

**BYLAWS OF
625 NEW BERN CONDOMINIUM ASSOCIATION, INC.**

**Recorded By and Return To:
Wake County Register of Deeds**

**Article I.
DEFINITIONS**

Except where specifically indicated to the contrary in these Bylaws: (i) the capitalized terms shall have the same meaning as used in that Declaration of Condominium for 625 New Bern Condominium recorded in the Wake County Registry, (the "**Declaration**"), which is incorporated into this document by this reference; (ii) references to Section numbers are references to Sections of this document; and (iii) references to the "**NCNCA**" refers to the North Carolina Nonprofit Corporation Act, Chapter 55A of the North Carolina General Statutes, as it may be amended from time to time; references to the "**Act**" refers to the North Carolina Condominium Act, Chapter 47C of the North Carolina General Statutes, as it may be amended from time to time; and references to "**Condominium Documents**" means the Declaration, the Articles of Incorporation, and these Bylaws, collectively and individually.

**Article II.
ADMINISTRATION OF CONDOMINIUM**

2.1. Authority and Responsibility. Except as otherwise specifically provided in the Condominium Documents, the Association shall be responsible for administering, operating, and managing the Common Elements and otherwise complying with and/or enforcing the terms of the Declaration.

2.2. Official Action. Unless specifically required in the Condominium Documents, all actions taken or to be taken by the Association shall be valid when such are approved by the Executive Board or when taken by the committee, person, or entity to whom such authority has been duly delegated by the Executive Board as set forth in these Bylaws. The Association and its Executive Board, officers, and Members shall at all time act in conformity with the Nonprofit Corporation Act of the State of North Carolina, the Condominium Documents, and the Act.

**Article III.
OFFICES**

3.1. Principal Office. The principal office of the Association shall be located at 3304 Six Forks Rd. - Suite 100, Raleigh, NC 27609.

3.2. Registered Office. The Association's registered office required by law to be maintained in the State of North Carolina may, but need not, be identical with the principal office.

3.3. Other Offices. The Association may have offices at such other places, either within or without the State of North Carolina, as the Executive Board may designate or as the affairs of the Association may require from time to time.

**Article IV.
MEMBERSHIP/MEETINGS**

4.1. Membership.

4.1.1. Ownership of a Unit shall be the sole qualification for membership in the Association. When more than one person holds an interest in any Unit, all such persons will be Members. Any person, including Declarant, on becoming an Owner, will automatically become a Member and be subject to these Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Unit. Such membership will terminate without any formal Association action whenever such person ceases to own a Unit, but such termination will not relieve or release any such former Owner from any liability or obligation incurred under the Declaration or in any way connected with the Association during the period of such ownership, or impair any rights or remedies which the Executive Board or others may have against such former Owner arising out of ownership of the Unit and membership in the Association and the covenants and obligations incident thereto.

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4.1.2. Any person, on becoming an Owner, will furnish to the Independent Manager or to the Secretary of the Association a photocopy or a certified copy of the recorded instrument vesting that person with an ownership interest, which instrument will remain in the files of the Association. An Owner will not be deemed a Member of the Association in good standing and will not be entitled to vote at any annual or special meeting of the Members unless this requirement is first met. The date of membership shall, as applicable, be: (i) the date of recordation in the office of the Register of Deeds of Wake County, North Carolina of the conveyance of the Unit in question; or (ii) the date of death in the case of intestacy or date of probate of the will in the case of testacy. Until a decedent's will is probated, the Association may rely on the presumption that a deceased Owner died intestate. The Executive Board may make other reasonable rules relating to the proof of ownership of a Unit.

4.2. Classes of Membership. The Association will have one class of voting membership, composed of all Owners, including Declarant as long as it owns a Unit.

4.3. Membership Certificates. No certificates of stock will be issued by the Association, but the Executive Board may, if it so elects, issue membership cards to Owners. Such membership card will be surrendered to the Secretary of the Association whenever ownership of the Unit designated on the card is terminated.

4.4. Place of Meetings. All meetings of Members shall be held at the principal office of the Association or at such other place, either within or outside of Wake County, North Carolina, as shall be designated on the notice of the meeting or agreed upon by a Majority in Interest of the Members entitled to vote thereat. Members may participate in any meeting of the Members by means of a conference telephone or similar communications equipment provided all persons participating in the meeting can hear one another. Participation in that manner shall constitute presence in person at the meeting.

4.5. Annual Meetings. The annual meeting of Members for the election of Executive Board members and the transaction of other business shall be held at any time in the year 2019 as selected by Declarant and thereafter in January of each year, on any day (except a Saturday, Sunday or legal holiday) in that month as determined by the Executive Board.

4.6. Substitute Annual Meeting. If the annual meeting shall not be held on the day designated by the Bylaws, a substitute annual meeting may be called in accordance with the provisions of **Section 4.7.** A meeting so called shall be designated and treated for all purposes as the annual meeting.

4.7. Special Meeting. Special meetings of the Members may be called at any time by the President, the Declarant (until the end of the Declarant Control Period), the Executive Board, or by any Member pursuant to the written request of the holders of not less than 20.0% of the votes in the Association.

4.8. Notice of Meetings.

4.8.1. Except as otherwise provided in these Bylaws or required by the NCNCA or the Act, written notice stating the time and place of the meeting shall be delivered not less than ten 10 nor more than 50 days before the date of any Members' meeting, either by first class mail, personal delivery, or facsimile or other form of electronic transmission, by or at the direction of the President, the Secretary, or other authorized person calling the meeting, to each Member of record entitled to vote at such meeting. Such notice shall: (i) be given by first class mail or other method prescribed by these Bylaws; and (ii) state the time and place of the meeting (including an annual meeting), and (iii) state the items on the agenda (including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove an Executive Board member or officer). In the case of a special meeting, the notice of meeting shall also specifically state the purpose(s) for which the meeting is called. In the case of an annual or substitute annual meeting, the notice of meeting need not specifically state the business to be transacted thereat unless such a statement is required by the provisions of the NCNCA.

4.8.2. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as prescribed for an original meeting. When a meeting is adjourned for less than 30 days in any one adjournment, it is not necessary to give any notice of the adjourned meeting other than by

announcement at the meeting at which the adjournment is taken.

4.8.3. Waiver of notice of a meeting of the Members will be deemed the equivalent of proper notice. Any Member may waive, in writing, notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member, whether in person or by proxy, will be deemed waiver by such Member of notice of the time, date and place of the meeting unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting will also be deemed waiver of notice of all business transacted at the meeting unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

4.8.4. Notice given to any one tenant in common, tenant by entirety, or other joint Owner of a Unit (each, a "**Joint Owner**") shall be deemed notice to all Joint Owners of the subject Unit. Any waiver of notice of meeting or attendance at a meeting by a Joint Owner shall be attributable to all Joint Owners of the subject Unit.

4.9. Voting Lists. At least ten days before each meeting of Members the Secretary of the Association shall prepare an alphabetical list of the Members entitled to vote at such meeting or any adjournment thereof, with the address of and number of votes held by each, which list shall be kept on file at the registered office of the Association for a period of ten days prior to such meeting. This list shall be subject to inspection by any Member at any time during the usual business hours. This list shall also be produced and kept open at the time and place of the meeting and shall be subject to inspection by any Member during the whole time of the meeting.

4.10. Quorum. Except as otherwise provided by the Bylaws, 20% of the votes of the Members entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of Members. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum. In the absence of a quorum at the opening of any meeting of Members, such meeting may be adjourned from time to time by the vote of a Majority in Interest voting on the motion to adjourn; and at any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting. Notwithstanding any provision to the contrary in the Declaration or these Bylaws, the quorum requirement at the next meeting shall be one-half of the quorum requirement applicable to the meeting adjourned for lack of a quorum. This provision shall continue to reduce the quorum by 50% from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted.

4.11. Proxies. Votes may be voted either in person or by one or more agents authorized by a written proxy executed by the Member or by his duly authorized attorney in fact. To be valid, the proxy must be dated, signed by all Owners of the Unit, and filed with the Secretary of the Association at or before the appointed time of the meeting at which the proxy will be voted. No proxy will be valid if it purports to be revocable without notice. No Member shall be entitled to vote more than one proxy at any one meeting. A proxy is not valid after the expiration of 12 months from the date of its execution, unless the person executing it specifies a shorter period of time therein. A Member may not revoke a proxy given pursuant to this Section except by written notice of revocation executed by all Owners of the Unit and delivered to the person presiding over a meeting of the Members.

4.12. Voting.

4.12.1. Each Unit will be entitled to one vote. Fractional voting of a Unit's vote is prohibited. The vote for a Unit will be exercised by the Member. If the fee simple title to any Unit is owned of record by two or more Joint Owners (whether individually or in a fiduciary capacity), the vote with respect to that Unit may be cast by any one of the Joint Owners in person or by proxy, as a majority interest of the Joint Owners among themselves determine, except that the holder(s) of a life estate in a Unit shall have the sole right to cast the votes allocated to that Unit. If more than one of the Joint Owners are present at a meeting in person or by proxy, the vote allocated to their Unit may be cast only in accordance with the agreement of a Majority in Interest of the Owners, and if a Majority in Interest of the Owners cannot agree, then the Owners of such Unit will not be entitled to vote. If more than one of the Joint Owners votes, the unanimous action of all Joint

Owners voting shall be necessary to effectively cast the votes allocated to the particular Unit. Except as otherwise specifically provided in a valid proxy, there is deemed to be majority agreement if any one of the Joint Owners casts the vote allocated to its Unit without protest being made promptly to the person presiding over the meeting by any of the other Joint Owners of the Unit. A Member shall not be entitled to vote and its vote(s) shall be ignored in determining the total number of eligible votes: (a) on a vote to determine whether that Owner is in default under the Condominium Documents; or (b) until the default is cured, if the Owner is in default under these Condominium Documents (including, but not limited to, the payment of any assessments due under the Declaration).

4.12.2. The vote on any matter of a Majority in Interest of the votes present at a meeting of Members at which a quorum is present shall be the act of the Members on that matter, unless the vote of a greater number is required by the Act or by the Condominium Documents.

4.12.3. Provided it otherwise complies with the requirements of the Act and the NCNCA, voting by mail is permitted for any action which may be taken at any annual, substitute annual, or special meeting. In the case of a vote by mail, the Secretary of the Association will give written notice to all Members, which notice will include a proposed written resolution setting forth a description of the proposed action, a statement that the Members are entitled to vote by mail for or against such proposal, a statement of a date not less than 20 days after the date such notice will have been given by which all votes must be received, and the specified address of the office to which all votes must be sent. Votes received after that date will not be effective. Delivery of a vote in writing to the designated office will be equivalent to receipt of a vote by mail at such address for the purpose of this section.

4.12.4. If title to a Unit is held in whole or in part by a firm, corporation, partnership, association, limited liability company, or other legal entity, the voting privilege appurtenant to that ownership may be exercised only by a valid proxy executed on behalf of such party, appointing and authorizing one person or alternate persons to attend all annual and special meetings of the Members and to cast the vote allocated to that Unit at those meetings.

4.13. Action Without a Meeting. Any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the persons who would be entitled to vote upon such action at a meeting and filed with the Secretary of the Association to be kept as part of the Association's records.

4.14. Presiding Officer. The President of the Association or, in the absence of the President, the Vice-President shall preside at all meetings of the Members and the Secretary of the Association shall act as the secretary thereof. In the absence of the Secretary, the President shall designate some other person to act as the secretary of the meeting. In the absence of both the President and the Vice President, the Members present at the meeting shall elect a Presiding Officer for the meeting.

4.15. Order of Business. The order of business at the annual meeting and at any special meeting of the Members shall be as follows:

- (a) The calling of the meeting to order;
- (b) The calling of the roll;
- (c) The announcement by the Presiding Officer of the purpose of the meeting and of the nature of the business which may be presented by it;
- (d) The reading and approval of the minutes of any former meeting of the Members, the Minutes of which have not been previously read and approved;
- (e) The presentation of and action, if required, upon reports of officers and committees;
- (f) Unfinished business;
- (g) New business, including the election of Executive Board members for the forthcoming year if

the meeting be an annual meeting; and

(h) Adjournment.

Roberts' Rules of Order (latest edition) shall govern the conduct of the meetings except where the NCNCA, the Act, or the Condominium Documents specifically requires a different procedure.

Article V. EXECUTIVE BOARD

5.1. General Powers. The Association's business and affairs shall be managed by the Executive Board or by such committees as the Executive Board may establish pursuant to these Bylaws; provided, however, the Executive Board may not act to amend the Declaration, to terminate the Condominium, to elect members of the Executive Board (except to fill vacancies as provided in these Bylaws), or to determine the qualifications, powers, duties, or terms of office of Executive Board members.

5.2. Number, Term and Qualification. The number of Executive Board members constituting the initial Executive Board shall be three. Thereafter, the number of Executive Board members constituting the Executive Board shall be not less than three nor more than five as may be fixed by resolution duly adopted by the Executive Board prior to the annual meeting at which such Executive Board members are to be elected. In the absence of such a resolution, the number of Executive Board members shall be the number elected at the preceding annual meeting. Any Executive Board memberships not filled by the Members shall be treated as vacancies to be filled by and in the discretion of the Executive Board. Each Executive Board member shall hold office until his death, resignation retirement, removal, disqualification, or his successor shall have been elected and qualified. Executive Board members need not be residents of the State of North Carolina or Members of the Association; provided that after the end of the Declarant Control Period, at least a majority of the Executive Board members must be Unit Owners. Subject only to the requirements of the Act, until the end of the Declarant Control Period, the Declarant shall determine the number of Executive Board members and the person who shall serve as Executive Board members.

5.3. Nomination. Except for those Executive Board members designated by Declarant as provided in these Bylaws, nomination for election to the Executive Board shall be made by the Executive Board. Nominating may also be made from the floor at the annual meeting. The Executive Board shall make as many nominations for election to the Executive Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. The nominations may be made from among Members or non-members. Any Member in good standing may nominate one or more candidates to the Executive Board by a petition in writing signed by that Member presented to the Secretary of the Association.

5.4. Election of Executive Board members.

5.4.1. Except as specifically provided to the contrary in these Bylaws, the Executive Board members shall be elected at the annual meeting of Members and those persons who receive the highest number of votes shall be deemed to have been elected. If any Member so demands, the election of Executive Board members shall be by secret ballot. Cumulative voting is not permitted.

5.4.2. During the Declarant Control Period, the Declarant shall have the right to appoint all Executive Board members; provided, however: (i) that not later than 60 days after conveyance of 25% of the Units to the Owners other than Declarant, at least one member and not less than 25% of the members of the Executive Board shall be elected by Owners other than the Declarant; and (ii) that not later than 60 days after conveyance of 50% of the Units to Owners other than Declarant, not less than one-third of the members of the Executive Board shall be elected by Owners other than the Declarant; provided, however, that this appointment right shall be reinstated if, after the threshold number of Units are conveyed, additional Units are added to the Condominium by the Declarant as provided in the Declaration. Each time that Declarant is required to transfer control of an Executive Board member's position, a special meeting of the Association will be called for the purpose of electing a new Executive Board member to take the place of the Executive Board member designated by Declarant as resigning. After the end of the Declarant Control Period, a special meeting of the Association will be called, at which Declarant will turn control of the Association over to the other Members as provided in the Act. The Members will elect a new Executive

Board and any terms of Executive Board members appointed by Declarant that have not expired will terminate at that time. Thereafter, Executive Board members will be elected by the Members at each annual meeting of the Members as otherwise provided in these Bylaws. The term of office for this initial full slate of Executive Board member elected by the Members will be fixed at the time of their election as they themselves will determine in order to establish a system of three-year terms in which approximately one-third of the Board is elected each year and the Board will identify in which year the Executive Board members for each category of representation are subject to election. For example, if the number of Executive Board member on the Board is set at three (3), one Executive Board member will serve for a one-year term, one Executive Board member will serve for a two-year term, and one Executive Board member will serve for a three-year term. At the expiration of the initial term of office of each respective Executive Board member, a successor will be elected to serve three years. Each Executive Board member will hold office until such Executive Board member's successor is elected by the Members and qualified to take over the office.

5.5. Removal. Other than Executive Board members appointed by Declarant, any Executive Board member may be removed at any time, with or without cause, by a vote of 67% of all persons present and entitled to vote at any meeting of Members at which a quorum is present. If any Executive Board members are so removed, new Executive Board members may be elected at the same meeting. Notwithstanding the preceding to the contrary, until the end of the Declarant Control Period, only Declarant may remove Executive Board member(s) appointed by it from the Executive Board and appoint new Executive Board member(s) in their place.

5.6. Vacancies. Until the end of the Declarant Control Period: (i) if an Executive Board member appointed by Declarant dies, becomes disabled, or resigns, Declarant will appoint a new Executive Board member to serve the balance of the term of the resigning, disabled, or deceased Executive Board member; and (ii) if an Executive Board member elected by the Members dies, becomes disabled, or resigns, the remaining Executive Board members will appoint a new Executive Board member from among the Members other than Declarant to serve the remainder of the term of that vacating Executive Board member. After the end of the Declarant Control Period, any vacancy occurring in the Executive Board may be filled by the affirmative vote of a majority of the remaining Executive Board members even though less than a quorum, or by the sole remaining Executive Board member. An Executive Board member elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any Executive Board member vacancy to be filled by reason of any increase in the authorized number of Executive Board members shall be filled only by election at an annual meeting or at a special meeting of Members called for that purpose.

5.7. Chairman of Board. There may be a Chairman of the Executive Board elected by the Executive Board members from their number at any meeting of the Board. The Chairman shall preside at all meetings of the Executive Board and perform such other duties as may be directed by the Board. Prior to election of a Chairman and/or in the event that the Chairman is not present at any meeting of the Executive Board, the President of the Association shall preside.

5.8. Compensation. No member of the Executive Board shall receive compensation for acting as an Executive Board member. However, with the prior approval of the Executive Board, an Executive Board member may be reimbursed for any expenses incurred by him/her in attending regular and special meetings of the Board or in performance of his/her duties as an Executive Board member.

5.9. Loans to Executive Board members and Officers. No loans shall be made by the Association to its Executive Board members or officers.

5.10. Member Participation. At regular intervals, the Executive Board shall provide Members an opportunity to attend a portion of a Board meeting and to speak to the Board about their issues or concerns. The Executive 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.

Article VI. MEETINGS OF EXECUTIVE BOARD MEMBERS

6.1. Regular Meetings. A regular meeting of the Executive Board shall be held immediately

after, and at the same place as, the annual meeting or substitute annual meeting of Members. In addition, the Executive Board may provide, by resolution, the time and place, either within or without the State of North Carolina, for the holding of additional regular meetings.

6.2. Special Meetings. Special meetings of the Executive Board may be called by or at the request of the President, the Declarant (until the end of the Declarant Control Period), or any two Executive Board members. Such a meeting shall be held in Wake County at the place and time, as fixed by the person or persons calling the meeting.

6.3. Notice of Meetings. Regular meetings of the Executive Board may be held without notice. The person or persons calling a special meeting of the Executive Board shall, at 10 days before the meeting, give notice stating the time and place of the meeting, either by first class mail, personal delivery, or facsimile or other form of electronic transmission, to each Executive Board. Any notice given in accordance with the above provisions shall be deemed to be effective, if personally delivered or faxed or emailed, on the date of such delivery, or if mailed by registered or certified mail, on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be. Except as otherwise required by the Act or the Condominium Documents, such notice need not specify the purpose for which the meeting is called.

6.4. Waiver of Notice. Any Executive Board member may waive notice of any meeting. Attendance by an Executive Board member at a meeting shall constitute a waiver of notice of that meeting, except where an Executive Board member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

6.5. Quorum. A majority of the Executive Board members then holding office shall constitute a quorum for the transaction of business at any meeting of the Executive Board.

6.6. Manner of Acting. Except as otherwise specifically provided in the Condominium Documents, the Act, or the NCNCA, the act of the majority of the Executive Board members present at a meeting at which a quorum is present shall be the act of the Executive Board.

6.7. Presumption of Assent. An Executive Board member who is present at a meeting of the Executive 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 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 an Executive Board member who voted in favor of such act.

6.8. Action Taken Without a Meeting. Action taken by the Executive Board members without a meeting is nevertheless Executive Board action if written consent to the action in question is signed by all the Executive Board members and filed with the minutes of the proceedings of the Board, whether done before or after the action taken.

6.9. Committees of the Board. The Executive Board, by duly adopted resolution(s), may appoint committees as it deems appropriate in aiding the Executive Board in carrying out its duties and responsibilities with respect to the management of the Association. The persons elected to be a member of a committee shall be selected by the Executive Board, in its discretion; provided, however, that each committee shall include at least one Executive Board member. Any vacancy occurring on a committee shall be filled by a majority of the number of Executive Board members then holding office at a regular or special meeting of the Executive Board. Any member of a committee may be removed at any time with or without cause by a majority of the number of Executive Board members then holding office. Each committee shall keep regular minutes of its proceedings and report the same to the Executive Board when required. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Executive Board, or any Executive Board member, of any responsibility or liability imposed upon him/her by law.

Article VII.
POWERS AND DUTIES OF THE EXECUTIVE BOARD

7.1. Powers. The Executive Board will have the powers and duties necessary for the administration of the affairs of the Association. Except as otherwise specifically provided by the Condominium Documents, the NCNCA, or the Act, the Executive Board may do all such acts and things which are not specifically required to be done by the Members and may otherwise act in all instances on behalf of the Association. Without limiting the foregoing, the Executive Board will have the following powers and duties:

- (a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration.
- (b) To adopt and publish rules and regulations governing the use of the Common Elements and facilities, and the personal conduct of the Owners and their Occupants, and to establish penalties/fines for the infraction thereof as provided in the Declaration;
- (c) To suspend the voting rights and right of an Owner and Occupants to use the Common Elements as provided in the Condominium Documents;
- (d) To all powers, duties and authority vested in or delegated to the Association by the Condominium Documents, the Act, or the NCNCA and not specifically reserved to the membership;
- (e) To declare the office of a member of the Executive Board to be vacant in the event the Executive Board member shall be absent from three consecutive regular meetings of the Executive Board;
- (f) To employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;
- (g) To borrow money on behalf of the Association when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements; provided, however, that: (i) the affirmative consent of at least 75% of the Executive Board members shall be required for the borrowing of any sum in excess of \$5,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (ii) no lien to secure repayment of any sum borrowed may be created on any Unit without the consent of the Owner of that Unit; (iii) no portion of the Common Elements may be subjected to a security interest unless approved pursuant to N.C.G.S. 47C-3-112; and (iv) the documentation executed in connection with any such borrowing shall provide that if any sum borrowed pursuant to this subparagraph shall not be repaid by the Executive Board, any Owner who pays its proportionate share (based on its Allocated Interest) shall be entitled to obtain a release of any lien that that creditor shall have filed, or shall have the right to file, against such Owner's Unit; and
- (h) To exercise any powers necessary and proper for the governance and operation of the Association.

7.2. Duties. It shall be the duty of the Executive Board to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by 20% of the votes entitled to vote;
- (b) prepare, adopt and amend an annual budget for the Association;
- (c) maintain accurate records and books of account showing receipts and expenditures in connection with the operation of the Property which shall be available for examination by

Members at reasonable times;

- (d) as more fully provided in the Declaration, to enforce and otherwise administer the provisions with respect to Assessments;
- (e) use the Assessments collected, as well as all other funds held by the Executive Board, for the administration of the Association, including, without limitation: (i) the payment of Common Expenses and (ii) the making of restorations, additions, alterations, and improvements to the Common Elements;
- (f) supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;
- (g) procure and maintain adequate liability and hazard insurance on property owned by the Association and as otherwise may be required by the Declaration and the Act;
- (h) pay ad valorem taxes and public assessments levied against the Common Elements owned by the Association in fee simple;
- (i) cause all officers and or employees and professional management companies having fiscal responsibilities to be bonded, as it may deem appropriate;
- (j) enforce by legal means the terms, covenants, and conditions contained in the Declaration or these Bylaws and to bring, or defend against, any legal proceedings that may be instituted on behalf of, or against, the Owners.
- (k) cause the Association to fulfill its maintenance obligations prescribed by the Declaration; and
- (l) direct and supervise the affairs of the Association and require the Association to fulfill all of its obligations and duties provided in the Declaration, these Bylaws, or Section 47C-3-102 of the Act.

7.3. Fiscal Management.

7.3.1. A record of receipts and expenditures shall be maintained in a set of accounting books in which there shall be an account for each Unit. Such account shall designate the name and address of the Owner, the amount of Assessments against the Owner, the dates they become due, the amounts paid upon the account, and the balance due thereon. In making up the Assessments due, the Unit is treated as such and no division shall be made because the Unit is held by more than one person.

7.3.2. The Executive Board shall adopt a budget for each year which shall contain estimates of the cost of performing the various functions of the Association and shall include among its items: (i) a Common Expenses budget which shall include, among other things, expenses for maintenance and operation of Common Elements, utility services, casualty insurance, liability insurance, administration, reserves for future repairs and replacements to property and equipment, and for the repurchase of Units and/or mortgages if authorized by the Declaration, and any other item which the Executive Board finds necessary to include therein; and (ii) proposed Assessments.

7.3.3. Copies of the proposed budget shall be transmitted to each Owner promptly after adoption. If the budget is substantially amended, a copy thereof shall be furnished to each Owner.

7.3.4. The depository of the Association shall be such bank(s) as shall be designated from time to time by the Executive Board. The monies of the Association shall be deposited in the designated bank(s).

7.3.5. Upon written request, the Association shall make available to Owners an audited financial statement within 75 days after the Association's fiscal year-end.

7.4. Independent Manager. The Executive Board may employ or enter into a management contract with any individual, firm or entity (the "***Independent Manager***") it deems appropriate and in the best interest of the Association concerning the routine management of the Association. The Executive Board may delegate to the Independent Manager such duties and responsibilities in the management of the Property as the Executive Board deems appropriate; provided, the Executive Board may not delegate to the Independent Manager the complete and total responsibilities and duties of the Association in violation of the NCNCA or the Act. The Independent Manager's contract shall be for a term not to exceed one year, renewable by agreement between the Executive Board and such Independent Manager for successive one-year terms, and shall be terminable by the Executive Board, with or without cause, upon 30 days written notice. The Executive Board shall have authority to fix the reasonable compensation for the Independent Manager. The Independent Manager shall at all times be answerable to the Executive Board and subject to its direction.

Article VIII. OFFICERS

8.1. Association Officers. The officers of the Association shall consist of a President, a Secretary, a Treasurer and such Vice-Presidents, Assistant Secretaries, Assistant Treasurers, and other officers as the Executive Board may from time to time elect. Any two or more offices may be held by the same person, but no officer may act in more than one capacity where action of two or more officers is required.

8.2. Election, Term and Qualification. The officers shall be elected by the Executive Board and each officer shall hold office until his/her death, resignation, retirement, removal, disqualification or his/her successor shall have been elected and qualified. Only Executive Board members shall serve in the capacity of President and Vice-President. Other officers need not be Executive Board members or Members of the Association. Notwithstanding anything in these Bylaws to the contrary, during the Declarant Control Period, Declarant may appoint and remove all officers.

8.3. Compensation of Officers. The Executive Board shall fix the compensation of officers; however, in no event shall Members of the Association be compensated for serving as an officer except to the extent necessary to reimburse the officer for expenses incurred in performing his/her duties on behalf of the Association.

8.4. Removal. Any officer or agent elected or appointed by the Executive Board may be removed by the Board whenever in its judgment the best interests of the Association will be served thereby; but the removal shall be without prejudice to the contract rights, if any, of the persons so removed.

8.5. Bonds. The Executive Board may by resolution require an officer, agent, or employee of the Association to give bond to the Association, with sufficient sureties, conditioned on the faithful performance of the duties of his respective office or position, and to comply with such other conditions as may from time to time be required by the Executive Board.

8.6. President. The President shall be the principal executive officer of the Association and, subject to the control of the Executive Board, shall in general supervise and control all of the business and affairs of the Association. He/she shall, when present, preside at all meetings of the Members. He/she shall sign, with the Secretary, an Assistant Secretary, or any other proper officer, any deeds, mortgages, bonds, contracts, or other instruments which the Executive Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Executive Board or by the Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed. In general, he/she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Executive Board from time to time.

8.7. Vice-Presidents. In the absence of the President or in the event of his death, inability or refusal to act, the Vice-Presidents in the order of their length of service as Vice- Presidents, unless otherwise determined by the Executive Board, shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice-President shall perform such other duties as from time to time may be assigned to him by the President or Executive

Board.

8.8. Secretary. The Secretary shall: (a) keep the minutes of the meetings of Members, of the Executive Board and of all Committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of the Bylaws or as required by law; (c) be custodian of the Association records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; (d) keep or cause to be kept a record of the Association's Members, giving the names, addresses, and the number of votes held by, and prepare or cause to be prepared voting lists prior to each meeting of Members as required by law; and (e) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Executive Board from time to time.

8.9. Assistant Secretaries. In the absence of the Secretary or in the event of his/her inability or refusal to act, the Assistant Secretaries in the order of their length of service as Assistant Secretary, unless otherwise determined by the Executive Board, shall perform the duties of the Secretary, and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary. They shall perform such other duties as may be assigned to them by the Secretary, by the President, or by the Executive Board.

8.10. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such depositories as shall be selected; (b) prepare, or cause to be prepared, a true statement of the Association's assets and liabilities as of the close of each fiscal year, all in reasonable detail, which statement shall be made and filed at the Association's registered office or principal place of business in the State of North Carolina within four months after the end of such fiscal year and thereat kept available for a period of at least ten years; (c) issue, at the direction of the Executive Board, certificates as to whether Assessments on a specified Unit have been paid; and (d) in general, perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the President or by the Executive Board or by the Bylaws.

Article IX. MEMBERSHIP REGISTER

9.1. Closing of Register. For the purpose of determining Members of the Association entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or in order to make a determination of Members for any other proper purpose, the Executive Board may provide that the membership register shall be closed for a stated period but not to exceed, in any case, 50 days. If the membership register shall be closed for the purposes of determining Members entitled to notice of or to vote at a meeting of Members, such books shall be closed for at least 10 days immediately preceding such meeting.

9.2. Record Date. In lieu of closing the membership register, the Executive Board may fix in advance a date as the record date for any such determination of Members, such record date in any case to be not more than 50 days and, in case of a meeting of Members, not less than 10 days immediately preceding the date on which the particular action, requiring such determination of Members is to be taken.

9.3. No Closing or Record Date. If the membership register is not closed and no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of Members, the date on which notice of the meeting is mailed shall be the record date for such determination of Members.

9.4. Adjournment. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof except where the determination has been made through the closing of the membership register and the stated period of closing expired.

Article X. PROVISIONS

10.1. Nonprofit Corporation. The Association is not organized for profit. No Member of the Association, member of the Executive Board, or person from whom the Association may receive any property or funds will receive or will be lawfully entitled to receive any pecuniary profit from the operations of the Association. In no event will any part of the funds or assets of the Association be paid as a dividend or be distributed to, or inure to the benefit of, any member of the Executive Board. Notwithstanding the foregoing: (i) reasonable compensation may be paid to any Member or Executive Board member acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association; (ii) Surplus Funds may be distributed and/or credited to the Members as provided in the Declaration; and (iii) any Member or Executive Board member may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association, and any Executive Board member may be reimbursed for actual expenses incurred in the performance of his duties.

10.2. Books & Records. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member, his agent or attorney, for any proper purpose. The Condominium Documents and the financial statements for the Association for the immediately preceding fiscal year shall be available for inspection by any Member and any first mortgage holders, their insurers or guarantors, at the principal office of the Association, where copies may be purchased at reasonable cost.

10.3. Seal. The seal of the Association shall consist of two concentric circles between which is the name of the Association and in the center of which is inscribed SEAL. The seal, as impressed on the adjoining margin, is adopted as the Association's seal.

10.4. Indemnification. Any person who at any time serves or has served as an Executive Board member, officer, employee or agent of the Association, or in such capacity at the request of the Association for any corporation, partnership, joint venture, trust or other enterprise, shall have a right to be indemnified by the Association to the fullest extent permitted by law against: (a) reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative, and whether or not brought by or on behalf of the Association, seeking to hold him liable by reason of the fact that he is or was acting in such capacity, and (b) reasonable payments made by him in satisfaction of any judgment, money decree, fine, penalty or settlement for which he may have become liable in any such action, suit or proceeding. The Executive Board shall take all such action as may be necessary and appropriate to authorize the Association to pay the indemnification required by this bylaw, including without limitation, to the extent needed, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him and giving notice to, and obtaining approval by, the members of the Association. Any person who at any time after the adoption of this bylaw serves or has served in any of the aforesaid capacities for or on behalf of the Association shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this bylaw.

10.5. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31 of that year.

10.6. Amendments.

10.6.1. Except as provided in **Sections 10.6.2 & 10.6.3** below, these Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a Majority in Interest of a quorum of Members present in person or by proxy. The Articles shall be amended as provided by law. No amendment to these Bylaws shall be adopted or passed which shall impair or prejudice the rights of Declarant provided for in the Condominium Documents without the consent of Declarant. The Declaration shall be amended only in accordance with the provisions of the Declaration.

10.6.2. The Executive Board of Directors may amend these Bylaws without the consent of the Members: (a) To correct any obvious error or inconsistency in drafting, typing or reproduction; or (b) To conform to the requirements of any law or governmental agency having legal jurisdiction over the Condominium.

10.6.3. At any time prior to recording the Deed for first sale of a Unit to an Owner other than a Declarant, Declarant shall have the right to amend these Bylaws.

10.7. Severability. Invalidation of any covenant, condition, restriction, or other provisions of these Bylaws shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

10.8. Construction/Jurisdiction. This Agreement shall be construed in accordance with the laws of North Carolina, without giving effect to its conflict of laws principles. All words and phrases in these Bylaws shall be construed to include the singular or plural number, and the masculine, feminine, or neuter gender, both as the context requires. This Agreement shall be deemed executed and completed in North Carolina; the courts of North Carolina shall have exclusive jurisdiction over any disputes as to the terms of these Bylaws; and each Member, Executive Board member, and officer consents to the exclusive, personal jurisdiction by the courts of North Carolina and to venue in Wake County, North Carolina and waive any objection thereto.

10.9. Time is of the Essence. Time is of the essence in connection with each and every provision of these Bylaws. If any time period under these Bylaws ends on a Saturday, Sunday or any day on which the state courts of Wake County, North Carolina are closed, that time period shall be extended until the next business day.

10.10. Binding Arbitration. Except for any court action: (i) seeking injunctive relief, in which case such action shall be strictly limited to such matters only; (ii) seeking to challenge the enforceability of the binding arbitration provisions of these Bylaws; or (iii) filed after a court of competent jurisdiction has declared such arbitration provisions to be unenforceable, all controversies and disputes between the parties arising out of or related to these Bylaws or the relationship of the parties under these Bylaws, irrespective of the type of claim, shall be determined by binding arbitration under the North Carolina Revised Uniform Arbitration Act (the "**Act**"). The decision of the arbitrator shall be final and binding on all parties to that proceeding and a judgment upon the arbitrator's award may be entered in any court having jurisdiction thereof. Except as expressly provided otherwise in these Bylaws, a party may initiate an arbitration proceeding by sending written notice of such (the "**Arbitration Demand**") to the other party at any time prior to the date the claim is barred by the applicable statute of limitations. That notice shall specify the nature of the dispute. The arbitration shall be held in Raleigh, North Carolina. Notwithstanding any provisions of the Act to the contrary: (a) the parties shall be entitled to conduct discovery as provided under the North Carolina Rules of Civil Procedure so long as that discovery is concluded within 90 days of the date of the Arbitration Demand; (b) the parties shall comply with Rule 3 (b) - (d) of the Rules for Court-Ordered Arbitration in North Carolina; and (c) the arbitrator shall have the authority to award injunctive relief and to impose sanctions under NCRCP Rule 11 and other applicable rules. All disputes relating to discovery which cannot immediately be resolved by the parties shall be submitted to the arbitrator for an expedited ruling. The arbitration shall be conducted by a single arbitrator mutually acceptable to the parties, or, if the parties are unable to agree upon a single arbitrator within 20 days of the date of the Arbitration Demand, then by a single arbitrator appointed by a Wake County Superior Court Judge. Unless the arbitrator awards otherwise, the cost of the arbitration shall be ratably borne by the parties to the proceeding.

10.11. Conflicts. In the case of any conflict between the Articles and the Bylaws, the Articles shall control; in the case of any conflict between the Declaration and the Bylaws, the Declaration shall control; and, in the case of any conflict between the Condominium Documents and the NCNCA or the Act, the Condominium Documents shall control except as otherwise expressly prohibited by law.

10.12. Notices. Except where another form of notice is specifically permitted in these Bylaws, to be effective a notice required under these Bylaws must be in writing, addressed to the appropriate address/facsimile number noted in the Associations' records or, if none, to the address noted on the most

recent Wake County tax records for the Owner, or as otherwise noted in writing in accordance with this provision, and must either be: (a) hand delivered (deemed received on receipt or refusal of delivery); (b) delivered by a nationally recognized overnight express delivery service (deemed received the next business day); or (c) deposited in the United States Mail, registered or certified mail, postage prepaid, return receipt requested (deemed received the third business day after posting); or (d) sent by confirmed facsimile or email transmission during normal business hours (deemed received on confirmed receipt of transmission). Notice to the person designated in a valid, still effective proxy shall be deemed notice to all Members represented by that proxy. Each Member shall keep the Association informed of its address(es).

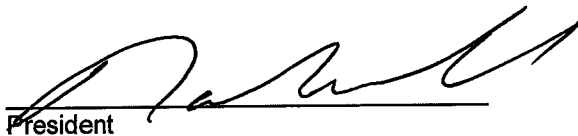
[END]

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting President of 625 New Bern Condominium Association, Inc., a North Carolina non-profit corporation, and

THAT the foregoing Bylaws constitute the Bylaws of said Association.


President

STATE OF North Carolina
COUNTY OF WAKE

I, Lynne A. Layne, a Notary Public of the County and State aforesaid, do hereby certify that Daniel W. Russell personally appeared before me this day and acknowledged the due execution of the foregoing instrument. Witness my hand and official seal this the 28 day of JULY, 2021.

*** In the capacity indicated as
President**

Lynne A. Layne
printed name: Lynne A. Layne, Notary Public
My commission expires: may 31, 2026

(Official Seal)

