

BYLAWS OF
TRINITY BROWNSTONES OWNERS
MASTER ASSOCIATION, INC.

A non-profit corporation under
the laws of the State of North Carolina

1. IDENTITY

These are the Bylaws of Trinity Brownstones Owners Master Association, Inc., a non-profit corporation under the laws of the State of North Carolina, the Articles of Incorporation of which were filed in the Office of the Secretary of State on _____. Trinity Brownstones Owners Master Association, Inc., hereinafter called "Association," has been organized for the purpose of administering the operation and management of Trinity Brownstones subdivision ("Subdivision") located upon the property situate, lying and being in Wake County, North Carolina, and described in the Declaration of Covenants, Conditions and Restrictions for Trinity Brownstones Subdivision recorded in Book 17117, Page 841, and amended in Book 17282, Page 2534, Wake County Registry (the "Declaration"), Wake County.

a) The provisions of these Bylaws are applicable to the Subdivision, and the terms and provisions hereby are expressly subject to the terms, provisions, conditions and authorization contained in the Articles of Incorporation and which may be contained in the formal Declaration which has been recorded in the Public Records of Wake County, North Carolina, at the time said property and the improvements now or hereafter situated thereon are annexed or subjected to the Declaration, the terms and provisions of said Articles of Incorporation and Declaration to be controlling wherever the same may be in conflict herewith.

b) All present or future owners, tenants, future tenants or their employees, or any other person that might use the Subdivision or any of the facilities thereof in any manner, are subject to the regulations set forth in these Bylaws and in said Articles of Incorporation and Declaration.

c) The office of the Master Association shall be at 4700 Falls of Neuse Road, Raleigh, North Carolina 27609 or such other place as the Board of Directors shall designate from time to time.

d) The fiscal year of the Master Association shall be the calendar year, except that in the initial year of operation of the Townhomes, the fiscal year shall commence with the closing of the sale of the first Townhome Unit.

2. MEMBERSHIP, VOTING, QUORUM PROXIES

a) The qualification of members, the manner of their admission to membership and termination of such membership and voting by members shall be as set forth in Article VI of the Articles of Incorporation of the Association, the provisions of which said Article VI of the Articles of Incorporation are incorporated herein by reference.

b) A quorum at members' meetings shall consist of persons entitled to cast one fourth (1/4) of the votes of the entire membership except in those circumstances where the Declaration, the Articles of Incorporation, or these Bylaws requires a higher percentage. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.

c) The vote of the Owner of a Lot or Lots owned by a corporation or other entity shall be cast by the one person named in a certificate signed by all of the Owners of the Lot and filed with the Secretary of the Master Association, and such Certificate shall be valid until revoked by a subsequent Certificate. If such a Certificate is not on file, the vote of such Owners shall not be considered in determining the requirement for a quorum, or for any other purpose. If only one of the multiple owners of a Unit is present at a meeting of the Master Association, he is entitled to cast all of the votes allocated to that Lot. If more than one of the multiple owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple owners. Majority agreement is conclusively presumed if any of the multiple owners cast the votes allocated to that unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit. Fractional voting is prohibited.

d) Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon, unless otherwise indicated on the proxy. The proxy can be revoked in writing and it shall be void if not dated.

e) Approval or disapproval of an Owner upon any matter, whether or not the subject of an Master Association meeting, shall be by the same person who would cast the vote of such Owner if in an Master Association meeting.

f) Except where otherwise required under the provisions of the Articles of Incorporation of the Master Association, these Bylaws, the Declaration, or whether the same may otherwise be required by law, the affirmative vote of the persons entitled to cast a majority of the votes at any duly called members' meeting at which a quorum is present shall be binding upon the members.

3. ANNUAL AND SPECIAL MEETING OF MEMBERSHIP

a) The Annual Members' Meeting shall be held at such time and place during the month of January of each year as may be designated in the notice of meeting, for the purpose of informing the membership of the names of the individuals appointed to the new Board of Directors, of informing the membership of the status of the budget for the coming year and for such other purposes as the Directors may determine. The First Annual Meeting shall be held in January 2021;

b) Special Members' Meetings shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors and must be called by such Officers upon receipt of a written request from members of the Master Association having twenty percent (20%) of the votes of the Master Association.

c) Notice of all members' meetings, regular or special, shall be given by the President, Vice-President or Secretary of the Master Association, or other Officer of the Master Association in the absence of said Officers, to each member, unless waived in writing, such notice to be written or printed and to state the time and place and object for which the meeting is called. Such notice shall be given to each member not less than ten (10) days nor more than fifty (50) days prior to the date set for such meeting, which notice shall be mailed or presented personally to each member within said time. If presented personally, receipt of such notice shall be signed by the member, indicating the date on which such notice was received by him. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail addressed to the member at his post office address as it appears on the records of the Master Association (Register of Owners) as of the date of mailing such notice, the postage thereon prepaid. Proof of such mailing shall be given by the Affidavit of the person giving the notice. Any member may, by signed written waiver of notice, waive such notice and, when filed in the records of the Master Association, whether before or after the holding of the meeting, such waiver shall be deemed equivalent to the giving of notice to the member. If any members' meeting cannot be organized because a quorum has not attended, or because the greater percentage of the membership required to constitute a quorum for particular purposes has not attended (wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these Bylaws or the Declaration), the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance, if greater than a quorum, is present.

d) The order of business at Annual Members' Meetings and, as far as practical, at any other members' meetings, shall be:

- i) Calling of the roll and certifying of proxies;
- ii) Proof of notice of meeting or waiver of notice;
- iii) Reading and disposal of any unapproved minutes;
- iv) Reports of Officers;
- v) Reports of Committees;
- vi) Election of Directors;
- vii) Unfinished business;
- viii) New business; and
- ix) Adjournment.

4. BOARD OF DIRECTORS

a) The first Board of Directors of the Master Association shall consist of three (3) persons. Each succeeding Board of Directors shall consist of three (3) persons. At least a majority of the Board of Directors shall be members of the Master Association or authorized representatives, officers, agents, or employees of a member of the Master Association. Notwithstanding the foregoing, until the earlier of: (i) one hundred twenty (120) days after conveyance of seventy-five percent (75%) of the Lots, including Lots which may be created pursuant to special Declarant rights, to Owners other than the Declarant, or (ii) two (2) years after the Declarant ceases to offer Lots for sale in the ordinary course of business, or (iii) two (2) years after any development right to add new Lots was last exercised, or (iv) December 31, 2025, (note - the earliest of (i) through (iv) to occur is the date Class B membership is converted to Class A membership) Declarant shall have the right to designate and select a majority of the persons who shall serve as Members of each Board of Directors of the Master Association. Notwithstanding the Declarants' right to control the Board of Directors not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots (including Lots which may be created pursuant to special Declarant rights) to Owners other than the Declarant, not less than thirty-three percent (33%) of the members of the Board of Directors shall be elected by Owners other than Declarant. Any Directors designated by and selected by Declarant need not be a resident in the Subdivision or a member of the Master Association.

b) Election of Directors shall be conducted in the following manner:

i) Subject to the limitations on the Declarant's right to designate and select a majority of the Board of Directors otherwise set out in the Bylaws, the Articles of Incorporation or the Declaration, Declarant shall, at the beginning of the election of the Board of Directors, designate and select that number of the members of the Board of Directors which it shall be entitled to designate and select in accordance with the provisions of these Bylaws, and upon such designation and selection of Declarant by written instrument presented to the meeting at which such election is held, said individuals so designated and selected by Declarant shall be deemed and considered for all purposes Directors of the Master Association, and shall thenceforth perform the offices and duties of such Directors until their successors shall have been selected or elected in accordance with the provisions of these Bylaws.

ii) All members of the Board of Directors Whom Declarant shall not be entitled to designate and select under the terms and provisions of these Bylaws shall be elected by a plurality of the votes cast at the Annual Meeting of the members of the Master Association immediately following the designation and selection of the members of the Board of Directors whom Declarant shall be entitled to designate and select. Cumulative voting is prohibited.

iii) Vacancies in the Board of Directors may be filled until the date of the next Annual Meeting by the remaining Directors, except that should any vacancy in the Board of Directors be created in any Directorship previously filled by any person designated and selected by Declarant, such vacancy shall be filled by Declarant designating and selecting, by written

instrument delivered to any Officer of the Master Association, the successor Director to fill the vacated Directorship for the unexpired term thereof

iv) At the first Annual Meeting of the members held after the property identified herein has been submitted to the plan of townhome ownership and the Declaration has been recorded in the public records of Wake County, North Carolina, the terms of office of the two (2) Directors receiving the highest plurality of votes shall be established at two (2) years, and the term of office of the third Director shall be established at one (1) year. Thereafter, as many Directors of the Master Association shall be elected at the Annual Meeting as there are regular terms of office of Directors expiring at such time, and the term of office of the Directors expiring at such time, and the term of office of the Directors so elected at the Annual Meeting of the members each year shall be for two (2) years expiring at the second Annual Meeting following their election, and thereafter until their successors are duly elected and qualified, or until removed in the manner elsewhere provided or as may be provided by law.

v) In the election of Directors, there shall be appurtenant to each Lot a total vote equal to the number of Directors to be elected, it being the intent hereof that voting for Directors shall be non-cumulative. Notwithstanding the fact that Declarant may be entitled to designate a majority of the members of the Board of Directors, it shall still be entitled to cast the vote for each Lot owned by it in the elections of other Directors; provided, however, that the other Directors elected are persons other than officers, directors, stockholders, partners and employees of Declarant, or spouses or relatives of any said persons.

vi) In the event that Declarant, in accordance with the rights herein established, selects any person or persons to serve on any Board of Directors of the Master Association, Declarant shall have the absolute right at any time, in its sole discretion, to replace such person or persons with another person or persons to serve on said Board of Directors. Replacement of any person or persons designated by Declarant to serve on any Board of Directors of the Association shall be made by written instrument delivered to any Officer of the Master Association, which instrument shall specify the name or names of the person or persons to be replaced and the name or names of the person or persons designated as successor or successors to the persons so removed from said Board of Directors. The removal of any Director and designation of his successor shall be effective immediately upon delivery of such written instrument by Declarant to any Officer of the Master Association.

c) The organizational meeting of each newly elected Board of Directors shall be held within thirty (30) days of their election, at such time and at such place as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary provided a quorum shall be present.

d) Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least three (3) days prior to the day named for such meeting, unless notice is waived.

e) Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of two-thirds (2/3) of the votes of the Board. Not

less than three (3) days' notice of a meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

f) Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

g) A quorum at a Directors' meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in the Articles of Incorporation, these Bylaws, or the Declaration. If any Directors' meetings cannot be organized because a quorum has not attended, or because the greater percentage of the Directors required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these Bylaws or the Declaration, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

h) The Presiding Officer of Directors' meetings shall be the Chairman of the Board, if such an Officer has been elected, and if none, then the President of the Master Association shall preside. In the absence of the Presiding Officer, the Directors present shall designate one of their number to preside.

i) All of the powers and duties of the Master Association shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation of the Master Association, these Bylaws and the Declaration. Such powers and duties shall be exercised in accordance with said Articles of Incorporation, these Bylaws and the Declaration, and shall include, without limiting the generality of the foregoing, the following:

i) To make, levy and collect assessments against members and members' Lots to defray the costs of the Subdivision, as provided in Article IV of the Declaration, which Article is herein incorporated by reference, and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the Master Association;

ii) To maintain, repair, replace, operate and manage the Common Area and Facilities, including, but not limited to, storm water devices, sign easements and all property, real or personal, located therein, pursuant to the Declaration wherever the same is required to be done and accomplished by the Master Association for the benefit of its members, and further to approve any expenditure made or to be made for said purposes;

iii) To reconstruct any part of the Common Area after casualty in accordance with Article 3 of the Declaration, and to make further improvements to the Common Area, real and personal, and to make and to enter into any and all contracts necessary or desirable to accomplish said purposes;

iv) To make, amend and enforce regulations governing the use of the Common Area and Lots so long as such regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles of Incorporation and Declaration;

v) To acquire, own, operate, lease, manage and otherwise trade and deal with property, real and personal, including the Common Area, sign and utility easements, and Lots, as may be necessary or convenient in the operation and management of the Subdivision, and in accomplishing the purposes set forth in the Declaration, provided that the acquisition of real property other than Common Area shall require the approval of the Master Association;

vi) To acquire now or at any time hereafter and to enter into leases and agreements whereby the Master Association acquires leaseholds, memberships and other possessory or use interests in lands or facilities including, but not limited to, swimming pools, tennis and other recreational facilities, whether or not contiguous to the lands of the Lots, to provide enjoyment, recreation or other use or benefit to the owners of Lots;

vii) To contract for the management of the Subdivision and to designate to such contractor all of the powers and duties of the Master Association, except those which may be required by the Declaration to have approval of the Board of Directors or membership of the Master Association;

viii) To enforce by legal means or proceedings the provisions of the Articles of Incorporation and Bylaws of the Master Association, the Declaration and the regulations hereinafter promulgated governing use of the Common Area in the Subdivision;

ix) To pay all taxes and assessments which are or may become liens against any part of the Common Area, and to assess the same against the members and their respective Lots subject to such liens;

x) To purchase insurance for the protection of the members and the Master Association against casualty and liability in accordance with Article X of the Declaration;

xi) To pay all costs of power, water, sewer and other utility services rendered to the Lots and Common Areas and not billed to the Owners of the separate Lots;

xii) To designate and remove personnel necessary for the maintenance, repair, replacement and operation of the Subdivision, including the Common Area;

j) The initial Board of Directors of the Master Association shall be comprised of the three (3) persons designated to act and serve as Directors in the Articles of Incorporation, which said persons shall serve until their successors are elected at the first Annual Meeting of the members of the Master Association called after the property identified herein has been submitted to the plan of townhome ownership and the Declaration has been recorded in the public records of Wake County, North Carolina, subject to Developer's right to appoint a majority of Directors as provided herein, in the Bylaws, and in the Declaration. Should any member of the initial Board of Directors be unable to serve for any reason, subject to the Developer's right to appoint a majority

of Directors as provided herein, a majority of the remaining members of the Board of Directors shall have the right to select and designate a party to act and serve as a Director for the unexpired term of the Director who is unable to serve.

k) The undertakings, leases and contracts authorized by the initial Board of Directors shall be binding upon the Master Association in the same manner as though such undertakings, leases and contracts had been authorized by any Board of Directors duly elected by the membership after the property identified herein has been submitted to the plan of townhome ownership, so long as such undertakings and contracts are within the scope of the powers and duties which may be exercised by the Board of Directors of the Master Association in accordance with all applicable Townhome documents; and provided further that any undertaking, lease or contract entered into by the Master Association at a time the Developer has the right to appoint a majority of the Board of Directors shall contain a provision reserving the right of the Master Association to terminate such undertaking, lease or contract without penalty upon not more than ninety (90) days written notice to the other party(ies) thereto.

l) Any one or more of the members of the Board of Directors may be removed, either with or without cause, at any time by a vote of the members at any Special Meeting called for such purpose, or at the Annual Meeting; provided, however, that, absent malfeasance or misfeasance of the Director, only the Developer shall have the right to remove a director appointed by it.

5. OFFICERS

(a) The executive officers of the Master Association shall be a President, who shall be a Director, a Vice-President, a Treasurer, a Secretary and as many Assistant Secretaries and Assistant Treasurers as the Board may determine, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by a vote of the Directors at any meeting. Any person may hold two or more offices, except that the President shall not also be Vice-President, Secretary or an Assistant Secretary. The Board of Directors shall, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Master Association.

(b) The President shall be the chief executive officer of the Master Association. He shall have all of the powers and duties which are usually vested in the office of the president of any association, including, but not limited to, the power to appoint committees from among the members from time to time, as he may, in his sole discretion, determine appropriate to assist in the conduct of the affairs of the Master Association.

(c) The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

(d) The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the Directors and Members, and such other notices required by law. He shall have custody of the seal of the Master Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the

Owners to consider ratification of the budget not less than 14 nor more than 30 days after mailing of the summary. There shall be no requirement that a quorum be present at the meeting. All of the members may by written consent waive such meeting and ratify the budget. The budget shall be ratified unless at that meeting a majority in interest of all of the Owners rejects the budget. If the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Board of Directors. If the budget is subsequently amended, before the assessments are made, a copy of the amended budget shall be furnished each member concerned. Failure of delivery of a copy of any budget or amended budget to each member shall not affect the liability of any member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of said budget and assessments levied pursuant thereto.

(c) The depository of the Master Association shall be such Federally-insured bank or banks as shall be designated from time to time by the directors and in which the monies of the Master Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

(d) An independent audit of the accounts of the Master Association may be made annually by the Board of Directors or by someone designated by the Board, and a copy of the report shall be furnished to each member not later than May 15 of the year following the year for which the report is made. This audit may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by a majority of the members of the Association, whether meeting as members or by instrument in writing signed by them.

(e) Fidelity bonds may be required by the Board of Directors from all officers and employees of the Master Association and from any contractor handling or responsible for Master Association funds. The amount of such bonds shall be determined as set forth in the Declaration. The premiums on such bonds shall be paid by the Master Association.

7. PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation, these Bylaws or the General Statutes of the State of North Carolina.

8. AMENDMENTS TO BYLAWS

Amendments to these Bylaws shall be proposed and adopted in the following manner:

(a) Amendments to these Bylaws may be proposed by the Board of Directors of the Master Association acting upon a vote of the majority of the Directors, or by a majority of the members of the Master Association, whether meeting as members or by instrument in writing signed by them.

(b) Upon any amendment or amendments to these Bylaws being proposed by said Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Master Association, or other Officer of the Master Association in the absence of the President, who shall thereupon call a Special Joint Meeting of the members of the Board of Directors of the Master Association and the membership for a date not sooner than twenty (20) days or later than fifty (50) days from receipt by such officer of the proposed amendment or amendments,

and it shall be the duty of the Secretary to give to each member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a Special Meeting of the members is required as herein set forth.

(c) In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of a majority of the entire membership of the Board of Directors and by an affirmative vote of a majority of the members. Thereupon, such amendment or amendments to these Bylaws shall be transcribed, certified by the President and Secretary of the Master Association, and shall become effective upon such certification.

(d) Upon the approval and proper recording of any amendment or amendments, the same shall become binding upon all Owners.

(e) At any meeting held to consider any amendment or amendments to the Bylaws, the written vote of any member of the Master Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Master Association at or prior to such meeting.

(f) Notwithstanding the foregoing provisions of this Article 8, no amendment to these Bylaws which shall abridge, amend or alter the right of the Developer to designate and select members of each Board of Directors of the Master Association, as provided in Article 4 hereof, may be adopted or become effective without the prior written consent of the Developer.

(g) Notwithstanding the foregoing provisions of this Article 8, no material alteration, amendment or modification of these Bylaws shall become effective without the prior written consent of Institutional Lenders (as defined in Article 12 of the Declaration) holding first mortgage loans on Lots representing at least fifty-one percent (51%) of the votes in the Master Association being first had and obtained. Any change to the provisions of these Bylaws that affects any of the following shall be deemed material; voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of Common Areas; responsibility for maintenance and repair; reallocation of interests in the Common Areas or Limited Common Areas, or rights to their use; boundaries of any Lot; convertibility of Lots into Common Areas or vice versa; expansion or contraction of the Lots, or the addition, annexation or withdrawal of property to or from the Subdivision; insurance or fidelity bonds; leasing of Lots; imposition of any restrictions on an Owner's right to sell or transfer his Lot; a decision by the Owners' Master Association to establish self-management; restoration or repair of the Subdivision; any provisions that expressly benefit Institutional Lenders.

(h) So long as Declarant retains the right to appoint a majority of the Board of Directors of the Master Association, as set forth in Article 4 of these Bylaws, any amendment to these Bylaws shall require the prior approval of HUD and the Department of Veterans Affairs and Institutional Lenders, as applicable.

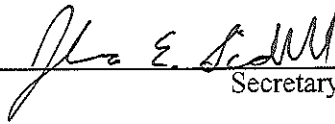
9. AVAILABILITY OF DOCUMENTS AND RECORDS

The Board of Directors shall cause to be maintained at the office of the Master Association a file containing current copies of the Declaration, the Articles of Incorporation, these Bylaws, and Rules and Regulations applicable to the Subdivision, and other books, records and financial statements of the Master Association. Such file and the documents and information contained therein shall be available for inspection, upon request, during normal business hours, to all Owners, institutional lenders and prospective purchasers, all of whom may also, upon request and payment of a reasonable charge determined by the Board of Directors, obtain copies thereof

10. COMPLIANCE

These Bylaws are set forth to comply with the requirements of Chapter 55A of the General Statutes of the State of North Carolina. In the event any of these Bylaws conflict with the provisions of said statutes, it is hereby agreed and accepted that the provisions of the statutes will apply.

The foregoing was adopted as the Bylaws of Trinity Brownstones Owners Master Association, Inc., a non-profit corporation under the laws of the State of North Carolina, at the first meeting of the Board of Directors, on 16 day of November _____, 2018.


Secretary

APPROVED:


President