency of other Unit Owners. All tangible personal property owned by the Association in connection with the maintenance, upkeep and repair of the Common Elements shall be listed for said taxes in the name of and paid by the Association. Each Unit Owner is also responsible for his prorata share of taxes assessed on his portion of the Common Elements, if any.

Section 16.3 Notices. All notices hereunder shall be sent by registered or certified mail to the Board c/o the Independent Manager, or if there is no Independent Manager, to the office of the Board, or to such other address as the Board may designate from time to time by notice in writing to all Unit Owners and to all mortgagees of units. All notices to any Unit Owner shall be sent by registered or certified mail to such address as may have been designated by him from time to time, by notice in

writing, to the Board and in the absence of such notice, to the unit at the Property. All notices to mortgagees of units shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, by notice in writing, to the Board. All notices shall be deemed to have been given when mailed, except notices of changes of address which shall be deemed to have been given when received.

Section 16.4 Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

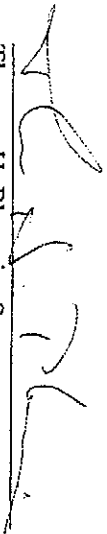
Section 16.5 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision thereof.


Section 16.6 Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of singular shall be deemed to include the plural, whenever the context so requires.

Section 16.7 Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 16.8. Arbitration. Notwithstanding anything contained herein, any dispute between the Board members or Unit Owners that is not resolved at a meeting of Board or of the Unit Owners shall be resolved through arbitration conducted in Greensboro, North Carolina accordance with the rules promulgated by the American Arbitration Association, and the decision by such arbitrator(s) shall be final and binding upon the Board and/or Unit Owners.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Corporation effective as of the 22nd day of July, 2008.


Thomas H. Phoenix, Secretary

APPROVED:

Kenneth C. Mayer, Jr., President



2008055459

GULLFORD CO, NC FEE \$128.00

PRESENTED & RECORDED:

07-31-2008 09:23:52 AM

JEFF L. THOMPEN

REGISTER OF DEEDS
BY: SHERRY W. FARMER
DEPUTY-Clerk

BK: R 6920

PG: 1767-1805

DECLARATION
OF
328 EAST MARKET STREET
CONDOMINIUM
plu Isaacs

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DECLARATION
OF
328 EAST MARKET STREET CONDOMINIUM

ARTICLE 1. SUBMISSION; DEFINITIONS

Section 1.1. Submission of Property. MMPA PROPERTIES, LLC, a North Carolina limited liability company, ("Declarant"), owner in fee simple of the real estate described in Exhibit A, located within Guilford County, North Carolina, hereby submits such real estate, including all improvements, easements, rights and appurtenances thereunto belonging to the provisions of Chapter 47C of the General Statutes of North Carolina, known as the North Carolina Condominium Act ("Condominium Act"), and hereby creates with respect to said real estate a condominium to be known as "328 EAST MARKET STREET CONDOMINIUM".

Section 1.2. Definitions. As used in the Condominium Documents, the following words and phrases shall have the following meanings:

- a. "Allocated Interests" means the undivided interest in the Common Elements and Common Expenses liability, and votes in the Association, allocated to Units in the Condominium. The Allocated Interests are described in Article 7 of this Declaration and shown on Exhibit B.
- b. "Association" means 328 East Market Street Condominium Association, Inc., a non-profit corporation organized under Chapter 55A of the General Statutes of North Carolina. It is the Association of the Unit Owners pursuant to Section 47C-3-101 of the Condominium Act.
- c. "Bylaws" means the Bylaws of the Association, as they may be amended from time to time.
- d. "Common Elements" means all portions of the Condominium other than the Units.
- e. "Common Expenses" means the expenses or financial liabilities for the operation of the Condominium. These include:
 - (i) expenses of administration, maintenance, repair or replacement of the Common Elements;
 - (ii) expenses declared to be Common Expenses by the Condominium Documents or by the Condominium Act;
 - (iii) expenses agreed upon as Common Expenses by the Association; and
 - (iv) such reasonable reserves as may be established by the Association, whether held in trust or by the Association, for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association.
- f. "Condominium" means the real property described in Exhibit A, subject to the Declaration of 328 East Market Street Condominium.

- g. "Condominium Documents" means this Declaration, the Plats and Plans recorded and filed pursuant to the provisions of the Condominium Act, the Bylaws, and the Rules and Regulations as they may be amended from time to time. Any exhibit, schedule, or certification accompanying a Condominium Document is a part of that Condominium Document.
- h. "Declarant" means MMPA Properties, LLC or its successor as defined in Section 47C-1-103(9) of the Condominium Act.
- i. "Development Rights" means the rights reserved by the Declarant under Article 6 of this Declaration to create Units, Common Elements, and Limited Common Elements within the Condominium.
- j. "Declarant Control Period" means the period prior to the earlier of:
 - (i) one hundred twenty (120) days after sale of 75% of units (including units which may be created pursuant to Special Declarant Rights) to unit owners other than Declarant;
 - (ii) two (2) years after all Declarants have ceased to offer Units for sale in the ordinary course of business; or
 - (iii) two (2) years after any development right to add new Units was last exercised.
- k. "Director" means a member of the Executive Board.
- l. "Eligible Mortgagee" means an institutional lender holding a first mortgage or first deed of trust ("First Mortgage") encumbering a Unit that has notified the Association in writing of its status, stating both its name and address and the Unit number or address of the Unit its First Mortgage encumbers, and has requested all rights under the Condominium Documents. For purposes of Article 16 only, when any right is to be given to the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans Administration, the Federal Housing Administration, the Farmers Home Administration, the Government National Mortgage Association and any other public or private secondary mortgage market entity participating in purchasing or guaranteeing mortgages if the Association has notice of such participation, such entity shall have the right to receive a copy of any notice delivered by the Association to any Eligible Mortgagee as provided in Article 16.
- m. "Executive Board" means the board of directors of the Association.
- n. "Improvements" means any construction, structure, fixture or facilities existing or to be constructed on the land included in the Condominium, including but not limited to, buildings, trees and shrubbery planted by the Declarant or the Association, paving, utility lines, pipes, and light poles.
- o. "Limited Common Elements" means the portion of the Common Elements allocated for the exclusive use of one or more but fewer than all of the Units by the Declarant or by operation of Section 47C-2-102(2) and (4) of the Condominium Act. The Limited Common Elements in the Condominium are described in Article 3 of this Declaration.

p. "Majority or Majority of Unit Owners" means the owners of more than fifty percent (50%) of the votes in the Association.

q. "Manager" means a person, firm or corporation employed or engaged to perform management services for the Condominium and the Association.

r. "Notice and Comment" means the right of a Unit Owner to receive notice of an action proposed to be taken by or on behalf of the Association, and the right to comment thereon. The procedures for Notice and Comment are set forth in Section 22.1 of this Declaration.

s. "Notice and Hearing" means the right of a Unit Owner to receive notice of an action proposed to be taken by the Association, and the right to be heard thereon. The procedures for Notice and Hearing are set forth in Section 22.2 of this Declaration.

t. "Person" means an individual, corporation, limited liability company, business trust, estate, trust, partnership, association, joint venture, government, government subdivision or agency, or other legal or commercial entity.

u. "Plats and Plans" means the Plats and Plans recorded simultaneously with this Declaration in Condominium Plat Book 13, Pages 117 through 119, and constituting a part hereof, as the same may be amended from time to time.

v. "Property" means the land, all improvements, easements, rights and appurtenances, which have been submitted to the provisions of the Condominium Act by this Declaration. For purposes of this Declaration, the structural improvements located on the Property are referred to as the "Building."

w. "Public Offering Statement" means the current document, if any, prepared pursuant to Section 47C-4-103 of the Condominium Act as it may be amended from time to time, and provided to purchasers prior to the time of execution of a purchase agreement.

x. "Rules and Regulations" means Rules and Regulations for the use of Units and Common Elements and for the conduct of persons within the Condominium, adopted by the Executive Board pursuant to this Declaration.

y. "Security Interest" means an interest in real estate or personal property, created by contract or conveyance which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended as security for an obligation.

2. "Special Declarant Rights" means the rights reserved for the benefit of a Declarant to:

(i) complete Improvements indicated on the Plats and Plans filed with the Declaration;

(ii) exercise any Development Rights; or

(iii) use easements through the Common Elements for the purpose of making Improvements within the Condominium or within real estate that may be added to the Condominium; or

a.a. "Trustee" means the entity which may be designated by the Executive Board as the Trustee for the receipt, administration, and disbursement of funds derived from insured losses, condemnation awards, special assessments for uninsured losses, and other like sources as defined in the Bylaws. If no Trustee has been designated, the Trustee will be the Executive Board from time to time constituted, acting by majority vote, as executed by the president and attested by the secretary.

b.b. "Unit" means a physical portion of the Condominium designated for separate ownership or occupancy, the boundaries of which are described in Section 2.2 of this Declaration. In this condominium, there are two (2) units (hereinafter referred to as "Units"), all as shown on the Plat and Plans. The Unit on the first floor of the Building is hereafter referred to as the "First Floor Unit," and the second floor of the Building is hereinafter referred to as the "Second Floor Unit."

c.c. "Unit Owner" means the Declarant or other Person who owns a Unit. Unit Owner does not include a Person having an interest in a Unit solely as security for an obligation. The Declarant is the initial owner of any Unit created by this Declaration.

ARTICLE 2. MAXIMUM NUMBER OF UNITS; BOUNDARIES

Section 2.1. Maximum Number of Units. The Condominium upon creation contains two (2) Units, provided, however, that the Declarant may develop the Property in two or more phases of condominium units as may be shown on the Plat(s). As additional Units are added or subdivided, it contains the number of Units listed in the most current Exhibit B. The Declarant reserves the right to create up to a total of twenty (20) Units.

Section 2.2. Boundaries. Boundaries of each Unit created by this Declaration are shown on the Plats and Plans as numbered Units within their identifying designation and are described as follows:

a. Unit Upper Boundary: The horizontal or sloping plane or planes of the unfinished inner surfaces of the ceiling bearing structure beams, and rafters of the uppermost enclosed occupied space; extended to an intersection with the vertical perimeter boundaries.

b. Unit Lower Boundary: The horizontal plane or planes of the undecorated or unfinished upper surface of the floors extended to an intersection with the vertical perimeter boundaries and open, horizontal, unfinished surfaces of trim, sills and structural components.

c. Unit Vertical Perimeter Boundaries: The planes defined by the inner surfaces of the studs and framing of the perimeter walls; the unfinished inner surfaces of the masonry walls; the unfinished surfaces of the interior trim, and thresholds along perimeter walls and floors; the unfinished inner surfaces of closed windows and closed perimeter doors.

d. Unit Inclusions: Each Unit includes the spaces and Improvements lying within the boundaries described in Subsections 2.2a, b, and c, above, and also includes all space heating, water heating and air conditioning apparatus, smoke detector and security systems,

and all electrical switches, wiring, pipes, ducts, conduits, and television, telephone, and electrical receptacles and light fixtures and boxes serving that Unit exclusively.

e. Unit Exclusions: Except when specifically included by other provisions of Section 2.2, the following are excluded from each Unit: The spaces and improvements lying outside of the boundaries described in Subsections 2.2a, b, and c, above; and all chutes, pipes, flues, ducts, wires, conduits, skylights and other facilities running through or within any interior wall or partition for the purpose of furnishing utility and similar services to other Units or Common Elements or both.

f. Non-Contiguous Portions: Certain Units may include special portions, pieces or equipment such as air conditioning compressors, meter boxes, utility connection structures and storage portions situated in buildings or structures that are detached or semidetached from the buildings containing the principal occupied portion of the Units. Such special equipment and storage portions are a part of the Unit notwithstanding their non-contiguity with the occupied portions.

Section 2.3. Right of Ingress and Egress. Each Unit Owner has an unrestricted, perpetual right of ingress and egress to its Unit and the Limited Common Elements associated with that Unit. Any conveyance, encumbrance, judicial sale, or other transfer (voluntary or involuntary) of an individual interest in the Common Elements will be void unless the Unit to which that interest is allocated is also transferred.

ARTICLE 3. LIMITED COMMON ELEMENTS

The following portions of the Common Elements are Limited Common Elements assigned to the Units as stated:

- a. If a chute, flue, pipe, duct, wire, conduit, bearing wall, bearing column, or other fixture lies partially within and partially outside the designated boundaries of a Unit, the portion serving only the Unit is a Limited Common Element, allocated solely to the Unit, the use of which is limited to that Unit, and any portion thereof serving more than one Unit or a portion of the Common Elements is a part of the Common Elements.
- b. Any shutters, awnings, window boxes, doorsteps, stoops, decks, porches, balconies, patios and each exterior door and window or other fixture designed to serve a single Unit that is located outside of the boundaries of the Unit, are Limited Common Elements allocated exclusively to the Unit and their use is limited to that Unit.
- c. Stoops and steps at the entrances to each building, which provide access to less than all Units, the use of which is limited to the Units to which they provide access.
- d. Attic or similar space above each Unit with an attic or similar space, if any, the use of which is limited to the Unit beneath it.
- e. Stairways, the use of which is limited to certain Units as shown on the Plans and Plans.
- f. Chimneys, the use of which is limited to the Unit in which its fireplace is located. In the event of a multiple flue chimney, each flue will be a Limited Common Element allocated to

the Unit containing its fireplace while the chimney will be a Limited Common Element allocated to both Units.

g. Utility areas, the use of which is limited to the Unit or Units as shown on the Plans and Plans.

h. Storm windows and storm doors, if any, will be Limited Common Elements of the Unit which they service.

i. Certain patios and/or decks, the use of which is limited to the Unit or Units which they adjoin as shown on the Plans and Plans.

j. Exterior doors and windows will be Limited Common Elements allocated to the Units sheltered.

k. Mailboxes, nameplates, and exterior lighting affixed to the building will be Limited Common Elements allocated to the Unit served.

l. Parking spaces and storage areas specifically allotted to a Unit will be Limited Common Elements allocated to that Unit.

ARTICLE 4. MAINTENANCE, REPAIR AND REPLACEMENT

Section 4.1. Common Elements. The Association will maintain, repair and replace all of the Common Elements, except the portions of the Limited Common Elements which are required by this Declaration to be maintained, repaired or replaced by the Unit Owners. Except as provided in Section 4.3 below with respect to Limited Common Elements, Common Expenses associated with the cleaning, maintenance, repair or replacement of the Common Elements shall be assessed against all Units based on the allocations set forth on Exhibit B, as amended from time to time.

Section 4.2. Units. Each Unit Owner shall maintain, repair and replace, at his or her own expense, all portions of his or her Unit, except the portions thereof to be maintained, repaired and replaced by the Association.

Section 4.3. Limited Common Elements. Any Common Expense associated with the maintenance, repair or replacement of heat exchanger, heat outlet, enclosures and mechanical attachments will be assessed against the Unit or Units to which the Limited Common Element is assigned.

Common Expenses associated with the maintenance, repair or replacement of components and elements attached to, planted on or a part of patios, decks, balconies, exterior doors and windows will be assessed against the Unit or Units to which the Limited Common Element is assigned. No additional component or element may be attached without consent of the Executive Board upon approval by the covenants control committee, if any. In the event such additional component or element becomes deteriorated or unsightly or is inconsistent with conditions of installation it may be removed or repaired at the Unit Owner's expense as a Common Expense assessment under this Section, after Notice and Hearing.

If any such Limited Common Element is assigned to more than one Unit, the Common Expenses attributable to the Limited Common Element will be assessed against such Units based on the allocations set forth on Exhibit B, as amended from time to time.

Common Expenses associated with the cleaning, maintenance, repair or replacement of all other Limited Common Elements will be assessed against all Units in accordance with their Allocated Interest in the Common Expenses.

Section 4.4. Access. Any Person authorized by the Executive Board shall have the right of access to all portions of the Property for the purpose of addressing any emergency or critical safety condition or for correcting any condition threatening a Unit or the Common Elements, and for the purpose of performing installations, alterations or repairs, and for the purpose of reading, repairing, replacing utility meters and related pipes, valves, wires and equipment, provided that such requests for entry are made in advance and that any such entry is at a time reasonably convenient to the affected Unit Owner. In case of an emergency, no such request or notice is required and such right of entry shall be immediate, whether or not the Unit Owner is present at the time.

Section 4.5. Repairs Resulting from Negligence. Each Unit Owner will reimburse the Association for any damages to any other Unit or to the Common Elements caused intentionally, negligently or by his or her failure to properly maintain, repair or make replacements to his or her Unit. The Association will be responsible for damage to Units caused intentionally, negligently or by failure to maintain, repair or make replacements to the Common Elements. If such expense is caused by misconduct, it will be assessed following Notice and Hearing.

ARTICLE 5. SUBSEQUENTLY ALLOCATED LIMITED COMMON ELEMENTS

Those portions of the Common Elements now or hereafter improved as parking spaces may be subsequently allocated as Limited Common Elements in accordance with Subsection 6.1b and Article 10 of this Declaration, or may be assigned by Rules and Regulations of the Executive Board, or may be limited by Rules and Regulations to visitors only.

ARTICLE 6. DEVELOPMENT RIGHTS AND OTHER SPECIAL DECLARANT RIGHTS

Section 6.1. Reservation of Development Rights. The Declarant reserves the following Development Rights:

a. The right by amendment, to add and create Units, Common Elements, and Limited Common Elements within the Condominium in the locations shown as "MUST BE BUILT" and on the Plats and Plans and described in Exhibit C attached hereto.

b. The right by amendment, to allocate as Limited Common Elements the parking spaces as shown on the Plats and Plans and assign them to particular Units.

c. The right to construct underground utility lines, pipes, wires, ducts, conduits and other facilities across the land anywhere in the Condominium for the purpose of furnishing utility and other services to buildings and Improvements to be constructed on the land designated "MUST BE BUILT" on the Plats and Plans. The Declarant also reserves the right to grant easements to public utility companies and to convey Improvements within those easements

anywhere in the Condominium for the above-mentioned purposes. If the Declarant grants any such easements, Exhibit A will be amended to include reference to the recorded easement.

Section 6.2. Limitations on Development Rights. The Development Rights reserved in Section 6.1 are limited as follows:

- a. The Development Rights may be exercised at any time but not more than seven (7) years after the recording of the Initial Declaration;
- b. Not more than eighteen (18) additional Units may be created under the Development Rights;
- c. The quality of construction of any buildings and Improvements to be created on the Property shall be consistent with the quality of those constructed pursuant to this Declaration as initially recorded.
- d. All Units and Common Elements created pursuant to the Development Rights will be restricted to non-residential use in the same manner and to the same extent as the Units created under this Declaration as initially recorded.
- e. No Development Rights may be exercised unless approved pursuant to Section 16.5 of this Declaration.

Section 6.3. Phasing of Development Rights: Must Be Built. The areas designated on the Plat and Plans as "MUST BE BUILT" shall be built and constructed as shown on the Plats and Plans or as may be shown on any amended Plats and Plans as so amended in accordance with this Declaration. The exercise of Development Rights as to some portions will not obligate the Declarant to exercise them as to other portions, but no part of a portion may be withdrawn after a Unit in that portion has been conveyed to a purchaser.

Section 6.4. Special Declarant Rights. The Declarant reserves the following Special Declarant Rights, to the maximum extent permitted by law, which may be exercised, where applicable, anywhere within the Condominium:

- a. To complete Improvements indicated on the Plats and Plans filed with the Declaration;
- b. To exercise a Development Right reserved in the Declaration;
- c. To maintain sales offices, management offices, signs advertising the Condominium, and models on the second floor of the Building; and
- d. To use easements through the Common Elements for the purpose of making Improvements within the Condominium;

Section 6.5. Models, Sales Office. Intentionally Deleted.

Section 6.6. Construction: Declarant's Easements. The Declarant reserves the right to perform repairs and construction work, and to temporarily store materials in secure areas, in any Units and Common Elements, and the further right to control all such work and repairs, and the right of access thereto, until its completion. All work may be performed by the Declarant

without the consent or approval of the Executive Board. The Declarant has such an easement through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations for exercising special Declarant rights, whether arising under the Condominium Act or reserved in the Declaration. Such easement includes the right to convey utility and drainage easements to public utilities or the City of Greensboro to fulfill the plan of development.

Section 6.7. Signs and Marketing. The Declarant reserves the right to post signs and displays in the Common Elements to promote sales of Units, and to conduct general sales activities, in a manner as will not unreasonably disturb the rights of Unit Owners.

Section 6.8. Declarant Control of the Association.

a. Subject to Subsection 6.8b, during the Declarant Control Period, a Declarant or persons designated by the Declarant may appoint and remove the officers and members of the Executive Board. A Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before the termination of the Declarant Control Period, but in that event the Declarant may require, for the duration of the Declarant Control Period, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

b. Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units that may be created to Unit Owners other than a Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units that may be created to Unit Owners other than a Declarant, not less than thirty-three percent (33%) of the members of the Executive Board must be elected by Unit Owners other than the Declarant.

c. Not later than the termination of the Declarant Control Period, the Unit Owners shall elect an Executive Board of at least four (4) members, at least two of whom shall be First Floor Unit Owners and two of whom shall be Second Floor Unit Owners. The Executive Board shall elect the officers. The Executive Board Members and officers shall take office upon election.

d. Notwithstanding any provision of this Declaration or the Bylaws to the contrary, following notice under Section 47C-3-108 of the Condominium Act, the Unit Owners, by a sixty-seven percent (67%) vote of all persons present and entitled to vote at a meeting of the Unit Owners at which a quorum is present, may remove a member of the Executive Board with or without cause, other than a member appointed by the Declarant.

Section 6.9. Limitations on Special Declarant Rights. Unless sooner terminated by an amendment to the Declaration executed by the Declarant, any Special Declarant Right may be exercised by the Declarant until the earlier of the following:

- (i) so long as the Declarant holds a Development Right to create additional Units or Common Elements; or
- (ii) so long as the Declarant owns any Unit.

Section 6.10. Interference with Special Declarant Rights. Neither the Association nor any Unit Owner may take any action or adopt any rule that will interfere with or diminish any Special Declarant Right without the prior written consent of the Declarant.

ARTICLE 7. ALLOCATED INTERESTS

Section 7.1. Allocation of Interests. The table showing Unit numbers and their Allocated Interests is attached as Exhibit B. These interests have been allocated in accordance with the formulas set out in this Article 7. These formulas are to be used in reallocating interests if Units are added to the Condominium.

Section 7.2. Formulas for the Allocation of Interests. The interests allocated to each Unit have been calculated on the following formulas:

a. Undivided Interest in the Common Elements. Except for Limited Common Elements specifically allocated by Article 3 of this Declaration, the allocation of undivided interests in the Common Elements has been determined by a ratio formulated upon the relation that the square foot area of each Unit bears to the then aggregate square foot area of all Units.

b. Liability for the Common Expenses. Except as otherwise provided in Sections 4.3, 17.2 and 20.2 of this Declaration, the allocation of undivided interests in the Common Expenses has been determined by a ratio formulated upon the relation that the square foot area of each Unit bears to the then aggregate square foot area of all Units.

c. Votes. The votes are not equally allocated to all Units with each Unit Owner having one (1) vote for each square foot of area within the Unit. Provided, however, that the aggregate votes allocated to the First Floor Unit (as it may be subdivided or reconfigured) shall not exceed fifty percent (50%) of the total votes allocated to all Unit Owners, and the aggregate votes allocated to the Second Floor Unit (as it may be subdivided or reconfigured) shall not exceed fifty percent (50%) of the total votes allocated to all Unit Owners.

Section 7.3. Assignment of Allocated Interests Upon Creation of Units Pursuant to Exercise of Development Rights. The effective date for assigning Allocated Interests to Units created pursuant to Section 6.1 of this Declaration shall be the date on which the amendment creating the Units is recorded in the Office of the Register of Deeds of Guilford County, North Carolina.

ARTICLE 8. RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

Section 8.1. Use and Occupancy Restrictions. Subject to the Special Declarant Rights reserved under Article 6, the following use restrictions apply to all Units and to the Common Elements:

a. Each Unit is restricted to the uses permitted under the applicable zoning district of the City of Greensboro (currently the CB (Central Business) zoning district. No nuisances shall be allowed upon the Property and no person shall engage in any use, practice or activity upon the Property which is noxious, offensive or a source of annoyance to Unit Owners or their tenants or which reasonably interferes with the peaceful possession and proper use of the Property by any Unit Owner and/or tenants. No exterior speakers, horns, whistles, bells or other sound devices except security devices used exclusively for security purposes, shall be located, used or placed on the Property. 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 and no fire hazard shall be allowed to exist. Any Unit Owner or occupant who shall dump or place (or permit his tenants, guests or agent to do so) any trash or debris upon any portion of the Property shall be liable to the Association for the actual cost of removal thereof or the sum of \$100.00, whichever is greater, and the same shall be added to and become a part of the assessment next coming due to which the Unit Owner of his Unit is subject. No Unit Owner or occupant shall permit any use of a Unit or of the Common Elements which will increase the rate of insurance upon the Property. The Association and its agent shall have the right to remove any item or items left outside a Unit on the Common Elements.

b. The use of Units and Common Elements is subject to the Bylaws and the Rules and Regulations of the Association.

Section 8.2. Restrictions on Alienation and Leasing. A Unit may not be conveyed pursuant to a time-sharing plan.

All leases and rental agreements shall be in writing and subject to the requirements of the Condominium Documents and the Association.

All leases of a Unit shall be deemed to include a provision that the tenant will recognize and attorn to the Association as landlord, solely for the purpose of having the power to enforce a violation of the provisions of the Condominium Documents against the tenant, provided the Association gives the landlord notice of its intent to so enforce, and a reasonable opportunity to cure the violation directly, prior to the commencement of an enforcement action.

ARTICLE 9. EASEMENTS AND LICENSES

All easements or licenses to which the Condominium is presently subject are recited in Exhibit A to this Declaration. In addition, the Condominium may be subject to other easements or licenses granted by the Declarant pursuant to its powers under Article 6 of this Declaration.

ARTICLE 10. ALLOCATION AND REALLOCATION OF LIMITED COMMON ELEMENTS

A Common Element not previously allocated as a Limited Common Element may be so allocated only pursuant to provisions of Article 5 of the Declaration. The allocations will be made by amendments to the Declaration, specifying to which Unit or Units the Limited Common Element is allocated.

The Declarant hereby allocates as Limited Common Elements the parking spaces for each Unit as shown on the Plats and Plans. Any parking spaces which are not allocated as Limited Common Elements at the termination of the Development Rights period may be so allocated by the Association by amendment to this Declaration. All amendments shall specify to which Unit or Units the Limited Common Element is allocated.

No Limited Common Element depicted on the Plats and Plans, or allocated pursuant to this Declaration, may be reallocated by an amendment to this Declaration pursuant to this Article 10 except as part of a relocation of boundaries of Units pursuant to Article 12 of this Declaration. Such amendment shall require the approval of all holders of Security Interests in the affected Units, which approval shall be endorsed thereon. The Person executing the amendment shall provide an executed copy thereof to the Association which, if the amendment

complies with the provisions of this Declaration and the Condominium Act, shall record it. The amendment shall contain words of conveyance and must be recorded and indexed in the names of the parties and the Condominium. The parties executing the amendment shall be responsible for the preparation of the amendment and shall reimburse the Association for its reasonable attorneys' fees in connection with the review of the amendment and for the recording costs.

ARTICLE 11. ADDITIONS, ALTERATIONS AND IMPROVEMENTS

Section 11.1. Additions, Alterations and Improvements by Unit Owners.

a. Except for the areas in the First Floor Unit shown as "MUST BE BUILT," no Unit Owner will make any structural addition, structural alteration, or structural improvement in or to the Condominium without the prior written consent thereto of the Executive Board in accordance with Subsection 11.1c.

b. Subject to Subsection 11.1a, a Unit Owner:

- (i) may make any other improvements or alterations to the interior of his Unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the Condominium;
- (ii) may not change the appearance of the Common Elements, or the exterior appearance of a Unit or any other portion of the Condominium, without permission of the Association;
- (iii) after acquiring an adjoining Unit or an adjoining part of an adjoining Unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a Common Element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the Condominium. Removal of partitions or creation of apertures under this Subsection is not an alteration of boundaries.

c. A Unit Owner may submit a written request to the Executive Board for approval to do anything that he or she is forbidden to do under Subsection 11.1a or 11.1b(ii). The Executive Board shall answer any written request for such approval, after Notice and Hearing, within sixty (60) days after the request thereof. Failure to do so within such time shall not constitute a consent by the Executive Board to the proposed action. The Executive Board shall review requests in accordance with the provisions of its Rules and Regulations.

d. Any applications to any department or to any governmental authority for a permit to make any addition, alteration or improvement in or to any Unit shall be executed by the Association only. Such execution will not, however, create any liability on the part of the Association or any of its members to any contractor, subcontractor or materialmen on account of such addition, alteration or improvement or to any person having any claim for injury to persons or damage to property arising therefrom.

e. All additions, alterations and improvements to the Units and Common Elements shall not, except pursuant to prior approval by the Executive Board, cause any increase in the

premium of any insurance policies carried by the Association or by the owners of any Units other than those affected by such change.

The provisions of this Section shall not apply to the Declarant in the exercise of any Special Declarant Right.

Section 11.2. Additions, Alterations and Improvements by Executive Board. Subject to the limitations of Sections 17.4 and 17.5 of this Declaration, the Executive Board may make any additions, alterations or Improvements to the Common Elements which, in its judgment, it deems necessary.

Section 11.3. Exterior Improvements and Landscaping Within Limited Common Elements. Unit Owners may make exterior Improvements within or as a part of Limited Common Elements constituting decks or balconies or patios consisting of repainting, restaining, additions of architectural detailing, changing of doors and fenestration, planting of gardens, hedges, shrubs, construction of fences, walks, benches, and architectural accents, provided they are undertaken with the permission of the Executive Board or a covenants control committee established for such purpose, if any, following submission of complete plans prepared by an architect or landscape architect and a review of such board or committee as to consistency with Improvements originally constructed by the Declarant, and consistent with the style and character of the community. No approval will be awarded without Notice and Consent given to the Unit Owners. It is the intent to provide for limited individualization of the appearance of the buildings while retaining a character consistent with the overall plan of the Condominium community.

The applicant will pay for the costs of preparation of the application, the cost of professional review, if deemed required by the review entity, and all costs of permits and fees.

ARTICLE 12. RELOCATION OF BOUNDARIES BETWEEN ADJOINING UNITS

Section 12.1. Application and Amendment. Subject to approval of any structural changes and required permits pursuant to Article 11, the boundaries between adjoining Units may be relocated by an amendment to the Declaration upon application to the Association by the owners of the Units affected by the relocation. If the owners of the adjoining Units have specified a relocation between their Units of their Allocated Interests, the application shall state the proposed reallocations. Unless the Executive Board determines, within thirty (30) days after receipt of the application, that the reallocations are unreasonable, the Association shall consent to the reallocation and prepare an amendment that identifies the Units involved, states the reallocations and indicates the Association's consent. The amendment must be executed by those Unit Owners and contain words of conveyance between them, and the approval of all holders of Security Interests in the affected Units shall be endorsed thereon. On recording, the amendment shall be indexed in the name of the grantor and the grantee, and in the grantee's index in the name of the Association.

Section 12.2. Recording Amendments. The Association shall prepare and record plats or plans necessary to show the altered boundaries between adjoining Units, and their dimensions and identifying numbers.

The applicants will pay for the costs of preparation of the amendment and its recording, and the reasonable consultant fees of the Association if it is deemed necessary to employ a consultant by the Executive Board.

ARTICLE 13. AMENDMENTS TO DECLARATION

Section 13.1. General. Except in cases of amendments that may be executed by the Declarant in the exercise of its Development Rights or by the Association under Article 10 of this Declaration and Section 47C-1-107 of the Condominium Act, or by certain Unit Owners under Article 10 and Section 12.1 of this Declaration and Section 47C-2-118 of the Condominium Act, and except as limited by Article 16 of this Declaration, this Declaration, including the Plats and Plans, may be amended only by vote or agreement of Unit Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated.

Section 13.2. Limitation of Actions. An action to challenge the validity of an amendment adopted by the Association pursuant to this Article may not be brought more than one year after the amendment is recorded.

Section 13.3. Recordation of Amendments. Each amendment to the Declaration must be recorded in every county in which a portion of the Condominium is located and the amendment is effective only upon recording. An amendment, except an amendment pursuant to Article 12 of this Declaration, must be indexed in the grantee's index in the name of the Condominium and the Association and in the grantor's index in the name of the parties executing the amendment.

Section 13.4. Unanimous Consent Required. Except to the extent expressly permitted or required by other provisions of the Condominium Act, an amendment may not create or increase Special Declarant Rights, increase the number of Units, change the boundaries of a Unit, the Allocated Interests of a Unit, or the uses to which a Unit is restricted, in the absence of the unanimous consent of the Unit Owners.

Section 13.5. Execution of Amendments. An amendment to the Declaration required by the Condominium Act to be recorded by the Association, which has been adopted in accordance with this Declaration and the Condominium Act, must be prepared, executed, recorded and certified on behalf of the Association by an officer of the Association designated for that purpose, or in the absence of designation, by the president of the Association.

Section 13.6. Special Declarant Rights. Provisions in this Declaration creating Special Declarant Rights may not be amended without the consent of the Declarant.

Section 13.7. Consent of Holders of Security Interests. Amendments are subject to the consent requirements of Article 16 of this Declaration.

Section 13.8. Amendments to Create Units. To exercise any Development Rights reserved under Section 6.1 of this Declaration, the Declarant shall prepare, execute and record an amendment to the Declaration. The Declarant shall also record either new Plats and Plans necessary to conform to the requirements of Section 47C-2-109(a), (b), and (c) of the Condominium Act or new certifications of the Plats and Plans previously recorded if those Plats and Plans otherwise conform to the requirements of those Sections.

The amendment to the Declaration shall assign an identifying number to each new Unit created and reallocate the Allocated Interests among all Units. The amendment shall describe any Common Elements and any Limited Common Elements created thereby and designate the

Unit to which each Limited Common Element is allocated to the extent required by Section 47C-2-108 of the Condominium Act.

ARTICLE 14. AMENDMENTS TO BYLAWS

The Bylaws may be amended only by a vote of two-thirds (2/3) of the members of the Executive Board, following Notice and Comment to all Unit Owners, at any meeting duly called for such purpose.

ARTICLE 15. TERMINATION

Termination of the Condominium may be accomplished only in accordance with Section 47C-2-118 of the Condominium Act.

ARTICLE 16. MORTGAGEE PROTECTION

Section 16.1. Introduction. This article establishes certain standards and covenants which are for the benefit of Eligible Mortgagees. This Article is supplemental to, and not in substitution for, any other provisions of the Condominium Documents, but in the case of conflict, this Article shall control.

Section 16.2. Percentage of Eligible Mortgagees. Wherever in this Declaration the approval or consent of a specified percentage of Eligible Mortgagees is required, it shall mean the approval or consent of Eligible Mortgagees holding First Mortgages in Units which in the aggregate have allocated to them such specified percentage of votes in the Association when compared to the total allocated to all Units then subject to First Mortgages held by Eligible Mortgagees.

Section 16.3. Notice of Actions. The Association shall give prompt written notice to each Eligible Mortgagee of:

- a. Any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit in which there is a First Mortgage held, insured, or guaranteed by such Eligible Mortgagee, as applicable;
- b. Any delinquency in the payment of Common Expense assessments owed by an Owner whose Unit is subject to a First Mortgage held, insured, or guaranteed, by such Eligible Mortgagee, which remains uncured for a period of sixty (60) days;
- c. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;
- d. Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Section 16.4; and
- e. Any judgment rendered against the Association.

Section 16.4. Consent Required.

- a. Changes in the Condominium Documents. Notwithstanding any lower requirement permitted by this Declaration or the Condominium Documents, no changes in the

Condominium Documents by the Association or Unit Owners described in this Subsection 16.4a may be effective without the vote of at least sixty-seven percent (67%) of the Unit Owners (or any greater Unit Owner vote required in this Declaration or the Condominium Act) and until approved in writing by at least fifty-one percent (51%) of the Eligible Mortgagees (or any greater Eligible Mortgagee approval required by this Declaration). The foregoing approval requirements do not apply to amendments effected by the exercise of any Development Right. "Material" includes, but is not limited to, any provision affecting:

- (i) assessments, assessment liens or subordination of assessments liens;
- (ii) voting rights;
- (iii) reserves for maintenance, repair and replacement of Common Elements;
- (iv) responsibility for maintenance and repairs;
- (v) reallocation of interests in the Common Elements or Limited Common Elements except that when Limited Common Elements are reallocated by agreement between Unit Owners, only those Units Owners and only the Eligible Mortgagees holding First Mortgages in such Units must approve such action;
- (vi) rights to use Common Elements and Limited Common Elements;
- (vii) boundaries of Units except that when boundaries of only adjoining Units are involved, or a Unit is being subdivided, then only those Unit Owners and the Eligible Mortgagees holding First Mortgages in such Unit or Units must prove such action;
- (viii) convertibility of Units into Common Elements or Common Elements into Units;
- (ix) expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominiums;
- (x) insurance or fidelity bonds;
- (xi) leasing of units;
- (xii) imposition of restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- (xiii) establishment of self-management when professional management had been required previously by any Eligible Mortgagee;

- (xiv) restoration or repair of the project after a hazard damage or partial condemnation in a manner other than that specified in the Condominium Documents;
 - (xv) termination of the Condominium after occurrence of substantial destruction or condemnation; and
 - (xvi) the benefits of Eligible Mortgagees.
- b. Actions. Notwithstanding any lower requirement permitted by the Declaration or the Condominium Act, the Association may not take any of the following actions other than rights reserved to the Declarant as Special Declarant Rights without the approval of at least fifty-one percent (51%) of the Eligible Mortgagees:
- (i) convey or encumber the Common Elements or any portion thereof (as to which an eighty percent (80%) Eligible Mortgagee approval is required). (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium will not be deemed a transfer within the meaning of this clause);
 - (ii) the establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
 - (iii) the restoration or repair of the Property (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents;
 - (iv) the termination of the Condominium for reasons other than substantial destruction or condemnation, as to which a sixty-seven percent (67%) Eligible Mortgagee approval is required;
 - (v) the alteration of any partition or creation of any aperture between adjoining Units (when Unit boundaries are not otherwise being affected), in which case only the owners of Units affected and Eligible Mortgagees of those Units need approve the action;
 - (vi) the merger of this Condominium with any other condominiums;
 - (vii) the granting of any easements, leases, licenses and concessions through or over the Common Elements (excluding, however, any utility easements serving or to serve the Condominium and excluding any leases, licenses or concessions for no more than one year);
 - (viii) the assignment of the future income of the Association, including its rights to receive Common Expense assessments; and
 - (ix) any action taken not to repair or replace the Property.

c. The Association may not change the period for collection of regularly budgeted Common Expense assessments to other than monthly without the consent of all Eligible Mortgagees.

d. The failure of an Eligible Mortgagee to respond within thirty (30) days to any written request of the Association for approval of a non-material addition or amendment to the Condominium Documents shall constitute an implied approval of the addition or amendment.

Section 16.5. Development Rights. Development Rights may not be exercised or voluntarily abandoned or terminated by the Declarant unless all persons holding Security Interests in the Development Rights consent to the exercise, abandonment, or termination.

Section 16.6. Inspection of Books. The books, records and financial statements of the Association shall be open for inspection at all reasonable times by the Unit Owners.

Section 16.7. Financial Statements. The Association shall provide any Eligible Mortgagee which submits a written request, with a copy of an annual financial statement within ninety (90) days following the end of each fiscal year of the Association. Such financial statement shall be audited by an independent certified public accountant if any Eligible Mortgagee requests it and pays the costs of such audit.

Section 16.8. Enforcement. The provisions of this Article are for the benefit of Eligible Mortgagees and their successors, and may be enforced by any of them by any available means, at law, or in equity.

Section 16.9. Attendance at Meetings. Any representative of an Eligible Mortgagee may attend and address any meeting which a Unit Owner may attend.

Section 16.10. Appointment of Trustee. In the event of damage or destruction under Article 20 or 21 or condemnation of all or a portion of the Condominium, any eligible Mortgagee may require that such proceeds be payable to a Trustee established pursuant to Subsection 1.2a.a. Proceeds will thereafter be distributed pursuant to Article 21 or pursuant to a condemnation award. Unless otherwise required, the members of the Executive Board acting by majority vote through the president may act as Trustee.

ARTICLE 17. ASSESSMENT AND COLLECTION OF COMMON EXPENSES

Section 17.1. Apportionment of Common Expenses. Except as provided in Sections 4.3, 17.2 and 20.2, all Common Expenses shall be assessed equally against all Units.

Section 17.2. Common Expenses Attributable to Fewer Than All Units.

a. Any Common Expense associated with the maintenance, repair or replacement of a Limited Common Element shall be assessed in accordance with Section 4.3 of this Declaration.

If any such Limited Common Element is assigned to more than one Unit, the Common Expenses attributable to the Limited Common Element shall be assessed equally among the Units to which it is assigned.

- b. Any Common Expense for services provided by the Association to an individual Unit at the request of the Unit Owner shall be assessed against the Unit which benefits from service.
- c. Any insurance premium increase attributable to a particular Unit by virtue of activities in or construction of the Unit shall be assessed against that Unit.
- d. Any assessment to pay a judgment against the Association may be made only against the Units in the Condominium at the time the judgment was entered, in proportion to their Common Expense liabilities.
- e. If Common Expenses are caused by the misconduct of a Unit Owner, the Association may assess that expense exclusively against the Unit.
- f. Fees, charges, late charges, fines, collection costs, and interest charged against a Unit Owner pursuant to the Condominium Documents and the Condominium Act are enforceable as Common Expenses assessments.

Section 17.3. Lien.

- a. The Association has a lien on a Unit for an assessment levied against the Unit which remains unpaid for a period of thirty (30) days or longer from the time it is filed of record in the Office of the Clerk of Superior Court of Guilford County, North Carolina. Fees, charges, late charges, fines and interest charged pursuant to the Condominium Act and the Condominium Documents are enforceable as assessments under this Section. If an assessment is payable in installments, the full amount of the assessment becomes immediately due and payable when the first installment thereof remains unpaid in such manner, and the full amount of the assessment shall constitute a lien from the time of such filing.
- b. A lien under this Section is prior to all other liens and encumbrances on a Unit except:
 - (i) liens and encumbrances (including, but not limited to, a mortgage or deed of trust on the Unit) recorded before the delinquent assessment was due; and
 - (ii) liens for real estate taxes and other governmental assessments or charges against the Unit. This Subsection does not affect the priority of mechanics' or materialmen's liens.
- c. A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within three (3) years after the docketing thereof in the Office of the Clerk of Superior Court.
- d. This Section does not prohibit an action to recover sums for which Subsection 17.3a of this Section creates a lien or prohibit the Association from taking a deed in lieu of foreclosure.
- e. A judgment, decree or order in any action brought under this Section shall include costs and reasonable attorneys' fees for the prevailing party.

f. The Association's lien may be foreclosed as a mortgage on real estate under power of sale under Article 2A of Chapter 45 of the General Statutes of North Carolina.

g. If a holder of a first mortgage or first deed of trust of record, or other purchaser of a Unit, obtains title to the Unit as a result of foreclosure of a first mortgage or first deed of trust, such purchasers, and its heirs, successors and assigns, shall not be liable for the assessments against such Unit which became due prior to acquisition of title to such Unit by such purchaser. Such unpaid assessments shall be deemed to be Common Expenses collectible from all the Unit Owners including such purchaser, and its heirs, successors and assigns.

h. Any payments received by the Association in the discharge of a Unit Owner's obligation may be applied to the oldest balance due.

Section 17.4. Budget Adoption and Ratification. Within thirty (30) days after adoption of a proposed budget for the Condominium, the Executive Board shall provide a summary of the budget to each Unit Owner, and shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing of the summary. Unless at that meeting eighty percent (80%) of all Unit Owners reject the budget, the budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the Unit Owners continues until the Unit Owners ratify a budget proposed by the Executive Board.

Section 17.5. Ratification of Non-Budgeted Common Expense Assessments. If the Executive Board votes to levy a Common Expense assessment not included in the current budget, other than one enumerated in Section 17.2 of this Declaration, in an amount greater than fifteen percent (15%) of the current annual operating budget, the Executive Board shall submit such Common Expense to the Unit Owners for ratification in the same manner as a budget under Section 17.4.

Section 17.6. Certificate of Payment of Common Expense Assessments. The Association upon written request shall furnish to a Unit Owner a statement setting out the amount of unpaid assessments against the Unit. The statement must be furnished within ten (10) business days after receipt of the request and is binding on the Association, the Executive Board and each Unit Owner.

Section 17.7. Monthly Payment of Common Expenses. All Common Expenses assessed under Sections 17.1 and 17.2 shall be due and payable monthly.

Section 17.8. Acceleration of Common Expense Assessments. In the event of default for a period of thirty (30) days by any Unit Owner in the payment of any Common Expense assessment levied against his or her Unit, the Executive Board shall have the right, after Notice and Hearing, to declare all unpaid assessments for the pertinent fiscal year to be immediately due and payable.

Section 17.9. Commencement of Common Expense Assessments. Common Expense assessments shall begin on the first day of the month on which conveyance of the first Unit to a Unit Owner other than the Declarant occurs or on such earlier date as the Executive Board determines. The Association may collect an amount equal to two months Common Expense assessment at the closing of the sale of each Unit, to be placed in the capital reserve account of the Association.

Section 17.10. No Waiver of Liability for Common Expenses. No Unit Owner may exempt himself or herself from liability for payment of the Common Expenses by waiver of the use of enjoyment of the Common Elements or by abandonment of the Unit against which the assessments are made.

Section 17.11. Personal Liability of Unit Owners. The owner of a Unit at the time a Common Expense assessment or portion thereof is due and payable is personally liable for the assessment. Personal liability for the assessment shall not pass to a successor in title to the Unit unless he or she agrees to assume the obligation.

ARTICLE 18. RIGHT TO ASSIGN FUTURE INCOME

The Association may assign its future income, including its right to receive Common Expense assessments, only by the affirmative vote of Unit Owners of Units to which at least fifty-one percent (51%) of the votes in the Association are allocated, at a meeting called for that purpose, and the eligible Mortgagee consent described in Article 16.

ARTICLE 19. PERSONS AND UNITS SUBJECT TO THE CONDOMINIUM DOCUMENTS

Section 19.1. Compliance With Condominium Documents. All Unit Owners, tenants, mortgagees and occupants of Units shall comply with the Condominium Documents. The acceptance of a deed or the exercise of any incident of ownership or the entering into of a lease or the entering into occupancy of a Unit constitutes agreement that the provisions of the Condominium Documents are accepted and ratified by such Unit Owner, tenant, mortgagee or occupant, and all such provisions recorded in the Office of the Register of Deeds of Guilford County, North Carolina, are covenants running with the land and shall bind any persons having at any time any interest or estate in such Unit.

Section 19.2. Adoption of Rules and Regulations. The Executive Board may adopt Rules and Regulations regarding the use and occupancy of Units affecting the Common Elements, Limited Common Elements and the activities of occupants, subject to Notice and Consent.

ARTICLE 20. INSURANCE

Section 20.1. Coverage. To the extent reasonably available, the Executive Board shall obtain and maintain insurance coverage as set forth in this Article. If such insurance is not reasonably available, and the Executive Board determines that any insurance described herein will not be maintained, the Executive Board shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all Unit Owners and Eligible Mortgagees at their respective last known addresses.

Section 20.2. Property Insurance.

- a. Property insurance covering:
- (i) the project facilities (which term means all buildings on the Property, including the Units and all fixtures, equipment and any Improvements and betterments whether part of a Unit or Common Element, and such personal property of Unit Owner as is normally

insured under building coverage), but excluding land, excavations, portions of foundations below the under surfaces of the lowest floors, underground pilings, pipes, flues and drains and other items normally excluded from property policies; and

(ii) all personal property owned by the Association.

b. Amounts. The project facilities for an amount (after application of any deductions) equal to one hundred percent (100%) of their replacement cost at the time the insurance is purchased and at each renewal date. Personal property owned by the Association for an amount equal to its actual cash value.

The Executive Board is authorized to obtain appraisals periodically for the purpose of establishing said replacement costs of the project facilities and the actual cash value of the personal property, and the cost of such appraisals shall be a Common Expense.

The maximum deductible for insurance policies shall be \$10,000.00 or one percent (1%) of the policy face amount, unless such other amount is required as a deductible by the insurance carrier for the Association.

The difference between the policy deductible and \$250 shall be paid by the Association as a Common Expense. Of the deductible portion \$250 as per Unit Owner affected shall be paid by each of the Unit Owner(s) suffering a loss.

c. Risks Insured Against. The insurance shall afford protection against "all risks" of direct physical loss commonly insured against.

d. Other Provisions. Insurance policies required by this Section shall provide that:

(i) the insurer waives the right to subrogation under the policy against a Unit Owner or member of the household of a Unit Owner.

(ii) an act or omission by a Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.

(iii) if, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the policy of the Association provides primary insurance.

(iv) loss must be adjusted with the Association.

(v) insurance proceeds shall be paid to an insurance trustee designated in the policy for that purpose, and in the absence of such designation to the Association, in either case to be held in trust for each Unit Owner and such Unit Owner's mortgagee.

(vi) the insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each holder of a Security Interest to whom a certificate or memorandum

of insurance has been issued, at their respective last known addresses.

- (vii) the name of the insured shall be substantially as follows: "328 East Market Street Condominium Association, Inc. for the use and benefit of the individual owners".

Section 20.3. Liability Insurance. Liability insurance, including medical payments insurance, in an amount determined by the Executive Board but in no event less than \$1,000,000 covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements, and the activities of the Association.

a. Other Provisions. Insurance policies carried pursuant to this Section shall provide that:

- (i) each Unit Owner is an insured person under the policy with respect to liability arising out of interest of the Unit Owner in the Common Elements or membership in the Association.
- (ii) the insurer waives the right to subrogation under the policy against a Unit Owner or member of the household of a Unit Owner.
- (iii) an act or omission by a Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will not void the policy or be a condition to recovery under the policy.
- (iv) if, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the policy of the Association provides primary insurance.
- (v) the insurer issuing the policy may not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued at their last known addresses.

Section 20.4. Fidelity Bonds. A blanket fidelity bond may be provided for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services.

Section 20.5. Unit Owner Policies. An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for his or her own benefit.

Section 20.6. Workers' Compensation Insurance. The Executive Board shall obtain and maintain workers' compensation insurance, as necessary, to meet the requirements of the laws of the State of North Carolina.

Section 20.7. Directors' and Officers' Liability Insurance. The Executive Board may obtain and maintain directors' and officers' liability insurance, if available, covering all of the Directors and Officers of the Association in such limits as the Executive Board may, from time to time, determine.

Section 20.8. Other Insurance. The Association may carry other insurance which the Executive Board considers appropriate to protect the Association or the Unit Owners.

Section 20.9. Premiums. Insurance premiums shall be a Common Expense.

ARTICLE 21. DAMAGE TO OR DESTRUCTION OF PROPERTY

Section 21.1. Duty to Restore. A portion of the Condominium for which insurance is required under Section 47C-3-113 of the Condominium Act or this Declaration, or for which insurance carried by the Association is in effect, whichever is more extensive, that is damaged or destroyed must be repaired or replaced promptly by the Association unless:

- a. the Condominium is terminated;
- b. repair or replacement would be illegal under a state statute or municipal ordinance governing health or safety; or
- c. eighty percent (80%) of the Unit Owners, including each owner of a Unit or assigned Limited Common Element that will not be rebuilt, vote not to rebuild.

Section 21.2. Cost. The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense.

Section 21.3. Plans. The Property must be repaired and restored in accordance with either the original plans and specifications or other plans and specifications which have been approved by the Executive Board, a majority of Unit Owners, including each owner of a Unit or assigned Limited Common Element that will be charged, and fifty-one percent (51%) of Eligible Mortgagees.

Section 21.4. Replacement of Less than Entire Property.

- a. The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium.
- b. Except to the extent that other persons will be distributees:
 - (i) the insurance proceeds attributable to a Unit and Limited Common Elements that is not rebuilt must be distributed to the Owner of the Unit and the Owner of the Unit to which the Limited Common Elements were allocated, or to lienholders, as their interests may appear; and
 - (ii) the remainder of the proceeds must be distributed to each Unit Owner or lienholder, as their interests may appear, in proportion to the Common Elements Interest of all the Units.

c. If the Unit Owners vote not to rebuild a Unit, the allocated interests of the Unit are reallocated upon the vote as if the Unit had been condemned under Section 47C-1-107(a) of the Condominium Act, and the Association promptly shall prepare, execute and record an amendment to the Declaration reflecting the reallocations.

Section 21.5. Insurance Proceeds. The Trustee, or if there is no Trustee, then the Executive Board of the Association, acting by the President, shall hold any insurance proceeds in trust for the Association, Unit Owners and lienholders as their interests may appear. Subject to the provisions of Subsection 21.1a through Subsection 21.1c, the proceeds shall be disbursed first for the repair or restoration of the damaged property, and the Association, Unit Owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the Condominium is terminated.

Section 21.6. Certificates by the Executive Board. The Trustee, if any, may rely on the following certifications in writing made by the Executive Board:

ARTICLE 22. RIGHTS TO NOTICE AND COMMENT; NOTICE AND HEARING

Section 22.1. Right to Notice and Comment. Before the Executive Board amends the Bylaws or the Rules and Regulations, whenever the Condominium Documents require that an action be taken after "Notice and Comment", and at any other time the Executive Board determines, the Unit Owners have the right to receive notice of the proposed action and the right to comment orally or in writing. Notice of the proposed action shall be given to each Unit Owner in writing and shall be delivered personally or by mail to all Unit Owners at such address as appears in the records of the Association, or published in a newsletter or similar publication which is routinely circulated to all Unit Owners. The notice shall be given not less than five (5) days before the proposed action is to be taken. It shall invite comment to the Executive Board orally or in writing before the scheduled time of the meeting. The right to Notice and Comment does not entitle a Unit Owner to be heard at a formally constituted meeting.

Section 22.2. Right to Notice and Hearing. Whenever the Condominium Documents require that an action be taken after "Notice and Hearing", the following procedures shall be observed:

a. The party proposing to take the action (e.g., the Executive Board, a committee, an officer, the manager, etc.) shall give written notice, as provided in Section 22.1, of the proposed action to all Unit Owners or occupants of Units whose interest would be significantly affected by the proposed action.

b. The notice shall include a general statement of the proposed action and the date, time and place of the hearing.

c. At the hearing, the affected person shall have the right, personally or by a representative, to give testimony orally, in writing or both (as specified in the notice), subject to reasonable rules of procedure established by the party conducting the meeting to insure a prompt and orderly resolution of the issues. Such evidence shall be considered in making the decision but shall not bind the decision makers.

d. The affected person shall be notified of the decision in the manner in which notice of the meeting was given.

Section 22.3. Appeals. Any person having a right to Notice and Hearing shall have the right to appeal to the Executive Board for a decision of persons other than the Executive Board by filing a written notice of appeal with the Executive Board within ten (10) days after being notified of the decision. The Executive Board shall conduct a hearing within thirty (30) days, giving the same notice and observing the same procedures as were required for the original meeting.

ARTICLE 23. EXECUTIVE BOARD

Section 23.1. Minutes of Executive Board Meetings. The Executive Board shall permit any Unit Owner to inspect the minutes of Executive Board meetings during normal business hours. The minutes shall be available for inspection within fifteen (15) days after any such meeting.

Section 23.2. Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in this Declaration, the Bylaws or the Condominium Act, the powers and duties necessary for the administration of the affairs of the Association and of the Condominium which shall include, but not be limited to, the following:

- a. adopt and amend Bylaws, Rules and Regulations;
- b. adopt and amend budgets for revenues, expenditures and reserves;
- c. collect assessments for Common Expenses from Unit Owners;
- d. hire and discharge managing agents;
- e. hire and discharge employees and agents, other than managing agents, and independent contractors;
- f. institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violation of the Declaration, Bylaws or Rules and Regulations in the Association's name on behalf of the Association or two or more Unit Owners on matters affecting the Condominium;
- g. make contracts and incur liabilities;
- h. regulate the use, maintenance, repair, replacement and modification of the Common Elements;
- i. acquire, hold, encumber and convey in the Association's name any right, title or interests to real property or personal property, but Common Elements may be conveyed or subjected to a Security Interest only pursuant to Section 47C-3-112 of the Condominium Act;
- k. grant easements for any period of time including permanent easements, and leases, licenses and concessions for no more than one year, through or over the Common Elements;

- l. impose and receive a payment, fee or charge for the use, rental or operation of the Common Elements, other than Limited Common Elements described in Section 47C-2-102(2) and (4) of the Condominium Act or specifically allocated in this Declaration, and for services provided to Unit Owners;
- m. impose a reasonable charge for late payment of assessments and, after Notice and Hearing, levy reasonable fines for violations of this Declaration, Bylaws, and the Rules and Regulations of the Association;
- n. impose a reasonable charge for the preparation and recordation of amendments to this Declaration, and resale certificates required by Section 47C-4-109 of the Condominium Act or a statement of unpaid assessments;
- o. provide for the indemnification of the Association's officers and the Executive Board and maintain directors' and officers' liability insurance;
- p. assign the Association's right to future income, including the right to receive Common Expenses assessments as security for, or payment of, debts of the Association;
- q. exercise any other powers conferred by this Declaration or the Bylaws;
- r. exercise any other power that may be exercised in this state by legal entities of the same type as the Association;
- s. exercise any other power necessary and proper for the governance and operation of the Association; and
- t. by resolution, establish committees of Directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by an Unit Owner with forty-five (45) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board at its next regular meeting.

Section 23.3. Executive Board Limitations. The Executive Board may not act on behalf of the Association to amend this Declaration, to terminate the Condominium or to elect members of the Executive Board or determine the qualifications, powers and duties, or terms of office of Executive Board members, but the Executive Board may fill vacancies in its membership for the unexpired portion of any term.

ARTICLE 24. CONDEMNATION

If part or all of the Condominium is taken by any power having the authority of eminent domain, all compensation and damages for and on account of the taking shall be payable in accordance with Section 47C-1-107 of the Condominium Act.

ARTICLE 25. MISCELLANEOUS

Section 25.1. Captions. The captions contained in the Condominium Documents are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the Condominium Documents nor the intent of any provision thereof.

Section 25.2. Gender. The use of the masculine gender refers to the feminine and neuter genders and the use of the singular includes the plural, and vice versa, whenever the context of the Condominium Documents so require.

Section 25.3. Waiver. No provision contained in the Condominium Documents is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 25.4. Invalidity. The invalidity of any provision of the Condominium Documents does not impair or affect in any manner the validity, enforceability or effect of the remainder and in such event, all of the other provisions of the Condominium Documents shall continue in full force and effect.

Section 25.5. Conflict. The Condominium Documents are intended to comply with the requirements of the Condominium Act. In the event of any conflict between the Condominium Documents and the provision of the Condominium Act, the provisions of the Condominium Act shall control. In the event of any conflict between this Declaration and any other Condominium Document, this Declaration shall control.

Section 25.6. Arbitration. Notwithstanding anything contained herein, any dispute between the Unit Owners that is not resolved at a meeting of Unit Owners shall be resolved through arbitration conducted in Greensboro, North Carolina accordance with the rules promulgated by the American Arbitration Association, and the decision by such arbitrator(s) shall be final and binding upon the Unit Owners.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed this the 22nd day of July, 2008.

Declarant:

MMPA PROPERTIES, LLC

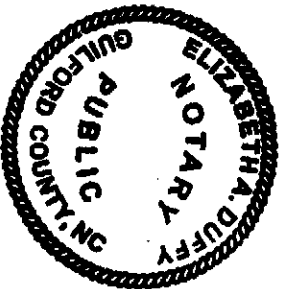
By: *Kenneth C. Mayer, Jr.* (SEAL)
Kenneth C. Mayer, Jr., Manager

Guilford County, North Carolina

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Kenneth C. Mayer, Jr., Manager of MMPA Properties, LLC

Date: July 22, 2008

(Official Seal)



Elizabeth A. Duffy
Official Signature of Notary

Elizabeth A. Duffy
Notary Public

Printed or typed name

My commission expires:

June 31, 2009

EXHIBIT A

DESCRIPTION OF LAND AND RECORDED EASEMENTS
AND LICENSES APPURTENANT THERETO

1. Description of Land: A tract or parcel of land lying in Gilmer Township, Guilford County, North Carolina, more particularly described as follows: See attached legal description.
2. Recorded Easements and Licenses Appurtenant thereto:
As shown on the Plat.

Exhibit A (cont.)

BEGINNING at a point (at or near the corner of a building) located at the intersection of the south right-of-way line of East Market Street with the west right-of-way line of Lyndon Street; running thence with said right-of-way line of Lyndon Street South 01° 48' 02" West 261.70 feet to an iron pipe located at the intersection of said west right-of-way line of Lyndon Street with the north right-of-way line of Sycamore Street; running thence with the north right-of-way line of Sycamore Street North 87° 17' 03" West 120.17 feet to an existing paintmark, a southeast corner of the property of Jay D. Jung (now or formerly - see Deed Book 4530 at page 656); running thence on three property lines of said Jung as follows: (1) North 02° 41' 25" East 125.48 feet to an existing drill hole; (2) North 85° 28' 29" West 23.18 feet to an existing iron pipe; and (3) North 03° 05' 10" East 140.20 feet to a nail set in the south right-of-way line of East Market Street; running thence with said right-of-way line of East Market Street South 85° 18' 57" East 138.38 feet to the point and place of BEGINNING, containing 0.7879 acre, more or less. The foregoing description was taken from an unrecorded plat of survey prepared by Thomas A. Riccio dated December 8, 1998 (Drawing No. 98548).

See Deed Book 4796, Page 1496, Guilford County Register of Deeds.

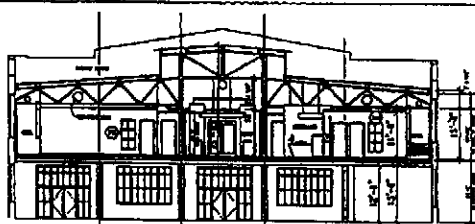
EXHIBIT B

TABLE OF INTERESTS

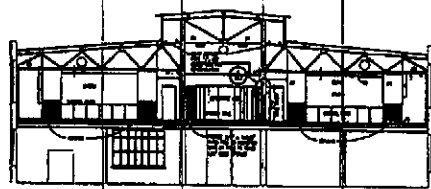
<u>Unit Number</u>	<u>Percentage Share of Common Elements</u>	<u>Percentage Share of Common Expenses</u>	<u>Vote in the Affairs of the Association</u>
First Floor	50%	50%	50%
Second Floor	50%	50%	50%
TOTAL	<u>100%</u>	<u>100%</u>	<u>100%</u>

Exhibit C

CONDO PLAT BOOK PAGE



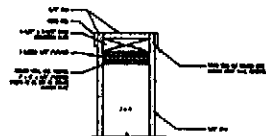
BUILDING SECTION



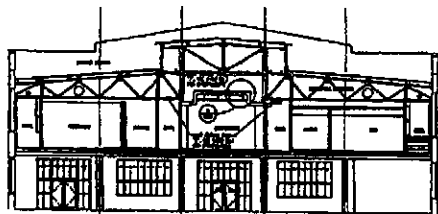
BUILDING SECTION



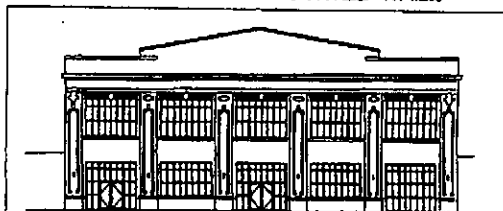
SECTION THRU OFFICES



SECTION THRU CURVED WALL



BUILDING SECTION



FRONT - NORTH ELEVATION

OWNER/DEVELOPER/ADDRESS
MMPA PROPERTIES LLC
328 EAST MARKET STREET - SUITE 200
GREENSBORO, NORTH CAROLINA 27401
PHONE:(336) 373-9800

SHEET 3 OF 3

FINAL PLAT

FOR

328 EAST MARKET STREET CONDOMINIUM

GILMER TOWNSHIP - GUILFORD COUNTY

GREENSBORO, NORTH CAROLINA

DATE: JUNE 29, 2008

NO SCALE



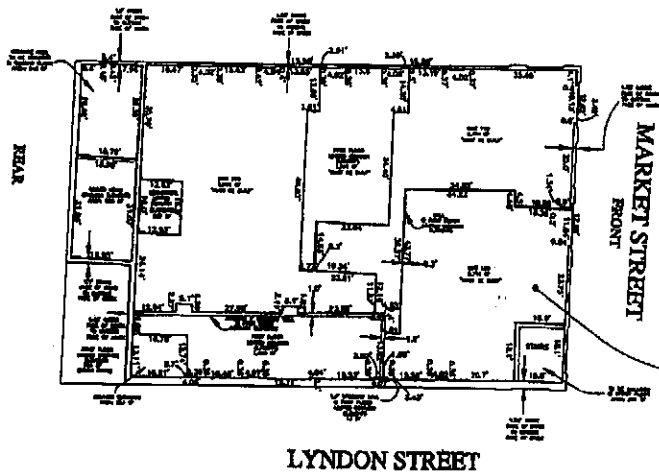
4609 Dundas Drive
Greensboro, NC 27407
Phone 336-854-6777
Fax 336-854-6276

PLAT 26 FOR PROJECT 328 EAST MARKET STREET GREENSBORO, N.C. 27401

Exhibit C (cont.)

MAIL TO EVANS ENGINEERING, 4609 DUNDAS DRIVE, GREENSBORO, N.C. 27407 YICKUP

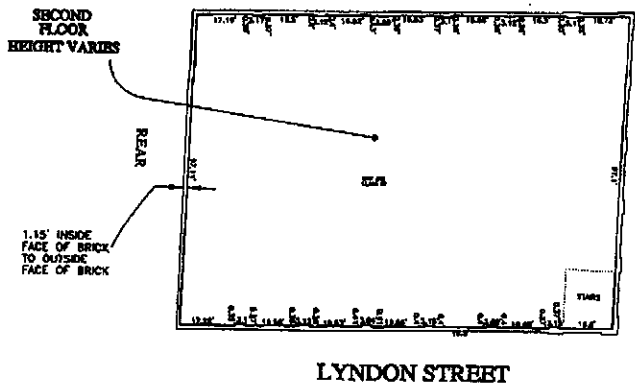
CONDO PLAT BOOK PAGE



FIRST FLOOR
 VERTICAL HEIGHT - FROM TOP OF CONCRETE FLOOR TO UNFINISHED SURFACES OF THE STRUCTURAL ELEMENTS OF THE SECOND FLOOR UNIT 200

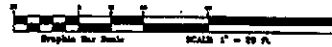
NOTE:

ALL AREAS SHOWN ARE PLUS OR MINUS. WALLS ARE NOT SQUARE THROUGHOUT THE BUILDING WHICH MAY CAUSE SOME SLIGHT VARIANCE IN THE AREAS REFLECTED.



OWNER/DEVELOPER/ADDRESS
 M&M&A PROPERTIES LLC
 328 EAST MARKET STREET - SUITE 200
 GREENSBORO, NORTH CAROLINA 27401
 PHONE: (336) 373-9800

SHEET 2 OF 3
 FINAL PLAT FOR
 328 EAST MARKET STREET CONDOMINIUM
 GILMER TOWNSHIP - GUILFORD COUNTY
 GREENSBORO, NORTH CAROLINA
 DATE: JUNE 30, 2008



EVANS
Engineering, Inc.
 - SINCE 1974 -
 Registered Surveyors & Planners

4609 Dundas Drive
 Greensboro, NC 27407
 Phone: 336-854-8877
 Fax: 336-854-8876

SCALE BY P.C. PROJECT: 328 EAST MARKET AND ADJACENT 328 L. STREET

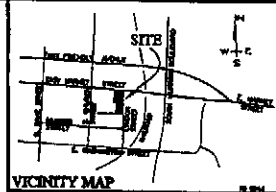
MAIL TO EVANS ENGINEERING, 4609 DUNDAS DRIVE, GREENSBORO, N.C. 27407 PICKUP

CONDO PLAT BOOK PAGE

The undersigned hereby certifies that the plat shown hereon was prepared by the undersigned or under the direct supervision of the undersigned and that the same is a true and correct copy of the original as the same appears in the records of the State of North Carolina.

MAIL TO EVANS ENGINEERING, 4609 DUNDAS DRIVE, GREENSBORO, N.C. 27407 PICKUP

SITE DATA
TAX MAP NO. CITY TAX MAP 3-BLOCK 1-PARCEL 10
DEED BOOK REFERENCE: DE 5092 PD 1633
TOTAL AREA 34,310 S.F. OR 0.7877 ACRE
SEE SHEET 2 OF 3 FOR A BREAKDOWN OF THE UNIT AREAS, COMMON ELEMENTS AREAS AND LIMITED COMMON ELEMENT AREAS.



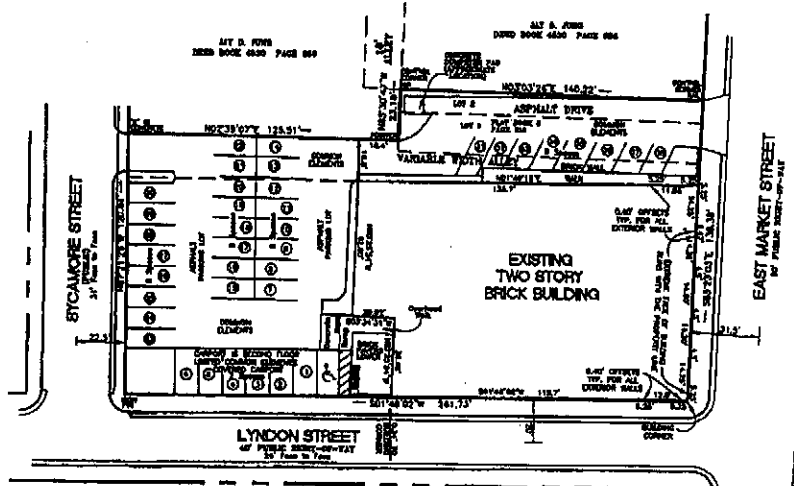
CONDOMINIUM ACT, SECTION 24-2.1(b) requires that the plat show the location of the building, the location of the common areas, and the location of the limited common areas.

THESE NOTES ARE TO BE READ IN CONJUNCTION WITH THE PLAT AND THE CONDOMINIUM ACT, SECTION 24-2.1(b).

THESE NOTES ARE TO BE READ IN CONJUNCTION WITH THE PLAT AND THE CONDOMINIUM ACT, SECTION 24-2.1(b).

THESE NOTES ARE TO BE READ IN CONJUNCTION WITH THE PLAT AND THE CONDOMINIUM ACT, SECTION 24-2.1(b).

GENERAL NOTES:
1. ALL DIMENSIONS ARE HORIZONTAL UNLESS OTHERWISE NOTED.
2. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
3. PROPERTY LINES SHOWN HEREON ARE BASED ON A SURVEY OF THE PROPERTY AND THE BOUNDARIES THEREOF AS SHOWN ON THE PLAT.
4. THE LAY OUT OF THE CONDO PLAT IS IN ACCORDANCE WITH THE CONDOMINIUM ACT, SECTION 24-2.1(b).



LEGEND
R/F RIGHT-OF-WAY
N/F NOW OF FORMERLY
P.B. PLAT BOOK
P.S. PLAT BOOK
C.B. CHAIN BEARING
D.B. DEED BOOK
A.C. ACRES
S.F. SQUARE FEET
E.L.P. EXISTING HIGH PIPE
N.C.S. NORTH CAROLINA GEODETIC SURVEY
N.P. NEW HIGH PIPE

PARKING NOTES
PARKING SPACES NUMBERED 19 THRU 24, 27 THRU 32, AND 31 THRU 38 ARE DESIGNATED FOR USE BY THE FIRST FLOOR LEVEL OWNERS.
PARKING SPACES NUMBERED 1 THRU 8, 15, 16, AND 23 THRU 30 ARE DESIGNATED FOR USE BY THE OWNERS OF THE SECOND FLOOR LEVEL.

THE COMMON ELEMENTS WILL BE MAINTAINED BY MAIL TO EVANS ENGINEERING, 4609 DUNDAS DRIVE, GREENSBORO, N.C. 27407 PICKUP

OWNER/DEVELOPER/ADDRESS
MMPA PROPERTIES LLC
328 EAST MARKET STREET - SUITE 200
GREENSBORO, NORTH CAROLINA 27401
PHONE: (336) 373-9800

SHEET 1 OF 3
FINAL PLAT FOR
328 EAST MARKET STREET CONDOMINIUM
GILMER TOWNSHIP - GUILFORD COUNTY
GREENSBORO, NORTH CAROLINA
DATE: JUNE 30, 2008



EVANS Engineering, Inc.
4609 Dundas Drive
Greensboro, NC 27407
Phone 336.554.6877
Fax 336.554.6878
Engineers Surveyors Planners

The undersigned hereby acknowledge(s) this Plat and Agreement to be valid, true and good and hereby certify to Public and as Jurisdiction, Powers, Parts, Date, and Location of same as shown on these Plans, and as shown on said Plat, and as indicated by the City of Greensboro to be in the effect of the Registrar of Deeds of Guilford County, N.C.

When grade of adjacent property does not conform to the above grade, an easement is created for the purpose of showing easements from street grade level of the adjacent lot having a slope ratio of One (1) horizontal to each foot of vertical clearance.

MMPA PROPERTIES LLC
 SIGNED: *[Signature]*
 ATTESTED: *[Signature]*
 SIGNED: *[Signature]*
 ATTESTED: *[Signature]*

Approved by resolution of the City of Greensboro, N.C. on the 14th day of July, 2008.

[Signature]
 Planning Director

SURVEYOR'S
 I, ANTHONY G. LESTER, certify that this plat was drawn under my supervision from an actual survey made under my immediate direct observation recorded in Book 5082 Page 1853 and (b)(2)(b)(7) that the boundaries are not surveyed or clearly indicated or shown in information found in Book 5082 Page 1853 MAP that the ratio of precision as contained in 11.18.0002 that this plat was prepared in accordance with the provisions of the Surveying and Mapping Act of 1973 on or after the date of the registration of this map. I have an unimpaired and complete record of this map. I have signed this map, registered, recorded, and filed this map in the office of the Registrar of Deeds of Guilford County, N.C. on the 14th day of July, 2008.

(11)(c) THAT THE SURVEY CREATES A SUBDIVISION OF LAND WITHIN THE AREA OF A COUNTY OR MUNICIPALITY THAT HAS AN ORDINANCE THAT REGULATES PARCELS OF LAND.

[Signature]
 L-4537
 Registration Number

GUILFORD COUNTY NORTH CAROLINA
 I, *[Signature]* REVIEW OFFICER FOR THE CITY OF GREENSBORO, GUILFORD COUNTY, CERTIFY THAT THE MAP OR PLAN TO WHICH THIS CERTIFICATION IS APPLIED MEETS ALL THE STATUTORY REQUIREMENTS OF A RECORDING MAP.

[Signature] 7-24-08
 City Clerk

This plat does not require a certificate of approval by the Division of Highways or provided in G.S. 133-102a, subsection (b).

[Signature] 7/20/08
 Planning Director

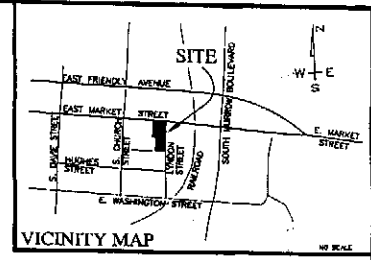
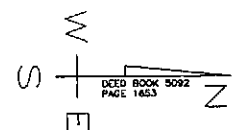
MMPA PROPERTIES LLC by recordation of this plat, hereby gives, grants and conveys to East Market and Telephone Company, Telcel Energy Company, National Natural Gas Company, ON Call TV, the City of Greensboro and Guilford County, their respective successors and assigns, right-of-way and easements to install and service their respective lines, wires, conduits and pipes in their present location within the Common Elements, Limited Common Elements and open space for the purpose of maintaining and servicing said lines, wires, conduits, and pipes.

MMPA PROPERTIES LLC
 SIGNED: *[Signature]*
 ATTESTED: *[Signature]*
 SIGNED: *[Signature]*
 ATTESTED: *[Signature]*

GENERAL NOTES:
 1. ALL DISTANCES ARE HORIZONTAL GROUND DISTANCES IN U.S. SURVEY FEET.
 2. AREA DETERMINED BY THE COORDINATE METHOD.
 3. PROPERTY LINES DETERMINED ARE NOT A PART OF THIS SURVEY AND WERE DRAWN FROM REFERENCES SHOWN HEREON.
 4. THE LOT SHOWN HEREON IS NOT LOCATED IN A SPECIAL FLOOD HAZARD AREA AS DETERMINED BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.
 5. EASEMENT SHOULD BE UTILIZED AND MAINTAINED IN ACCORDANCE WITH THE PROVISIONS OF AND DISCLAIMERS CONTAINED IN SECTION 30-6-13.1(b) AND (d) OF THE CITY OF GREENSBORO DEVELOPMENT ORDINANCE.

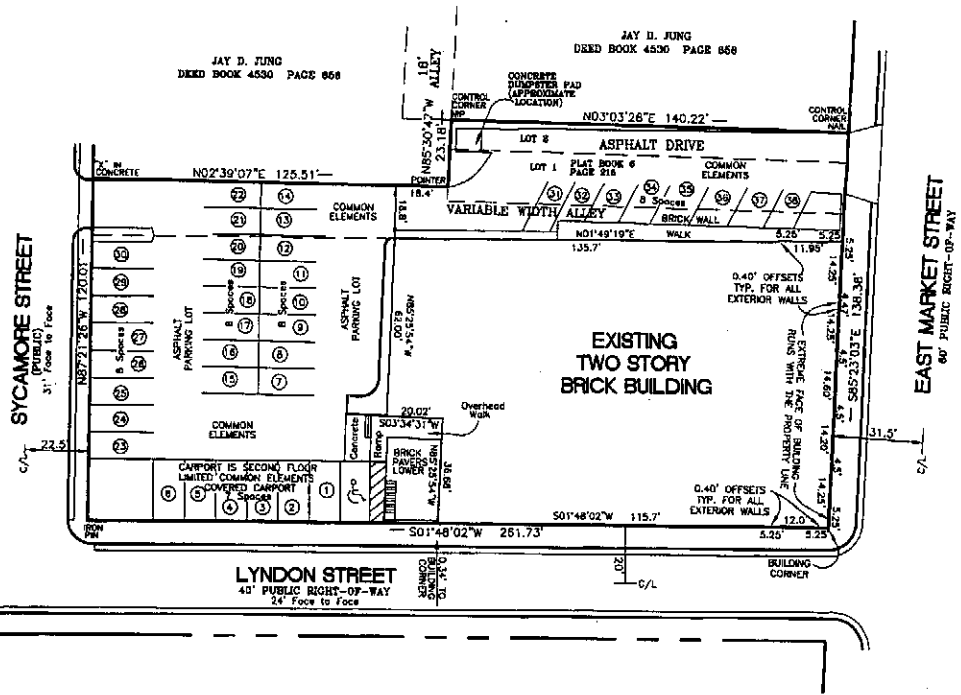
SITE DATA
 TAX MAP NO.: CITY TAX MAP 5-BLOCK 1-PARCEL 10
 DEED BOOK REFERENCE: DB 5082 PG 1853
 TOTAL AREA: 34,310 S.F. OR 0.7877 ACRE

*SEE SHEET 2 OF 3 FOR A BREAKDOWN OF THE UNIT AREAS, COMMON ELEMENTS AREAS AND LIMITED COMMON ELEMENT AREAS.



LEGEND

R/W	RIGHT-OF-WAY
N/F	NOW OR FORMERLY
P.B.	PLAT BOOK
D.B.	DEED BOOK
P.C.	PAGE
CB	CHORD BEARING
CH	CHORD
R	RADIUS
AC	ACRES
S.F.	SQUARE FEET
E.I.P.	EXISTING IRON PIPE
N.C.G.S.	NORTH CAROLINA GEODETIC SURVEY
N.I.P.	NEW IRON PIPE



PARKING NOTES:
 PARKING SPACES NUMBERED 10 THRU 14, 17 THRU 22, AND 31 THRU 38 ARE DESIGNATED FOR USE BY THE FIRST FLOOR LEVEL OWNERS.
 PARKING SPACES NUMBERED 1 THRU 9, 15, 16, AND 23 THRU 30 ARE DESIGNATED FOR USE BY THE OWNERS OF THE SECOND FLOOR LEVEL.

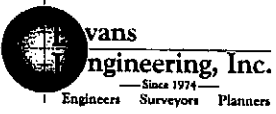
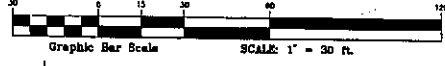
THE COMMON ELEMENTS WILL BE MAINTAINED BY 328 EAST MARKET STREET CONDOMINIUM ASSOCIATION, INC. AS RECORDED IN DEED BOOK 5082, PAGE 1167.

OWNER/DEVELOPER/ADDRESS
 MMPA PROPERTIES LLC
 328 EAST MARKET STREET - SUITE 200
 GREENSBORO, NORTH CAROLINA 27401
 PHONE: (336) 373-9800

2008055468
 GUILFORD CO, NC FEE \$60.00
 07-31-2008 09:23:52 AM
 JEFF L. THOMPSON
 REGISTRAR OF DEEDS
 GUILFORD COUNTY, NC

BK: C 13
 PG: 117-119

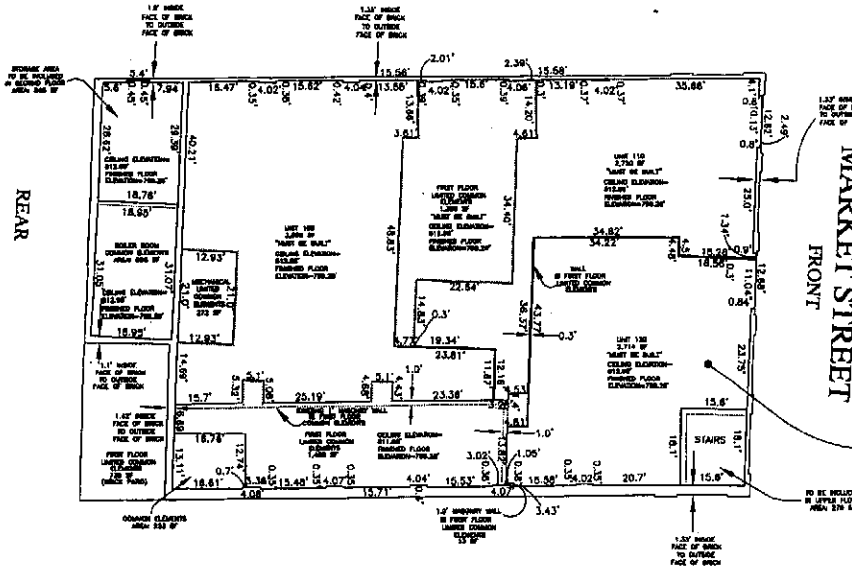
SHEET 1 OF 3
 FINAL PLAT FOR
 328 EAST MARKET STREET CONDOMINIUM
 GILMER TOWNSHIP - GUILFORD COUNTY
 GREENSBORO, NORTH CAROLINA
 DATE: JULY 07, 2008



4609 Dundas Drive
 Greensboro, NC 27407
 Phone 336-854-8877
 Fax 336-854-8876

NOTE:

ALL AREAS SHOWN ARE PLUS OR MINUS. WALLS ARE NOT SQUARE THROUGHOUT THE BUILDING WHICH MAY CAUSE SOME SLIGHT VARIANCE IN THE AREAS REFLECTED.



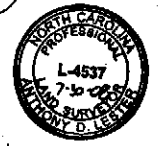
FIRST FLOOR
 VERTICAL HEIGHT= FROM TOP OF CONCRETE FLOOR TO UNFINISHED SURFACES OF THE STRUCTURAL ELEMENTS OF THE SECOND FLOOR UNIT 200

I, ANTHONY D. LESTER, CERTIFY THAT THIS PLAT IS AN ACCURATE COPY OF PORTIONS OF THE PLANS OF THE BUILDINGS AS FILED WITH AND APPROVED BY THE CITY OF GREENSBORO, AND THAT THESE PLANS FULLY AND ACCURATELY DEPICT THE LAYOUT, LOCATIONS, CEILING AND FLOOR ELEVATIONS, UNIT NUMBERS, AND DIMENSIONS OF THE UNIT AS-BUILT.



ANTHONY D. LESTER CERTIFY THAT THIS PLAT CONFORMS TO THE REQUIREMENTS OF G.S. C-2-108 (c), (b), and (c).
 I HAVE MY HAND AND SEAL THIS 28th DAY OF JULY, 2008.
 ANTHONY D. LESTER PE 19773

I FURTHER CERTIFY THAT THESE PLATS AND PLANS ACCURATELY DEPICT THE LOCAL BOUNDARIES OF THE CONDOMINIUM AND THE PHYSICAL LAYOUT OF THE UNITS AND OTHER IMPROVEMENTS CONSIDERED LISTED IN THE CONDOMINIUM DECLARATION TO THESE DOCUMENTS.
 ANTHONY D. LESTER PE 19773



I, KENNETH CHARLES MAYER, JR. CERTIFY ALL STRUCTURAL COMPONENTS AND MECHANICAL SYSTEMS OF ALL BUILDINGS CONTAINING OR COMPRISING ANY UNITS THERE BY CREATED ARE SUBSTANTIALLY COMPLETED ON ACCORDANCE WITH THE PLANS, THAT THESE PLATS AND PLANS CONTAIN ALL OF THE INFORMATION REQUIRED UNDER NC GENERAL STATUTES SEC. 47C-2-109 AND THAT THESE PLATS FULLY AND ACCURATELY DEPICT THE LAYOUT, LOCATION, CEILING & FLOOR ELEVATIONS, UNITS NUMBERS AND DIMENSIONS OF THE UNITS, AS BUILT.

KENNETH C. MAYER, JR.



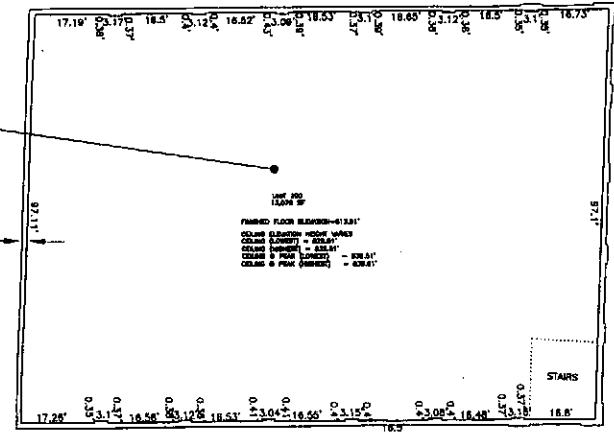
LYNDON STREET

MARKET STREET

REAR

SECOND FLOOR HEIGHT VARIES

1.15' INSIDE FACE OF BRICK TO OUTSIDE FACE OF BRICK



LYNDON STREET

MARKET STREET

REAR

2008065458
 GUILFORD CO, NC FEE \$63.00
 07-31-2008 09:23:52 AM
 JEFF L. THOMPSON
 REGISTRAR
 27502-10000
 BK: C 13
 PG: 117-119

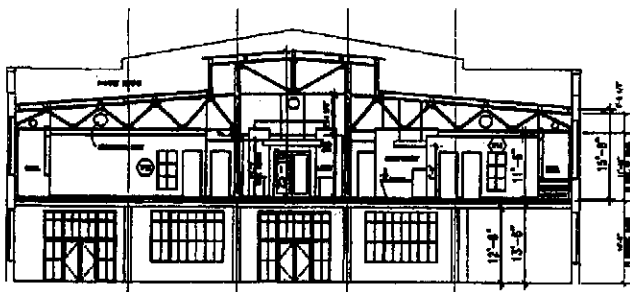
OWNER/DEVELOPER/ADDRESS
 MMPA PROPERTIES LLC
 328 EAST MARKET STREET - SUITE 200
 GREENSBORO, NORTH CAROLINA 27401
 PHONE: (336) 373-9800

SHEET 2 OF 3
 FINAL PLAT FOR
 328 EAST MARKET STREET CONDOMINIUM

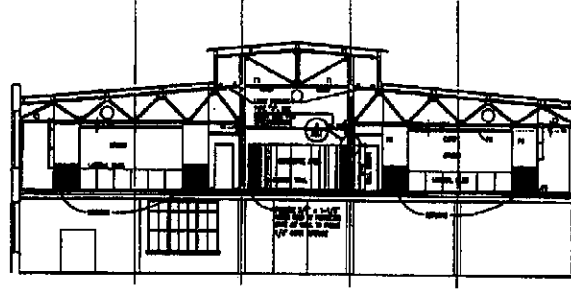
GILMER TOWNSHIP ~ GUILFORD COUNTY
 GREENSBORO, NORTH CAROLINA
 DATE: JULY 30, 2008



4609 Dundas Drive
 Greensboro, NC 27407
 Phone 336-854-8877
 Fax 336-854-8876



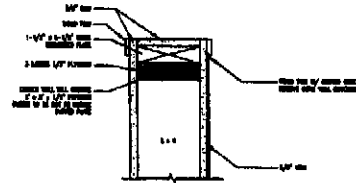
BUILDING SECTION



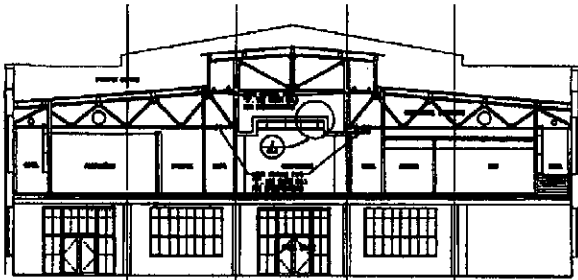
BUILDING SECTION



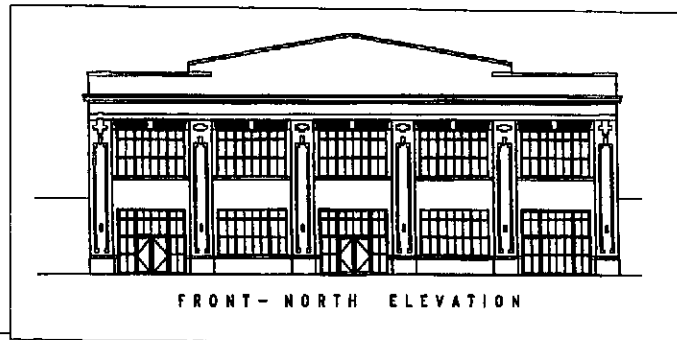
SECTION THRU OFFICES



SECTION THRU CURVED WALL



BUILDING SECTION



FRONT - NORTH ELEVATION

2008055458
GUILFORD CO. NC FEE \$63.00
07-31-2008 09:23:52 AM
JEFF L. THOMPSON
REGISTERED ARCHITECT
BK: C 13
PG: 117-119

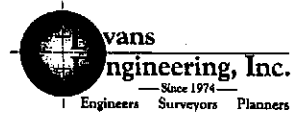
OWNER/DEVELOPER/ADDRESS
MMPA PROPERTIES LLC
328 EAST MARKET STREET - SUITE 200
GREENSBORO, NORTH CAROLINA 27401
PHONE:(336) 373-9800

SHEET 3 OF 3

FINAL PLAT
FOR
328 EAST MARKET STREET CONDOMINIUM

GILMER TOWNSHIP - GUILFORD COUNTY
GREENSBORO, NORTH CAROLINA
DATE: JULY 07, 2008

NO SCALE



4609 Dundas Drive
Greensboro, NC 27407
Phone 336-854-8877
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