

## EXHIBIT C

BYLAWS of  
WASHINGTON SQUARE BUSINESS  
CONDOMINIUM OWNERS ASSOCIATION, Inc.,  
a North Carolina Nonprofit Corporation

### ARTICLE I

#### MEETINGS OF MEMBERS

Section 1: The annual meeting of the members shall be held on the third Wednesday in May of each year, beginning May 2005.

Section 2: Special meetings of the members may be called at any time by the President or the Executive Board, or upon written request of 20% of the members, pursuant to G.S. § 47C-3-108.

Section 3: Written notice of each meeting shall be given by, or at the direction of, the Secretary or person(s) authorized to call the meeting, by hand delivering or mailing a copy of such notice, postage prepaid, at least 10 days and not more than 50 days before such meeting to each member as provided in U.S. § 47C-3-108.

Section 4: The Executive Board shall develop a budget and present it to all the members for approval and adoption. The budget shall be considered at a meeting of the Members as set forth in U.S. § 47C-3-103(c). Within 30 days after adoption of any proposed budget for the Condominium, the Executive Board shall provide a summary of the budget to all the members.

Section 5: The presence at the meeting of members or proxies entitled to cast fifty-one percent (51%) of the votes shall constitute a quorum for any action except as otherwise provided by law. In the event a quorum is not present a second meeting will be called wherein the presence at the meeting of members or proxies entitled to cast forty percent (40%) of the votes shall constitute a quorum for any action except as otherwise provided by law.

Section 6: Every member shall be entitled to cast the number or percentage of votes as provided in the Declaration for the Units owned by such member.

Section 7: Pursuant to U. S. § 47C-3 -110, votes allocated to a Unit may be cast pursuant to a dated written proxy signed by a members. Members may not revoke a proxy except by written notice delivered to the person presiding over a meeting of the Association. A proxy terminates one year after its date, unless it specifies a shorter term.

### ARTICLE II

#### OFFICERS AND EXECUTIVE BOARD; SELECTION; TERM OF OFFICE

Section 1: An Executive Board of no fewer than three (3) members and not more than five (5) members, who shall act on behalf of the Association, shall manage the affairs of the Association. Subject to the initial Period of Declarant Control as set forth in Part II, Article I of the Declaration, nominations for election of the Executive Board shall be made from the floor at the annual meeting. Election shall be by secret written ballot and by a majority of the members when a quorum is present. Cumulative voting is not permitted.

Section 2: At the first annual meeting following the termination of Declarant control, a minimum of three (3) and a maximum of five (5) Executive Board members shall be elected to serve until the following annual meeting.

Section 3: Any Executive Board member, except those appointed by the Declarant may be removed in accordance with G.S. § 47C-3-103(b). In the event of death, resignation or removal of a director, his successor shall be selected by a majority of the members voting at a meeting when a quorum is present. The successor shall serve the remainder of the term.

Section 4: No Executive Board member shall receive compensation for any service he may render to the Association. However, with the prior approval of the Executive Board, any Executive Board member may be reimbursed for actual expenses incurred in the performance of his duties.

Section 5: The Executive Board shall have the right to take any action in the absence of a meeting that they could take at a duly held meeting by obtaining the written consent of all the Executive Board members to the action. Any action so approved shall be filed in the corporate books and records and shall have the same effect as though taken at a meeting of the Executive Board.

### ARTICLE III

#### MEETINGS OF EXECUTIVE BOARD

Section 1: Meetings of the Executive Board shall be held quarterly, as deemed necessary by the Board, without notice, or as determined by the Board, at such place and hour as may be fixed from time to time by resolution of the board. Any member of the Executive Board may call special meetings of the Executive Board, after not less than five (5) days notice to each Executive Board member.

Section 2: A majority of the Executive Board members shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Executive Board members present at a duly held meeting shall be regarded as the act of the board.

### ARTICLE IV

#### POWERS AND DUTIES OF THE EXECUTIVE BOARD

Section 1: Subject to the provisions contained herein and applicable law, the Executive Board shall have the power and authority to exercise all the rights of the Association, including, but not limited to:

- (a) Adopt rules and regulations governing the use of the common area and facilities, the personal conduct of the members and their guests thereon, and establish penalties for the infraction thereof;
- (b) Suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
- (c) Declare the office of a member of the Executive Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Executive Board;
- (d) Employ a professional property manager, independent contractors, or other employees as they deem necessary, and prescribe their duties; provided always, any contract for professional management must contain a clause requiring not more than 90 days termination notice;

- (e) Procure, maintain and pay premiums on an insurance master policy(s) and equitably assess the Owners of the same for their *pro rata* portion of such expense, and to procure and maintain liability insurance for the Board of Directors;
- (f) Impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Elements other than for service provided to Unit Owners;
- (g) Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association;
- (h) Exercise any other powers necessary and proper for the governance and operation of the Association; and
- (i) Have and to exercise any and all powers, rights and privileges that a corporation organized under the Non-Profit Corporation Law of the State of North Carolina by law may now or hereafter have or exercise.

Section 2: It shall be the duty of the Executive Board to:

- (a) Cause the Common Elements to be maintained, repaired, and replaced as necessary, and to assess the Unit Owners to recover the cost of the upkeep of the Common Elements;
- (b) Serve as the architectural committee; ✕
- (c) Keep a complete record of all its acts and corporate affairs and present a statement thereof to the members at the annual meeting, or at any special meeting when such statement is requested in a writing signed by 51% of the members;
- (d) Supervise all officers, agents and employees of the Association, and see that their duties are properly performed;
- (e) Fix the amount of the annual assessment at least thirty (30) days in advance of each annual assessment period pursuant to the provisions set forth in the Declaration and G.S. § 47C-3-103(c);
- (f) Send written notice of each assessment to every member at least thirty (30) days in advance of each annual assessment period;
- (g) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;
- (h) Issue, or have issued, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (i) Procure and maintain, at all times, adequate replacement coverage hazard insurance on the property owned by the Association and all property for which the Association has the duty to maintain, and sufficient liability insurance to adequately protect the Association as provided in U.S. § 47C-3-1 13 and the Declaration; and
- (j) Cause all officers or employees, including officers and employees of any professional management company, having fiscal responsibilities to be bonded,

as it may deem appropriate.

#### ARTICLE V

##### OFFICERS AND THEIR DUTIES

Section 1: The officers of this Association shall be a president, vice-president, and secretary/treasurer. The Executive Board shall appoint the officers from among its members.

- (a) The president shall preside at all meetings of the Executive Board; see that orders and resolutions of the Executive Board are carried out; sign all leases, mortgages, deeds and other written instruments and may co-sign all checks and promissory notes. However, the president may elect to have a property manager be responsible for daily operation and for the manager to have periodic meetings to correctly oversee the Association.
- (b) The vice-president shall act in the place of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Executive Board.
- (c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Executive Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Executive Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; prepare, execute, certify, and record amendments to the Declaration on behalf of the Association; and perform such other duties as required by the Executive Board.
- (d) The treasurer shall receive and deposit or oversee the property manager in the receipt and deposit in appropriate bank accounts all monies of the Association and disburse such funds as directed by the Executive Board; sign all checks and promissory notes (such checks and promissory notes to be cosigned by the president) of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant or other person suitable to the Executive Board at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the members at its annual meeting, and deliver a copy to each member. The treasurer with the consent of the Board may assign any of these activities to a property manager.

#### ARTICLE VI

##### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member or a mortgagee of any member. The Articles of Incorporation and the Declaration and Bylaws of the Association shall be available for inspection by any member at the principal office of the property manager or president of the Association, where copies may be purchased at reasonable cost.

ARTICLE VII  
SEAL

The Association shall have a seal in either rectangular or circular form having within its border the words: 'WASHINGTON SQUARE BUSINESS CONDOMINIUM OWNERS ASSOCIATION, Inc.' and the words: "SEAL - 2004" in the center thereof

ARTICLE VIII  
AMENDMENTS TO BYLAWS

These Bylaws may be amended, at a regular or special meeting of the members, by a vote of the majority of the members.

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CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of the WASHINGTON SQUARE BUSINESS CONDOMINIUM OWNERS ASSOCIATION, Inc., a North Carolina nonprofit corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of such Association and were duly adopted at a meeting of the Board of Directors thereof held on the \_\_\_ day of November 2004.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Association this \_\_\_ day of November 2004.

  
\_\_\_\_\_, Secretary

STATE OF NORTH CAROLINA, GRANVILLE COUNTY.

The foregoing certificate of John M. Rick + Patricia A. Quinn notaries, Notary Public

is certified to be correct. This instrument was presented for registration and filed in this office in Book 1064  
Page 677 This 17th day of December 2004, at 1:37 o'clock P.M.  
Kathryn Newsom Register of Deeds By Kathy M. Adair Deputy/Assistant

