



*Bylaws*

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*Rules and Regulations*

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## BYLAWS

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# BYLAWS OF CROWFIELDS CONDOMINIUM ASSOCIATION

## ARTICLE I

### General Information

These are the Bylaws of Crowfields Condominium Association. Crowfields Condominium Association, hereinafter called "Association," has been organized for the purpose of administering the operation and management of Crowfields Condominium Community, a Condominium Community established in accordance with the laws of the State of North Carolina upon the property situate, lying and being in Buncombe County, North Carolina, and described in an exhibit to each to each Declaration of Condominium, filed for each cluster within Crowfields Condominiums, which said exhibits are incorporated herein by reference.

A) The provisions of these Bylaws are applicable to Crowfields Condominium, hereinafter called "Condominium Community" and the terms and provisions hereof are expressly subject to the terms and provisions contained in the Declaration of Condominium of each Cluster within Crowfields Condominium Community, and any Amendments thereto, the terms and provisions of said Declaration of Condominium and Amendments to be controlling whenever the same may be in conflict herewith.

B) All present and future Owners, present and future lessees, and their families, employees, guests, and invitees, and any other person who might use Crowfields Condominium Community or any of the facilities thereof in any manner, are subject to the terms and provisions of these Bylaws and of said Declaration of Condominium and any Amendments thereto.

C) The office of the Association shall be at 1745 Hendersonville Road, Asheville, North Carolina, 28803, or such other place as the Board of Directors shall designate from time to time.

D) The fiscal year of the Association shall be the calendar year.

E) These Bylaws are effective as of the date they are filed with the Buncombe County Register of Deeds.

The Condominium is a fully developed condominium complex on seventy-two acres. There are 192 Condominium Units contained within 34 clusters. The original associational configuration of the Condominium contained a separate association of Unit Owners for each cluster within the Condominium Community. In addition, there was established a Community Association for the purpose of operating and maintaining recreational and common facilities. There was also established an umbrella association for the purpose of providing uniformity of management of all of the Cluster Associations. In 1998 and 1999 this umbrella association and Community Association, as well as each of the 34 Cluster Associations, filed an amendment to each and every one of the 34 Cluster declarations whereby these Bylaws replace all of the prior Cluster Bylaws, as well as the separate operation of a Community Association or umbrella association, with the purpose of carrying out the expressed intent set forth in each of the Cluster's Bylaws regarding "uniformity of management and to reduce costs". These Bylaws therefore completely replace each and every one of the prior Cluster Association Bylaws originally attached to each declaration.

## **ARTICLE II**

### Membership

A) All of the owners of the Condominium Units in the Condominium Community shall be Members of the Association ("Members"), and no other persons or entities shall be entitled to membership.

B) Membership shall be established by the acquisition of fee title to a Condominium Unit in the Condominium Community, or by the purposes authorized in the Bylaws and in the Declaration of Condominium.

C) The interest of a Member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to a Condominium Unit. The funds and assets of the Association shall belong solely to the Association subject to the limitation that the same may be expended, held or used for the benefit of the Membership and for the purposes authorized in these Bylaws and in the Declaration of Condominium of any Condominium Cluster.

D) On each matter on which the Members of the Association shall be entitled to vote, each Condominium Unit shall have one vote and the vote of each Condominium Unit shall be equal to the vote of every other Condominium Unit, except as otherwise provided in these Bylaws. (Refer to Article IV. D.).

E) The vote of a Condominium Unit owned by more than one person or by a corporation or other entity shall be cast by the one person designated by all of the Owners of the Condominium Unit to represent the Condominium Unit. If the joint Owners cannot agree as to who will represent such Condominium Unit, the vote of said Condominium Unit shall not be considered for any purpose.

F) Votes may be cast by Members in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon.

## **ARTICLE III**

### Cluster Officers

A) Officer Designation. Each Condominium Cluster shall have three (3) officers: President, Vice President, and Secretary. The Vice president and Secretary offices may be held by the same person. Each officer shall be an Owner, the spouse of an Owner, or a person with power of attorney to act on behalf of an Owner (but in no

event shall this be construed to permit a spouse or other family member of the holder of a power of attorney to hold any such office) of a Condominium Unit within the Crowfields Cluster to be represented, or in the event of a corporate ownership, be an officer or designated agent of the corporation. Either the President or the Vice President of the Cluster must be a person who resides in the Crowfields Community at least nine (9) months of each calendar year.

If the owner of any Unit shall be delinquent in the payment of any dues to the Association for thirty (30) days or more, neither the Owner, the spouse of the Owner, or a person with power of attorney to act on behalf of the Owner, or in the event of a corporate ownership, an officer or designated agent of the corporation, shall be eligible to hold any office for a Condominium Cluster, until such time as all such delinquent dues have been paid in full to the Association. In the event that during the term of a Condominium Cluster officer the dues owing with respect to his/her respective Condominium Unit (whether he/she is the Owner, spouse of the Owner, a person with power of attorney to act on behalf of the Owner, or the officer or designated agent of a corporate Owner) become delinquent for more than thirty (30) days, such officer shall become immediately and ineligible to continue in office, and a special meeting shall be called by the remaining respective Condominium Cluster officers for the purpose of electing a replacement to such office.

B) Election of Officers. The officers of each Condominium Cluster shall be elected annually by the Association Members of each respective Condominium Cluster at an annual meeting of each Condominium Cluster to be held during the first week of the month of October of each year. This annual Cluster meeting shall be called and scheduled by the current President of each respective Condominium Cluster.

After election of Cluster Officers, a Cluster President may ask the President of another Cluster to represent his/her Cluster at meetings of the Board of Directors for the calendar year. This may be done by signing a limited power of attorney, available in the Office, to authorize such representation. It may be withdrawn at any time. A Cluster President may represent no more than one other Cluster and must inform both clusters of all business and voting issues.

C) Term of Office. Each Condominium cluster officer shall serve a term of one (1) year. Officers may be re-elected.

D) Powers. The officers of each Condominium Cluster or the designated representative as set forth in Article IV, Section B hereof shall have all of the powers necessary for the administration and representation of the affairs of the Condominium Cluster they represent.

E) Duties.

1. Condominium Cluster officers shall ascertain that the Board of Directors fulfills its obligations, duties, and responsibilities as set forth in these Bylaws.

2. Condominium Cluster officers shall hold meetings, as necessary, to consider and take appropriate action on matters concerning the Condominium Cluster they represent. Notice of meetings of Condominium Cluster officers shall be given to each officer, personally, by first-class mail, or by telephone at least three days before the meeting. All Association Members who own a Condominium Unit within a Condominium Cluster that has scheduled a meeting of its officers shall be invited to attend the meeting. The President, or one of the other officers designated by the President, has the duty to bring to the Board of Directors any decisions and recommendations of their respective Condominium Cluster meeting requiring the attention or action by the Board of Directors.

3. The Secretary shall keep written minutes of all meetings of the Condominium Cluster and within one week following any Condominium Cluster meeting shall submit a copy of the minutes of such meeting to the Property Manager of Crowfields Condominium Community, who shall send a copy to each Member in the Cluster.

F) First Meeting of the Newly Elected Officers. The first meeting of the newly elected officers of each Condominium Cluster shall be held immediately after the first meeting of each Condominium Cluster annual Members meeting. No notice shall be necessary for such first meeting of Condominium Cluster officers, so long as a majority of the Condominium Cluster officers are present.

G) Quorum for Action by the Officers. A majority of Condominium Cluster officers of any Condominium Cluster represented by such officers shall constitute a quorum for business to be transacted at any meeting of such Condominium Cluster officers.

H) Vacancies of a Cluster Office. Vacancies in a Condominium Cluster office, caused by any reason other than removal of an officer, shall be filled by vote of all Association Members in the Condominium Cluster where such vacancy occurs. Each person so elected shall be an officer (in the same position vacated) until the election of new officers at the next annual meeting of the Condominium Cluster.

I) Removal of a Cluster Officer. At any regular or special meeting of the Association Members within any Condominium Cluster, duly called, any one or more of the Condominium Cluster officers previously elected by the Association Members within such Condominium Cluster may be removed with or without cause by a majority vote of all Association Members in the Condominium Cluster. A successor may then be elected by the affirmative vote of a majority of the Association Members in the Condominium Cluster to fill the vacancy thus created. Any officer whose removal has been proposed shall be given the opportunity to be heard at the meeting.

J) Bond Requirements for Cluster Officers. Condominium Cluster officers shall not be required to furnish fidelity bonds. No Condominium cluster officer, in his or her capacity as a Condominium Cluster officer, shall have authority to enter into contracts on behalf of any Condominium Cluster, nor collect or disburse funds.

K) Compensation for Cluster Officers. No Condominium Cluster officer shall receive any compensation for serving in said capacity.

## **ARTICLE IV**

### Board of Directors, Officers and Executive Committee

A) Purpose of the Board of Directors. The Board of Directors is established and functions to provide uniform management and maintenance of all Condominium Clusters and common areas.

B) Membership on the Board of Directors. Every Condominium Cluster shall have one representative member on the Board of Directors. That representative member shall be the Condominium Cluster President. In the absence of the President, a Condominium Cluster's Vice President or Secretary (in the event the Vice President is not available) shall represent the Condominium Cluster on the Board of Directors. In the event that no Condominium Cluster officer is able to attend a meeting of the Board of Directors, the respective Condominium Cluster President may appoint a non-officer Association Member within the Condominium Cluster to represent a Cluster at the Board of Directors meeting. Any Cluster member representing his/her Condominium Cluster in the place and stead of a Cluster President at the meeting of the Board of Directors does so with full power and authority to take action at such meeting, including but not limited to, the power to make and second motions, and to vote.

After election of Cluster Officers a Cluster President may ask the President of another Cluster to represent his/her Cluster at meetings of the Board of Directors for the calendar year. This may be done by signing a limited power of attorney, available in the Office, to authorize such representation. It may be withdrawn at any time. A Cluster President may represent no more than one other Cluster and must inform both clusters of all business and voting issues.

C) Responsibilities of the Board of Directors. In addition to the duties elsewhere imposed by these Bylaws or by resolutions of the Association, the Board of Directors shall have final responsibility for the fiscal management of the Association, including the adoption of the budget, selection of the auditor(s), election of the Executive Committee officers, the power to override actions of the Executive Committee and collection of the annual assessments against the Members (Unit Owners) in accordance with the Declaration of Unit Ownership and these Bylaws, and the power to modify, alter, amend, or add to the Bylaws (subject to the terms of Article X herein) and the Rules and Regulations of the Association..

D) Pro-rata Weight of Individual Votes. Each Condominium Cluster shall have one vote on each matter brought to a vote at any meeting of the Board of Directors. The vote is weighted according to a formula previously determined by the Board of Directors. Larger Clusters have a more heavily weighted vote than do smaller Clusters. The list of pro-rata weights for each Condominium Cluster's vote is available for inspection by any Member, in the Crowfields Management office.

E) Removal of a Member of the Board of Directors. Upon the affirmative vote of a majority of the Board of Directors at any meeting of the Board of Directors at which a quorum is present, any member of the Board of Directors may be removed, with or without cause, and his/her successor elected at any regular or special meeting of the affected Condominium Cluster Members called for such purpose. Any member of the Board of Directors whose removal has been proposed shall be given an opportunity to be heard at the meeting.

F) Compensation for Members of the Board Of Directors. No member of the Board of Directors shall receive compensation of any type for serving as a member of the Board of Directors.

G) Bond Requirements for Officers and Employees. The Board of Directors shall require all officers of the Executive Committee and employees of the Condominium Community and Association handling or responsible for Association funds to furnish adequate fidelity bonds, provided, however, that this provision shall not require the Treasurer to be bonded if, under the terms of an agreement in effect from time to time, the person, firm or corporation serving as a management agent for the Association who is responsible for collecting and disbursement of assessments funds is required to account for said funds to the Board of Directors at least two (2) times annually. The premiums on necessary fidelity bonds shall be paid by the Association.

#### H) Meetings of the Board of Directors

##### 1. Regular Meetings.

a. April Meeting. The Board of Directors shall meet on the last Thursday in April in the Crowfields Clubhouse to review the Auditor's reports and take action on other appropriate matters.

b. July Meeting. The Board of Directors shall meet on the last Thursday in July to review the six-month financial statements and take action on other appropriate matters. At this meeting the Board of Directors shall also elect a Nominating Committee to propose nominees for membership on the Executive Committee for the following year. The Nominating Committee shall consist of five members who need not be officers

of their respective Clusters. Procedures for the Nominating Committee are set forth in Article IV, section I, Para. 3.

c. Annual Meeting. The Board of Directors shall hold its Annual Meeting on the first Thursday in December. The Board shall hear the report of the Nominating Committee and consider nominations for membership of the Executive Committee for the ensuing year. In addition to the names submitted by the Nominating Committee, names of other nominees may be submitted from the floor. After election of officers, with the newly elected President presiding, such action shall be taken with reference to budgets, selection of auditors and such other business as shall appropriately come before the Board of Directors.

2. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Executive Committee on three (3) days' notice to each member of the Board of Directors personally, by mail or by telephone. This notice shall state the time, place, and purpose of the special meeting. Special meetings of the Board of Directors may also be called by the President or Secretary of the Association upon the written request of ten (10) or more of the Board of Directors.

3. Action without meeting. Action required or permitted by these Bylaws to be taken by the Board of Directors may not be taken without a meeting.

4. Quorum Requirements. A majority of Board of Directors Members shall constitute a quorum for business to be transacted at any meeting of the Board of Directors.

5. Bylaws Amendment. In the event that an amendment to the Bylaws has been properly submitted for consideration before the Association, as provided in Article X of these Bylaws, the Secretary of the Association shall properly notify all Members of the Association with respect to such consideration, including the date and time of the meeting of the Board of Directors at which a vote to adopt such proposed Bylaws amendment will be taken. (Reference Article X herein)

#### I) Officers and Executive Committee

1. Composition of Executive Committee. There shall be nine (9) officers of the Association, who shall form the Executive Committee. These officers are President, First Vice President, Second Vice President, Secretary, Assistant Secretary, Treasurer, Assistant Treasurer and two Members at Large of the Executive Committee. The President and Vice President must be or have been President or Vice President of a Crowfields Condominium Cluster. The other seven (7) Members of the Executive Committee need not be Cluster officers. The members of the Executive Committee shall meet the same qualifications for Membership as Cluster officers (see Article III, paragraph A) but need not be currently serving as Cluster officers.

2. Terms of Office. Each officer shall be elected for a term of one (1) year.

A Member having served for three consecutive terms on the Executive Committee shall not be eligible for reelection for the year immediately following expiration of his/her third term, except that a President or Treasurer who has served in that office for no more than one term shall be eligible for reelection to a second term in that office. Officers serving on the effective date of these Bylaws shall continue to serve until the next December Annual Meeting. Service prior to the effective date of these Bylaws will be counted toward the maximum tenure in office.

### 3. Nomination and Election of Officers

a. The Nominating Committee shall select its own Chairperson, shall meet at such times and places as it deems necessary, and shall nominate one person for each of the nine (9) offices of the Association. The slate shall be presented at the annual meeting of the Board of Directors on the first Thursday of December. The Nominating Committee shall meet at other times during the year in the event that vacancies in Association offices occur.

b. The Board of Directors shall consider the slate presented by the Nominating Committee, as well as any other nominations submitted from the floor. Officers shall be elected by majority vote of the Directors present at the meeting and shall take office immediately after election.

4. Vacancies on the Executive Committee. When an Executive Committee office becomes vacant, the office shall be filled by the Board of Directors at the next regularly scheduled or called meeting of the Board of Directors. The Nominating Committee shall be requested to submit one or more nominations for any such vacant office.

J) Meetings of the Executive Committee. Regular meetings shall be held monthly. In the week immediately preceding each regular meeting, workshop sessions shall also be held at which an agenda for the regular meeting will be formulated. This agenda will be made available to Association Members in the Management Office no later than five (5) days prior to each monthly meeting. All Association Members may attend any regular meeting or workshop session. Attendees who are not Executive Committee members shall not interrupt any Executive Committee meeting or workshop session. Personnel and legal matters shall only be discussed at workshop sessions, and when such matters are discussed, Members who are not on the Executive Committee will be required to excuse themselves from the workshop session.

Members may contact any Executive Committee member at any time concerning agenda items or any other matter they wish to be discussed at a regularly scheduled meeting of the Executive Committee. Request(s) for non-scheduled (special) meetings for the purpose of presenting particular issues to the Executive Committee shall be in writing and delivered to the President of the Association. Every reasonable effort will be made to act upon such requests within two weeks of their receipt.

At regular intervals the Executive Committee shall provide Unit Owners an opportunity to appear before a meeting of the Executive Committee and to speak to the Executive Committee about their issues or concerns. The Executive Committee may place reasonable restrictions on the number of persons who speak on each side of an issue and may place reasonable time restrictions on persons who speak.

K) Duties of Officers, and Powers of the Executive Committee:

1. President. The President is the Chief Executive of the Executive Committee of the Board of Directors of the Crowfields Condominium Association. He/she shall preside at all meetings of the Executive Committee and the Board of Directors. He/she shall have all the general powers and duties usually vested in the office of President of an association, including but not limited to powers to appoint committee chairs from among Association Members as he/she may in his/her discretion deem appropriate in assisting in the conduct of the affairs of the Association. The President is an ex officio member of all committees except Nominating. The Ad Hoc Committee Chair, members and task will be proposed by the President and approved by the Executive Committee. Any Ad Hoc Committee will cease to exist upon completion of its task. All Committee chairpersons must reside in Crowfields Community for at least nine (9) months each year. In making committee appointments, the President shall, to the extent reasonably possible, strive for representation from different areas of the community.

2. First and Second Vice Presidents. The First and Second Vice Presidents, in that order, shall take the place of the President, and perform his/her duties whenever the President is absent or unable to act. If neither the President nor a Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to do so on an interim basis. The First and Second Vice Presidents shall also perform such other duties as shall from time to time be delegated to them by the President.

3. Secretary and Assistant Secretary. The Secretary, or such other person as may be designated by the Executive Committee, shall keep minutes of all meetings of the Board of Directors and of the Executive Committee. The Secretary shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all duties incident to the office of Secretary. The Secretary shall, within one week of said meeting, provide the Crowfields Property Manager a copy of the minutes of all meetings of the Board of Directors and of the Executive Committee so that all such minutes are available for inspection by any Association Member during normal business hours. The Assistant Secretary shall perform such duties as may be delegated by the Secretary.

4. Treasurer and Assistant Treasurer. The Treasurer has the responsibility for Association funds and securities, and is responsible for overseeing the maintenance of full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer is also responsible for overseeing the deposit of all monies and other valuable assets in the name of or to the credit of the Association. Such

deposits shall be made in such depositories as may from time to time be approved by the Board of Directors. The Treasurer shall not be responsible for any matter that has been delegated by the Board of Directors to any other Association officer or outside agent. The Assistant Treasurer shall perform such duties as may be delegated by the Treasurer.

5. Members at Large. There will be two members ("Members at Large") of the Executive Committee whose duties and responsibilities shall be assigned by the President of the Executive Committee.

6. Power to sign agreements, contracts, deeds, etc. All agreements, contracts, deeds, leases, checks, notices, and other instruments to be executed on behalf of the Association shall be executed by any two (2) officers of the Executive Committee or by such other person(s), firm(s), or corporation(s), including a management agent, as may be designated by the Board of Directors. Documents requiring a signature of two (2) Members of the Board of Directors, may be signed by the President or a Vice President plus any one of the following: Secretary, Assistant Secretary, Treasurer or Assistant Treasurer. Documents requiring the Crowfields Official Seal must be signed by either the President or a Vice President plus the Secretary or Assistant Secretary.

7. General Powers of the Executive Committee. The Executive Committee of the Board of Directors, except as to such powers as the Board of Directors may expressly reserve to itself by resolution, shall exercise the powers of the Board of Directors when the Board of Directors is not meeting. The Executive Committee responsibilities include, but are not restricted to the following:

a) Care, upkeep and protection of the Condominium Community and the common areas and facilities, including but not limited to the servicing, maintenance, repair and replacement of all common areas and facilities.

b) The power to hire, dismiss and supervise personnel employed by the Association, including the power to establish rates of pay, benefits, hours of work and other personnel policies.

c) The Employee Retirement Fund will be managed by Trustees elected by the Executive Committee.

The duties in paragraphs a. & b. above may be delegated at the discretion of the Executive Committee on an annual basis.

8. Maintenance and Distribution of Minutes of Executive Committee meetings. Minutes of all meetings of the Executive Committee shall be kept by the Secretary and distributed to the Crowfields Property Manager within one (1) week of said meeting, and

to all members of the Board of Directors and Executive Committee not later than two (2) weeks prior to the next meeting. Crowfields Management Office shall maintain such minutes and distribute copies to each Cluster President for circulation within said Cluster.

9. Quorum Requirements. A majority of Executive Committee members shall constitute a quorum for business to be transacted at any meeting of the Executive Committee.

10. Penalties. The Executive Committee of the Board of Directors is authorized to establish fines or restrictions against Association Members for misuse of common property and/or violations of the Rules and Regulations.

11. Compensation of Officers. No Executive Committee member shall receive compensation of any kind for serving in said capacity.

12. Tenure in Office. An officer so elected, shall serve until the next December annual meeting of the Board of Directors. For the purpose of establishing maximum tenure in office, a partial year of service shall count as a full year if it extends six months or more, but shall not count as a year if it extends less than six months.

13. Removal of a Member(s) of the Executive Committee. Any members of the Executive Committee may be removed, with or without cause, by at least a sixty-seven percent (67%) vote of the Board of Directors at any regular meeting or special meeting duly called for that purpose. A member of the Board of Directors may present to the President of the Executive Committee a written, signed request to be heard on such subject. This request must be received at least two weeks in advance of the requested meeting and must include specific reasons why the Executive Committee member(s) should be removed and copies of any documentation to support the allegation. On receipt of such request, the President must immediately inform the member(s) involved of the allegation and that they will be afforded an opportunity at the meeting to be heard.

In the event of the removal of one or more members of the Executive Committee, the Nominating Committee, within two weeks, shall furnish the Executive Committee names of proposed replacement(s) for a vote of the Board of Directors at a special called meeting. Executive Committee members so elected shall only complete the remainder of the replaced Executive Committee member's term.

14. Committees. Standing committees have a continuing function in the conduct of the Association. The existence of the following committees is mandated: Architectural Review, Bylaws, Finance, Grounds, Human Resources and Nominating. The Nominating Committee is elected by and reports to the Board of Directors. The five other Standing Committees shall report to the Executive Committee, which determines their responsibilities and to which these five standing committees must regularly report. The Chair of a standing committee, who is appointed by the President, shall select the

committee, excepting the Nominating Committee.

A slate of five Nominating Committee members shall be proposed by the President to the Executive Committee, which will nominate the Nominating Committee to the Board of Directors.

Special (Ad Hoc) committees, which shall exist until their assigned task is completed, shall be proposed by the President. The task, chair and members shall be approved by the Executive Committee.

Other committees, with a one-year term of office coinciding with the terms of the officers, may be appointed as above, as needed.

15. No appointed committee at Crowfields shall take any action on behalf of the Association without full disclosure and the express prior and written consent of the Executive Committee.

## **ARTICLE V**

### Common Facilities

A) Purpose of Common Facilities. The Association functions include, but are not limited to the following:

Ownership, operation and maintenance of recreational facilities and common grounds ("Common Facilities") which were developed in conjunction with the Condominium Community, together with such other facilities (which shall be considered as part of the Common Facilities) as may be acquired by the said Association for use and benefit of the Members.

B) Rights to use Common Facilities. The Clubhouse, swimming pool/patio area, lakes and all other common areas and other Common Facilities are reserved for the use of Crowfields Occupants and their guests in accordance with the conditions cited in the "Crowfields Rules and Regulations."

C) Management of Common Facilities. The Executive Committee of the Board of Directors is responsible for the operation and maintenance of the Common Facilities.

## **ARTICLE VI**

### Finance

A) Budget. The annual budget for the operation, maintenance, and improvement of the Condominium Clusters and Common Facilities shall be established on a calendar year basis by the Executive Committee, based upon the best estimate of

projected income and expenses for the coming year and plans for future improvements. Such budget shall include:

1. Provision for contingency allowance, adequate fire, public liability and extended coverage insurance and any amount necessary to make up any deficits incurred in previous years, and
2. Provision for adequate reserve funds for performing maintenance of buildings, roads, grounds, and any other items which may be appropriate or necessary, and
3. A breakdown of the annual budget of the Association based upon amounts to be collected as follows:
  - a. A "Cluster Reserve Fee" per Cluster for periodic painting and roofing and maintenance of the structural components of the building; and
  - b. A "Management Fee" for maintaining external Cluster property other than painting, roofing, and structure maintenance of the Clusters, and
  - c. A "Community Fee" for maintenance of all of the properties and Common Facilities belonging to the Crowfields Condominium Community, including, but not limited to, the lakes, the swimming pool, equipment, the Management Office/Club House, and real property outside of any parcel which would otherwise be considered as a Unit or a "common areas and facilities" as defined in any particular Cluster Declaration.
  - d. The Executive Committee shall establish the budget required by this Article and submit it to the Board of Directors for their consideration not less than thirty (30) days prior to the date of the Annual Meeting of the Board of Directors.

B) Limitations in increases in budget for Condominium Clusters and Common Facilities.

1. No item brought forward from the previous year's budget can be increased more than fifteen percent (15%) unless and approved by two-thirds (2/3) vote of the Board of Directors.

2. No new line item having a cost of more than five thousand (\$5,000.00) dollars can be added to the annual budget unless approved by a two-thirds (2/3rds) vote of the Board of Directors.

C) Assessment for Budget. The annual budget for each Condominium Cluster (its individual Cluster Reserve Fee and its individual Management Fee) shall be assessed to each Condominium Unit in proportions equal to those percentages of undivided

interests stated in Item 4 of the Declaration of Unit Ownership of each Cluster. The annual budget for the Community (the Community Fee) shall be assessed equally to each Condominium Unit. From time to time the proportion of total fees (the total amount of the Community Fee and the total amount of the Management Fee combined) allocated respectively to the Management Fee and the Community Fee may be changed. The total annual Management Fee as determined in the annual budget shall be allocated among the thirty-four (34) Clusters in those percentages set forth in Exhibit "A" attached to these Bylaws. Payments of Assessments (the Cluster Reserve Fee, the Community Fee, and the Management Fee) shall be due in twelve (12) equal monthly installments, each of which shall be due on the first day of each Calendar month during the budget year. Each such installment shall be considered overdue and delinquent as of the close of Crowfields' posted business hours on the 10<sup>th</sup> day of each calendar month (and in the event the 10<sup>th</sup> day of a calendar month shall fall on a day when the Crowfields office is closed, then on the next day of such calendar month in which the Crowfields office is open for business). If such delinquency occurs, a late fee not to exceed the greater of twenty dollars (\$20.00) per month or ten percent (10%) of any assessment installment unpaid will be assessed and added to the payment due for the following month. Unless the Declaration expressly provides to the contrary, the Association may assign its rights to future income, including the right to receive common expense assessments.

D) Amendment of Budget and Assessment. In the event the annual assessment proves to be insufficient, the budget and assessment for the Condominium Clusters and Common Facilities may be amended at any time during the year by the Executive Committee, subject to the approval of the Board of Directors. After such approval, the unpaid assessment, as amended for the remaining portion of the year shall be assessed according to Article VI, Section C, above.

E) Action Resulting from Unpaid Assessments. All unpaid assessments, upon default, shall bear interest at the legal rate of North Carolina beginning thirty (30) days after the assessment becomes due, may be collected by legal action of the Association and shall be a lien upon the individual residential Condominium Unit of the delinquent Member, in accordance with North Carolina condominium law. Delinquent Owners shall be liable for costs to the Association, including reasonable attorney's fees for collection of such unpaid assessments.

F) Liability of Officers relating to their Activities. The Executive Committee shall not be liable to Owners of Condominiums in the Condominium Community with respect to any mistake of judgment, negligence, or otherwise, except for their own willful misconduct or bad faith. Members of the Association shall indemnify and hold harmless each of the Members of the Executive Committee, against all contractual liability of any kind arising out of contracts made by the Executive Committee or its individual Members on behalf of the Association unless such contract shall have been made in bad faith or contrary to the provisions of these Bylaws. The individual Members of the Executive Committee shall have no personal liability with respect to any contract made by them on behalf of the Association (except as Members of the Association). Every

agreement made by the Executive Committee or any of its Officers shall provide that the Executive Committee or any of its officers are acting only as agents for the Association and that they shall have no personal liability thereunder (except as Association Members).

G) Insurance. The Association shall be required to obtain and maintain, to the fullest extent possible, the following insurance:

1. Property Insurance. The Association shall obtain and maintain at all times a policy of property insurance on the entire buildings and the building common areas and facilities (ISO special form or its equivalent), in an amount not less than one hundred percent (100%) of the replacement cost of each building and its common areas and facilities at the time such insurance is purchased and at each renewal thereof. The policy shall:

- a. include interior walls, kitchen and bathroom fixtures, and other fixtures, appliances, improvements, betterments and alterations that are part of the building or structure;
- b. carry a commercially reasonable deductible as reasonably determined by the Board of Directors;
- c. be issued by an insurance company properly licensed to do business in the State of North Carolina, with either (i) a “B” or better general policyholder’s rating or a “6” or better financial performance index rating in *Best’s Insurance Reports*, or (ii) an “A” or better general policyholder’s rating and a financial size category of “VIII” or better in *Best’s Insurance Reports – International Edition*, or (iii) an “A” or better rating in Demotech’s *Hazard Insurance Financial Stability Ratings*, a “BBBq” qualified solvency ratio or a “BBB” or better claims-paying ability rating in *Standard and Poor’s Insurance Solvency Review*, or (iv) a “BBB” or better claims-paying ability in *Standard and Poor’s International Confidential Rating Service*;
- d. provide that the Association is a named insured, and that each Owner is an insured person with respect to: (i) covered property within that Owner’s Unit, and (ii) that Owner’s allocated interest in the common areas and facilities;
- e. contain a standard extended coverage endorsement and a standard “all risk” endorsement (unless the policy contains standard “broad form” covered cause of loss) and an inflation guard endorsement, if available;
- f. contain a special condominium endorsement providing as follows: (i) for waiver of subrogation against any Owner, and any

Owner's employees and agents; (ii) that it may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to the Association and all insureds, including all Owners and mortgagees named in the mortgage clause; (iii) that no act or omission by any Owner will preclude recovery upon said policy; and (iv) that if, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance; and

g. provide for the issuance of certificates or mortgagee endorsements to each mortgagee.

2. Other insurance. The Board of Directors shall purchase such other insurance as the Board of Directors deems appropriate.

3. Provisions for adjustments. All insurance policies shall provide that adjustments of losses shall be made by the Board of Directors or its designated representatives.

4. Insurance for Physical Damage. All policies covering physical damage shall contain a standard North Carolina mortgage clause in favor of each mortgagee of a Unit. This clause shall provide that loss, if any, thereunder, shall be payable to each mortgagee as its interests may appear. All insurance policies covering physical damage shall contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured.

5. Cancellation of Insurance for Physical Damage All policies covering physical damage shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days written notice to both the President of the Executive Committee and the Property Manager of Crowfields Condominium Community. Each member of the Board of Directors shall be notified in writing by the President of the Association or his/her designated representative within seven (7) days after receipt of such notice from the insurer. Duplicate originals of all policies of physical damage and all renewals thereof, together with proof of payment of premiums shall be maintained in the Crowfields Management Office and available for inspection by Members of the Association during normal working hours.

6. Liability insurance carried by the Association. The Board of Directors shall obtain to the extent obtainable, and maintain, public liability insurance in such limits as the Board of Directors may determine from time to time, covering each member of the Board of Directors and Executive Committee, the management agent, the property manager, and such other persons as the Board of Directors may name.

7. Additional Insurance carried by Members. Members shall not be prohibited from carrying other insurance for their own benefit provided that all such

policies shall contain waivers of subrogation and provided that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of such additional insurance carried by any Members.

8. Responsibility for repairing and restoring property damage. In the event the Condominium Community is damaged or destroyed by fire or other disaster, the Board of Directors shall be responsible for repairing and restoring same using proceeds resulting from the disaster for said purpose and assessing Unit Owners for any deficiency, unless the Condominium Community is more than two-thirds (2/3rds) destroyed by said disaster and the owners of three-fourths (3/4ths) of the Condominium Units duly and promptly resolve not to proceed with the repair and restoration, in which event the Board of Directors shall be responsible for settling the affairs of the Condominium Community and Association in accordance with the provisions of Section 47-A-25 of the General Statutes of North Carolina.

9. Allocation and Payment of Premiums. Premiums on insurance policies purchased by the Association shall be paid by the Association, and the cost shall be assessed as a common expense in accordance with Article VI of these Bylaws.

10. Willful or Negligent Damage. If any property covered under the Association's insurance policy is damaged or destroyed by the willful act or gross negligence of an Owner, his or her family, invitees or tenants (as determined by the Executive Committee in its reasonable determination), then such Owner shall be responsible for paying the lesser of: (a) the cost to repair and/or replace any damage to such property or improvements. The amount shall be due under the Association's policy; or (b) the cost to repair and/or replace any damage to such property or improvements. The amount shall be due within ten (10) days after delivery of written notice of such cost to the responsible Unit Owner(s) or twenty (20) days after mailing of such notice to the responsible Unit Owner(s) by certified mail, whichever occurs first. If a Unit Owner fails or refuses to pay such amount as required pursuant to this paragraph, the amount shall be paid by the Association and thereafter individually assessed against such Unit Owner.

11. Annual Review. The insurance coverage required under this Section shall be reviewed at least annually by the Executive Committee. If any such coverage becomes impossible or impractical to obtain, the Association shall obtain coverage which most closely approximates the required coverage with deductible provisions as reasonably determined by the Executive Committee.

## **ARTICLE VII**

### Obligations of Owners

A) Payment of Assessments. All Members are obligated to pay annual

assessments imposed by the Association to meet all current maintenance and administrative expenses, to contribute to a reserve fund, and to pay insurance premiums due. In the event that a Condominium Unit is owned by more than one person, or by a corporation or other entity, the legal Owners of such Condominium Unit shall designate one of the joint owners, or a representative from such corporation or other entity, to be the person responsible for the payment of monthly fees, dues and assessments (regular and special) imposed by the Association as defined in this Article VII. All assessment payments relating to the Clusters (Cluster Reserve Fee and Cluster portion of the total Management Fee) shall be made by each Member in proportions equal to those percentages of undivided interests stated in Item 4 of the Declaration of Unit Ownership of any such Member's Cluster. All assessment payments relating to the community (the Community Fee) shall be made in an amount equal to that amount being paid by each other Unit Owner in the Crowfields Condominium Community, as determined in the budget of the Association. Payments of Assessments (the Cluster Reserve Fee, the Community Fee and the Management Fee) shall be due in twelve (12) equal monthly installments, each of which shall be due on the first day of each calendar month during the budget year. Each such installment shall be considered overdue and delinquent as of the close of Crowfields' posted business hours on the 10<sup>th</sup> day of each calendar month (and in the event the 10<sup>th</sup> day of a calendar month shall fall on a day when the Crowfields office is closed, then on the next day of such calendar month in which the Crowfields' office is open for business). If such delinquency occurs, a late fee not to exceed the greater of twenty dollars (\$20.00) per month or ten percent (10%) of any assessment installment unpaid will be assessed and added to the payment due for the following month.

B) Obligations of Members for Maintenance and Repairs. The obligations of Owners as to maintenance and repairs are as follows:

1. Timeliness of performing Maintenance and Repair Work. Every Member must perform promptly all maintenance and repair work within his/her own Condominium Unit which, if omitted, would affect the Condominium Community, an individual Cluster, or any other Unit or property belonging to other Members, being expressly responsible for the damages and liabilities that such failure may cause.

2. Payment for Certain Repairs by Member. All repairs of internal installations of the Condominium Unit, such as lines for carrying electricity, telephone, water, and sewage serving the Member's Condominium Unit, heat pumps, sanitary installations, and all other accessories belonging to the Condominium Unit area shall be at the Owner's expense. In addition, effective as of April 22, 2013, each Owner of a Unit, with a deck (open or enclosed), patio or porch (screened or unscreened) shall be responsible as follows:

- a. All deck, porch and patio (which shall include the structure) repair, maintenance and replacement shall be at the sole cost and expense of the Owner having rights of use of such decks, porches or patios.

- b. The stairs leading to or from any decks, porches or patios will be maintained, repaired or replaced at the sole cost and expense of the Owner having rights of use of the deck, porch or patio to which such stairs lead.
- c. Notwithstanding the above, painting of decks, porches, stairs and patios shall be performed by the Association in accordance with its regular painting schedule for the Cluster. In the event that a deck, porch, patio or stairs is in need of painting more often than the regular schedule for the Cluster, such additional painting shall be at the cost and expense of the Unit Owner.
- d. Maintenance of additions to the original construction of any buildings will be at the expense of the individual Unit Owner having such addition added to the Condominium, except that repainting and re-roofing of each Cluster shall be conducted by the Association at scheduled times and within the regular budget of the Association

3. Reimbursement of Association by Members. A Member shall reimburse the Association for any expenditures incurred by repairing or replacing any common area, Common Facilities or Condominium Cluster damaged through the Member's fault.

4. Responsibility Agreements regulated by the Architectural Review Committee have the force of rules. The Executive Committee and Board of Directors must approve any changes to the agreements.

C) Intent to Operate as Housing Designed for Persons Who Are 55 Years of Age or Older. It is the intent of the Association that the occupancy of Crowfields Condominium Community be consistent with the Federal Department of Housing and Urban Development (HUD) laws and regulations governing 55-or-older housing. All Condominium Units shall be subject to the following specific requirements:

1. The Executive Committee must approve all new Occupants of Units within Crowfields Condominium Association (including but not limited to new Owners, renters or other persons who may occupy a Unit or Units within Crowfields Condominium Association). Any such Occupants must provide the Executive Committee with written proof whether at least one person who is going to occupy the unit is 55 years of age or older, and must supply to the Executive Committee all properly completed and executed application forms as required by the Crowfields Management Office.

2. Prior to the rental of any Condominium Unit by the Owner of such Condominium Unit, the Owner shall provide the Executive Committee with written proof that at least one of the proposed tenants who will occupy the Unit is 55 years of age or older to comply with the HUD rule. All forms of leases must contain a provision specifically stating that Crowfields Condominium Community is intended to operate as

55-or-older housing, and that occupancy is subject to the prior written approval of the Executive Committee.

3. The Executive Committee shall disapprove of the occupancy of any Unit if the effect of allowing occupancy will cause the Crowfields Condominium Community to have less than ninety (90%) percent of its occupied Units occupied by at least one person 55 years of age or older.

4. Any purchase, sale or lease for which authorization is required under these Bylaws, but for which authorization is required under these Bylaws, but for which authorization has not been obtained, shall be voidable at the discretion of the Executive Committee of the Association.

5. That so long as Crowfields Condominium Community is in full compliance with HUD laws and regulations governing 55-or-older housing, no permanent Occupant of any Condominium Unit within Crowfields Condominium Community shall be less than eighteen (18) years of age. For purpose of this paragraph, the definition of a permanent Occupant is a person who will be occupying any Condominium Unit within Crowfields Condominium Community, either as an owner, renter or under any other occupancy, for a period of fifteen (15) consecutive days or thirty (30) days cumulative.

6. Federal Housing and Urban Development (HUD) Regulation 24 CFR 100.306 requires Crowfields Condominium Community to comply with the following regarding proof of an intent to operate as housing designed for persons who are 55 years of age or older. This intent must be clearly stated in the following:

- a. the manner in which the housing facility or community is described to prospective Occupants
- b. any advertising designed to attract prospective Occupants
- c. lease provisions
- d. written rules, regulations, covenants, deeds or other restrictions
- e. public posting in common areas of statements describing the facility or community as housing for persons 55 years of age or older

The Association, through its Executive Committee, is authorized to take reasonable steps it deems necessary and desirable to so express the intent required.

7. The following are acceptable means of written proof which may be accepted by the Association for the purpose of establishing the age of Unit Occupant under paragraphs 1 or 2 of this subsection C: (a) a copy of a birth certificate, (b) a copy of a driver's license or (c) an affidavit signed by a member of the household who is 18 years of age or older.

D) Structural Modifications to a Condominium Unit by Member. A Member may not make interior or exterior structural modifications to a Unit without prior approval. A

request should be made in writing to the Architectural Review Committee. Subject of that Committee's recommendation, the request will be submitted to the Executive Committee for final approval. Interior modifications include basements and attics. The Executive Committee shall have the obligation to respond to requests no later than ten (10) days from the first monthly meeting following receipt of the request.

E) Rights of Entry into Condominium Units. All Condominium Units shall be subject to the following rights of entry:

1. In the case of any emergency threatening his/her Condominium Unit or any other Unit a Member shall grant the right of entry to the Condominium Community or Association management agent or any other person authorized by the Executive Committee of the Board of Directors, whether the Member is or is not present. All Members must provide the Management Office with a key for this purpose. If a key is not made available and forced entry has to be made, the Owner/Occupant will be responsible for the cost of any necessary repairs. No owner shall alter any lock or install a new lock on any premises without notifying the Executive Committee or its representative and providing the Association with a new key.

2. A Member shall permit other Members, or their representatives, when necessary, to enter his/her condominium unit for the purpose of performing installations, alterations, or repairs to the water, mechanical, or electrical services, provided the request for entry is made in advance and that such entry is at a time convenient to the Member. In case of an emergency, the right of entry shall be immediate.

3. The Executive Committee, the Board of Directors or their designated representative(s) shall have the right of entry to any Unit for the purpose of correcting any violation or breach or default under these Bylaws and the Rules and Regulations established hereunder.

F) Use of Condominium. No Condominium Unit shall be used for non-residential purposes except Condominium Units may be used by an Occupant for occupations such as real estate sales, architecture, tax preparation, journalism and marketing, so long as any such occupation does not generate vehicle traffic or noise within Crowfields Condominium Community. Likewise, no Condominium Unit may be used for purposes not permitted by applicable zoning or business licensing requirements.

G) Authorization for Sale or Lease. Any purchase, sale or lease for which authorization is required under these Bylaws, but for which authorization has not been obtained, shall be voidable at the election of the Executive Committee of the Association.

H) Non-Compliance with Condominium Act, Declaration, Bylaws or Rules and Regulations. In the event a Unit Owner, a Member of such Unit Owner's family, or such Unit Owner's guests, invitees, tenants, agents or employees fails to comply with the provisions of the Condominium Act, the Declaration, the Bylaws, or Rules and

Regulations, the Unit Owner shall be responsible for all costs incurred by the Association in connection with the violation. Attorneys' fees incurred by the Association shall be reimbursed by the Unit Owner regardless of the controversy.

In the event a Unit Owner is charged with a violation, said Owner shall be notified in writing of the nature of the violation and the time and place of a hearing to be held before the Executive Committee to determine if the Owner should be fined or if Condominium privileges or services should be suspended pursuant to the powers granted the Association in G.S. 47C-3-102(11). At this hearing, the Owner shall have an opportunity to be heard and present evidence, and shall be notified in writing of the decision. If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for the violation and without further hearing, for each day more than five (5) days after the decision that the violation occurs. Such fines shall be assessments secured by liens under G.S. 47C-3-116. If it is decided that a suspension of condominium privileges or services should be imposed, the suspension may be continued without further hearing until the violation is cured.

## **ARTICLE VIII**

### Conveyances

A) Foreclosure and Judicial Sales. No judicial or foreclosure sale of a Condominium Unit or any interest therein shall be valid unless (1) the sale is to a purchaser approved by the Executive Committee, which approval shall be in recordable form and shall be delivered to the purchaser and recorded in the office of the Register of Deeds of Buncombe County, North Carolina, or (2) the sale is the result of a public sale with open bidding.

B) In the event proceedings are instituted to foreclose any mortgage or deed of trust on any Condominium Unit, the Executive Committee or its designated representative, acting on behalf of the Members of the Association, shall have the right to redeem from the mortgagee or holder of the deed of trust for the amount due thereon or to purchase such Condominium Unit at the foreclosure sale for the amount set forth to be due by the mortgagee or holder of the deed of trust in the foreclosure proceedings, and should the debtor fail to redeem from such mortgage or deed of trust, and in case of such redemption by the Association, the Association thus redeeming shall take and have absolute fee simple title to the property redeemed, free from any claim of right of such debtor and any grantee, his/her heirs or assigns, of such debtor and every person claiming by, through or under such debtor. Nothing herein contained shall preclude a mortgage institution, bank, savings and loan association, fire insurance company, or any other recognized lending institution from owning a mortgage or deed of trust on any Condominium Unit, and such lending institution shall have an unrestricted absolute right to accept title to the Condominium Unit in settlement and satisfaction of said mortgage or deed of trust or to foreclose the mortgage or deed of trust in accordance with the terms thereof and the laws of North Carolina, and to bid upon said

Condominium Unit at the foreclosure sale, provided said lending institution owning said mortgage or deed of trust shall give the Association, its successors or assigns, written notice by certified mail of the said default mailed at least thirty (30) days prior to the institution of foreclosure proceedings, during which thirty (30) days the Association, its successors or assigns shall have the right to cure such default by payment to the mortgagee or holder of all sums due upon such default and following such payment, such mortgagee or holder shall be required to waive such default, and if such default is not cured as aforesaid, and should the Association, its successors or assigns, fail to purchase such mortgage or deed of trust, together with any cost incident thereto, from such mortgagee or holder, or fail to redeem such mortgage or deed of trust, then and in that event the mortgagee or holder taking title on such foreclosure sale may acquire such Condominium Unit and occupy same and let, re-let, sell and re-sell the same without complying with these restrictions limiting the ownership and occupancy of said property to persons approved by the Association, except that the provisions of Article VII, subsection C regarding persons 55 years of age or older must still be adhered to. If the Association, its successors and assigns, should redeem such mortgage or deed of trust or cure such default, it shall have a lien against the respective Condominium Unit so redeemed for all sums expended in connection therewith, and shall have the same rights to collect such sums as in the case of a past due assessment. The Association should seek legal counsel prior to considering payment of a defaulting Unit Owner's mortgage payment.

C) The Executive Committee or its designated representative may by instrument in writing and in recordable form waive the restrictions appearing in Section B of this Article VIII which may limit the right of foreclosure under power of sale by any note holder or lending institution in favor of such note holder or lending institution under such terms as the Executive Committee or its designated representative may, in its discretion, deem advisable.

D) The Executive Committee or its designated agent shall not exercise any right to purchase or redeem any Unit under the terms of this Article VIII on behalf of and for the benefit of the Association without the prior approval of two-thirds (2/3rds) vote of the Board of Directors, but this limitation shall not be deemed to prohibit or preclude the Executive Committee from assigning such rights to any person(s), firm(s), or corporation(s) other than the Association without such consent.

E) Any Member may convey and transfer his Condominium Unit by gift, will or intestacy without complying with the procedures set forth in this Article VII, Section C, but upon and after such conveyance and transfer said Condominium Unit shall remain subject to all of the terms and conditions of the Declaration of Unit Ownership, these Bylaws and Rules and Regulations adopted hereunder, but notwithstanding this subsection, occupancy of any such Unit shall not be permitted to persons all of whom are under the age of 55 if the effect of such occupancy will cause Crowfields Condominium Community to have less than ninety percent (90%) of its Units occupied by at least one person 55 years of age or older.

F) In the event that the Association shall purchase or otherwise acquire the legal title to any Condominium Unit, such title shall be vested in the Board of Directors as Trustee for each of the remaining Members in the percentages established pursuant to the Declaration of Unit Ownership for each Condominium Cluster in association with that pro-rata determination for the Condominium on file in the Crowfields Management office.

G) A Member who mortgages his/her Condominium Unit, or places a deed of trust or any other encumbrance thereon, shall notify the Association through its designated agent of the name and address of such mortgagee or lien holder; and the Association shall maintain such information as a portion of the official records of the Association.

H) The Association or its designated agent shall, at the request of a mortgagee or lien holder of a Unit or at the request of an attorney searching title in connection with the purchase or encumbrance of a Condominium Unit, report any unpaid assessments due from the Member owning such Condominium Unit.

## **ARTICLE IX**

### Miscellaneous Provisions

A) Agent for Service of Process. The duly appointed process agent, pursuant to N. C. G. S. 47A-26 is McGuire, Wood & Bissette, P. A., 48 Patton Avenue, Asheville, NC 28801. The Board of Directors, or its designated agent shall at all times maintain a duly appointed process agent within Buncombe County, North Carolina, as required by G. S. 47A-26. The Board of Directors or its designated agent may at any time revoke the appointment of any such agent, and appoint a successor by an instrument duly recorded in the Office of the Register of Deeds for Buncombe County.

B) Compliance. These Bylaws are intended to comply with the requirements of Chapter 47A and (where applicable under 47C-1-102) Chapter 47C of the General Statutes of North Carolina. In the event any of these bylaws conflict with the provisions of said Chapter 47A or (where applicable under 47C-1-102) Chapter 47C, it is hereby agreed and accepted that the provisions of said chapter(s) will apply.

C) Rules and Regulations as related to Association Bylaws. In order to afford occupants of the Crowfields Condominium Community a congenial community, permanent in nature, and to protect the value of all Condominium Units, all Members of the thirty-four (34) Clusters, their families, tenants, and guests shall abide by the Rules and Regulations which are attached hereto and incorporated herein by reference. All Members and occupants shall be given a copy of said Rules and Regulations, and these Bylaws, prior to occupancy of a Condominium Unit. A two-thirds (2/3rds) majority vote of the Board of Directors at a regular meeting or a duly called special meeting may modify, alter, amend, add to, or revoke said Rules and Regulations in whole or in part.

D) Order. All meetings of the Association, or any Association entity (Executive Committee, Board of Directors, Cluster Officers, etc.) shall be conducted in accordance with Robert's Rules of Order, newly revised.

E) Additional Liability In addition to any other obligation set forth in these Bylaws, each Unit Owner shall be liable to the Association or to any affected Unit Owner for the expense of all maintenance, repair or replacement rendered necessary by such Unit Owner's act, neglect or carelessness, or the act, neglect or carelessness of any member of such Unit Owner's family, or such Unit Owner's guests, invitees, tenants, agents or employees, but only to the extent that such expense is not covered by an insurance policy carried by the Association. Such liability shall include any increased casualty insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation. Any costs, including without limitation legal fees, incurred as a result of a failure to comply with the Condominium Act, Condominium Instruments (Declaration and these Bylaws) and the Rules and Regulations by any Unit Owner (or any member of such Unit Owner's family or such Unit Owner's guests, invitees, tenants, agents or employees) may be assessed against such Unit Owner's Unit.

F) No waiver of rights The failure of the Association, the Board of Directors, the Executive Committee or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Instruments (Declaration or these Bylaws), the Rules and Regulations or the Condominium Act shall not constitute a waiver of the right of the Association, the Board of Directors, the Executive Committee or the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors, the Executive Committee or any Unit Owner pursuant to any term, provision, covenant or condition of the Condominium Instruments, the Rules and Regulations or the Condominium Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Condominium Instruments, the Rules and Regulations or the Condominium Act or at law or in equity.

G) Abating and Enjoining Violations by Unit Owners The violation of any of the Rules and Regulations adopted by the Board of Directors, the breach of any provision of the Condominium Instruments (Declaration or these Bylaws) or the Condominium Act shall give the Board of Directors (or the Executive Committee pursuant to its right to carry out the powers of the Board of Directors and the Association) the right, in addition to any other rights set forth in these Bylaws: (i) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors or the Executive Committee, or their respective individual members, shall not thereby be

deemed guilty in any manner of trespass; (ii) to use self-help to remove or cure any violation of the Common Elements or in any Unit; or (iii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, continuance of any breach.

H) Condominium Act Where the Condominium Act is referred to in these Bylaws the term is used to reference Chapter 47C of the North Carolina General Statutes as well as each and every section of chapter 47 of the North Carolina General Statutes applicable pursuant to NCGS 47C-1-102.

## **ARTICLE X**

### Amendments to Bylaws

A) To amend these Association Bylaws the following procedure shall be followed:

1. Any Member may make a request, in writing, to the Board of Directors of the Association through the Executive Committee setting forth the proposed amendment for consideration. The Executive Committee shall review the proposed amendment for compliance with applicable law.

2. Upon receipt of such a request, notice of the proposed amendment will be included in the notice of the next meeting of the Board of Directors.

3. A motion to adopt such amendment shall be made by a member of the Board of Directors. The author of the amendment shall be granted the right to speak in support of such amendment. Directors not present may vote by proxy (vote by a Member of the Board of Directors through another person designated to do so on his/her behalf, such designation being made in writing and filed with the Secretary of the Association at or prior to the meeting) Any such proposed amendment will only be adopted in the event of the following vote results:

a. Not less than sixty-six and two-thirds percent (66.7%) of the entire Membership of the Board of Directors and not less than sixty-six and two-thirds percent (66.7%) of the Members of the Association by written ballot distributed to the Membership not less than thirty (30) days before the date of the meeting considering the amendment, or

b. In the event a proposed amendment is not approved by the Board of Directors by at least a two-thirds vote (66.7%), the amendment shall become effective if it is approved by written ballot of not less than eighty percent (80%) of Members. These written ballots must be received by the Crowfields Management Office in time for the Board of Directors meeting at which the amendment is to be considered.

B) All Members shall be bound to abide by any amendment upon same being passed and duly set forth in a written amendment duly recorded in the Buncombe County, North Carolina, Public Registry.

C) No future amendment to the Bylaws of this Condominium Association shall be retroactive to the extent that any mortgage or deed of trust executed on any Condominium Unit shall in any way be affected unless the lending institution, or holder of the note secured by the mortgage or deed of trust, agrees in writing to the terms of such amendment.

## **ARTICLE XI**

### Leases and Sales

In order to assure a community of congenial residents and thus protect the value of the Condominium Units, the leasing of a Condominium Unit by an Owner shall be subject to the following provisions:

#### SECTION 1. Renting or Leasing of Units.

A. Units may be rented only in their entirety; no fraction or portion may be rented.

B. No more than ten percent (10.0%) to be interpreted as no more than 19 of the total 192 Units existing at the time of adoption of this Article XI, and known as the "Maximum Leasing Limit" of all of the Units in the Condominium Community may collectively be leased at any one time. Subject to such percentage limitation, all leases are subject to the approval by the Executive Committee which approval shall not be unreasonably withheld. Upon presentation of a proposed lease for approval, the Executive Committee shall determine the number of Units in the Condominium Community which are leased at that time and shall not approve any lease that causes the number of Units leased to exceed the Maximum Leasing Limit. In any event and notwithstanding anything else in this Section 1 to the contrary: 1) no Unit Owner may occupy one Unit and lease a different Unit to a third party at the same time, 2) no Unit may be leased if the Owner of such Unit occupies another Unit in the Condominium, 3) no Unit Owner may lease (as lessor or lessee) more than one Unit in the Condominium at any one time (as lessor or lessee), 4) no Unit may be leased by its Owner (as lessor) if such Owner leases (as lessor or lessee) any other Unit in the Condominium, and 5) no Unit may be leased more than one time in any twelve month period, for a term of not more than six months duration.

C. Notwithstanding the above but subject to Section 4 of this Article XI below, the requirements and restrictions of this Section 1 shall not apply to any lease of a Unit by a Family Member to another Family Member. For purposes of this Section 1 a "Family Member" shall mean a Unit Owner's spouse, sibling, child or parent.

D. "Leasing" for purposes of this Declaration is defined as regular occupancy of a Unit by any person other than the Owner for which the Owner receives any consideration or benefit, including a fee, service, gratuity, or emolument. Any leased

Unit must also comply with an occupancy limit of no more than four (4) persons per Unit.

E. All leases and lessees are subject to the provisions of the Declaration, Bylaws, and Rules and Regulations of the Association (“Governing Instruments”). The Unit Owner must make available to the tenant copies of the Governing Instruments. Any lease of a Unit in the Condominium Community shall be deemed to contain the following provisions, whether or not expressly stated therein, and each Owner covenants that if such language is not incorporated into a lease they shall nevertheless apply to the Unit (and any lessee, by the occupancy of a Unit, hereby agrees to such application):

“Compliance with Declaration, Bylaws and Rules and Regulations. Lessee agrees to abide by and comply with all provisions of the Declaration, Bylaws and Rules and Regulations adopted pursuant thereto (the “Governing Instruments”) of the Crowfields Condominium Community. Owner agrees to cause all occupants of his or her Unit to comply with the Governing Instruments, and is responsible for all violations and losses caused by such occupants, notwithstanding the fact that such occupants of the Unit are fully liable and may be sanctioned for any violation of the Governing Instruments. In the event that the Lessee, or a person living with the Lessee, violates any of the Governing Instruments for which a fine is imposed, such fine shall be assessed against the Owner. Unpaid fines constitute a lien against the Unit in accordance with the Governing Instruments. Any Owner whose lessee is charged with a violation of the Governing Instruments, is entitled to the same procedure prior to the imposition of a fine or other sanction as is due to any Owner.

Any violation of the Governing Instruments, is deemed to be a violation of the terms of this Lease and authorizes the Owner to terminate this Lease and to evict the Lessee in accordance with North Carolina law. The Owner hereby delegates and assigns to the Association the power and authority to evict the Lessee on behalf of and for the benefit of the Owner, in accordance with the terms hereof, and in such event, any costs, including attorney’s fees actually incurred and court costs associated with the eviction, shall be assessed against the Unit and the Owner thereof as a limited common expense”.

## SECTION 2. Transient Use and Prohibition on Time Sharing.

Transient use of a Unit is prohibited. Transient use shall include, but not be limited to, short term use by employees of any entity that is Owner of a Unit and short term repetitive use by friends or relatives of an Owner. Short term shall mean use of a Unit which is less than a year in duration.

Timeshares and timeshare-like arrangements are prohibited. Timeshare is defined as a right to occupy a Unit or any of several Units during five or more separate time periods over a period of at least five years, including renewal thereof, including, but not limited to, a vacation license, prepaid hotel reservation, club membership, limited partnership, vacation bond, or a plan or system where the right to use is awarded or apportioned on the basis of points, vouchers, split, divided or floating use.

Timeshare-like arrangements that include, but are not limited, to multi-party purchasing and use schemes but which do not fit within the North Carolina statutory definition of timeshares, are also prohibited. By way of illustration but not limitation, an Owner is prohibited from setting up a timeshare arrangement in which one Owner is named as Grantee on the deed but that Owner arranges dates of separate occupancy and use for other individuals. It is furthermore prohibited for multiple Owners as tenants in common to divide up the occupancy of the Unit on any time-based formula. If an Owner or group of Owners devises a timeshare-like arrangement that does not meet the North Carolina statutory definition of a timeshare, such arrangement is, in any event, prohibited.

### SECTION 3. Notice of Lease.

Any Owner intending to lease his or her Unit shall give notice in writing to the Executive Committee of such intention pursuant to Section 1 above. If approved by the Executive Committee as set forth in Section 1, and the Unit becomes leased the Unit Owner who leases his or her Unit shall provide to the Executive Committee a copy of the signed lease within fifteen days after its execution. Failure to provide a copy of the executed lease will result in the imposition of a fine against the Owner. The Executive Committee shall have authority to make and to enforce reasonable rules and regulations in order to enforce this provision, including the right to impose fines.

### SECTION 4. 55 and Over Requirement.

Notwithstanding anything else in this Article XI to the contrary (and understanding that the terms of this Section 4 shall take precedence over the terms of this Article XI), all Unit leases must be approved in accordance with the terms of Article VII (C) of the Bylaws ("Intent to Operate as Housing Designed for Persons Who Are 55 Years Of Age Or Older"), and no occupancy of a Unit pursuant to a proposed lease shall be permitted or approved by the Executive Committee if no occupant of the Unit pursuant to such lease is 55 years of age or older, unless the Executive Committee authorizes such occupancy in accordance with the terms of Article VII (C) of these Bylaws.

### SECTION 5. Applicability.

The terms of all of the Sections of this Article XI shall apply uniformly to all Units and Unit Owners in Crowfields except that unless otherwise set forth in this Section 5 below, Subsection B. of Section 1, and the Executive Committee approval provisions of the first two sentences of Section 3 of this Article XI, shall not apply to any Unit in Crowfields Condominium until such Unit has been transferred by the Unit Owner as of the date of adoption of this Article XI to a third party, whether by grant, devise or otherwise. Notwithstanding the first sentence of this Section 5:

- a. If a Unit is owned by more than one individual as of the date of adoption of this Article XI, conveyances of undivided interests between such common owners shall not be considered a transfer by grant, devise or otherwise for purposes of this Section 5; and

- b. Transfers by or to the legal spouse of the Unit Owner shall not be considered a transfer by grant, devise or otherwise for purposes of this Section 5; and
- c. If a Unit was leased as of February 15, 2008, in the event that such Unit is thereafter transferred to a third party who does not occupy the Unit, the transfer shall not be considered a transfer by grant, devise or otherwise for purposes of this Section 5, unless such Unit owner thereafter occupies the Unit; and
- d. If a Unit is owned by a non-human entity (such as, without limitation, a corporation, partnership or limited liability company), the transfer of any stock, partnership, membership or other ownership interest in such entity by any shareholder, partner, member or other owner (as the case may be) shall be considered a transfer by grant, devise or otherwise for purposes of this Section 5, unless such transfer is to the legal spouse of such transferor, or to a person who is an existing shareholder, partner, member or owner of such entity immediately prior to such transfer (as the case may be), and
- e. The last sentence of Subsection b. of Section 1 of this Article XI shall not apply to anyone who, as of February 15, 2008 owns more than one Unit in the Condominium, however the provisions of such sentence shall apply to any Unit acquired by any such Unit owner after February 15, 2008.

Amended April 2013

## Bylaws - Article VI. Section C, Exhibit "A"

### Fee and Assessment Percentages

**Bold Type: Percentage of Management Fee allocated to each Cluster.**

Regular Type: Unit owner's percentage of Cluster fees and assessments, as established by each Cluster's Declaration of Condominium. (Compared and corrected November 2008)

<b>Cluster A</b>	<b>2.3404%</b>		<b>Cluster G</b>	<b>2.9196%</b>		<b>Cluster M</b>	<b>3.2022%</b>
A1/100	19.25%		G1/507	16.13%		M1/546	16.18%
A2/101	20.13%		G2/508	16.13%		M2/547	16.18%
A3/102	22.15%		G3/509	17.74%		M3/548	17.64%
A4/103	18.34%		G4/510	17.74%		M4/549	17.64%
A5/104	20.13%		G5/511	16.13%		M5/550	16.18%
			G6/512	16.13%		M6/551	16.18%
<b>Cluster B</b>	<b>2.8314%</b>						
B1/300	16.635%		<b>Cluster H</b>	<b>2.8995%</b>		<b>Cluster N</b>	<b>3.2493%</b>
B2/301	16.635%		H1/513	16.129%		N1/540	15.9416%
B3/302	18.300%		H2/514	16.129%		N2/541	17.3917%
B4/303	15.160%		H3/515	17.742%		N3/542	17.3918%
B5/304	16.635%		H4/516	17.742%		N4/543	17.3917%
B6/305	16.635%		H5/517	16.129%		N5/544	15.9416%
			H6/518	16.129%		N6/545	15.9416%
<b>Cluster C</b>	<b>3.2822%</b>						
C1/200	14.354%		<b>Cluster I</b>	<b>2.4958%</b>		<b>Cluster O</b>	<b>2.1662%</b>
C2/201	14.354%		I1/519	18.866%		O1/536	23.87%
C3/202	13.078%		I2/520	20.756%		O2/537	26.13%
C4/203	15.790%		I3/521	20.756%		O3/538	26.13%
C5/204	14.354%		I4/522	20.756%		O4/539	23.87%
C6/205	13.716%		I5/523	18.866%			
C7/206	14.354%					<b>Cluster P</b>	<b>3.2493%</b>
			<b>Cluster J</b>	<b>2.072%</b>		P1/530	15.9416%
<b>Cluster D</b>	<b>2.8113%</b>		J1/600	25%		P2/531	17.3917%
D1/207	16.760%		J2/601	25%		P3/532	17.3918%
D2/208	16.760%		J3/602	25%		P4/533	17.3917%
D3/209	15.269%		J4/603	25%		P5/534	15.9416%
D4/210	18.436%					P6/535	15.9416%
D5/211	16.015%		<b>Cluster K</b>	<b>2.072%</b>			
D6/212	16.760%		K1/604	25%		<b>Cluster Q</b>	<b>3.2493%</b>
			K2/605	25%		Q1/524	15.9416%
<b>Cluster E</b>	<b>2.3605%</b>		K3/606	25%		Q2/525	17.3917%
E1/213	19.956%		K4/607	25%		Q3/526	17.3918%
E2/214	19.956%					Q4/527	17.3917%
E3/215	21.951%		<b>Cluster L</b>	<b>3.2022%</b>		Q5/528	15.9416%
E4/216	18.181%		L1/552	16.18%		Q6/529	15.9416%
E5/217	19.956%		L2/553	16.18%			
			L3/554	17.64%		<b>Cluster R</b>	<b>3.2493%</b>
<b>Cluster F</b>	<b>3.3704%</b>		L4/555	17.64%		R1/400	15.9416%
F1/500	13.975%		L5/556	16.18%		R2/401	17.3917%
F2/501	13.975%		L6/557	16.18%		R3/402	17.3918%
F3/502	15.373%					R4/403	17.3917%
F4/503	15.373%					R5/404	15.9416%
F5/504	13.975%					R6/405	15.9416%
F6/505	13.354%						
F7/506	13.975%						

<b>Cluster S</b>	<b>3.2493%</b>		<b>Cluster Y</b>	<b>3.2022%</b>		<b>Cluster DD</b>	<b>1.98%</b>
S1/406	15.9416%		Y1/440	16.18%		DD1/608	26.1905%
S2/407	15.9416%		Y2/441	16.18%		DD2/609	23.8095%
S3/408	17.3917%		Y3/442	17.64%		DD3/610	23.8095%
S4/409	17.3918%		Y4/443	17.64%		DD4/611	26.1905%
S5/410	17.3917%		Y5/444	16.18%			
S6/411	15.9416%		Y6/445	16.18%		<b>Cluster EE</b>	<b>3.2964%</b>
						EE6/700	15.7144%
<b>Cluster T</b>	<b>3.2493%</b>		<b>Cluster Z</b>	<b>3.2022%</b>		EE5/701	17.1428%
T1/412	15.9416%		Z1/446	16.18%		EE4/702	17.1428%
T2/413	17.3917%		Z2/447	16.18%		EE3/703	17.1428%
T3/414	17.3918%		Z3/448	17.64%		EE2/704	17.1428%
T4/415	17.3917%		Z4/449	17.64%		EE1/705	15.7144%
T5/416	15.9416%		Z5/450	16.18%			
T6/417	15.9416%		Z6/451	16.18%		<b>Cluster FF</b>	<b>3.2964%</b>
						FF6/706	15.7144%
<b>Cluster U</b>	<b>3.2964%</b>		<b>Cluster AA</b>	<b>4.3324%</b>		FF5/707	17.1428%
U1/418	16%		AA1/452	11.9565%		FF4/708	17.1428%
U2/419	17%		AA2/453	11.9565%		FF3/709	17.1428%
U3/420	17%		AA3/454	13.0435%		FF2/710	17.1428%
U4/421	17%		AA4/455	13.0435%		FF1/711	15.7144%
U5/422	17%		AA5/456	13.0435%			
U6/423	16%		AA6/457	13.0435%		<b>Cluster GG</b>	<b>3.2493%</b>
			AA7/458	11.9565%		GG6/712	15.9420%
<b>Cluster V</b>	<b>3.2022%</b>		AA8/459	11.9565%		GG5/713	15.9420%
V1/424	16.18%					GG4/714	17.3913%
V2/425	16.18%		<b>Cluster BB</b>	<b>2.6842%</b>		GG3/715	17.3914%
V3/426	17.64%		BB1/460	19.2982%		GG2/716	17.3913%
V4/427	17.64%		BB2/461	19.2982%		GG1/717	15.9420%
V5/428	16.18%		BB3/462	21.0527%			
V6/429	16.18%		BB4/463	21.0527%		<b>Cluster HH</b>	<b>2.1662%</b>
			BB5/464	19.2982%		HH4/718	23.913%
<b>Cluster W</b>	<b>2.072%</b>					HH3/719	26.087%
<b>W1/430</b>	25%		<b>Cluster CC</b>	<b>3.2964%</b>		HH2/720	26.087%
<b>W2/431</b>	25%		CC1/465	16%		HH1/721	23.913%
<b>W3/432</b>	25%		CC2/466	17%			
<b>W4/433</b>	25%		CC3/467	17%			
			CC4/468	17%			
<b>Cluster X</b>	<b>3.2022%</b>		CC5/469	17%			
X1/434	16.18%		CC6/470	16%			
X2/435	16.18%						
X3/436	17.64%						
X4/437	17.64%						
X5/438	16.18%						
X6/439	16.18%						

Note: In some Cluster Declarations, the unit percentages add to 99.99%. In these cases, the percentages have been proportionately increased in this Exhibit to ensure that 100% of all fees and assessments are collected.

## SCHEDULE 1

**CLUSTER DECLARATIONS OF CONDOMINIUM**

Cluster	Date Declaration Recorded	Location of Declaration & Exhibit C		Location of Exhibits A, B & D	
		Book	Page	Book	Page
A	9/19/72	1068	619	FILE	7-A
B	12/7/72	1073	239	FILE	8
C	5/14/73	1080	573	FILE	2
D	6/11/73	1082	391	FILE	3
E	9/4/73	1086	717	FILE	4-A
F	11/9/73	1090	455	FILE	5
G	1/22/74	1093	721	FILE	6-A
H	4/17/74	1098	209	FILE	9
I	7/1/74	1103	185	FILE	10-A
J	12/21/84	1376	44	FILE	92-A
K	12/21/84	1376	68	FILE	91-A
L	9/25/75	1127	513	FILE	14-A
M	9/25/75	1127	490	FILE	12-A
N	9/25/75	1127	536	FILE	13-A
O	1/26/76	1135	251	FILE	16-A
P	1/26/76	1135	272	FILE	15-A
Q	1/26/76	1135	230	FILE	15-A
R	6/20/77	1167	261	FILE	18-A
S	6/20/77	1167	282	FILE	19-A
T	12/27/77	1181	15	FILE	20-A
U	4/28/78	1188	607	FILE	21-A
V	11/8/78	1203	354	FILE	22-A
W	2/15/79	1210	439	FILE	23-A
X	6/13/79	1219	63	FILE	24-A
Y	9/11/79	1226	29	FILE	25-A
Z	7/22/80	1248	615	FILE	31
AA	4/21/80	1241	697	FILE	28-A
BB	1/23/81	1264	407	FILE	35-A
CC	7/3/81	1275	643	FILE	38-A
DD	12/21/84	1376	20	FILE	93-A
EE	12/9/83	1340	18	FILE	72-A
FF	9/30/83	1333	844	FILE	67-A
GG	10/22/82	1306	207	FILE	50-A
HH	6/22/82	1297	529	FILE	46-A

Declarations and Exhibits are recorded at the Buncombe County Register of Deeds. To access documents, enter the Register of Deeds Online Real Estate Database and use the Book/Page Tab. "FILE" (no number) is the Condominium Unit Ownership File Book. **Exhibits** are as follows: A - Survey Description of Cluster; B - Building Plans; C - Description of Units; D - Certificate of Architect (may be filed with the Declaration); E - Original Bylaws (superseded by Current Bylaws). Amendments to Declarations are recorded separately. Copies (less Exhibits A, B and D) are maintained in the Crowfields Office.

## **RULES & REGULATIONS OF CROWFIELDS CONDOMINIUM ASSOCIATION**

### **A. GENERAL**

In order that Occupants of Crowfields may have a congenial community, permanent in nature, all Owners of Units, their families, tenants and guests must abide by the following Rules and Regulations as accepted by all Owners and tenants under Article I, B of the Crowfields Condominium Association Bylaws.

1. The Clubhouse, Swimming Pool/Patio areas, lakes, and common areas are reserved for the use of Crowfields Occupants and their guests. For this purpose, Owners are not considered to be Occupants when their Units are rented.

2. Each Occupant is provided a key to the clubhouse, and swimming pool/patio areas for his/her use. This key may not be given to guests under 18 years of age.

3. The Occupant is responsible for his/her guests at all times. House guests over the age of eighteen (18) years are allowed access to the clubhouse, pool/patio and lake fishing facilities, unaccompanied by their host, however, said guests may not escort other guests or guests under eighteen (18) years of age without the host being present.

4. Loud or boisterous activities, especially in the evening, will not be permitted. Consideration should be shown Occupants in Clusters adjacent to the clubhouse and pool/patio areas.

5. Use of the lakes is restricted to Occupants and their invited guests. North Carolina Inland Fishing Regulations govern the use of the lakes. No swimming or boating is permitted in the lakes at any time.

6. Pets of Occupants and guests must be leashed at all times while on the premises and are not allowed in the clubhouse or swimming pool/patio areas.

7. Occupants and their guests or individuals from any outside organizations or companies may not solicit or distribute literature in Crowfields for commercial, political or fund raising purposes.

8. The discharge of firearms of any type is not allowed at any time and for any purpose within the common grounds of Crowfields.

9. Copies of the Crowfields Condominium Association Rules and Regulations, and the Crowfields Association Owner's Guide are given to each Owner to help answer questions concerning the use of the facilities and grounds.

## **B. CLUBHOUSE**

1. The Clubhouse will be available for use from 9:00 a.m. until 11:00 p.m.
2. The Management Office, located in the Clubhouse, will be open from 8:30 a.m. to 4:00 p.m., or as posted.
3. The Clubhouse will be locked at all times except when a scheduled activity is in progress.
4. Occupants and guests are expected to demonstrate mature and courteous conduct while in and around the Clubhouse.
5. Proper attire is required in the Clubhouse. No bathing suits or bare feet will be permitted. Gentlemen must wear a shirt at all times.
6. Smoking will not be permitted in the Clubhouse building.
7. Occupants may use the clubhouse for private and personal functions without charge. In the case of wedding receptions, the bride or groom must be a family member of a Crowfields Occupant. For outside groups including, but not restricted to, civic clubs, outside organizations, church groups, office groups, educational groups, a \$150.00 fee will be charged for the use of the clubhouse even when the Occupant sponsoring the function is a member of said organization. (The above are given merely as examples and there may be additions or deletions made as deemed necessary, however, no political groups can use the clubhouse at any time). Meetings for the dissemination of community and government information will be permitted. Direct fund raising or sales functions are not permitted. All outside group functions must be sponsored by an Occupant who MUST be in attendance at all times. Attendance at functions held by any group must be by invitation only and shall be limited to the number permitted under applicable fire and safety codes. ANY DAMAGE AND/OR REPAIRS AND CLEANING WILL BE THE OWNER'S/OCCUPANT'S RESPONSIBILITY. The clubhouse rules, given to Occupants when reservations are made, apply at all times. There will be no charge for activities sponsored by the Association, however, reservations cannot be confirmed until the indemnification form, available from the Management Office, has been signed.
8. Reservations by Occupants for private functions must be made at the Management Office and are subject to availability of the facilities. The Occupant(s) must return in advance the "Agreement for Clubhouse Reservation" form duly signed and agreeing to the rules and conditions as detailed therein. Arrangements cannot be finalized until the Management Office receives this form. The Occupant sponsoring the function will be responsible for any damage to the clubhouse and for any necessary repair or clean up.
9. All reservations are at the discretion of the Executive Committee.

### C. SWIMMING POOL/PATIO

1. Use of the swimming pool is at the risk of each Occupant and his/her guests. The Crowfields Condominium Association assumes no responsibility for injury to any person. No lifeguard will be on duty at any time. The life buoys and shepherd's crook are to be used only in the event of an emergency.

2. The swimming pool will be open from 9:00 a.m. to 10:00 p.m. during the swimming season.

3. Occupants and guests using the pool should enter through the pool gate using the clubhouse key. The pool gate may not be propped open and MUST remain closed and locked at all times.

4. Occupants and guests are expected to demonstrate mature and courteous conduct while in and around the swimming pool area. Loud and boisterous activities, running or horseplay will not be allowed at any time.

5. Inflatable floats will not be allowed in the swimming pool. Cribs, portable fences or other "baby furniture" will not be allowed in the swimming pool/patio area.

6. Beach jackets or robes and sandals must be worn to and from the pool area. Pool users wishing to use the restrooms may enter the clubhouse in their bathing suits by the door on the right at the top of the steps.

7. For health and sanitary reasons, no one requiring diapers may use the pool.

8. No pool parties are allowed. Guests may not bring guests. No group may reserve the pool or interfere with pool access by residents at any time.

9. A responsible adult must accompany and supervise the conduct of children under the age of 18 at all times when such children are in the pool area.

10. No key to the pool gate shall be taken off the premises by anyone except the unit Owner or Occupant for security reasons.

## D. CLUSTERS AND UNITS

1. Assessments. Members shall promptly pay all authorized assessments levied in monthly or special assessments. Unpaid assessments, upon default, shall bear interest at the legal rate of North Carolina, may be collected by legal action of the Association and shall be a lien upon the individual residential Condominium Unit of the delinquent Member. The lien shall be in force thirty (30) working days after the notice of default (Bylaws Article VI.E).

2. Access to Units. In the case of any emergency threatening his/her Condominium Unit or any other Unit, the Member shall grant the right of entry to the Condominium Community or Association management agent or any other person authorized by the Executive Committee or the Board of Directors, whether the Member is or is not present. All Members must provide the Management Office with a key for this purpose. If a key is not made available and forced entry has to be made, the Owner/Occupant will be responsible for the cost of any necessary repairs. No Owner shall alter any lock or install a new lock on any premises without notifying the Executive Committee or its representative. The Owner must provide the Association with a new key.

3. Unit Maintenance and Alterations.

a. Owners shall maintain Units in a clean and sanitary condition and repair all interior surfaces and fixtures of their Condominium Unit. All plumbing, electrical, and general repairs within a Unit shall be the responsibility of the Owner and shall be paid for by the Owner, e.g., replacing toilet tanks and bowls, cleaning sink traps, cleaning tub drains, replacing and repairing water faucets, redoing toilet bowl seals. Requests for service by the maintenance staff must be submitted to the Management Office. The maintenance staff will assess the job in advance and give the Owner an account of estimated materials and work time.

b. Any work needed on the exterior of a Unit is the responsibility of the Executive Committee and shall be handled through the Management Office. No alterations will be performed on the exterior of a Unit unless it has been approved by the Architectural Review Committee and the Executive Committee.

c. An Owner is responsible for the conduct and activity of any contractor engaged to perform work by such Owner. Approval must be obtained before any structural work or architectural changes commence.

d. Working hours for contractors are Monday to Friday, 8:00 am to 5:00 pm and Saturday, 9:00 am to 4:00 pm. No work will be allowed on Sundays or Crowfields specified holidays (as listed on the cover of the Directory of Residents).

e. Parking of dumpsters or equipment trailers must have approval from the Management Office and the applicable Cluster. Contractors and their workers, staff and subcontractors may only use the two spaces reserved for the Owner of the Unit they are renovating. All other vehicles of the Unit Owner, occupant, contractor and its staff or subcontractors must be parked at the clubhouse during the day (but shall not be permitted to remain parked at the clubhouse overnight).

f. Set up of work areas should be contained to the Unit area and every effort must

be made to minimize dust and debris.

g. Contractors must clean up common areas daily.

h. Unused or surplus materials from work performed for Owners by outside contractors must be removed from Crowfields property by the contractor. Crowfields maintenance yard dumpsters are not to be used for this purpose.

i. Prior to any renovation work being performed in the Crowfields Condominium Community by any Unit Owner or Occupant, the Unit Owner, Contractor and Occupant (if there is an Occupant other than the Owner), shall be required to submit to the Architectural Review Committee a fully executed Responsibility Agreement prior to the commencement of any work. The Responsibility Agreement must be submitted on a form developed and pre-approved by the Executive Committee and Board of Directors. Unless the work approved to be performed in accordance with a completed Responsibility Agreement does not create any noise or disturbances, all work creating noises and disturbances shall be completed within the six month period after the date upon which work commenced. If all work creating any noises or disturbances shall not be complete within such six month period, a fine of \$100 will be levied against the Unit Owner for each day over this six (6) month period for which the work continues, but in any event, all such work creating noise or disturbances shall cease within seven days after the end of such six month period. Compliance with this rule shall be monitored by the Crowfields Property Manager.

j. Maintenance of additions to the original construction of any buildings will be at the expense of the individual Unit Owner having such addition added to the Condominium, except that repainting of each Cluster shall be conducted by the Association at scheduled times, and within the regular budget of the Association.

#### 4. Grounds Maintenance.

a. The Executive Committee of the Board of Directors is responsible for all grounds maintenance, including the planting, replacement and watering of trees, shrubs and grass.

b. The scheduling of maintenance work to be performed by the grounds crew is the sole responsibility of the Property Manager and all requests should be sent to him/her through the Management Office. Do not interfere with the work of individual members of the maintenance crew who receive their assigned tasks for the day from their supervisor.

#### 5. Flower Beds.

a. Owners may plant flower beds at the rear of their units in an area which shall not exceed the rear width of their property and no more than four feet in depth from the edge of the Unit. In all cases, the exact location of beds and suitability of plants to be grown must be approved by Crowfields Property Manager and the Executive Committee before planting is commenced. This is to ensure that the maintenance of common lawns and grounds is not impeded.

b. If an Owner no longer wishes a flower bed or when a Unit is sold and a flower

bed is not required by the new Owner, then the maintenance staff will return the bed to its original condition.

c. Unit Owners who choose to plant flower beds are responsible for maintaining the beds in an aesthetically pleasing manner. Failure to do so may result in corrective measures by the maintenance staff, with labor charges assessed to the Unit Owner.

d. Assistance in the preparation of beds for plants is available by work order request through the Management Office. Unit Owners availing themselves of this service will be charged at the current posted hourly rate.

e. The front foundation plantings may not be altered by Unit Owners. Suggestions for modification of foundation plantings are welcomed by the Grounds Committee and will be considered in the context of cost and compatibility with the area's horticultural design.

f. Owners having questions about grounds maintenance should request the Management Office to arrange for a meeting with the appropriate maintenance personnel.

g. Picking of flowers from the beds in the common areas is prohibited.

h. The grounds maintenance crew has the watering responsibility. Indiscriminate watering can be costly, unnecessary, harmful, and is discouraged.

6. Exterior Regulations.

a. Sidewalks and entrances beyond the front wall of the building or utility yard front enclosure, whichever is furthest from the front door, must not be obstructed in any way to interfere with ingress and egress to and from the premises. Sidewalks and entrances between the front door and the utility yard door may contain a total of any three of the following: no more than one chair or bench the color of which blends with the surroundings, potted flowers, decorative floor ornaments, ornaments on walls, umbrella stand, or hanging basket. No item placed in a utility yard may extend above the height of the fence.

b. Exterior radio, television or dish-type antennas are permitted only after a thorough review by the Architectural Review Committee and the Executive Committee. Applications must be submitted by the Owner or Occupant on a "Responsibility Agreement" form available at the Management Office.

c. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed on any part of the outside or inside (if visible from the outside) of any Unit or Cluster, except in accordance with any uniform rules as established by the Board of Directors. Any sign, advertisement, notice or lettering so displayed in violation of the regulation shall be subject to removal without notice.

d. No building, fence, wall, residence, structure or projection from a structure (whether of a temporary or permanent nature and whether or not such structure shall be affixed to the ground) shall be commenced, erected, maintained, improved, or altered, nor shall any grading, excavating, change of exterior color or other modification which in any way alters the

exterior appearance of any Unit or improvement be done without prior written approval of the Architectural Review Committee and the Executive Committee regarding the harmony of its exterior design and location to and its effect upon surrounding structures, topography and overall community design of the exterior workmanship. No electric fences or wires may be used as a deterrent to animals on Cluster property.

e. A request for architectural change must be submitted in writing, together with a sketch or drawing and specifications of the materials to be used and a complete bill of materials, for approval by the Architectural Review Committee and the Executive Committee (e.g., skylights, awnings, sunpipes, steplights, etc.) It is the responsibility of the Property Manager to inspect work in process.

The villa add-on roofs will be maintained by the Crowfields maintenance staff, providing the roofs are constructed or modified, at Owner's expense, to be in accordance with specifications on file in the Crowfields Management Office. Policy statement and regulations for requested alterations are available from the Management Office.

f. All refuse must be placed in plastic bags and then in garbage cans supplied by the City of Asheville. All recycled items are to be placed in the blue containers supplied by the City of Asheville.

g. No clotheslines will be permitted outside the utility yard.

h. No garbage cans shall be placed in any common areas, nor shall any lines, cloths, clothing, curtains, beach towels, rugs or mops be shaken or hung from any of the windows, doors or porch balconies.

i. No Occupant shall store or permit to be stored unsightly objects such as lumber, boxes, cartons, broken furniture, ladders, pails, tools, etc. under porch balconies, except fireplace logs which should be stored in a manner not to touch the building wall in order to control vermin.

j. The American flag may be hung on a staff attached to the utility yard fence. Said flag shall be no larger than 6 feet in the long dimension, attached to a staff no larger than 1 inch in diameter and 7 feet long, mounted on a bracket attached to the exterior of the utility yard fence near the Unit entrance and extending outward at an angle between 30 degrees and 75 degrees from the horizontal.

k. No Owner/Occupant shall permit anything to be done to his/her Unit or keep anything in his/her Unit which will increase the insurance rates of other Units of the Cluster.

l. Grills, burners, and any other similar open flame devices are prohibited on any deck or under any deck or roof or within 10 feet of any combustible surface. Grills in the utility areas must be one of the following: propane cooking devices with capacity no greater than one pound, electric grills, or natural gas appliances installed in accordance with the manufacturer's instructions and requiring a mechanical permit. Only propane gas containers and cooking devices with capacities of no greater than one pound may be stored inside a Unit. In the event noncompliance causes a loss, Crowfields will hold the Owner financially responsible in order to

recover costs including the insurance deductible.

7. Radon. Any and all costs for radon remediation shall be the responsibility of the Unit Owner.

8. Mold and Water Damage.

a. Maintenance Protocols and Procedures. Crowfields Condominium Association, in order to better protect the common interests of the owners, employs best management practices and has protocols and procedures in place to specifically address the inspection, upkeep, repair and replacement of all stormwater related infrastructure, the inspection and upkeep of all replacement of all sub-grade spaces; and the Association's responsibility to take action irrespective of any financial responsibility. These protocols and procedures cover storm sewers, storm drains, gutters, downspouts, crawlspaces, basements, etc., and are maintained as a Standard Procedure in the Crowfields Operational Manual.

b. Financial Responsibility.

If visible moisture is found in the crawlspace or basement of a Unit and the source of the moisture is determined to be from within the "owned apartment spaces" (per Crowfields Declaration of Unit Ownership, Item 1 a.) and is under the control of the resident, then the Unit Owner will be the responsible party and will pay the remediation costs.

If the source of the moisture is from the "multi-family structure" or the "common areas and facilities" (per Crowfields Declaration of Unit Ownership, Item 1 b., and Association administrative policies) then the Cluster will be the responsible party and the remediation costs will be recovered by a special assessment to the Cluster.

If the source of the moisture is from those "common areas and facilities" that were transferred into the custody, care and control of the Association (per Crowfields Bylaws Article V, Part A, and Association administrative policies) then the Association will be the responsible party and the remediation costs will be recovered by a special assessment to the Community.

If any mold growth should occur in the absence of visible moisture or from a source of moisture outside of the control of the Association then the Unit Owner will be the responsible party and assume all remediation costs.

## E. VEHICLES

1. Occupants shall not park and shall not permit their guests and other invitees to park any vehicles other than private passenger vehicles in any part of the common areas and facilities.

2. Approved vehicles: private passenger vehicles such as two and four door sedans, station wagons, sports utility vehicles, passenger mini-vans, not containing housekeeping facilities and two door sports cars that are vehicles as built and sold by the original manufacturer and of an acceptable appearance and properly maintained. The Executive Committee reserves the right to have any vehicle in violation of Crowfields Rules & Regulations towed at the owner's expense. No modification of the exhaust system of any vehicle from the E.P.A. standards under which the original manufacturer was permitted to manufacture and market the vehicle, will be permitted to operate within the Crowfields Condominium Community property.

3. It is recognized by the Board of Directors that there will be occasions arising when a non-permitted vehicle will have to be parked on the common grounds for a reasonably short period of time. It is the responsibility of the Occupant involved to ensure that the vehicle does not remain beyond a reasonable length of time and arrange to have it removed. Occupants expecting guests who will have non-permitted vehicles and plan to remain an extended period of time, full day or overnight, should contact the Management Office for recommendations on where to park a non-permitted vehicle. In consideration for those Occupants who may require outside care for illness, a permit for parking non-permitted vehicles in designated parking areas may be requested from the Management Office.

4. If an owner or occupant owns three vehicles, an arrangement must be made and confirmed by the owner or occupant for the permanent parking of the third vehicle, prior to such third vehicle being brought onto the Crowfields Condominium Community property.

5. Occupants may not use visitor parking spaces for permanent parking either outside clusters or at the clubhouse. Two spaces in the clubhouse parking lot have been designated for short-term parking of no more than four weeks. If short-term parking for a third car is required, requests to use these spaces should be made through the Property Manager. When an application is submitted occupants will be required to sign a form agreeing to remove the vehicle no later than the date specified or be responsible for any fees incurred in having it towed. Vehicles may not be parked until this approval has been received.

6. Vehicle maintenance may not be performed outside the Units or in common areas, with the exception that an Occupant or member of his/her immediate family may wash or polish their permitted vehicle in the immediate vicinity of their Unit.

7. All speed limit and stop signs in Crowfields shall be observed for the protection of all Occupants.

**F. PETS.** No dog, cat or other household pet shall be allowed to run at large in the common areas. Dogs and cats must be kept on a leash and under the full control of the owner, occupant, guest or visitor when outside in the common or cluster areas. Such owner, occupant, guest or visitor is required to clean up after the pet. One dog, or one or two indoor cats, or one dog and one indoor cat, weighing not more than 25 pounds each, fully grown, will be permitted in each unit. Guests do not have to have prior approval of pets, but are expected to abide by all the Rules and Regulations. A resident shall receive a waiver of the limitations of this rule regarding pet size from the Executive Committee if for a trained dog which assists a handicapped resident. Other pets are allowed only at the discretion of the Executive Committee. All pets on the premises must have up-to-date required inoculations.

**G. MINORS**

For the purpose of this paragraph the definition of a permanent Occupant is a person who will be occupying any Condominium Unit within Crowfields Condominium Community, either as an Owner, or under any other occupancy, for a period of fifteen (15) consecutive days or thirty (30) days cumulative.

It is intended that the Crowfields Condominium Community be in full compliance with the Federal Housing and Urban Development laws and regulations governing 55-or-older housing. So long as Crowfields Condominium Community is in compliance with such laws and regulations and is therefore "Housing for Older Persons", no permanent Occupant of any Condominium Unit within Crowfields Condominium Community shall be less than eighteen (18) years of age. No children under eighteen (18) years of age shall be allowed to reside or visit within a Condominium Unit for more than fifteen (15) consecutive days, or thirty (30) cumulative days in any one (1) calendar year, except with the express prior and written consent of the Executive Committee.

**H. PERSONAL BEHAVIOR.** No immoral, improper, offensive or unlawful use shall be made of any of the common grounds and all valid laws, ordinances and regulations of all governmental bodies having jurisdiction shall be observed. No Owner shall make or permit any disturbing noises in the building by himself, his/her family, tenants, employees, agents or visitors, nor do or permit anything by such persons that will interfere with the rights, comforts or convenience of other Occupants. No Occupant shall operate a tape deck, CD player, television set, radio or musical instrument in his/her Unit between the hours of eleven (11) p.m. and the following morning before eight (8) a.m. at a level of loudness that shall disturb Occupants of other Units. No Occupant shall give or permit to be given vocal or instrumental instructions at any time in his/her Unit. Grievances that cannot be resolved by the parties involved must be referred to the Property Manager.

**I. APPLICATION FOR RESIDENCY.** All proposed Occupants of any Condominium Unit shall make application for occupancy to the Executive Committee. Occupancy, remodeling or renovation shall not be permitted prior to approval of any such application by the Executive Committee in consideration of the requirements of Article VII, Section C of the Bylaws of the Association and "Cluster and Units" Section D 6e of these Rules and Regulations.

## **J. USE OF UNIT**

1. All Units shall be utilized only for permanent residential purposes by a single household with no member less than eighteen (18) years of age. Units are not to be used as a business address.

2. A Unit Owner who is exempt from the provisions of Bylaws Article XI may not rent or lease his/her Unit more than twice in a calendar year. An Owner may not allow a Unit to be subleased. All lessees must be approved by the Executive Committee before the lease is signed pursuant to Crowfields Bylaws Articles VII C. and XI.

**K. CONVEYANCE OF INDIVIDUAL UNITS.** In the event of the sale or lease of a Unit and after an application for occupancy has been approved by the Executive Committee pursuant to Article VII, Section C of these Bylaws and these Rules and Regulations, the Management Office shall issue a "Consent of Sale or Lease" form. This form is then recorded at the Buncombe County Courthouse and must be on record when a Unit is sold.

## **L. POLICY REGARDING RE-SALES OF CROWFIELDS CONDOMINIUMS**

1. Open houses and posting of "For Sale" signs are not permitted.

2. No Crowfields employee may engage in the sale of Crowfields Units.

3. The Property Manager may help Owners with information on recent sale prices and appraisal/tax valuation, which is available in Crowfields Management Office.

4. Prospective Occupants (whether purchasers or lessees) who contact the Management Office, or submit an application, shall be provided with a standard "package" which shall include a brochure, Crowfields map, floor plans, maintenance fees, a list of Units currently on the market and a notification statement indicating that the Crowfields Condominium Community is intended to operate as housing for persons 55 years of age or older.

## **M. DEFAULTS, DELINQUENCIES AND LATE PAYMENTS**

1. If a Unit Owner shall be in default in the payment of an assessment, such unpaid assessment may be collected by the Association pursuant to the provisions of Section 47A-22 of the General Statutes of North Carolina and any other applicable North Carolina statute.

2. All unpaid assessments shall bear interest at the legal rate of North Carolina beginning thirty (30) days after the assessments become due, may be collected by legal action of the Association and shall be a lien upon the individual residential Condominium Unit of the delinquent Member in accordance with North Carolina Condominium law. Delinquent Owners shall be liable for costs to the Association, including reasonable attorney's fees for collection of such unpaid assessments pursuant to Crowfields Bylaws Article VI, Section E.

3. Payments of Assessments (the Cluster Reserve Fee, the Community Fee and the Management Fee) shall be due in twelve (12) consecutive monthly installments, each of which shall be due on the first day of each calendar month during the budget year. Each such installment shall be considered overdue and delinquent as of the close of Crowfields' posted

business hours on the 10th day of each calendar month (and in the event the 10th day of a calendar month shall fall on a day when the Crowfields' office is closed, then on the next day of such calendar month in which the Crowfields' office is open for business). If such delinquency occurs, a late fee not to exceed the greater of twenty dollars (\$20.00) per month or ten percent (10%) of any assessment installment unpaid will be assessed and added to the payment due for the following month.