

11/26/90

BY-LAWS

OF

SPRINGDALE GARDENS HOMEOWNERS ASSOCIATION

ARTICLE I

OBJECTIVES AND PURPOSE

The objectives and purpose for which this association shall be formed are to operate exclusively for purposes of social welfare: to engage in a progressive program of planning and action designed to result in increasing property values, the orderly and balanced development, improvement and preservation (including the enforcement of restrictive covenants recorded in Book 2640, Page 673, of the Wake County Registry) of Springdale Gardens Subdivision, in the County of Wake, State of North Carolina.

ARTICLE II

MEMBERSHIP

Section 1 - General Membership. The membership of this corporation shall be restricted to lot owners of Springdale Gardens Subdivision, Wake County, North Carolina.

Section 2 - Voting Membership. The voting membership shall consist of adult members of dues paying lot owners in Springdale Gardens Subdivision, with one vote per lot.

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ARTICLE III

MEETING OF MEMBERS

Section 1 - Annual Meetings. The annual meeting of the members of this corporation shall be held at a location to be designated by the Board of Directors at 8:00 p.m. on the last Monday of January of every calendar year at which time there shall be elected by the voting members of the corporation a Board of Directors. Said annual meeting shall also transact such other business as may properly be brought.

Section 2 - Substitute Annual Meetings. If the annual meeting shall not be held on the day designated by these By-Laws, a substitute annual meeting may be called in accordance with the provisions of Section 3 of this Article. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 3 - Special Meetings. A special meeting of the corporation may be called at any time by the President or by any three members of the Board of Directors or by one-third of the voting members of the corporation.

Section 4 - Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by delivering a copy of such notice at least fifteen days before such meeting to each member entitled to vote, addressed to the member's address last appearing on the books of the corporation, or supplied by such member to the association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

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Section 5 - Quorum. Fifty-one percent of the voting members shall constitute a quorum. If, however, a quorum shall not be present or represented at any meeting, the members entitled to vote shall have power to adjourn the meeting, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 6 - Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable.

#### ARTICLE IV

##### BOARD OF DIRECTORS

Section 1 - Powers of the Board. The Board of Directors shall have general management, control and responsibility of the business and affairs of the corporation and may exercise all powers with regard thereto except such as may by law be expressly reserved to the members.

Section 2 - Election, Number and Term. The Directors shall be elected at the annual meeting of the association. At the annual meeting to be held in 1991, four Directors shall be elected to two year terms and three Directors elected to one year terms. In succeeding years, the members shall elect Directors to two year terms to replace the Directors whose terms have expired. Those persons receiving the highest number of votes shall be deemed to have been elected.

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Section 3 - Election of Officers. Immediately after the annual meeting, the Board of Directors shall meet and elect from its membership a President, a First Vice President, a Second Vice President, a Secretary, a Treasurer and such other officer or officers as they may see fit to elect. Such officers shall hold office until their successors are elected and qualified, provided, however, that the Board of Directors will at all times have and retain the right to declare any office vacant and elect a successor to hold office until the next annual meeting and thereafter until his successor is elected and qualified. The Board of Directors shall also at all times have the right to fill, for the unexpired term, any vacancy on their Board.

Section 4 - Meetings of Directors. The Directors shall hold such meetings at such times and places as they may, from time to time, determine and may hold special meetings at any time upon the call of the President or any three Directors. Four Directors shall constitute a quorum. Notice for meetings of Directors shall be given, if possible, at least ten days before such meeting by any usual means of communication.

#### ARTICLE V

#### DUTIES OF OFFICERS

Section 1 - President. The President shall preside at all meetings of the members and the Directors and shall have general charge and control over the affairs of the association, subject to such regulations and restrictions as the Board of Directors shall from time to time determine.

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Section 2 - First Vice President. The First Vice President shall perform such duties as may from time to time be assigned to him by the Board of Directors and, in case of the death, disability or absence of the President, he shall be vested with all the powers and perform all the duties of the President, including presiding at meetings of the members and at meetings of the Board of Directors.

Section 3 - Second Vice President. The Second Vice President shall perform such duties as may from time to time be assigned to him by the Board of Directors and, in case of the death, disability or absence of the First Vice President, he shall be vested with all the powers and perform all the duties of the First Vice President.

Section 4 - Secretary. The Secretary shall countersign all documents of the association, shall keep a record of the meetings of the members and of the Directors, shall have custody of all books, records and papers of the association, except such as shall be in the charge of the Treasurer or some other person authorized to have charge thereof by the Board of Directors, and shall perform such other duties as may from time to time be assigned to him by the Board of Directors.

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Section 5 - Treasurer. The Treasurer shall receive and disburse all association funds and shall keep an accurate and detailed record of all receipts and disbursements, which record shall at all times be subject to inspection by any member of the Association at a reasonable time and place. He shall deposit all association funds in such bank or banks as may be designated by the Board of Directors. The Treasurer shall also provide a financial report to the members at the annual meeting.

Section 6 - Other Officers. The Board of Directors may appoint such other officers, agents or representatives as the said Board may from time to time determine, with such duties assigned to such persons by the Directors as the Directors may see fit.

ARTICLE VI

COMMITTEES

The Association shall appoint an Architectural Committee, as provided in the Restrictive Covenants of Springdale Gardens Subdivision and Edd K. Roberts' letter dated September 14, 1989. Additionally, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

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ARTICLE VII

DUES AND ASSESSMENTS

Section 1 - Dues. Annual dues shall be Thirty Dollars per year per lot owner, or as may be designated by the Board of Directors from time to time. All property owners shall be billed by the Treasurer no later than ten days after the annual meeting.

Section 2 - Assessments. In addition to the payment of annual dues, special assessments may be made to all members when special projects are approved by the Board of Directors.

ARTICLE VIII

CHANGE OF BY-LAWS

These By-Laws, or any part thereof, may be repealed, altered or amended and new By-Laws adopted by a vote of a majority of a quorum of members of the Board of Directors present, in person or by proxy, at a regular or special meeting of the Board of Directors.