

EXHIBIT A

BYLAWS

MORNINGSIDE MEWS TOWNHOMES OWNERS ASSOCIATION, INC.

Article I

Name Principal Office and Definitions

Section 1. **Name**. The name of the Association shall be **Morningside Mews Townhomes Owners Association, Inc.** (hereinafter sometimes referred to as the "Association").

Section 2. **Principal Office**. The principal office of the Association in the State of North Carolina shall be located at 1914 Brunswick Avenue, 1A, Charlotte, Mecklenburg County, Charlotte, North Carolina 28207. The Association may have such other offices, either within or outside the State of North Carolina, as the Board of Directors may determine or as the affairs of the Association may require.

Section 3. **Definitions**. The words used in these Bylaws shall be given their normal commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that certain Declaration of Covenants, Conditions and Restrictions for MORNINGSIDE MEWS TOWNHOMES (said Declaration, as amended, renewed or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), unless the context shall otherwise require.

Article II

Association: Membership, Meetings, Quorum, Voting, Proxies

Section 1. **Membership**. The Association shall have two classes of membership, Class "A" and Class "B", as more fully set forth in the Declaration (collectively, the "Members"), the terms of which pertaining to membership are specifically incorporated herein by reference.

Section 2. **Location of Meetings**. Meetings of the Association shall be held at the principal office of the Association or at such other suitable location convenient to the Members as may be designated by the Board of Directors either within the community of MORNINGSIDE MEWS TOWNHOMES (the "Community") or as convenient thereto as possible and practical.

Section 3. **Annual Meetings**. The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. Meetings shall be of the Members or their alternates. Subsequent regular annual meetings shall be set by the Board so as to occur during the third quarter of the Association's fiscal year on a date and at a time set by the Board of Directors.

Section 4. **Special Meetings**. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by

Members representing at least twenty (20%) of the total Class "A" votes of the Association. **Section 5. Notice of Meeting.** Written or printed notice stating the day and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid.

Section 6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member or alternate shall be deemed waiver by such Member of notice of the time, date and thereof unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

Section 7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by alternate, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted, at the meeting originally called may be transacted. If a time and for reconvening the meeting is not fixed by those in attendance at the original meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that Members representing at least ten percent (10%) of the total votes of the Association remain in attendance and provided further that any action taken is approved by at least a majority of the votes required to constitute a quorum.

Section 8. Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 9. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, dated and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of such Member's Lot, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a Member, or of written

revocation, or upon the expiration of eleven (11) months from the date of the proxy.

Section 10. Majority. As used in these Bylaws, the term "majority" shall mean those votes, owners or other group, as the context may indicate, totaling more than fifty percent (50%) of the total number.

Section 11. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of Members representing twenty-five percent (25%) of the total votes in the Association shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 13. Action Without a Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if written consent setting forth the action so taken is signed by a sufficient number of Members as would be necessary to take that action at a meeting at which all of the Members were present and voted, and any such consent shall have the same force and effect as a unanimous vote of the Members. Each written consent shall bear the date of the signature of each Member who signs the consent.

Article III

Board of Directors; Number,

Powers, Meetings

A. Composition and Selection.

Section 1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one vote. Except with respect to directors appointed by the Class "B" member, the directors shall be Members or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of a Member which is not a natural person, the person designated in writing to the Secretary of the Association as the representative of such Member shall be eligible to serve as a director; provided, no Member may have more than one representative on the Board at a time, except in the case of directors appointed by the Declarant.

Section 2. Directors During the existence of a Class "B" member. Subject to the provisions of Section 6 below, the directors shall be selected by the Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant until the first to occur of the following (the "Class B Control Period"):

- (i) When the total votes outstanding in the Class A membership equal or exceed the total votes outstanding the Class B membership, or

- (ii) Seven (7) years from the date of this Declaration, or
- (iii) When in its sole discretion, the Class B member so determines.

Section 3. Right to Disapprove Actions. So long as the Declarant owns property for development and/or sale in the Community, the Declarant shall have a right to disapprove any action, policy or program of the Association, the Board and any committee which, in the judgment of the Declarant, would tend to impair rights of the Declarant under the Declaration or these Bylaws, or interfere with development, construction of any portion of the Community, or diminish the level of services being provided by the Association.

No such action, policy or program described above shall become effective or be implemented until and unless:

(a) Declarant shall have been given written notice of all meetings and proposed actions approved at meetings of the Association, the Board or any committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, as it may change from time to time, which notice complies as to the Board of Directors meetings with Article III, Sections 8, 9 and 10 of these Bylaws and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, set forth in reasonable particularity the agenda to be followed at said meeting; and

(b) Declarant shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy or program which would be subject to the right of disapproval set forth herein. Declarant, its representatives or agents, shall make its concerns, thoughts and suggestions known to the Board and/or the members of the subject committee; and

(c) Declarant fails to disapprove of any such action, policy or program authorized by the Association, the Board of Directors or any committee thereof within the time period described below. This right to disapprove may be exercised by the Declarant, its successors, assigns, representatives or agents at any time within thirty (30) days following the meeting held pursuant to the terms and provisions hereof. This right to disapprove may be used to block proposed actions but shall not extend to the requiring of any action or counteraction on behalf of any committee, or the Board of the Association. Declarant shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Section 4. Number of Directors. The number of directors in the Association shall not be less than two (2) nor more than five (5), as provided in Section 6 below. The initial Board shall consist of two (2) members.

Section 5. Nomination of Directors. Except with respect to directors selected by the Declarant, nominations for election to the Board of Directors may be made by a Nominating Committee or from the floor at the annual meeting. The Nominating Committee, if established, shall consist of a chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its

discretion determine, but in no event less than the number of positions to be filled. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 6. Election and Term of Office. Notwithstanding any other provision contained herein:

- (a) Within ninety (90) days after the time that Class "A" members own seventy-five percent (75%) of the Lots shown on the Plat, or whenever the Declarant earlier determines, the President shall call a special meeting at which Members representing the Class "A" members shall all be entitled to elect one (1) of the two (2) directors, who shall be an at-large director. The remaining two (2) directors shall be appointees of the Declarant. The director elected by the members shall not be subject to removal by the Declarant and shall be elected for a term of two (2) years or until the happening of the event described in Subsection (b) below, whichever is shorter. If such director's term expires prior to the happening of the event described in Subsection (b) below, a successor shall be elected for a like term.
- (b) Within ninety (90) days after termination of the Class "B" Control Period, the Association shall call a special meeting at which Members representing the Class "A" members shall be entitled to elect two (2) of the three (3) directors, who shall serve as at-large directors. The remaining director shall be an appointee of the Declarant. If the Board has been increased to five (5) members, Class "A" members shall be entitled to elect three (3) of the five (5) directors and the Declarant shall appoint the remaining two (2) directors. The directors elected by the Members shall not be subject to removal by the Declarant and shall serve until the first annual meeting following the termination of the Class "B" Control Period. If such annual meeting occurs within ninety (90) days after termination of the Class "B" Control Period, this Subsection shall not apply and directors shall be elected in accordance with Subsection (c) below.
- (c) At the first annual meeting of the Membership after the termination of the Class "B" Control Period, the directors shall be elected by the Members representing both Class "A" and Class "B" members. If the Board consists of three (3) members, two (2) directors shall be elected for a term of two (2) years and one (1) director shall be elected for a term of one (1) year. If the Board consists of five (5) directors, three (3) directors shall be elected for a term of two (2) years and two (2) directors shall be elected for a term of one (1) year. At the expiration of the initial term of office of each member of the Board of Directors and at each annual meeting thereafter, a successor shall be elected to serve for a term of two (2) years.

Each Member shall be entitled to cast the total number of votes attributed to the Lots which it represents with respect to each vacancy to be filled. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected. The directors elected by the Members shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.

Section 7. Removal of Directors; Vacancies. Any director elected by the Members may be removed, with or without cause, by the vote of Members holding a majority of the votes

entitled to be cast for the election of such director. Directors appointed by the Declarant during the Class "B" Control Period shall not be subject to removal by the Class "A" members. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall then and there be elected by the Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the Members who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days, may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term.

In the event of the death, disability or resignation of a director prior to the first annual meeting of the Members, a vacancy may be declared by the Board, and it may appoint a successor; provided, however, upon written petition of the Declarant or Class "A" members entitled to cast at least twenty percent (20%) of the total Class "A" votes in the Association, the Board shall call a special meeting for the purpose of electing a successor to fill any vacancies on the Board. In such case, only the Members "entitled to elect or appoint the director who vacated the position shall be entitled to vote for or appoint a successor. Vacancies occurring on the Board after the first annual meeting of the Members caused by any reason, excluding the removal of a director by the vote of the Members, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board. Each person so elected shall serve the unexpired portion of the term.

Section 8. Organizational Meetings. The first meeting of the Board of Directors following each annual meeting of the Membership shall be held within ten (10) days thereafter at such time and as shall be fixed by the Board.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and as shall be determined from time to time by a majority of the directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the time and of the meeting shall be communicated to directors no less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any two (2) directors. The notice shall specify the time and location of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (i) by personal delivery; (ii) written notice by first-class mail, postage prepaid; (iii) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) by telegram, charges prepaid. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first-class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone or telegraph shall be delivered, telephoned or given to the telegraph company at least seventy-two (72) hours before the time set for the

meeting.

Section 11. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have transacted at the meeting originally called may be transacted without further notice.

Section 13. Compensation. No director shall receive any compensation from the Association for acting as such unless approved by Members representing a majority of the total Class "A" vote of the Association at a regular or special meeting of the Association; provided any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

Section 14. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings.

Section 15. Open Meetings. Subject to the provisions of Section 16 of this Article, all meetings of the Board shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board of Directors and reconvene in executive session, excluding Members, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

Section 16. Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a sufficient number of directors as would be necessary to take that action at a meeting at which all of the directors were present and voted, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

Section 17. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do or cause to be done all acts and things as are not by the Declaration, Articles or these Bylaws directed to be done and exercised exclusively by the Members or the membership generally.

The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to establish policies relating to, and shall be responsible for, performing or causing to be performed, the following, in way of explanation, but not limitation:

(a) preparation and adoption, in accordance with the Declaration, of annual budgets in which there shall be established the contribution of each Owner to the common expenses;

(b) making assessments to defray the common expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment; provided, unless otherwise determined by the Board of Directors, the annual assessment for each Lot's proportionate share of the common expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month;

(c) providing for the operation, care, upkeep and maintenance of all of the Common Easements and Elements;

(d) designating, hiring and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair and replacement of its property and the Common Easements and Elements and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve and using the proceeds to operate the Association; provided, any reserve fund may be deposited in the directors best business judgment, in depositories other than banks;

(f) making and amending rules and regulations;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Easements and Elements in accordance with the

other provisions of the Declaration and these Bylaws after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of the Declaration, these Bylaws and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(k) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

(l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(m) making available to any prospective purchaser of a Lot, any Owner of a Lot, any First Mortgagee, and the holders, insurers and guarantors of a First Mortgage on any Lot, current copies of the Declaration, the Articles of Incorporation, the Bylaws, rules governing the Lot and all other books, records and financial statements of the Association; and

(n) permitting utility suppliers to use portions of the Common Easements and Elements reasonably necessary to the ongoing development or operation of the Community.

Section 18. Management. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these Bylaws, other than policy-making authority or the duties set forth in Subparagraphs (a) and (i) of Section 17 of this Article. The Declarant, or an affiliate of the Declarant, maybe employed as managing agent or manager. The Association shall not be bound by, either directly or indirectly, any management contract executed during the Class "B" Control Period unless such contract provides a right of termination exercisable by the Association, with or without cause and without penalty, at any time after termination of the Class "B" Control Period upon not more than ninety (90) days' written notice.

Section 19. Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

(a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounting and controls should conform to generally accepted accounting principles;

(c) cash accounts of the Association shall not be commingled with any other

accounts;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; anything of value received shall benefit the Association;

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;

(f) financial reports shall be prepared for the Association at least quarterly containing:

(i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (any assessment or installment thereof shall be considered to be delinquent on the fifteenth (15th) day following the due date unless otherwise specified by resolution of the Board of Directors).

(g) an annual report consisting of at least the following shall be made available to all Members within one hundred twenty (120) days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. The annual report referred to above shall be prepared on an audited or reviewed basis, as determined by the Board, by an independent public accountant; provided, upon written request of any holder, guarantor or insurer of any First Mortgage on a Lot, the Association shall provide a financial statement certified by an officer of the Association. During the Glass "B" Control Period, the annual report shall include officer certified financial statements.

Section 20. Borrowing. The Association, acting through the Board of Directors, shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Common Easements and Elements without the approval of the Members of the Association. The Board shall also have the power to borrow money for other purposes; provided, the Board shall obtain Member approval in the same manner provided in Article V of the Declaration for special assessments in the event that the proposed borrowing is for the purpose of modifying, improving or adding amenities and the total amount of such

borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. Notwithstanding anything to the contrary contained in the Declaration, these Bylaws or the Articles of Incorporation, during the Class "B" Control Period, no mortgage lien shall be granted on any portion of the Common Easements and Elements without the affirmative vote or written consent, or any combination thereof, of Members representing at least fifty-one percent (51%) of the Members other than the Declarant and the Declarant's nominees.

Section 21. Rights of the Association. With respect to the Common Easements and Elements, and in accordance with the Articles of Incorporation and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and fluctuations. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational or other agreements with trusts, condominiums, cooperatives and other owners or residents associations, both within and without the Community. Such agreements shall require the consent of a majority of the total number of directors of the Association.

Article IV

Officers

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary and Treasurer, to be elected from among the members of the Board. The President may also serve as the Secretary and the Vice President may also serve as the Treasurer. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices maybe held by the same person, except the offices of President and Secretary.

Section 2. Election and Term of Office. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members, as set forth in Article III.

Section 3. Removal and Vacancies. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent or both.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise

specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Agreements, Contracts, Deeds, Leases, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by at least one (1) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

Section 7. Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Article III, Section 13 hereof.

Article V

Committees

Section 1. General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Each committee shall cooperate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Section 2. Covenants Committee. In addition to any other committees which may be established by the Board pursuant to Section 1 of this Article, the Board of Directors may appoint a Covenants Committee consisting of at least two (2) and no more than five (5) members. Acting in accordance with the provisions of the Declaration, these Bylaws and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association.

Article VI

Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

Section 2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with North Carolina law, the Articles of Incorporation, the Declaration or these Bylaws.

Section 3. Conflicts and Severability. If there are conflicts between the provisions of North Carolina law, the Articles of Incorporation, the Declaration and these Bylaws, the provisions of North Carolina law, the Declaration, the Articles of Incorporation and the Bylaws (in that order) shall prevail. If any provision of this Declaration is found to be invalid by any court, the invalidity of such provision shall not affect the validity of the remaining provisions hereof, and for the purposes hereof all covenants as contained herein shall be deemed to be severable each from each other without qualification. This Declaration and the separate provisions thereof shall be construed and enforced in accordance with the laws of the State of North Carolina without regard to principles of conflict of laws.

Section 4. Books and Records.

(a) Inspection by Members and Mortgagees. The Declaration, Bylaws and Articles of Incorporation, any amendments to the foregoing, the rules and regulations of the Association, the membership register, books of account, and the minutes of meetings of the Members, the Board and committees shall be made available for inspection and copying by any holder, insurer or guarantor of a first mortgage on a Lot, Member of the Association, or by the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in the Lot at the office of the Association or at such other within the Community as the Board shall prescribe.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made;
- and
- (iii) payment of the cost of reproducing copies of documents requested.

(c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical Community owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association.

Section 5. Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first-class postage prepaid:

- (a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or
- (b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

Section 6. Amendment.

(a) By Declarant. Until termination of the Class "B" Control Period, these Bylaws may be amended unilaterally at any time and from time to time by the Declarant. Thereafter, Declarant may unilaterally amend these Bylaws if such amendment is (i) necessary to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots; (iii) required by an institutional or governmental lender, purchaser, insurer or guarantor of Mortgage loans, including, for example, the

Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable it to make, purchase, insure or guarantee mortgage loans on the Lots; or (iv) otherwise necessary to satisfy the requirements of any governmental agency. However, any such amendment shall not adversely affect the title to any Lot unless the Lot Owner shall consent thereto in writing. So long as the Declarant still owns property for development and/or sale as part of the Community, the Declarant may unilaterally amend these Bylaws for any other purpose, provided the amendment has no material adverse effect upon the right of any Owner.

(b) By Owners. Except as provided above and otherwise specifically provided herein, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of fifty-one percent (51 %) of the Class "A" members, and the consent of the Class "B" Member, so long as the Class "B" Member owns property for development and/or sale in the Community. In addition, the approval requirements set forth in Article XI of the Declaration shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment to be effective must be recorded in the County Clerk Official Records of Mecklenburg County, North Carolina.

If an Owner consents to any amendment to the Declaration or these Bylaws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.

EXHIBIT C

MAP AS EXHIBIT A TO THIS EXHIBIT C

This map is not a certified survey and has not been reviewed by a local government agency for compliance with any applicable land development regulations [G.S. 47-30 (n)]

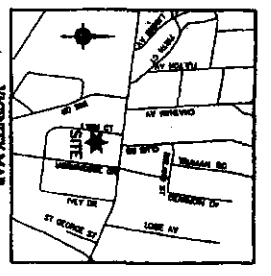
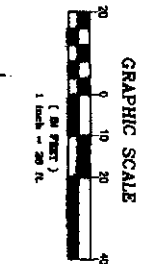
OWNER:
MORNINGSIDE MEWS TOWNHOMES LLC
1504 11th Street, N.E.
Charlotte, NC 28204

LEGEND:
 - LOT 1: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 2: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 3: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 4: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 5: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 6: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 7: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 8: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 9: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 10: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 11: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 12: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 13: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 14: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 15: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 16: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 17: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 18: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 19: 1,120 sq. ft. (25.00' x 44.80')
 - LOT 20: 1,120 sq. ft. (25.00' x 44.80')

NOTICE:
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MORNINGSIDE MEWS TOWNHOMES
A MAP SHOWING THE
MORNINGSIDE MEWS TOWNHOMES LLC (OWNER)
CITY OF CHARLOTTE, MECKLENBURG COUNTY, NC
LOTS 6, 10 AND 11, BLOCK 5, MORNINGSIDE DRIVE
MAP REFERENCE: D.B. 30810-843, D.B. 30810-845 & D.B. 30810-848
DEED REFERENCE: D.B. 30810-843, D.B. 30810-845 & D.B. 30810-848
PARCEL NO.: 129-023-03, -04 & -05
TOTAL AREA: 32,424 SQ. FT. OR 0.7443 ACRES

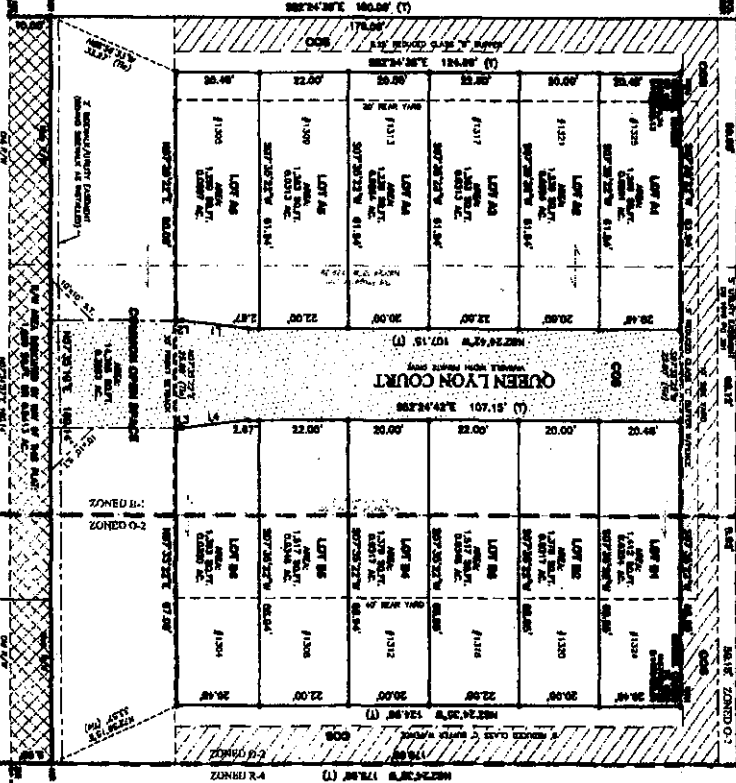
DEED REFERENCE: D.B. 30810-843, D.B. 30810-845 & D.B. 30810-848
PARCEL NO.: 129-023-03, -04 & -05
TOTAL AREA: 32,424 SQ. FT. OR 0.7443 ACRES



ZONING:
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OWNER:
MORNINGSIDE MEWS TOWNHOMES LLC
1504 11th Street, N.E.
Charlotte, NC 28204



OWNER:
MORNINGSIDE MEWS TOWNHOMES LLC
1504 11th Street, N.E.
Charlotte, NC 28204

LINE	TYPE	DESCRIPTION
1	BOUNDARY	11th Street
2	BOUNDARY	12th Street
3	BOUNDARY	13th Street
4	BOUNDARY	14th Street
5	BOUNDARY	15th Street
6	BOUNDARY	16th Street
7	BOUNDARY	17th Street
8	BOUNDARY	18th Street
9	BOUNDARY	19th Street
10	BOUNDARY	20th Street
11	BOUNDARY	21st Street
12	BOUNDARY	22nd Street
13	BOUNDARY	23rd Street
14	BOUNDARY	24th Street
15	BOUNDARY	25th Street
16	BOUNDARY	26th Street
17	BOUNDARY	27th Street
18	BOUNDARY	28th Street
19	BOUNDARY	29th Street
20	BOUNDARY	30th Street
21	BOUNDARY	31st Street
22	BOUNDARY	32nd Street
23	BOUNDARY	33rd Street
24	BOUNDARY	34th Street
25	BOUNDARY	35th Street
26	BOUNDARY	36th Street
27	BOUNDARY	37th Street
28	BOUNDARY	38th Street
29	BOUNDARY	39th Street
30	BOUNDARY	40th Street
31	BOUNDARY	41st Street
32	BOUNDARY	42nd Street
33	BOUNDARY	43rd Street
34	BOUNDARY	44th Street
35	BOUNDARY	45th Street
36	BOUNDARY	46th Street
37	BOUNDARY	47th Street
38	BOUNDARY	48th Street
39	BOUNDARY	49th Street
40	BOUNDARY	50th Street
41	BOUNDARY	51st Street
42	BOUNDARY	52nd Street
43	BOUNDARY	53rd Street
44	BOUNDARY	54th Street
45	BOUNDARY	55th Street
46	BOUNDARY	56th Street
47	BOUNDARY	57th Street
48	BOUNDARY	58th Street
49	BOUNDARY	59th Street
50	BOUNDARY	60th Street
51	BOUNDARY	61st Street
52	BOUNDARY	62nd Street
53	BOUNDARY	63rd Street
54	BOUNDARY	64th Street
55	BOUNDARY	65th Street
56	BOUNDARY	66th Street
57	BOUNDARY	67th Street
58	BOUNDARY	68th Street
59	BOUNDARY	69th Street
60	BOUNDARY	70th Street
61	BOUNDARY	71st Street
62	BOUNDARY	72nd Street
63	BOUNDARY	73rd Street
64	BOUNDARY	74th Street
65	BOUNDARY	75th Street
66	BOUNDARY	76th Street
67	BOUNDARY	77th Street
68	BOUNDARY	78th Street
69	BOUNDARY	79th Street
70	BOUNDARY	80th Street
71	BOUNDARY	81st Street
72	BOUNDARY	82nd Street
73	BOUNDARY	83rd Street
74	BOUNDARY	84th Street
75	BOUNDARY	85th Street
76	BOUNDARY	86th Street
77	BOUNDARY	87th Street
78	BOUNDARY	88th Street
79	BOUNDARY	89th Street
80	BOUNDARY	90th Street
81	BOUNDARY	91st Street
82	BOUNDARY	92nd Street
83	BOUNDARY	93rd Street
84	BOUNDARY	94th Street
85	BOUNDARY	95th Street
86	BOUNDARY	96th Street
87	BOUNDARY	97th Street
88	BOUNDARY	98th Street
89	BOUNDARY	99th Street
90	BOUNDARY	100th Street

CITY OF CHARLOTTE:
APPROVED BY THE CITY OF CHARLOTTE, MECKLENBURG COUNTY, NORTH CAROLINA
DATE: APRIL 28, 2016

FLOOD CERTIFICATION:
THIS MAP IS NOT A CERTIFIED SURVEY AND HAS NOT BEEN REVIEWED BY A LOCAL GOVERNMENT AGENCY FOR COMPLIANCE WITH ANY APPLICABLE LAND DEVELOPMENT REGULATIONS [G.S. 47-30 (n)]

R.L. PARRIN & ASSOCIATES, P.A.
1504 11th Street, N.E.
Charlotte, NC 28204
DATE: APRIL 28, 2016
SCALE: 1" = 20'



OWNER:
MORNINGSIDE MEWS TOWNHOMES LLC
1504 11th Street, N.E.
Charlotte, NC 28204