

Section 2. Meetings. Annual meetings of the Golf Villa Neighborhood shall be held prior to the beginning of each fiscal year.

Section 3. Place of Meetings. Meetings of the Golf Villa Neighborhood shall be held in Wake County, North Carolina, at such place as may be designated by the Golf Villa Committee in the notice of such meetings.

Section 4. Special Meetings. Special meetings of the Golf Villa Neighborhood may be called at any time by: (a) the President- Golf Villas; (b) a majority of the Members of the Golf Villa Committee; or (c) by the President – Golf Villas upon the written request of the Owners of the Golf Villa Lots of not less than ten percent (10%) of the voting interests of Class A Member Owners of Golf Villa Lots as established by the Declaration. At the termination of the Declarant Control Period, a special meeting of the Golf Villa Neighborhood shall be held at which time the members of the Golf Villa Committee shall be elected by the Golf Villa Members, other than the Declarant, to serve terms as provided in Article XIV, Section 2(b) of these Bylaws.

Section 5. Notice of Meetings. The Secretary of the Golf Villa Committee shall notify each Golf Villa Owner of each annual or regularly scheduled meeting of the Golf Villa Neighborhood at least ten (10) but not more than sixty (60) days, prior to such meeting, stating the time, place and purpose thereof.

In the case of an annual meeting, substitute annual meeting, or special meeting, the notice of meeting shall state the time and place of the meeting as well as the items on the agenda to be considered, including, but not limited to, the general nature of any proposed amendment to the Declaration or Bylaws, any budget matters, or any proposal to remove an member of the Golf Villa Committee.

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

Notice requirements set forth herein shall apply unless a different number is required by the Declaration or Articles of Incorporation for any specific action.

Section 6. Quorum and Adjournment of Meetings. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Golf Villa Owners representing ten percent (10%) or more of the votes of the Golf Villa Neighborhood shall constitute a quorum at all meetings of the Golf Villa Neighborhood. If a quorum is not present at the opening of any meeting, the meeting may be adjourned from time to time by vote of a majority of the voting interests present, either in person or by proxy, and shall be reconvened at the date and time determined at the adjourned meeting, subject to the notice requirements set forth in this Article. Upon the reconvening

of any meeting adjourned for lack of a quorum, the quorum required at such subsequent meeting shall be one-half (1/2) that required at the preceding meeting.

Quorum requirements set forth herein shall apply unless a different number is required by the Declarant for any specific action.

Section 7. Voting Members; proxies. There shall be one person with respect to each Golf Villa Lot who shall be entitled to vote the voting interest of that Golf Villa Lot at any meeting of the Golf Villa Neighborhood, herein referred to as the "Voting Member". A Golf Villa Lot Owner shall have the number of votes based on the number of Golf Villa Lots recorded as of February 25, 2010, should two (2) or more Lots be recombined into one (1) Lot. The Voting Member may be the Owner of a Golf Villa Lot, or an Owner designated by a majority of the several Owners of a Golf Villa Lot, or may be some other person designated by such Golf Villa Lot Owner or Golf Villa Lot Owners to act as proxy on his or their behalf and who need not be an Owner. Designation of the Voting Member or of a proxy shall be made in writing to the Secretary – Golf Villas and shall be revocable at any time prior to the meeting by actual notice to the Secretary – Golf Villas by the Golf Villa Owner or a majority of the Golf Villa Owners. Once a meeting has been commenced a Golf Villa Lot Owner may not revoke a proxy given except by written notice of revocation delivered to the person presiding over the meeting. A proxy is void if not dated and signed by the Golf Villa Lot Owner or a majority of the owners of a Golf Villa Lot, and a proxy shall terminate at the time specified in the proxy or one year from that date, whichever is earlier.

Section 8. Voting rights; multiple Golf Villa Lot Owners. If only one of the multiple Owners of a Golf Villa Lot is present at a meeting of the Association, he is entitled to cast the vote allocated to the Golf Villa Lot. If more than one of the multiple Golf Villa Lot Owners are present, the votes allocated to that Golf Villa Lot may be cast only in accordance with the agreement of a majority in interest of the multiple Golf Villa Lot Owners. Majority agreement is conclusively presumed if any one of the multiple Golf Villa Lot Owners casts the votes allocated to that Golf Villa Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Golf Villa Lot. If a Golf Villa Lot is owned by more than one person, each Owner of the Golf Villa Lot may vote or register protest to the casting of votes by the other Owners of the Golf Villa Lot through a duly executed proxy. Fractional voting is prohibited.

Section 9. Voting rights; cumulative voting. The vote cast by, or on behalf of, the Owner or Owners of a Golf Villa Lot shall be that voting interest specified in the Declaration or the Articles of Incorporation. In all elections for members of the Golf Villa Committee, no voting member shall be entitled to vote on a cumulative voting basis for the Golf Villa Committee member to be elected, and the candidate or candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed elected.

Section 10. Waiver of notice. Any Golf Villa Lot Owner, at any time, may waive notice of any meeting of the Golf Villa Neighborhood in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Golf Villa Lot Owner at any meeting of the

Golf Villa Neighborhood shall constitute a waiver of notice by him of the time and place thereof except where a Golf Villa Lot Owner attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all of the voting members are present at any meeting of the Golf Villa Neighborhood, no notice shall be required, and any business may be transacted at any meeting.

Section 11. Informal action by Golf Villa Lot Owners. Any action which may be taken at a meeting of the Golf Villa Neighborhood may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the persons who would be entitled to vote upon such an action at a meeting and filed with the Secretary – Golf Villas to be kept in the Golf Villa Neighborhood minute book.

2. There is added a new Article XIV to the By Laws which provides as follows:

ARTICLE XIV

GOLF VILLA COMMITTEE

Section 1. Powers and Duties. The Golf Villa Committee shall have all of the powers and duties necessary for the administration of the affairs of the Golf Villa Neighborhood. The Golf Villa Committee may delegate to one (1) of its members the authority to act on behalf of the Golf Villa Committee on such matters, if any, which may arise between meetings of the Golf Villa Committee. In addition to the duties imposed by these Bylaws or by any resolution of the Golf Villa Neighborhood that may hereafter be adopted, the Golf Villa Committee shall on behalf of the Golf Villa Neighborhood:

- (a) Prepare and adopt an annual budget for the Golf Villa Neighborhood, in which there shall be expressed the assessments of each Golf Villa Lot for the Golf Villa Expenses.
- (b) Make assessments against Golf Villa Lots to defray the costs and expenses of the Golf Villa Neighborhood, establish the means and methods for collecting such assessments from the Owners of the Golf Villa Lots and establish the period of the installment payment of the annual assessment for Golf Villa Expenses.
- (c) Provide for the operation, care, upkeep, and maintenance of all of the property and duly authorized services of the Golf Villa Neighborhood.
- (d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of landscaping within the Golf Villa Neighborhood and provide services for the Golf Villa Neighborhood as authorized by the Golf Villa Neighborhood and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed part of the Golf Villa Neighborhood.

(e) Collect the assessments for Golf Villa Expenses from the Owners of the Golf Villa Lots, deposit the proceeds thereof in bank depositories designated by the Golf Villa Committee and use the proceeds to carry out the administration of the Golf Villa Neighborhood.

(f) Adopt and amend rules with respect to the Golf Villa Neighborhood; Provided, however, that such Rules shall not be in conflict with the Declaration.

(g) Open bank accounts on behalf of the Golf Villa Neighborhood and designate the signatories thereon.

(h) Make, or contract for the maintenance and replacement of the landscaping on the Golf Villa Lots, and other services in accordance with the Declaration and these Bylaws (to the extent the Golf Villa Neighborhood is responsible for the maintenance, repair and replacement of specific components of the Golf Villa Neighborhood), after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(i) Enforce by legal means the provisions of the Declaration, these Bylaws and the rules with respect to the specific aspects of the Declaration applicable to the Golf Villa Neighborhood, act on behalf of the Owners of the Golf Villa Lots with respect to all matters arising out of any condemnation or eminent domain proceeding affecting the Golf Villa Neighborhood, and notify the Owners of the Golf Villa Lots of any litigation against the Golf Villa Neighborhood involving a claim in excess of ten percent (10%) of the amount of the annual budget.

(j) Pay the cost of all authorized services rendered to the Golf Villa Neighborhood and not billed to individual Owners of Golf Villa Lots.

(k) Keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Golf Villa Neighborhood, and the administration of the Golf Villa Neighborhood, specifying the expenses of the Golf Villa Neighborhood. Such books and vouchers accrediting the entries therein shall be available for examination by the Owners of the Golf Villa Lots, their attorneys, accountants, Mortgagees and authorized agents during normal business hours on business days at the times and in the manner set and announced by the Golf Villa Committee for the general knowledge of the Golf Villa Neighborhood. All books and records shall be kept in a manner verifiable upon an audit. The books and records shall be subject to an independent audit upon the request of the Owners of the Golf Villa Lots to which at least 33 1/3% of the votes in the Golf Villa Neighborhood appertain. The cost of such audit shall be a Golf Villa Expense.

(l) Do such other things and acts not inconsistent with the Declaration, Articles and Bylaws which the Golf Villa Committee may be authorized to do by a resolution of Association. Notwithstanding the foregoing, the Golf Villa Neighborhood may agree, by a vote of seventy five percent (75%) of the aggregate votes allocated to the Golf Villa Owners, to allow the Association to perform the powers and duties of the Golf Villa Neighborhood and Golf Villa Committee.

Section 2. Number and Term of Office.

(a) Designated Members. During the Declarant Control Period, the Declarant shall be entitled to designate members of the Golf Villa Committee. The initial Golf Villa Committee shall consist of three (3) Persons, all of whom shall be designated by the Declarant. At the expiration of the term of office of all members of the Golf Villa Committee designated by the Declarant, all successor members of the Golf Villa Committee shall be elected to serve for a term of three (3) years.

(b) Elected Members. No later than the first annual meeting of the Golf Villa Neighborhood after the end of the Declarant Control Period, the Golf Villa Committee shall be composed of five (5) Persons. An elected member of the Golf Villa Committee shall serve for a term of three (3) years unless elected to fill a vacancy, in which case such member shall serve pursuant to the terms of these Bylaws. Except for resignation or removal, the members of the Golf Villa Committee shall hold office until their respective successors shall have been elected by the Golf Villa Neighborhood.

Section 3. Election of Golf Villa Committee.

(a) Elections Committee. At each annual meeting of the Golf Villa Neighborhood, the Golf Villa Committee may appoint an Elections Committee consisting of a member of the Golf Villa Committee whose term is not then expiring and at least three (3) other Owners of Golf Villa Lots. The Elections Committee, if established, shall develop election procedures and administer such procedures as are approved by the Golf Villa Committee providing for election of members of the Golf Villa Committee by ballot of the Owners of the Golf Villa Lots at annual meetings and, where appropriate, special meetings.

(b) Qualifications. No Person shall be eligible for election as a member of the Golf Villa Committee unless such Person is (alone or together with one (1) or more other persons) the Owner of a Golf Villa Lot or an agent (Officer, partner, etc.) or an employee of the Owner of a Golf Villa Lot, a Mortgagee (or a designee of a Mortgagee) or a designee of the Declarant, No Person shall be elected as a member of the Golf Villa Committee or continue to serve as a member of the Golf Villa Committee if the Owner of the Golf Villa Lot is more than sixty (60) days delinquent in meeting a financial obligation to the Golf Villa Neighborhood or if a lien has been filed against such Person's Golf Villa Lot.

Section 4. Removal or Resignation of Members of the Golf Villa Committee. Except with respect to members of the Golf Villa Committee designated by the Declarant, at any regular or special meeting of the Golf Villa Neighborhood duly called, any one (1) or more of the members of the Golf Villa Committee may be removed with or without cause by a majority vote of the Owners of the Golf Villa Lots and a successor may then and there be elected to fill the vacancy. Any member of the Golf Villa Committee whose removal has been proposed by the Owners of the Golf Villa Lots shall be given at least seven (7) days notice of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Golf Villa Committee may resign at any time and, except for a member of the Golf Villa Committee designated by the

Declarant, a member of the Golf Villa Committee who was a the Owner of a Golf Villa Lot at the time of election shall be deemed to have resigned upon disposition of such Owner's Golf Villa Lot, or if not in attendance at three (3) consecutive regular meetings of the Golf Villa Committee, unless the minutes reflect the Golf Villa Committee's consent to such absences.

Section 5. Vacancies. Vacancies on the Golf Villa Committee caused by any reason other than the removal of a member thereof by a vote of the Owners of the Golf Villa Lots shall be filled by a vote of a majority of the remaining members of the Golf Villa Committee at a special meeting of the Golf Villa Committee held for such purpose promptly after the occurrence of any such vacancy, even if the members present at such meeting may constitute less than a quorum because a quorum is impossible to obtain because of said vacancy. Members of the Golf Villa Committee elected by the Owners of the Golf Villa Lots or the Golf Villa Committee to fill a vacancy shall serve the remainder of the term of office of the member being replaced. During the Declarant Control Period, the Declarant shall designate the successor to any member of the Golf Villa Committee previously designated by the Declarant who resigns or is removed.

Section 6. Meetings of the Golf Villa Committee.

(a) **Regular Meetings.** Regular meetings of the Golf Villa Committee may be held on the Property at such time as shall be determined from time to time by a majority of the members thereof, but such meetings shall be held at least annually during each fiscal year.

(b) **Special Meetings.** Special meetings of the Golf Villa Committee may be called by the President - Golf Villa of the Golf Villa Neighborhood on three (3) days notice to each member of the Golf Villa Committee, which notice may be hand-delivered or mailed by US mail, postage prepaid or sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the Lot Owner, and which notice shall state the time, place and purpose of the meeting. Special meetings of the Golf Villa Committee shall be called by the President - Golf Villa or Secretary of the Golf Villa Committee in like manner and on like notice on the written request of at least three (3) members of the Golf Villa Committee.

(c) **Notice.** Notice of meetings of the Golf Villa Committee shall be given to each member thereof, and shall be either hand-delivered or mailed by US mail, postage prepaid or sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the Lot Owner, at least three (3) days prior to the day named for such meeting. No notice of the organizational meeting shall be necessary if such meeting is held immediately following the annual meeting.

(d) **Waiver of Notice.** Any member of the Golf Villa Committee may at any time, in writing, waive notice of any meeting of the Golf Villa Committee and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Golf Villa Committee, in person or by telephone communication, at any meeting of the Golf Villa Committee shall constitute a waiver of notice by such member of the time, place and purpose of such meeting. If all members are present at any meeting of the Golf Villa Committee,

Committee, no notice shall be required and any business may be transacted at such meeting.

(e) **Quorum of Members of the Golf Villa Committee.** At all meetings of the Golf Villa Committee a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting while a quorum is present shall constitute the decision of the Golf Villa Committee. If at any meeting of the Golf Villa Committee there shall be less than a quorum present, a majority of those present may adjourn or recess the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. A member of the Golf Villa Committee who participates in a meeting by means of telephone communication shall be deemed present at the meeting for all purposes.

Section 7. Action Without Meeting. Any action by the Golf Villa Committee required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Golf Villa Committee shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Golf Villa Committee.

Section 8. Compensation. No member of the Golf Villa Committee shall receive any compensation from the Golf Villa Neighborhood for acting as such. Reimbursement of expenses incurred by members of the Golf Villa Committee on behalf of the Golf Villa Neighborhood shall be permissible.

Section 9. Golf Villa Committee as Agent. The Golf Villa Committee shall have the power to act as agent for the Owners of all of the Golf Villa Lots and for each of them, to manage, control and deal with the interests of such Owners of the Golf Villa Lots in the Golf Villa Neighborhood to permit the Golf Villa Committee to fulfill all of its powers, rights, functions and duties. The Golf Villa Committee shall also have the power to act as agent for each Owner of the Golf Villa Lots, each Mortgagee, other named insureds and their beneficiaries and any other holder of a lien or other interest in the Golf Villa Neighborhood to: (i) adjust and settle all claims arising under insurance policies purchased by the Golf Villa Executive Committee, (ii) execute and deliver releases upon the payment of claims and (iii) act on their behalf in any condemnation proceeding or action of eminent domain affecting the Golf Villa Neighborhood.

Section 10. Liability of the Golf Villa Committee. The members of the Golf Villa Committee shall not be liable to the Lot Owners for any mistake of judgment, negligence or otherwise except as Lot Owners or for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless each of the Members of the Golf Villa Committee against all contractual liability to others arising out of contracts made by the Golf Villa Committee on behalf of the Association unless any such contracts shall have been made in bad faith or contrary to the provisions of the Declaration or these Bylaws. It is intended that the Members of the Golf Villa Committee shall have no personal liability with respect to any contract made by them on behalf of the Association, except to the extent of their liability as Lot Owners. It is also intended that the liability of any Lot Owner arising out of any contracts made by the Golf Villa Committee or out of the aforesaid indemnity in favor of the members of the Golf Villa Committee shall be limited to such

proportions of the total liability thereunder as his voting interest in the Common Elements bears to the interest of all of the Lot Owners. Every agreement made by the Golf Villa Committee or by the manager on behalf of the Association shall provide that the Members of the Golf Villa Committee, or the manager, as the case may be, are acting only as agents for the Association, and shall have no personal liability thereunder (except as Lot Owners), and that each Lot Owner's liability thereunder shall be limited to such proportion to the total liability thereunder as its voting interest in the Association bears to the voting interest of all Lot Owners.

3. There is added a new Article XIV to the By Laws which provides as follows:

ARTICLE XIV

OFFICERS OF THE GOLF VILLA COMMITTEE

Section 1. Designation and Duties. The principal officers of the Golf Villa Committee shall be the President - Golf Villa, the Secretary and the Treasurer, all of whom shall be elected by the Golf Villa Committee. Each Officer shall perform such duties as are normally associated with such office in parliamentary organizations, and shall perform such other duties as may be assigned to such office by resolution of the Association or the Golf Villa Committee. If any officer is unable for any reason to perform the duties of the office, the President - Golf Villa (or the Golf Villa Committee if the President - Golf Villa fails to do so) may appoint another qualified person to act in such officer's stead on an interim basis.

Section 2. Election of Officers. The officers of the Golf Villa Committee shall be elected annually at the organizational meeting of each new Golf Villa Committee and shall hold office at the pleasure of the Golf Villa Committee. Any officer may hold more than one (1) position; provided, however, that the offices of President - Golf Villa and Secretary shall be held by two (2) different individuals. Except for death, resignation or removal, the Officers shall hold office until their respective successors shall have been elected by the Golf Villa Committee.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Golf Villa Committee any Officer may be removed, either with or without cause, and a successor may be elected at any regular meeting of the Golf Villa Committee or at any special meeting of the Golf Villa Committee called for such purpose.

Section 4. President - Golf Villa. The President - Golf Villa shall be the chief executive Officer of the Golf Villa Committee; preside at all meetings of the Golf Villa Neighborhood and of the Golf Villa Committee; have general and active direction of the business of the Golf Villa Neighborhood subject to the control of the Golf Villa Committee; see that all orders and resolutions of the Golf Villa Committee are carried into effect; and appoint committees from time to time as the President - Golf Villa may decide is appropriate to assist in the conduct of the affairs of the Golf Villa Neighborhood.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Golf Village Neighborhood and of the Golf Villa Committee; have charge of such books and papers as the

Golf Villa Committee may direct; give or cause to be given all notices required to be given by the Golf Villa Neighborhood (such notices may be distributed by the management agent, if any); maintain a register setting forth the place to which all notices to Golf Villa Owners and Mortgagees hereunder shall be delivered; and, in general, perform all duties incident to the office of Secretary.

Section 6. Treasurer. The Treasurer shall be responsible for Golf Villa Neighborhood funds and securities; keep full and accurate financial records and books of account showing all receipts and disbursements; prepare all required financial data; deposit all monies and other valuable effects in the name of the Golf Villa Committee or the Golf Villa Neighborhood, in such depositories as may from time to time be designated by the Golf Villa Committee; and, in general, perform all the duties incident to the office of Treasurer.

Section 7. Compensation of Officers. No officer shall receive any compensation from the Golf Villa Neighborhood for acting as such Officer unless such compensation is approved by a majority of the Golf Villa Owners, in which event such compensation shall be reasonable and customary. Officers may be reimbursed for any expenses incurred in carrying out the functions of office if consented to by the Golf Villa Committee.

4. In the event of any conflict or inconsistency between the terms of this Amendment and the By Laws, the terms of this Amendment shall prevail, and the term "By Laws" shall hereafter mean the By Laws as modified by this Amendment. Except as herein modified, all terms and provisions of the By Laws are hereby ratified and confirmed and shall remain in full force and effect throughout the existence of the Association. The Declarant, for so long as it controls the Golf Villa Committee and remains a Class B Member, may amend Article XIII and Article XIV of the Bylaws without the consent of the Owners of the Golf Villa Lots. Other than as expressly provided herein, no amendment to any part of the By Laws added by this Amendment that specifically affect the Golf Villa Lots shall be effective unless first approved by 80% of the votes allocated to the Golf Villa Lots.

IN WITNESS WHEREOF, the Association has duly executed this Amendment on the day and year first above written.

[SIGNATURE LINES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this ____ day of _____, 2012.

TOLL NC III LP, a North Carolina limited liability company

By: TOLL NC GP CORP., its general partner

By: _____
Name: _____
Title: _____

State of _____

County of _____

I, the undersigned Notary Public of the County or City of _____ and State
aforesaid, certify that _____
_____ personally appeared before me this day and acknowledged the due execution of the
foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or
seal this _____ day of _____, 20____.

My Commission Expires: _____

Notary Public
Notary's Printed or Typed Name

(Affix Seal)

