

BYLAWS
OF
PARK PLACE OWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Park Place Owners Association, Inc., herein referred to as the "Association". The principal office of the corporation shall be located in Wake County, North Carolina. Meetings of Members and directors may be held at such places within the State of North Carolina, County of Wake, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to Park Place Owners Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions affecting real property now within the jurisdiction of the Association and such additions thereto as hereafter may be annexed and brought within the jurisdiction of the Association.

Section 3. "Common Areas" shall mean all real property owned by the Association for the common use and enjoyment of the Owners and Members of the Association. Common Areas shall also mean the facilities constructed, erected or installed on the real property which is part of the Common Areas for the use, benefit and enjoyment of the Owners, including without limitation, the following:

- (a) All central appurtenant installations for services such as electricity, gas, telephone and cable television;
- (b) All water lines and mains, sewer pipes and sewer systems outside of city street rights-of-way, but not within the area of a Lot;

(c) Private streets, drives, parking areas, medians, traffic and landscape islands, subdivision signs and entrances on the Properties or serving the Properties, including but not limited to the entrance to Laura Duncan Road over adjacent land;

(d) All facilities and amenities for the use and enjoyment of the Members, such as clubhouses, swimming pools, other recreation areas, open spaces and greenways; and

(e) All of the parts of the Properties and facilities and amenities existing in or upon the Properties for common use which is necessary or convenient to the existence, enjoyment, use, maintenance or safety of the Properties.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties (provided said map has been approved by Declarant), with the exception of the Common Areas.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple interest (or undivided fee simple interest) in any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to Steve Dickson Builder, Inc, and its successors and assigns to whom the rights of Declarant have been specifically transferred.

Section 8. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for Park Place Townhomes and amendments thereto applicable to the Properties recorded in the Office of the Register of Deeds of Wake County, North Carolina.

Section 9. "Board of Directors" or "Board" means those persons elected or appointed and acting collectively as the Directors of the Association.

Section 10. "Common Expenses" shall mean and include:

- (a) All sums lawfully assessed by the Association against its Members;
- (b) Expenses for exterior maintenance of the townhomes as provided in the Declaration;
- (c) Expenses of administration, maintenance, repair, or replacement of the Common Areas;

(d) Expenses declared to be Common Expenses by the provisions of the Declaration or these ByLaws;

(e) Hazard, liability, or such other insurance premiums as the Declaration or these ByLaws may require the Association to purchase;

(f) Ad valorem taxes and public assessment charges lawfully levied against the Common Areas;

(g) The expense of the maintenance of private drainage and utility easements and facilities located therein which are within the boundaries of the Properties, which cross Common Areas and which serve both the Properties and lands adjacent thereto;

(h) Expenses agreed by the Members to be Common Expenses of the Association; and

(i) Unpaid assessments resulting from the purchase of a townhome at a foreclosure sale (such assessment shall be collectible from all Members of the Association, including the purchaser at the foreclosure sale, his successors and assigns).

Section 11. "townhome" or "townhouse" shall mean and refer to a single family dwelling or place of residence constructed upon a Lot within the Properties and constituting a part of a building.

ARTICLE III

MEMBERSHIP

Section 1. Membership. Every Owner of a Lot which is subject to assessment by the Association shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

Section 2. Suspension of Rights. During any period in which a Member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use of the Common Areas (or portions thereof) of such Member may be suspended by the Board of Directors until such assessment has been paid. Such rights of a Member may also be suspended, after notice and hearing, for a period not to exceed 60 days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Areas. Notwithstanding the foregoing, the Board of Directors may not suspend an Owner's right of ingress and egress over the Common Areas and right to the use of parking spaces as provided in the Declaration.

ARTICLE IV

PROPERTY RIGHTS: RIGHT OF ENJOYMENT

Each Member shall be entitled to the use and enjoyment of the Common Areas as provided in the Declaration. Any Member may delegate his rights of enjoyment of the Common Areas to the members of his immediate family, his tenants or contract purchasers, who reside on the Lot of such Member. Such Member shall notify the Secretary of the Association in writing of the name of any such delegee. The rights and privileges of such delegee are subject to suspension to the same extent as those of the Member. Any Member may allow his guests to use the Common Area, in accordance with these Bylaws, the Declaration and any rules and regulations adopted by the Board.

ARTICLE V

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the Members shall be held on the second Tuesday in the month of November of each year at the hour of 7:00 o'clock p.m., and at such place as is fixed by the Board of Directors. The Directors may change the date and time of the annual meeting from time to time. If the day for the annual meeting of the Members is a legal holiday, the meeting shall be held at the same hour on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the entire membership or who are entitled to vote one-fourth (1/4) of the votes of the Class A membership.

Section 3. Notice of Meetings. Except as otherwise provided in the Declaration or these Bylaws, 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 mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, 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.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power