

## EXHIBIT B

### BYLAWS OF GREENFIELD NORTH OWNERS' ASSOCIATION, INC.

These are the Bylaws of GREENFIELD NORTH OWNERS' ASSOCIATION, INC., a North Carolina non-profit corporation (the "Corporation"). The Corporation's Articles of Incorporation have been filed in the Office of the North Carolina Secretary of State. These Bylaws should be read in conjunction with that certain Declaration of Master Protective Covenants for Greenfield North, as the same may be supplemented and amended from time to time, recorded in the Wake County Register of Deeds (the "Declaration"). In the event of any conflict between these Bylaws and the Declaration, the terms of the Declaration shall govern. Any defined terms used and not defined herein shall have the meaning ascribed to such term in the Declaration.

#### Article 1 Membership

**1.1 Eligibility.** Each Owner under the Declaration shall automatically be a member of the Corporation (each a "Member" and collectively the "Members").

**1.2 Voting Members.** The Corporation shall have two classes of voting membership, Class "A" and Class "B."

(a) "Class A Members" shall include all Owners of one (1) or more Building Sites other than that Person who is a Class B Member. The Class B Member cannot be a Class A Member so long as it is the Class B Member.

(b) The "Class B Member" is the Declarant, its successors from time to time in interest to the function of Declarant (but not successors in title to any Building Site) and its assigns. The Class B Member shall become a Class A Member at such time, and for so long as, it owns any Building Site, or portion thereof, and its Class B Member status terminates as hereinafter provided. The Class B membership shall terminate, and the then Class B Member owning any Building Site, or portion thereof, shall become a Class A Member with respect to such Building Site(s), only at such time as the Class B Member so designates in a writing delivered to the Corporation.

**1.3 Voting Rights.** The voting rights of the Class A Members and the Class B Member are as set forth below.

(a) Each Class A Member shall have one (1) vote for each acre (rounded to the nearest half acre) of the Property owned by such Member, exclusive of any Common Area that may be located on a Member's Building Site. The Owner of any air

rights Building Site shall not have voting rights other than the rights granted to the Owner of the Building Site located on the land associated with such air rights (if any). When more than one (1) Person holds an ownership interest in a single Building Site, all such Persons shall be Members, provided that such jointly owned Building Sites shall be entitled to only those votes that the owner of the Building Site would be entitled to were such owner an individual Person. In the event of joint ownership of a Building Site, the votes for such Building Site shall be exercised as a unit as the owners thereof shall determine, or, if no determination shall be made, as the owner designated in a written instrument to act on behalf of all of the owners for that Building Site shall specify in writing to the Corporation. In no event shall the Corporation be required to make any determination with respect to the casting of votes by joint owners. Failure of such joint owners to either (i) designate in writing which owner of the Building Site will act on behalf of all of the owners of such Building Site, or (ii) cast their vote(s) as a unit as provided in this Section 1.3 with respect to any matter before the membership of the Corporation, shall be deemed an abstention as to such matters.

(b) The Class B Member shall have twice the number of votes which are, from time to time, cumulatively held by all Class A Members. Upon the termination and/or conversion of the Class B Member into a Class A Member, as provided in Section 1.2 above, said Member shall be entitled to vote as Class A Members in the manner specified in Section 1.3(a)

Notwithstanding the foregoing, no Member shall be eligible to vote, either in person or by proxy, or be elected to the Board of Directors of the Corporation (the "Board") or have its representative elected to the Board, as the case may be, if that Member is shown on the books or management accounts of the Corporation to be more than sixty (60) days delinquent in any payment due the Corporation.

**1.4. Succession; Leases.** The membership of each Member shall automatically terminate when it ceases to own any portion of a Building Site as to that portion, and upon the conveyance, transfer or other disposition of its entire interest in and to any portion of the Building Site, said Member's membership interest with respect to such portion of the Building Site shall automatically be transferred to the new owner of the Building Site. Notwithstanding the foregoing, any Member may (a) assign the membership rights of such Member in the Corporation to any lessee of the Building Site owned by such Member under a lease with an original term of at least fifteen (15) years, and (b) collaterally assign the membership rights of such Member in the Corporation to any lender with a security interest in the Building Site; provided, however, that (i) each such assignment shall be evidenced by an appropriate written instrument recorded in the Wake County Register of Deeds (the "Official Records"), (ii) a copy of each such assignment shall be filed with the Corporation, and (iii) each assignment shall be void upon the expiration or earlier termination of the lease or the security interest, as applicable. Such rights may be further assigned in the same manner to a sublessee or assignee of such entire Building Site holding under a duly recorded sublease (or short form memorandum thereof) or assignment.

1.5. **Annual Meetings.** Each year the Members shall hold a meeting, one of the purposes of which shall be to elect directors. All such meetings shall be held at such place in the Raleigh, North Carolina area or such other location set by the Board, and at such date and time as is specified in the written notice of such meeting. Meetings may be conducted by or through the use of any means of communication by which all Members participating may simultaneously hear each other during the meeting. Any Member participating in a meeting by this means shall be deemed to be present in person at such meeting.

1.6. **Special Meetings.** Special meetings may be called at any time by (i) the Board, (ii) the President of the Corporation or (iii) by the Secretary of the Corporation (the "Secretary"), but in the case of the Secretary, only within 30 days after the holders of at least ten percent (10%) of all the votes entitled to be cast deliver to the Secretary a signed and dated written demand describing the purpose or purposes for which they desire a special meeting to be called.

1.7. **Notice of Meetings.** Notices of meetings shall be delivered to each Member by or at the direction of the Secretary no fewer than ten (10) days nor more than sixty (60) days before the meeting date.

1.8. **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, whether in person or by proxy, shall be deemed a waiver by such Member of notice of the time, date and place thereof.

1.9. **Quorum.** A quorum of Members for any meeting shall be deemed present throughout any meeting of the Members until adjourned if the Members, in person or by proxy, entitled to cast more than ten percent (10%) of the votes are present at the beginning of such meeting.

1.10 **Required Votes.** Whenever reference is made in these Bylaws to approval by a certain percentage of votes, without stipulating Class A or Class B Members voting as a separate group, such requirement shall be interpreted to mean the percentage of total votes (Class A and Class B) eligible to be cast on the matter counted in the aggregate. Except as provided below and may be otherwise required in the Declaration, these Bylaws or applicable law, all questions voted upon by the Corporation shall be decided by simple majority. The following matters shall be subject to the affirmative vote of either the Class B Member or if there is no Class B Member, then to the Class A Members holding not less than three-fourths (3/4ths) of the total votes of the Corporation at a meeting duly called for that purpose: (a) the merger or consolidation of the Corporation; (b) the sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the property and assets of the Corporation; and (c) the purchase or sale of land or portions of the Property by or on behalf of the Corporation.

**1.11 Voting List.** A list of names, addresses, votes and acreage of the Members shall be maintained at the registered office of the Corporation or such other location as determined by the Board.

**1.12 Adjournment.** Any meeting of the Members may be adjourned from time to time for periods not exceeding forty-eight (48) hours by the vote of the Members holding the majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business which could be transacted properly at the original session of the meeting may be transacted at an adjourned session, and no additional notice of such adjourned session shall be required.

**1.13 Proxy.** Any Member entitled to vote may do so by written proxy duly executed by the Member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies must be dated and may be revoked only by written notice delivered to the Corporation by the Member prior to the meeting. Any proxy shall be void if it is not dated or if it purports to be revocable without such written notice.

**1.14 Action Without a Meeting.** Pursuant to and in accordance with the terms and provisions of the North Carolina Nonprofit Corporation Act (the "Act") § 55A-7-04, any action which may be taken by a vote of the Members may be taken without a meeting by all Members entitled to vote on the action.

**1.15 Voting by Ballot.** Pursuant to and in accordance with the terms and provisions of the Act § 55A-7-08, any action which may be taken by the Members at any regular, annual or special meeting may also be taken without a meeting if the Corporation delivers a written ballot to every Member entitled to vote on the matter and such matter is approved as set forth in the Act § 55A-7-08.

**1.16 Rules of the Meeting.** The Board may prescribe reasonable rules for the conduct of all meetings of the Board and Members.

## **ARTICLE 2**

### **Board of Directors**

**2.1 Composition.** The Board shall govern the affairs of the Corporation. The Board shall be composed of at least three (3) but no more than seven (7) persons, one (1) of whom shall be the President, which number shall be fixed by the Members. All directors shall be Members or representatives of Members.

**2.2 Term of Office.** Each director, except in case of death, resignation, retirement, disqualification or removal, shall serve until the next succeeding annual meeting and thereafter until his successor shall have been elected and qualified.

**2.3 Nomination.** Nominations for election to the Board shall be made by a nominating committee which shall consist of three (3) Members appointed by the President to serve from the close of one (1) annual meeting to the close of the succeeding annual meeting. Such appointment shall be announced at the annual meeting. The nominating committee may nominate any number of qualified individuals, but no less than the number of directors to be elected. The nominations shall be made at least thirty (30) days prior to the annual meeting and the name of each individual so nominated shall be included with the notice of the annual meeting. Nominations shall also be allowed from the floor at the meeting. Failure to comply with the provisions hereof shall in no way invalidate the election of directors so nominated.

**2.4 Elections.** Directors shall be elected, from among those nominated, by a plurality vote of the Members at the annual meeting, a quorum being present.

**2.5 Removal of Directors.** Any one (1) or more of the directors may be removed with or without cause by a majority vote of the Members, and a successor may then and there be elected, by the Members to fill the vacancy thus created.

**2.6 Vacancies.** Any vacancies occurring in the Board, except by reason of removal of a director, may be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board. Said director shall serve until a successor is elected by the Members.

**2.7 Compensation.** Directors shall not be compensated unless and to the extent authorized by the Members at any meeting duly called for that purpose. Directors shall be reimbursed for reasonable expenses actually incurred in the performance of their duties hereunder.

**2.8 Regular Meetings.** Regular meetings of the Board may be held at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least once every twelve (12) months. The Board shall meet immediately after each annual meeting of Members.

**2.9 Special Meetings.** Special meetings of the Board may be called by the President. Special meetings of the Board shall be called by the President, Secretary or Treasurer on the written request of at least two (2) directors.

**2.10 Waiver of Notice.** Any director may, in writing, waive notice of any meeting of the Board, either before or after such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall constitute a waiver of notice by him of the time and place of such meeting. If all directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

**2.11 Quorum.** A quorum of directors shall be deemed present throughout any Board meeting at which a majority of the directors are present at the beginning of such meeting.

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

**2.13 Action Without a Meeting.** Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting by all Members of the Board in accordance with the provisions of the Act § 55A-8-21.

**2.14 Adjournments.** A meeting of the Board, whether or not a quorum is present, may be adjourned by a majority of the directors present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

**2.15 Powers and Duties.** The Board shall exercise for the Corporation all powers, duties and authority vested therein by the Declaration, the Articles of Incorporation or these Bylaws, except for such powers, duties and authority reserved thereby to the Members. The Board shall have the following powers and duties:

- (a) to elect and remove the officers of the Corporation as hereinafter provided;
- (b) to administer the affairs of the Corporation;
- (c) to administer, manage and operate the Property owned by the Corporation and to formulate policies therefor;
- (d) to engage the services of an agent (hereinafter sometimes referred to as the "Managing Agent") to maintain, repair, replace, administer and operate such Property as is owned by the Corporation, whether real or personal, and to collect and disburse, or to assist in the collection and disbursement of, annual and special assessments, upon such terms and for such compensation as the Board may approve, which Managing Agent may be affiliated with one (1) or more directors, or the Declarant, or both;
- (e) to adopt rules and regulations, with written notice thereof to all Members of the Corporation, governing the details of the administration, management, operation and use of the Property owned by the Corporation, and to amend such rules and regulations from time to time;
- (f) to obtain adequate and appropriate kinds of insurance;

(g) to appoint committees and to delegate to such committees the Board's authority to carry out certain duties of the Board;

(h) to estimate the amount of, prepare, adopt and distribute the budget for the Corporation not less frequently than annually, to provide the manner of assessing, levying on and collecting from the Members the annual and special assessments, dues and fees, and to levy fines and individual assessments against one (1) or more Members in accordance with the Declaration;

(i) to keep detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property owned by the Corporation and those portions of the Property for which the Corporation is responsible;

(j) to bid and purchase, for and on behalf of the Corporation, any portion of the Property, or interest therein, at a sale pursuant to a mortgage foreclosure, a foreclosure of the lien for annual assessments, special assessments, individual assessments, or any, or an order or direction of a court, or at any other involuntary sale, upon the affirmative vote of Members holding not less than three-fourths (3/4ths) of all the votes of the Corporation at a meeting duly called for such purpose, provided that the Members shall set forth a maximum price that the Board or its duly authorized agent may bid and pay for such portion of the Property or interest therein;

(k) to make such mortgage arrangements and special assessments proportionately among the respective Members, and other such financing arrangements, as the Board may deem desirable, in order to close and consummate the purchase or lease of a portion of the Property, or interest therein, by the Corporation; provided, however, that no such financing arrangement shall be secured by an encumbrance on any interest in the Property other than the portion of the Property, or interest therein, to be purchased or leased;

(l) to enforce by legal means the provisions of the Declaration, the Articles of Incorporation and these Bylaws with respect to the Property owned by the Corporation;

(m) to renew, extend or compromise indebtedness owed to or by the Corporation;

(n) to cause all officers and/or employees handling monies and funds for and on behalf of the Corporation to be bonded, as it may deem appropriate; and

(o) in addition to, and in furtherance of, the powers referred to in these Bylaws, the Corporation shall (i) have all the powers permitted to be exercised by a nonprofit corporation under the Act, as now in force or hereafter amended, and (ii) have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Corporation is organized, and to do every other act not inconsistent with law which may be

appropriate to promote and attain the purposes set forth in the Declaration, the Articles of Incorporation and these Bylaws.

**2.16 Non-Delegation.** Nothing in this Article or elsewhere in these Bylaws shall be considered to grant to the Board, the Corporation or to the officers of the Corporation any powers or duties which, by law, have been delegated to the Members.

### **ARTICLE 3 Officers**

**3.1 Designation.** At each annual meeting of the Board after the Members elect the Board, the directors present at said meeting shall elect the following officers of the Corporation by a majority vote:

(a) a “President”, who shall be a director and who shall preside over the meetings of the Board and of the Corporation, and who shall be the chief executive officer of the Corporation;

(b) a “Secretary”, who shall keep the minutes of all meetings of the Board and of the Corporation, and shall be designated as the officer to mail and receive all notices served by or upon the Board or the Corporation and execute amendments to the Declaration and these Bylaws, and shall, in general, perform all the duties incident to the office of Secretary, and may be a representative of the Managing Agent;

(c) a “Treasurer”, who shall be responsible for financial records and books of account and the manner in which such records and books are kept and reported; provided, however, that the duties of the Treasurer may be performed by an employee or independent contractor retained by the Board; and

(d) such additional officers as the Board shall see fit to elect.

Any two or more offices may be held by the same person, except the offices of President and Secretary.

**3.2 Powers.** The respective officers shall have the general powers usually vested in such officers; provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may see fit.

**3.3 Term of Office.** Each officer shall hold office for the term of one (1) year and until his successor shall have been appointed or elected and qualified, or until his earlier death, resignation, retirement, disqualification or removal.



**3.4 Vacancies.** Vacancies in any office shall be filled by the Board by a majority vote at a special meeting of said Board. Any officer so elected by the Board to fill a vacancy shall hold office for a term equal to the unexpired term of the officer replaced.

**3.5 Compensation.** Officers shall receive no compensation for their services as officers unless expressly provided for in a resolution duly adopted by the Board.

**3.6 Removal.** Any officer may be removed from office, either with or without cause, by a majority vote of the Board.

**3.7 Agreements, Contracts, Deeds, Leases, Checks, Etc.** All agreements, contracts, deeds, leases, checks and other instruments of the Corporation shall be executed by at least one (1) of the officers unless otherwise determined by resolution of the Board.

#### **ARTICLE 4 Indemnification**

**4.1 Definitions and References.** Defined terms used in this Article and not otherwise defined herein shall have the meanings assigned to such defined terms in the Act § 55A-8-50. Whenever in this provision reference is made to a specific section of the Act, such reference shall be deemed to refer to such section as amended from time to time or any successor provision.

**4.2 Indemnification of and Advancement of Expenses to Directors.** The Corporation shall indemnify and advance expenses to its directors to the full extent and under the conditions that a North Carolina nonprofit corporation is permitted to indemnify and advance expenses to its directors under the Act.

**4.3. Indemnification of and Advancement of Expenses to Officers, Employees and Agents.** The Corporation shall indemnify and advance expenses to its Board-elected officers who are not directors (and may, if authorized for a specific proceeding, indemnify and advance expenses to its other employees and agents who are not Board-elected officers or directors) to the same extent and under the same conditions as to directors. No advancement or reimbursement of expenses to officers, employees or agents in accordance with the foregoing sentence shall be made unless the proposed indemnitee furnishes the Corporation a written affirmation of his or her good faith belief that he or she has met the applicable standard of conduct set forth in the Act § 55A-8-42, and he or she furnishes the Corporation a written undertaking, executed personally or on his or her behalf, to repay any advances if it is ultimately determined that he or she is not entitled to indemnification under this Article or the Act.

**4.4 Insurance.** The Corporation may purchase and maintain insurance on behalf of an individual who is a director, officer, employee or agent of the Corporation against liability asserted against or incurred by him or her in that capacity or arising from his or her status as a director, officer, employee, or agent, whether or not the corporation would have power to indemnify or advance expenses to him or her against the same liability under this Article or under the Act.

**4.5 Contract Rights.** The right to indemnification and advancement of expenses conferred hereunder to directors and Board-elected officers shall be a contract right and shall not be affected adversely to any director or Board-elected officer by any amendment of these bylaws with respect to any action or inaction occurring prior to such amendment; provided, however, that this provision shall not confer upon any indemnitee or potential indemnitee (in his or her capacity as such) the right to consent or object to any subsequent amendment of these bylaws.

**4.6 Non-exclusivity, Etc.** The rights of a director or officer hereunder shall be in addition to any other rights with respect to indemnification, advancement of expenses or otherwise that he or she may have under contract or the Act or otherwise.

**4.7 Amendments.** No amendment, modification or rescission of this Article, or any provision hereof, the effect of which would diminish the rights to indemnification or advancement of expenses as set forth herein shall be effective as to any director or Board-elected officer with respect to any action taken or omitted by such person prior to such amendment, modification or rescission.

**4.8 Conflicts with Act.** To the extent that the provisions of this Article are held to be inconsistent with the provisions of the Act, such provisions of the Act shall govern.

**4.9 Severability.** In the event that any of the provisions of this Article (including any provision within a single section, subsection, division or sentence) is held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining provisions of this Article shall remain enforceable to the fullest extent permitted by law.

## **ARTICLE 5 Miscellaneous**

**5.1 Notices.** Whenever these Bylaws require notice to be given, the notice shall be given in accordance with this Section 5.1. Notice under these Bylaws shall be in writing unless oral notice is reasonable under the circumstances. Written notice shall be mailed (via first class mail) or hand delivered or sent via facsimile transmission to the last known address for the recipient in the records of the Corporation. All such notices shall be deemed received (a) on the date of delivery if delivered personally, by messenger, by

nationally recognized overnight courier, or via facsimile or (b) if through the United States Postal Service, on the earlier of (i) the date three days after the posting thereof or (ii) the date of actual receipt.

**5.2 Severability.** The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

**5.3 Headings.** The headings used herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

**5.4 Gender and Grammar.** The use of the masculine gender and gender neutral in these Bylaws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural, whenever the context so requires.

**5.5 Fiscal Year.** The Board is authorized to fix the fiscal year of the Corporation and to change the same from time to time as it deems appropriate.

**5.6 Audit.** An audit of the accounts of the Corporation shall be made annually as a common expense, and a copy of the report shall be furnished to each Member who requests a copy in writing. Upon written request of any holder of a first mortgage, such holder shall be entitled to receive a copy of the annual audited financial statement within ninety (90) days after the end of each fiscal year.

**5.7 Mortgagees' Notice.** A first mortgagee, upon written request, will be entitled to written notification from the Corporation of any default by a Member, who is the mortgagee's mortgagor, in the performance of his obligations under the Declaration which is not cured within sixty (60) days.

**5.8 Conflicts.** In the event of conflicts between the Declaration, the Articles of Incorporation and these Bylaws, the Declaration and Articles of Incorporation shall control, in that order.

**5.9 Books and Records.** The books, records and papers of the Corporation shall be available for inspection by any Member at any time during reasonable business hours. The Declaration, the Articles of Incorporation and these Bylaws shall also be available for inspection by any Member at the principal office of the Corporation, where copies of same may be purchased at reasonable cost.

## **ARTICLE 6**

### **Amendments**

These Bylaws may be amended, modified or rescinded, from time to time, in the following manner:

**6.1 Notice.** Notice of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered, whether by the Board or by the Members.

**6.2 Adoption.** Subject to applicable law, the Board shall have the power to alter, amend or repeal any of these Bylaws or to adopt new Bylaws by the affirmative vote of a majority of all of the directors, but any Bylaws adopted by the Board may be altered, amended or repealed and new Bylaws adopted by the affirmative vote of at least two-thirds (2/3rds) of the Members. The Members may prescribe in any bylaw adopted by them that such bylaw shall not be altered, amended or repealed by the Board.

**6.3 Proviso.** No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Declarant or any mortgagee without the prior written consent of the Declarant and/or said mortgagee(s), as the case may be. No amendment that is in conflict with the Articles of Incorporation or the Declaration shall be adopted.

Adopted as of this 18<sup>th</sup> day of December, 2012.